### **Texas State Board of Plumbing Examiners**

Staff Contact: Emilie Leroux

S.B. 282 Jackson (Dunnam/Bailey)

#### Summary \_

The Texas State Board of Plumbing Examiners was created in 1947 to protect the public's health and safety by ensuring that plumbing systems are installed properly by qualified individuals. To accomplish its mission, the Board licenses and registers plumbing professionals and enforces the Plumbing License Law. The Board employs 25 staff positions and operates on a \$1.5 million annual budget. Senate Bill 282 contains the Sunset Commission's recommendations to continue the Board for an additional 12 years, to address the training needs of prospective plumbers, and to improve the Board's services through better cooperation with other state agencies and by conforming its regulatory activities with commonly applied licensing practices. The bill also contains new provisions that change the Board's licensing exemptions and ease the supervision of apprentices working on new constructions in unincorporated areas. The list below summarizes the major provisions of S.B. 282, and a more detailed discussion follows.

### Sunset Provisions

- 1. Continue the Board for 12 Years and Increase Collaboration Between the Board and the Texas Department of Licensing and Regulation.
- 2. Specify That the Board's Committees Be Composed of Board Members Only.
- 3. Enable the Board to Provide for the Training of Apprentices and Address the Need for Licensed Plumbers.
- 4. Conform Key Elements of the Board's Licensing and Regulatory Functions to Commonly Applied Licensing Practices.
- 5. Direct the Board to Develop a Review Course to Prepare Applicants for the Board's Licensing Exams.

### Provisions Added by the Legislature \_

- 6. Relax the Supervision Requirement of Apprentices Installing Plumbing on New Constructions Located in Unincorporated Areas of the State.
- 7. Modify the Licensing Requirements to Install and Repair Plumbing Systems in Texas.

### Sunset Provisions

# **1.** Continue the Board for 12 Years and Increase Collaboration Between the Board and the Texas Department of Licensing and Regulation.

Senate Bill 282 continues the Texas State Board of Plumbing Examiners for the standard 12-year period. In addition, the bill establishes a formal mechanism for the Board and the Texas Department of Licensing and Regulation (TDLR) to work more closely to improve the regulation of plumbing in Texas. This provision requires the Board and TDLR to enter into an interagency agreement under which the two agencies will share resources, enhance coordination, and improve services, when needed. Senate Bill 282 also requires the Board and TDLR to enter into a reciprocal agreement under which enforcement officers from both agencies will, in the performance of their respective duties, be authorized to check licenses held by occupations regulated by the partner agency, and report noncompliance to that agency. The Board and TDLR enforcement staff are also required to conduct joint investigations as circumstances dictate.

### 2. Specify That the Board's Committees Be Composed of Board Members Only.

Senate Bill 282 requires that the Board's committees be composed solely of Board members, as appointed by the Chair. This change does not apply to the Board's current enforcement committee, which reviews complaints and applicants with criminal convictions.

# 3. Enable the Board to Provide for the Training of Apprentices and Address the Need for Licensed Plumbers.

Senate Bill 282 provides the Board with the same statutory authority to set training requirements for apprentices that the Board has for all other registrants and licensees. The bill also requires the Board and the Texas Workforce Commission to collaborate to raise awareness of the plumbing profession to the public, and of resources available to employers to recruit plumbers, through local workforce boards.

#### 4. Conform Key Elements of the Board's Licensing and Regulatory Functions to Commonly Applied Licensing Practices.

Senate Bill 282 includes the following seven provisions that bring the Board in line with standard licensing agency practices.

- Clarifies that the Board must address felony and misdemeanor convictions in the standard manner defined in the Occupations Code, and authorizes staff to review criminal convictions based on guidelines developed by the Board.
- Requires the Board to adopt, by rule, a separate code of conduct for licensed plumbing inspectors.
- Requires the Board to investigate and address complaints according to risk.
- Requires the Board to track complaints according to sources, types, and geographical areas.
- Authorizes staff to settle complaints and review applicants with a criminal history, subject to the Board's final approval.

- Provides the agency with a full range of sanctions, including administrative penalties, cease and desist orders, and restitution.
- Requires the Board to establish a policy for refunding examination fees under certain circumstances.

### 5. Direct the Board to Develop a Review Course to Prepare Applicants for the Board's Licensing Exams.

Senate Bill 282 requires the Board to develop a standard review course, in English and Spanish, for each of the Board's licensing exams. The Board is not required to teach the course itself, but may use third-party providers to help plumbers prepare for exams. This provision authorizes the Board to charge a fee for dispensing the course, and for allowing third-party providers to use the review course.

### Provisions Added by the Legislature

## 6. Relax The Supervision Requirement of Apprentices Installing Plumbing on New Constructions Located in Unincorporated Areas of the State.

The Legislature modified the requirement for a licensed plumber to supervise plumbing work on new residential constructions built in unincorporated areas of the state. The bill stipulates that the licensed plumber has management responsibility and must review and inspect the work of apprentices, but is not required to have continuous or uninterrupted oversight of the job site.

# 7. Modify the Licensing Requirements to Install and Repair Plumbing Systems in Texas.

Senate Bill 282 requires persons to be licensed to perform plumbing work on all new construction located in the state. However, a person does not have to be licensed to perform plumbing repair work in municipalities of less than 5,000 inhabitants, or in areas outside a municipality that are connected to a public water supply of a jurisdiction that does not require the person to be licensed.

### Fiscal Implication Summary\_

Two provisions will have a fiscal impact to the State resulting in an overall net gain to General Revenue of \$82,500 in fiscal year 2004, and \$85,500 each year thereafter. The provisions are discussed below, followed by a five-year summary chart.

Requiring the Plumbing Board's committees to be composed solely of Board members will have an annual fiscal cost of \$1,500, associated with additional travel for Board members needed to serve in place of staff on Board committees.

Authorizing the Board to levy administrative fines will result in an annual gain to General Revenue of approximately \$87,000. In addition, authorizing staff to review the criminal histories of applicants with convictions and to settle complaints, subject to the Board's final approval, will save the State approximately \$1,500 annually in travel costs for Board members. The printing of consumer-oriented brochures may cost the State approximately \$1,500 annually. The initial set up cost of an online system for consumers to check disciplinary orders against licensees may cost approximately \$3,000.

Fiscal Year	Gain to the General Revenue Fund	Savings to the General Revenue Fund	Cost to the General Revenue Fund
2004	\$87,000	\$1,500	\$6,000
2005	\$87,000	\$1,500	\$3,000
2006	\$87,000	\$1,500	\$3,000
2007	\$87,000	\$1,500	\$3,000
2008	\$87,000	\$1,500	\$3,000