## BILL ANALYSIS

Senate Research Center

H.B. 463 By: Flores (Carona) Business & Commerce 5/9/2007 Engrossed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires a person to have three years of experience in the heating, ventilation, air conditioning, and refrigeration (HVACR) industry in order to qualify for an HVACR contractor license. However, there is no mechanism for the Texas Department of Licensing and Regulation (TDLR) to verify the length of time a technician has been engaged in the HVACR industry.

H.B. 463 requires air conditioning technicians to register annually with TDLR. Technicians will receive an identification card noting their status as a registered HVACR technician. This bill requires TDLR to conduct criminal background checks of all technicians who register, at the time of initial registration, and annually as registrations are renewed. This bill will bring the HVACR industry more in line with the recognized structures of other trades such as plumbing and electrical contractors.

## **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the executive director of the Texas Department of Licensing and Regulation in SECTION 6 (Section 1302.502, Occupations Code) and to the Texas Commission of Licensing and Regulation in SECTION 6 (Section 1302.506, Occupations Code) of this bill.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1302.002, Occupations Code, by adding Subdivisions (5-a), (5-b), and (17) to define "air conditioning and refrigeration technician," "certified technician," and "registered technician."

SECTION 2. Amends Section 1302.101, Occupations Code, by adding Subsection (e), to authorize the Texas Department of Licensing and Regulation (TDLR) to examine any criminal conviction, guilty plea, or deferred adjudication of an applicant for issuance or renewal of a license, including by obtaining any criminal history record information permitted by law.

SECTION 3. Amends Section 1302.263, Occupations Code, as follows:

Sec. 1302.263. New heading: LIMITATION ON LICENSE HOLDER OR REGISTERED TECHNICIAN. Prohibits a person licensed under this chapter (Air Conditioning and Refrigeration Contractors) from using the services of a person who is not a registered technician or a licensed air conditioning and refrigeration contractor (contractor) to assist in the performance of air conditioning and refrigeration maintenance work.

SECTION 4. Amends Section 1302.401(a), Occupations Code, to provide that a person is subject to the denial of an application, imposition of an administrative penalty under Subchapter F (Administrative Penalty), Chapter 51, or disciplinary action under Section 51.353 (Administrative Sanctions) if the person violates this chapter, a rule adopted under this chapter, or a municipal ordinance adopted under Section 1302.303 (Municipal Air Conditioning and Refrigeration).

SECTION 5. Amends Section 1302.402, Occupations Code, to provide that a proceeding for the denial of a license or registration application or disciplinary action and an appeal from that proceeding are governed by Chapter 2001 (Administrative Procedure), Government Code.

SECTION 6. Amends Chapter 1302, Occupations Code, by adding Subchapter K, as follows:

SUBCHAPTER K. AIR CONDITIONING AND REFRIGERATION TECHNICIANS

Sec. 1302.501. REGISTRATION REQUIRED. (a) Prohibits a person from acting or offering to act as an air conditioning and refrigeration technician (technician) unless the person is registered under this subchapter.

(b) Provides that a registration is valid throughout the state.

Sec. 1302.502. RULES. Requires the executive director of TDLR (executive director) to adopt rules to provide for technician registration and to establish fees for registration.

Sec. 1302.503. SUPERVISION REQUIREMENTS FOR REGISTRANTS. Requires a technician to be supervised by a contractor licensed under this chapter.

Sec. 1302.504. APPLICATION; FEE. (a) Requires an applicant to submit an application on a form prescribed by the Texas Commission of Licensing and Regulation (commission).

(b) Requires the completed application to be accompanied by the application fee.

Sec. 1302.505. ISSUANCE AND TERM OF REGISTRATION. (a) Requires TDLR, on receipt of a completed application, to register an applicant who meets the requirements of this subchapter.

(b) Provides that a registration is valid for one year from the date of issuance.

Sec. 1302.506. TEMPORARY REGISTRATION. (a) Authorizes an applicant to request a temporary registration. Requires the executive director to issue a temporary registration that expires on the 21st day after the date of issuance to an applicant who meets the qualifications for temporary registration.

(b) Requires the commission to adopt rules providing for the issuance of a temporary registration under this section, including the qualifications and fee required for the registration.

Sec. 1302.507. RENEWAL OF REGISTRATION. Requires a technician to submit a renewal request to the executive director on a specific form and to pay the required renewal fee in order to renew a registration.

Sec. 1302.508. CERTIFIED TECHNICIAN. Authorizes a technician to be certified by TDLR and use the designation "certified technician" once certain steps are followed.

SECTION 7. Requires TDLR to adopt rules implementing Subchapter K, Chapter 1302, Occupations Code, as added by this Act, not later than December 31, 2007.

SECTION 8. (a) Effective date, except as provided by Subsection (b) of this section: September 1, 2007.

(b) Effective date, Sections 1302.501 and 1302.503, Occupations Code, as added by this Act: June 30, 2008.