

BILL ANALYSIS

C.S.H.B. 3069

By: Goolsby

Licensing & Administrative Procedures
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The 78th Regular Legislature passed the Electricians Licensing Act which created a statewide licensing program for electricians. The 79th Regular Legislature then passed HB 1317, which made changes based on the interim recommendations of implementing this new license. This follow up legislation created some concerns in what was defined as electrical work.

Currently, the installation of household appliances is required to be done by a licensed electrician. CSHB 3069 would create a new license for appliance installation and defines what that work includes. This would allow for a licensed individual to provide these services when an electrician is not necessary. In addition, CSHB 3069 adds certain repair services to the existing list of exemptions for the electrician license.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the executive director of the Texas Department of Licensing & Regulation is modified in SECTION 3 and it is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Licensing & Regulation in SECTION 8 of this bill.

ANALYSIS

SECTION 1. Amends Section 1305.002, Occupations Code, by amending Subdivision (12-a) and adding Subdivisions (12-b), (12-c), (12-d), and (12-e) as follows:

(12-a) deletes the definition of "Person" and defines "Residential appliance" to mean equipment that is installed as a unit in a single-family or multifamily dwelling that does not exceed four stories; is directly connected to an electrical circuit; and performs a specific function.

(12-b) defines "Residential appliance installation" to mean electrical work that is limited to the connection or disconnection of a residential appliance to an existing electrical circuit other than by inserting or removing a plug from an electrical outlet.

(12-c) defines "Residential appliance installation contracting" to mean the business of residential appliance installation.

(12-d) defines "Residential appliance installation contractor" to mean a business entity, other than an electrical contractor or electrical sign contractor, that is engaged in residential appliance installation contracting.

(12-e) defines "Residential appliance installer" to mean a person, other than a licensed electrician, who is licensed to perform residential appliance installation.

SECTION 2. Amends Section 1305.003(a), Occupations Code by adding (21) to provide that this chapter does not apply to the maintenance or repair of a residential appliance by a residential appliance dealer or manufacturer or a person authorized by a residential appliance dealer or manufacturer using only components of the same type and ampacity as the original components.

SECTION 3. Amends Section 1305.102(a), Occupations Code, by amending the executive director's existing rulemaking authority to require the executive director to adopt rules for the licensing of residential appliance installers, and residential appliance installation contractors.

SECTION 4. Amends Section 1305.151, Occupations Code, to prohibit a person or business from performing or offering to perform electrical work or residential appliance installation unless the person or business holds an appropriate license issued or recognized under this chapter.

SECTION 5. Amends Subchapter D, Chapter 1305, Occupations Code, by adding Sections 1305.1617 and 1305.1618 as follows:

Sec. 1305.1617. RESIDENTIAL APPLIANCE INSTALLER. Requires an applicant for a license as a residential appliance installer to pass a residential appliance installer examination.

Sec. 1305.1618. RESIDENTIAL APPLIANCE INSTALLATION CONTRACTOR. (a) Requires an applicant for a license as a residential appliance installation contractor to meet certain requirements.

(b) Authorizes a person who holds a residential appliance installer's license issued or recognized under this chapter to only be assigned to a single residential appliance installation contractor, unless the residential appliance installer owns more than 50 percent of the residential appliance installation contracting business.

SECTION 6. Amends Section 1305.166(a), Occupations Code, by adding residential appliance installation contractor to the list of contractors that must display the contractor's business name and the number of the license issued by the executive director on each vehicle owned by the contractor.

SECTION 7. Amends Section 1305.201(a), Occupations Code, by providing that this chapter does not prohibit a municipality or region from regulating electricians or residential appliance installers by enacting an ordinance requiring inspection; offering examinations; issuing municipal or regional licenses; or collecting permit fees for municipal or regional licenses and examinations from electricians and residential appliance installers for work performed in the municipality or region.

SECTION 8. (a) Requires the Texas Department of Licensing and Regulation to issue a residential appliance installer license without examination to a qualified applicant under this section who:

- (1) applied for a license under this section not later than June 1, 2008;
- (2) submitted to the department information required by rules adopted under this section;
- (3) met the experience requirement in Subsection (b) of this section; and
- (4) paid the application fee.

(b) Requires an applicant for a license under this section to have completed at least 4,000 hours of electrical work or residential appliance installation under the supervision of a master electrician or an owner or supervisor of a residential appliance installation contractor.

SECTION 9. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2007.

(b) The change in law made by this Act by the amendment of Section 1305.151, Occupations Code, takes effect March 1, 2008.

EFFECTIVE DATE

September 1, 2007, except for the amendment of Section 1305.151, Occupations Code, which takes effect March 1, 2008.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The original bill defines "appliance"; "appliance installation"; "appliance installation contracting"; "appliance installation contractor" and "appliance installer" while the substitute deletes the definition of "Person" and adds the word "Residential" before "appliance" on the definitions listed above; makes conforming changes.

The substitute modifies the definition of "residential appliance" to mean equipment that is installed as a unit in a single-family or multifamily dwelling that does not exceed four stories.

The substitute also changes the word "system" to "circuit" in the definition of "residential appliance" and in the definition of "residential appliance installation". Lastly, the substitute removes the word "alteration" from SECTION 2. Section 1305.003(a)(21), Occupations Code of the original bill.