## **BILL ANALYSIS**

C.S.H.B. 463
By: Flores
Licensing & Administrative Procedures
Committee Report (Substituted)

#### **BACKGROUND AND PURPOSE**

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 a 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.

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

#### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Licensing & Regulation in SECTION 6 and SECTION 7 of this bill.

#### **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 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. Adds subsection (1) and makes conforming changes. Adds rew subsection (2) prohibits a person licensed under this chapter from using the services of a person who is not a registered technician or a licensed air conditioning and refrigeration 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, Chapter 51, or disciplinary action under Section 51.353 if the person commits certain violations.

SECTION 5. Amends Section 1302.402, Occupations Code, to specify 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, Government Code.

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

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#### SUBCHAPTER K. AIR CONDITIONING AND REFRIGERATION TECHNICIANS

Sec. 1302.501. REGISTRATION REQUIRED. Prohibits a person from acting or offering to act as an air conditioning and refrigeration technician unless the person is registered under this subchapter. Provides that a certificate is valid throughout the state.

Sec. 1302.502. RULES. Requires the executive director of the Texas Department of Licensing and Regulation to adopt rules providing for the registration of technicians as prescribed by this subchapter, and establishing fees for issuance and renewal of a registration under this subchapter.

Sec. 1302.503. SUPERVISION REQUIREMENTS FOR REGISTRANTS. Requires an air conditioning and refrigeration technician to be supervised by an air conditioning and refrigeration contractor licensed under this chapter.

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

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

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

(b) Provides that a registration is valid for one year.

Sec. 1302.506. TEMPORARY REGISTRATION. (a) Provides that an applicant for registration may request a temporary registration, and requires the executive director to issue to an applicant who meets the qualifications a temporary registration that expires on the 21<sup>st</sup> day after its date of issuance.

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

Sec. 1302.507. RENEWAL OF REGISTRATION. Requires a registered technician to complete certain steps in order to renew a registration.

Sec. 1302.508. CERTIFIED TECHNICIAN. Authorizes a registered technician to be certified by the department and use the designation "certified technician" if the registered technician meets certain requirements.

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

SECTION 8. Effective date: September 1, 2007, except Sections 1302.501 and 1302.503, Occupations Code, which take effect June 30, 2008.

### **EFFECTIVE DATE**

September 1, 2007, except Sections 1302.501 and 1302.503, Occupations Code, which take effect June 30, 2008.

# COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B.463 deletes the requirement in Section 1302.502 that the executive director of the Texas Department of Licensing and Regulation adopt rules adopting standards of conduct for registered technicians and license holders under this subchapter.