BILL ANALYSIS

Senate Research Center 82R18532 SLB-D C.S.S.B. 1244 By: Carona Business & Commerce 4/8/2011 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Heating, Ventilating, and Air Conditioning (HVAC) industry has become increasingly electronic and sophisticated and the governing statute should reflect those changes. Over time the names of courses for air conditioning contractors have changed. There is a need to update the list of courses that are eligible to be considered experience for the purpose of getting a license. Furthermore, statute does not currently require that experience for a license be under a licensed contractor. This can lead to applicants that do not learn to do the job the correct way. There are also many people who perform HVAC work in the military and upon returning home want to get licensed. Military work does not count towards experience for obtaining a license.

Section 1302.255 (Eligibility Requirements), Occupations Code, sets the eligibility requirements for an applicant of an HVAC license.

C.S.S.B. 1244 creates a three-tier license system for air conditioning and refrigeration work; thus allowing more options for those who choose to enter this profession. The three tiers would be air conditioning and refrigeration master, air conditioning and refrigeration technician, and air conditioning and refrigeration trainee. It would amend the educational requirements to bring them in line with current degree offerings and add a Department of Labor-accredited apprenticeship program as qualifying education. Such apprenticeship programs are new to Texas. Finally, the bill makes military services as an HVAC technician applicable to the experience requirement.

C.S.S.B. 1244 amends current law relating to the licensing and regulation of air conditioning and refrigeration contractors and contracting companies, and provides penalties.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Commission of Licensing and Regulation is modified in SECTION 4 (Section 1302.101, Occupations Code) and SECTION 7 (Section 1302.103, Occupations Code) of this bill.

Rulemaking authority previously granted to executive director of the Texas Department of Licensing and Regulation is transferred to the Texas Commission of Licensing and Regulation in SECTION 6 (Section 1302.102, Occupations Code) of this bill.

Rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTION 5 (Section 1302.1011, Occupations Code), SECTION 34 (Section 1302.556, Occupations Code), SECTION 35 (Section 1302.605, Occupations Code), and SECTION 37 of this bill.

Rulemaking authority previously granted to the Texas Commission of Licensing and Regulation is rescinded in SECTION 36 (Sections 1302.261 and 1302.506, Occupations Code) of this bill.

Rulemaking authority previously granted to the executive director of the Texas Department of Licensing and Regulation is rescinded in SECTION 36 (Section 1302.502, Occupations Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends the heading to Chapter 1302, Occupations, Code, to read as follows:

CHAPTER 1302. AIR CONDITIONING AND REFRIGERATION PROFESSIONALS

SECTION 2. Amends Section 1302.001, Occupations Code, to provide that this chapter may be cited as the Air Conditioning and Refrigeration License Law, rather than the Air Conditioning and Refrigeration Contractor Law

SECTION 3. Amends Section 1302.002, Occupations Code, by amending Subdivisions (1), (4), and (5-a) and adding Subdivision (5-c), to redefine "advisory board," "air conditioning and refrigeration master," "air conditioning and refrigeration technician," and to define "air conditioning and refrigeration trainee," respectively.

SECTION 4. Amends Section 1302.101(a), Occupations Code, to require the Texas Commission of Licensing and Regulation (TCLR) to adopt rules for the practice of air conditioning and refrigeration contracting and maintenance work that are at least as strict as the standards provided by the Uniform Mechanical Code, and the International Mechanical Code.

SECTION 5. Amends Subchapter C, Chapter 1302, Occupations Code, by adding Section 1302.1011, as follows:

Sec. 1302.1011. RULES REGARDING AIR CONDITIONING AND REFRIGERATION CONTRACTING COMPANIES. Requires TCLR to adopt rules:

(1) providing for the licensing of persons and entities under this chapter, including requirements for the issuance and renewal of a license;

(2) establishing fees necessary for the administration of this chapter, including fees for issuance and renewal of licenses; and

(3) implementing the requirements of this chapter as applicable to persons, entities, and activities regulated under this chapter.

SECTION 6. Amends Section 1302.102, Occupations Code, as follows:

Sec. 1302.102. INSURANCE REQUIREMENTS. Deletes existing Subsection (a) designation. Requires TCLR, rather than the executive director of the Texas Department of Licensing and Regulation (executive director; TDLR), by rule to set insurance requirements for an air conditioning and refrigeration contracting company licensed under this chapter, rather than a license holder under this chapter.

Deletes existing Subsection (b) authorizing the executive director to waive the insurance requirements for a license holder who does not engage in air conditioning and refrigeration contracting for the public.

SECTION 7. Amends Section 1302.103, Occupations Code, as follows:

Sec. 1302.103. New heading: USE AND DISPLAY OF LICENSE. Requires TCLR, with the advice of the air conditioning and refrigeration contractors advisory board (advisory board) to adopt rules relating to the use, display, and advertisement of a license under this chapter.

SECTION 8. Amends Section 1302.105, Occupations Code, as follows:

Sec. 1302.105. New heading: PERSONNEL. Deletes existing Subsection (a) designation. Deletes existing Subsection (b) requiring TDLR to employ at least two full-time air conditioning and refrigeration contractors to serve as examiners.

SECTION 9. Amends Section 1302.201, Occupations Code, to provide that the advisory board, rather than the air condition and refrigeration contractors advisory board, consists of seven members appointed by the presiding officer of TCLR, with TCRL's approval, and two ex officio nonvoting members.

SECTION 10. Amends Section 1302.202, Occupations Code, as follows:

Sec. 1302.202. APPOINTED MEMBERS. (a) Requires that each appointed advisory board member, except for the public member, be experienced in the design, installation, construction, maintenance, service, repair, or modification of equipment used for environmental air conditioning, commercial refrigeration, or process cooling or heating. Requires the appointed members, other than the public member, to meet certain conditions, including:

- (1)-(2) Makes no changes to these subdivisions; and
- (3) four members to be full-time licensed air conditioning and refrigeration masters, rather than contractors, who meet certain conditions.

(b) Requires that at least one advisory board member under Subsection (a)(3) be an air conditioning and refrigeration master who employs organized labor. Deletes existing text requiring at least one appointed advisory board member be an air conditioning and refrigeration contractor who employs organized labor and at least two appointed members be air conditioning and refrigeration contractors who are licensed engineers. Makes conforming changes.

SECTION 11. Amends the heading to Chapter F, Chapter 1302, Occupations Code, to read as follows:

SUBCHAPTER F. AIR CONDITIONING AND REFRIGERATION MASTER

SECTION 12. Amends Section 1302.251, Occupations Code, as follows:

Sec. 1302.251. LICENSE REQUIRED. (a) Prohibits a person from engaging in air conditioning and refrigeration contracting unless the person holds an air conditioning and refrigeration master license under this subchapter or Subchapter G (Municipal Licensing and Regulation).

(b) Provides that a master license issued under this subchapter is valid throughout the state.

SECTION 13. Amends Section 1302.252, Occupations Code, as follows:

Sec. 1302.252. New heading: REQUIREMENT FOR AIR CONDITIONING AND REFRIGERATION MASTER LICENSE. (a) Authorizes an air conditioning and refrigeration master to engage in air conditioning and refrigeration contracting only for an air conditioning and refrigeration contracting company licensed under Subchapter G or M. Deletes existing text requiring an air conditioning and refrigeration contracting company to employ full-time in each permanent office a license holder who holds an appropriate license assigned to that company.

(b) Authorizes an air conditioning and refrigeration master to assign the master's license to only one air conditioning and refrigeration contracting company and to only one permanent office of that company. Deletes existing text prohibiting a company that does not employ a license holder as required by Subsection (a), at the time a contract for air conditioning and refrigeration contracting services is signed and at the time the services are performed, from collecting a fee or otherwise enforcing the contract.

SECTION 14. Amends Section 1302.253(a), Occupations Code, to require the executive director to issue a Class A or Class B air conditioning and refrigeration master license, rather than air conditioning and refrigeration contractor license.

SECTION 15. Amends Section 1302.254(a), Occupations Code, to require an air conditioning and refrigeration master license, rather than an air conditioning and refrigerating contractor license, to be endorsed with one or both an environmental air conditioning endorsement or a commercial refrigeration and process cooling or heading endorsement.

SECTION 16. Amends Section 1302.255, Occupations Code, as follows:

Sec. 1302.255. ELIGIBILITY REQUIREMENTS. (a) Requires that an applicant for a license under this subchapter, rather than this chapter, be at least 18 years old, and have held a technician license for at least 36 months in the preceding 48 months under the supervision of a licensed air conditioning and refrigeration master or contractor, rather than have at least 36 months of practical experience with the tools of the trade in the preceding five years.

(a-1) Authorizes an applicant who has equivalent experience in another state or who held an equivalent license in another state to receive credit for the experience as determined by the executive director.

(b) Authorizes an applicant, notwithstanding the requirements of Subsection (a)(2), rather than for purposes of determining an applicant's practical experience under Subsection (a)(2), to satisfy a portion of the practical experience requirement as provided by Subsection (c).

(c) Authorizes an applicant who obtains a degree or diploma or completes a certification program from an institution of higher education that holds a certificate of authority by the Texas Higher Education Coordinating Board (THECB), or an equivalent governing body in another state as approved by the executive director, to satisfy a portion of the practical experience requirement as follows:

(1) completing a four-year degree or diploma in air conditioning engineering or technology, refrigeration engineering or technology, or mechanical engineering is equivalent to 24 months, rather than two years, of practical experience;

(2) completing a two-year associate's degree, a two-year diploma, or a two-year certification program primarily focused on air conditioning and refrigeration-related work is equivalent to 12 months of practical experience;

(3) completing a one-year certification program, or a program of at least two semesters, in air conditioning and refrigeration-related work is equivalent to six months of practical experience; and

(4) completing a program resulting in another applicable degree, diploma, or certification is required to be equivalent to the amount of practical experience determined by TDLR under TCLR rule.

Deletes existing text authorizing an applicant to satisfy a portion of the practical experience requirement by a degree or diploma in air conditioning engineering, refrigeration engineering, or mechanical engineering is equivalent to two years of practice experience if the degree or diploma is from an institution of higher education; and the institution's program is approved by the Texas Board of Professional Engineers for the purpose of licensing engineers.

(d) Provides that every 2,000 hours of on-the-job training in an air conditioning and refrigeration apprenticeship program registered with the United States Department of Labor Office of Apprenticeship is equivalent to 12 months of practical experience under Subsection (a)(2).

(e) Provides that, notwithstanding the requirements of Subsection (a)(2), each of the following qualifies as practical experience for purposes of satisfying the 36-month requirement:

(1) verified military service in which the person was trained in or performed air conditioning and refrigeration-related work as part of the person's military occupational specialty; and

(2) experience performing air conditioning and refrigeration-related work as described by Section 1302.055, 1302.056, or 1302.057 or while employed by a governmental entity.

SECTION 17. Amends Sections 1302.256(a) and (c), Occupations Code, as follows:

(a) Requires an applicant for an air conditioning and refrigeration master license to submit a verified application on a form prescribed by the executive director. Makes a conforming and nonsubstantive change.

(c) Requires that the application be accompanied by a statement containing evidence satisfactory to the executive director of the applicant's practical experience required by Section 1302.255(a)(2), and the required fees, rather than the required examination fee.

SECTION 18. Amends Section 1302.257(b), Occupations Code, to require the executive director to prescribe the method and content of an examination administered under this subchapter, rather than chapter, and to set compliance requirements for the examination.

SECTION 19. Amends Section 1302.260, Occupations Code, as follows:

Sec. 1302.260. ISSUANCE AND TERM OF LICENSE. (a) Requires TDLR to issue an air conditioning and refrigeration master license to an applicant who submits a verified application, passes the applicable examination, meets the requirements of this chapter and rules adopted under this chapter, and pays the required fees.

(b) Provides that a license issued under this chapter expires on the first anniversary of the date of issuance, rather than provides that a license issued under this chapter expires at the end of the license period set by TCLR.

Deletes existing text requiring the executive director, on payment of the license fee, to issue an air conditioning and refrigeration contractor license to an applicant who meets the requirements of this subchapter, provides evidence of insurance coverage required by the executive director in accordance with this chapter; and passes the applicable examination.

SECTION 20. Amends Section 1302.262, Occupations Code, as follows:

Sec. 1302.262. NOTICE TO MUNICIPALITIES. (a) Requires a person or entity that obtains a license under this subchapter or Subchapter M, to provide a notice to the municipal authority that enforces air conditioning and refrigeration contracting regulations in the municipality in which the person or entity engages in air conditioning and refrigeration contracting. Makes a nonsubstantive change.

(b) Makes a conforming change.

(c) Makes a conforming and a nonsubstantive change.

SECTION 21. Amends Section 1302.263, Occupations Code, as follows:

Sec. 1302.263. New heading: LIMITATION ON LICENSE HOLDER. Prohibits a person licensed under this subchapter, rather than chapter, from:

(1) Makes a nonsubstantive change;

(2) using the services of a person who is not a licensed, air conditioning and refrigeration master, a licensed air conditioning and refrigeration technician, or a licensed air conditioning and refrigeration trainee to assist rather than a person who is not a registered technician or a licensed air conditioning and refrigeration contractor, in the performance of air conditioning and refrigeration maintenance work; or

(3) working with a person or entity that is not a licensed air conditioning and refrigeration contracting company in the performance of air conditioning and refrigeration contracting.

SECTION 22. Amends Section 1302.301, Occupations Code, to provide that an air conditioning and refrigeration master or similarly titled contractor license or air conditioning and refrigeration contracting company license issued by a municipality of this state and that complies with the requirements of this subchapter is valid under the terms of the license within the municipality.

SECTION 23. Amends Section 1302.302, Occupations Code, as follows:

Sec. 1302.302. New heading: MUNICIPAL MASTER LICENSE: ELIGIBILITY REQUIREMENTS. Requires an applicant for a municipal master or similarly titled contractor license to meet certain criteria.

SECTION 24. Amends Section 1302.303(a), Occupations Code, to authorize a municipality to by ordinance adopt and enforce standards for air conditioning and refrigeration masters or similarly titled contractors and for air conditioning and refrigeration contracting companies that are consistent with the standards established under this chapter.

SECTION 25. Amends Section 1302.452(a), Occupations Code, to authorize a municipal or county official to issue a citation to an air conditioning and refrigeration contracting company that engages in air conditioning and refrigeration contracting without complying with Section 1302.602, rather than Section 1302.252.

SECTION 26. Amends Section 1302.453(a), Occupations Code, to provide that a person commits an offense if the person knowingly engages in air conditioning and refrigeration contracting without holding a license issued under this chapter; knowingly engages in air conditioning and refrigeration maintenance work without holding a license issued under this chapter; or purchases a refrigerant or equipment containing a refrigerant in this state in violation of Section 1302.353, 1302.355, or 1302.356. Makes a nonsubstantive change.

SECTION 27. Amends Section 1302.501, Occupations Code, as follows:

Sec. 1302.501. New heading: LICENSE REQUIRED. (a) Prohibits a person from acting or offering to act as an air conditioning and refrigeration technician unless the person is licensed, rather than registered, under this subchapter.

(b) Provides that an air conditioning and refrigeration technician license is valid throughout the state, rather than provides that a registration is valid throughout the state.

SECTION 28. Amends Section 1302.503, Occupations Code, as follows:

Sec. 1302.503. New heading: SUPERVISION REQUIREMENTS FOR TECHNICIANS. Requires an air conditioning and refrigeration technician to be

supervised by an air conditioning and refrigeration master, rather than contractor, licensed under this chapter.

SECTION 29. Amends Subchapter K, Chapter 1302, Occupations Code, by adding Section 1302.5035, as follows:

Sec. 1302.5035. ELIGIBILITY REQUIREMENTS. (a) Requires an applicant for a license under this subchapter to:

(1) be at least 18 years old; and

(2) have at least 12 months of practical experience in air conditioning and refrigeration maintenance in the preceding 24 months under the supervision of a licensed air conditioning and refrigeration master or contractor.

(b) Authorizes an applicant, notwithstanding the requirements of Subsection (a)(2), to satisfy a portion of the practical experience requirement, as provided by Subsection (c).

(c) Authorizes an applicant who obtains a degree or diploma or completes a certification program from an institution of higher education that holds a certificate of authority issued by THECB, or an equivalent governing body in another state as approved by the executive director, to satisfy a portion of the practical experience requirement, as follows:

(1) completing a four-year degree or diploma in air conditioning engineering or technology, refrigeration engineering or technology, or mechanical engineering is equivalent to 24 months of practical experience;

(2) completing a two-year associate's degree, a two-year diploma, or a two-year certification program primarily focused on air conditioning and refrigeration-related work is equivalent to 12 months of practical experience; and

(3) completing a one-year certification program, or a program of at least two semesters, in air conditioning and refrigeration-related work is equivalent to six months of practical experience.

(d) Provides that every 2,000 hours of on-the-job training in an air conditioning and refrigeration apprenticeship program registered with the United States Department of Labor Office of Apprenticeship is equivalent to 12 months of practical experience under Subsection (a)(2).

(e) Provides that, notwithstanding the requirements of Subsection (a)(2), each of the following qualifies as practical experience for purposes of satisfying the 12-month requirement:

(1) verified military service in which the person was trained in or performed air conditioning and refrigeration-related work as part of the person's military occupational specialty; and

(2) experience performing air conditioning and refrigeration-related work as described by Section 1302.055, 1302.056, or 1302.057 or while employed by a governmental entity.

SECTION 30. Amends Section 1302.504, Occupations Code, as follows:

Sec. 1302.504. APPLICATION; FEE (a) Requires an applicant for an air conditioning and refrigeration technician license to submit a verified application on a form prescribed

by the executive director, rather than requiring an applicant for registration to submit an application on a form prescribed by TCLR.

(b) Requires that a completed application be accompanied by:

(1) a statement containing evidence satisfactory to TDLR of the applicant's practical experience; and

(2) the required fees, rather than the application fee.

SECTION 31. Amends Subchapter K, Chapter 1302, Occupations Code, by adding Section 1302.5045, as follows:

Sec. 1302.5045. EXAMINATIONS. Requires the executive director to prescribe an examination for an air conditioning and refrigeration technician license, including the method, content, and compliance requirements.

SECTION 32. Amends Section 1302.505, Occupations Code, as follows:

Sec. 1302.505. ISSUANCE AND TERM OF REGISTRATION. (a) Requires TDLR to issue an air conditioning and refrigeration technician license to an applicant who:

(1) submits a verified application;

(2) passes the applicable examination;

(3) meets the requirements of this chapter and rules adopted under this chapter; and

(4) pays the required fee, rather than requiring TDLR, on receipt of a completed application, to register an applicant who meets the requirements of this subchapter.

(b) Provides that a license issued under this subchapter is valid for one year from the date of issuance, rather than providing that a registration is valid for one year from the date of issuance.

SECTION 33. Amends Subchapter K, Chapter 1302, Occupations Code, by adding Section 1302.509, as follows:

Sec. 1302.509. LIMITATIONS ON LICENSE HOLDER. Prohibits a person licensed under this subchapter from:

(1) performing, offering to perform, or attempting to perform an act that is defined as the practice of engineering under Chapter 1001 (Engineers), unless the person holds a license under that chapter; regulated under Chapter 113 (Liquefied Petroleum Gas), Natural Resources Code, unless the person holds a license under that chapter or is exempt by a rule adopt under that chapter; or defined as plumbing under Chapter 1301 (Plumbers);

(2) assisting a person who is not a licensed air conditioning and refrigeration master in the performance of air conditioning and refrigeration maintenance work; or

(3) working with a person or entity that is not a licensed air conditioning and refrigeration contracting company in the performance of air conditioning and refrigeration maintenance work.

SECTION 34. Amends Chapter 1302, Occupations Code, by adding Subchapter L, as follows:

SUBCHAPTER L. AIR CONDITIONING AND REFRIGERATION TRAINEES

Sec. 1302.551. LICENSE REQUIRED. (a) Prohibits a person from acting or offering to act as an air conditioning and refrigeration trainee unless the person is licensed under this subchapter.

(b) Provides that an air conditioning and refrigeration trainee license is valid throughout the state.

Sec. 1302.552. SUPERVISION REQUIREMENTS FOR TRAINEES. Requires an air conditioning and refrigeration trainee to be supervised by an air conditioning and refrigeration master licensed under this chapter.

Sec. 1302.553. ELIGIBILITY REQUIREMENTS. (a) Requires that an applicant for a license under this subchapter be at least 18 years old.

(b) Provides that practical experience or an examination is not required for a trainee license.

Sec. 1302.554. APPLICATION; FEES. (a) Requires an applicant for an air conditioning and refrigeration trainee license to submit an application on a form prescribed by the executive director.

(b) Requires that the completed application be accompanied by the required fees.

Sec. 1302.555. ISSUANCE AND TERM OF REGISTRATION. (a) Requires TDLR to issue an air conditioning and refrigeration trainee license to an applicant who:

(1) submits a verified application on a form prescribed by the executive director;

(2) meets the requirements of this chapter and rules adopted under this chapter; and

(3) pays the required fees.

(b) Provides that a license issued under this subchapter is valid for one year from the date of issuance.

Sec. 1302.556. TEMPORARY LICENSE. Requires the executive director to issue on request by an applicant a temporary license that expires on the 21st after the date of issuance to an applicant who meets the qualifications for a temporary license under TCLR rule.

Sec. 1302.557. LIMITATIONS ON LICENSE HOLDER. Prohibits a person licensed under this subchapter from:

(1) performing, offering to perform, or attempting to perform an act that is defined as the practice of engineering under Chapter 1001, unless the person holds a license under that chapter; regulated under Chapter 113, Natural Resources Code, unless the person holds a license under that chapter or is exempt by a rule adopted under that chapter; or defined as plumbing under Chapter 1301, unless the person holds a license under that chapter;

(2) assisting a person who is not a licensed air conditioning and refrigeration master in the performance of air conditioning and refrigeration maintenance work; or

(3) working with a person or entity that is not a licensed air conditioning and refrigeration contracting company in the performance of air conditioning and refrigeration maintenance work.

SECTION 35. Amends Chapter 1302, Occupations Code, by adding Subchapter M, as follows:

SUBCHAPTER M. AIR CONDITIONING AND REFRIGERATION CONTRACTING COMPANY LICENSE REQUIREMENTS

Sec. 1302.601. LICENSE REQUIRED. (a) Prohibits a person or entity from operating an air conditioning and refrigeration contracting company unless the person or entity holds a contracting company license issued under this subchapter or Subchapter G.

(b) Provides that an air conditioning and refrigeration contracting company license issued under this subchapter is valid throughout the state.

Sec. 1302.602. REQUIREMENTS FOR AIR CONDITIONING AND REFRIGERATION CONTRACTING COMPANY. (a) Requires an air conditioning and refrigeration contracting company to employ full-time in each permanent office a licensed air conditioning and refrigeration master who holds an appropriate license assigned to that contracting company.

(b) Authorizes an air conditioning and refrigeration contracting company to engage in air conditioning and refrigeration contracting within the scope of the license of the air conditioning and refrigeration master assigned to that contracting company.

(c) Authorizes an air conditioning and refrigeration contracting company to subcontract a portion of a job that requires another professional or occupational license only to a person or entity that holds the required license.

(d) Prohibits an air conditioning and refrigeration contracting company that does not hold a contracting company license or does not employ a licensed air conditioning and refrigeration master as required by Subsection (a) at the time a contract for air conditioning and refrigeration contracting services is signed and at the time the services are performed from collecting a fee from a customer or otherwise enforcing the contract against a customer.

(e) Requires an air conditioning and refrigeration contracting company to maintain insurance at all time as required by TCLR by rule.

Sec. 1302.603. APPLICATION; FEE. (a) Requires an applicant for an air conditioning and refrigeration contracting company license to submit an application on a form prescribed by the executive director.

(b) Requires that the completed application be accompanied by the appropriate fees.

(c) Requires an applicant for an air conditioning and refrigeration contracting company to provide evidence of insurance coverage as required by TCLR by rule.

Sec. 1302.604. ISSUANCE AND TERM OF AIR CONDITIONING AND REFRIGERATION CONTRACTING COMPANY LICENSE. (a) Requires TDLR to issue an air conditioning and refrigeration contracting company license to an applicant that:

- (1) submits a verified application;
- (2) passes the applicable examination;

(3) meets the requirements of this chapter and rules adopted under this chapter; and

(4) pays the required fees.

(b) Provides that a license issued under this subchapter expires on the first anniversary of the date of issuance.

Sec. 1302.605. TEMPORARY LICENSE. Authorizes TCLR by rule to provide for the issuance of a temporary air conditioning and refrigeration contracting company license to an applicant that:

(1) submits to the executive director an application on a form prescribed by the executive director; and

(2) pays the required fees.

Sec. 1302.606. LIMITATIONS ON LICENSE HOLDER. Prohibits a person or entity under this subchapter from:

(1) performing, offering to perform, or attempting to perform an act that is:

(A) defined as the practice of engineering under Chapter 1001, unless the person holds a license under that chapter;

(B) regulated under Chapter 113, Natural Resources Code, unless the person holds a license under that chapter or is exempt by rule adopted under that chapter; or

(C) defined as plumbing under Chapter 1301, unless the person holds a license under that chapter; or

(2) using the services of a person who is not a licensed air conditioning and refrigeration master, a licensed air conditioning and refrigeration technician, or a licensed air conditioning and refrigeration trainee to engage in air conditioning and refrigeration contracting or air conditioning and refrigeration maintenance work.

SECTION 36. Repealers: Sections 1302.002(5-b) (defining "air conditioning and refrigeration maintenance work") and (17) (defining "registered technician"), 1302.062 (No License Required For Certain Assistants), 1302.106 (Directory of License Holders), 1302.209 (Vote Required for Action), 1302.257(c) (relating to examinations being offered on a monthly basis as determined by the executive director), (d) (relating to the location of the examination), 1302.261 (Temporary License), 1302.502 (Rules), 1302.506 (Temporary Registration), 1302.507 (Renewal of Registration), and 1302.508 (Certified Technician), Occupations Code.

SECTION 37. (a) Requires TCLR, not later than February 1, 2012, to adopt rules to implement Chapter 1302, Occupations Code, as amended by this Act.

(b) Requires TCLR to adopt rules to convert and renew an air conditioning and refrigeration contractor license issued before March 1, 2012, to an air conditioning and refrigeration master license without imposing the additional eligibility requirements under Chapter 1302, Occupations Code, as amended by this Act.

(c) Requires TCLR to adopt rules to convert and renew an air conditioning and refrigeration registration or certification issued before march 1, 2012, to an air conditioning and refrigeration technician license without imposing the additional eligibility requirements under Chapter 1302, Occupations Code, as amended by this Act.

(d) Provides that Chapter 1302, Occupations Code, as amended by this Act, applies only to an application for a license under that chapter submitted to TDLR on or after March 1, 2012. Provides that an application for a license, registration, or certification submitted under that chapter before that date is governed by the law in effect on the date the application was submitted, and the former law is continued in effect for that purpose.

SECTION 38. (a) Effective date, except as provided by Subsection (b) of this section: March 1, 2012.

(b) Effective date, Section 37: September 1, 2011.