

SENATE BILL No. 395

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.6-9-20; IC 25-0.5; IC 25-20.4.

Synopsis: Licensing of independent electrical contractors. Establishes the Indiana commission on independent electrical contractors (commission). Specifies various forms of electrical work that are not subject to regulation by the commission. Provides for the issuance of a statewide license for independent electrical contractors. Specifies duties and privileges associated with holding a statewide license. Specifies powers and duties of political subdivisions with respect to the statewide license. Provides that the penalty imposed upon a political subdivision that fails to recognize and honor a statewide license is the intercept of part of the local income taxes that would be distributed to the political subdivision.

Effective: July 1, 2022.

Niemeyer

January 11, 2022, read first time and referred to Committee on Commerce and Technology.



Second Regular Session of the 122nd General Assembly (2022)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2021 Regular Session of the General Assembly.

SENATE BILL No. 395

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3.6-9-20 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2022]: **Sec. 20. Revenue that would otherwise be distributed to**
4 **a civil taxing unit under this chapter may be intercepted under**
5 **IC 25-20.4-7-4. The auditor of state shall withhold the amount**
6 **intercepted from the monthly distribution made under section 12**
7 **of this chapter to the county treasurer of the county in which the**
8 **civil taxing unit is located. The auditor of state shall retain the**
9 **amount intercepted in escrow for the civil taxing unit and pay it to**
10 **the fiscal officer of the civil taxing unit upon receiving notice from**
11 **the commission on independent electrical contractors that the civil**
12 **taxing unit is in compliance with IC 25-20.4-7 and is entitled to**
13 **receive the intercepted revenue.**

14 SECTION 2. IC 25-0.5-3-13.5 IS ADDED TO THE INDIANA
15 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
16 [EFFECTIVE JULY 1, 2022]: **Sec. 13.5. IC 25-1-2-6(b) applies to the**
17 **Indiana commission on independent electrical contractors.**



1 SECTION 3. IC 25-0.5-4-14.5 IS ADDED TO THE INDIANA
 2 CODE AS A NEW SECTION TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2022]: **Sec. 14.5. The Indiana commission on**
 4 **independent electrical contractors (IC 25-20.4-3) is a board under**
 5 **IC 25-1-4.**

6 SECTION 4. IC 25-0.5-7-7.5 IS ADDED TO THE INDIANA
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2022]: **Sec. 7.5. The Indiana professional**
 9 **licensing agency shall perform administrative functions, duties,**
 10 **and responsibilities for the Indiana commission on independent**
 11 **electrical contractors (IC 25-20.4-3) under IC 25-1-6-3(a).**

12 SECTION 5. IC 25-0.5-8-10.5 IS ADDED TO THE INDIANA
 13 CODE AS A NEW SECTION TO READ AS FOLLOWS
 14 [EFFECTIVE JULY 1, 2022]: **Sec. 10.5. An occupation for which a**
 15 **statewide license is issued by the Indiana commission on**
 16 **independent electrical contractors under IC 25-20.4 is a regulated**
 17 **occupation under IC 25-1-7.**

18 SECTION 6. IC 25-20.4 IS ADDED TO THE INDIANA CODE AS
 19 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 20 2022]:

21 **ARTICLE 20.4. INDEPENDENT ELECTRICAL**
 22 **CONTRACTORS**

23 **Chapter 1. General Provisions**

24 **Sec. 1. This article does not apply to work done by any of the**
 25 **following:**

26 (1) **An employee of an electric utility, a water utility, a natural**
 27 **gas utility, a communications service provider (as defined by**
 28 **IC 8-1-2.6-13), or a video service provider described in**
 29 **IC 8-1-34.**

30 (2) **A railroad company (as defined by 6-1.1-8-2).**

31 (3) **A contractor who services the construction and**
 32 **maintenance of power lines or substations of an entity**
 33 **described in subdivision (1) that is engaged in providing**
 34 **electricity, communications service, or video service.**

35 (4) **A federally licensed radio or television broadcast station.**

36 (5) **A private broadcasting engineer certified by the Society of**
 37 **Broadcast Engineers.**

38 (6) **A contractor engaged in the design, installation, erection,**
 39 **repair, maintenance, or alteration of:**

40 (A) **class two or class three remote control, signaling, or**
 41 **power-limited circuits;**

42 (B) **optical fiber cables or other cabling; or**



- 1 (C) communications circuits as defined in the National
- 2 Electrical Code for voice, video, audio, and data signals in
- 3 residential or commercial premises, including raceways.
- 4 Sec. 2. This article does not prohibit a political subdivision from
- 5 doing any of the following:
- 6 (1) Implementing or enforcing an electrical code in
- 7 accordance with IC 22-13.
- 8 (2) Issuing a license to an electrical contractor that is valid for
- 9 performing work in the political subdivision.
- 10 (3) Issuing electrical contracting permits.
- 11 (4) Inspecting the work of a licensee.
- 12 (5) Licensing electricians as long as the qualifications for the
- 13 license are based upon professional experience and passing a
- 14 nationally accredited electrical assessment examination that
- 15 is administered on a routine and accessible schedule.

16 Chapter 2. Definitions

17 Sec. 1. "Certifying entity" means a nongovernmental agency or
18 association that certifies individuals who have completed academic
19 and training requirements.

20 Sec. 2. "Commission" means the Indiana commission on
21 independent electrical contractors established by IC 25-20.4-3-1.

22 Sec. 3. "Electrical contracting" means engaging in the business
23 of installing, erecting, or maintaining electrical wiring, fixtures,
24 apparatus, equipment, devices, or components, regardless of
25 voltage, that are used for generating, transmitting, or using
26 electricity.

27 Sec. 4. "Electrical contractor" means a person:

- 28 (1) engaged in electrical contracting; and
- 29 (2) performing work that is subject to this article.

30 Sec. 5. "Licensee" means an electrical contractor holding a
31 statewide license issued under this article.

32 Sec. 6. "Local license" means a license issued to an electrical
33 contractor by a political subdivision (as defined by IC 36-1-2-13).

34 Sec. 7. "Person" means an individual, an association, a
35 partnership, a limited partnership, a limited liability company, a
36 corporation, or a similar entity.

37 Sec. 8. "Statewide license" means a license issued under this
38 article authorizing a licensee to engage in electrical contracting at
39 any location in Indiana.

40 Chapter 3. Indiana Commission on Independent Electrical
41 Contractors

42 Sec. 1. The Indiana commission on independent electrical



1 contractors is established.

2 Sec. 2. (a) The commission consists of five (5) members
3 appointed by the governor.

4 (b) Subject to IC 25-1-6.5-3, each member appointed to the
5 commission must be a citizen and resident of Indiana. The
6 additional qualifications for membership on the commission are as
7 follows:

8 (1) Two (2) of the members must have been actively engaged
9 in electrical contracting for at least five (5) years immediately
10 before the date of the member's appointment or have had at
11 least ten (10) years experience in electrical contracting.

12 (2) Two (2) of the members must have been employed as
13 journeymen electricians for at least five (5) years immediately
14 before the date of the member's appointment.

15 (3) One (1) member represents the general public and may not
16 have any association with electrical contracting other than as
17 a consumer.

18 (c) The term of each member of the commission is four (4) years
19 in accordance with IC 25-1-6.5-2.

20 (d) Not more than three (3) members of the commission may be
21 members of the same political party.

22 (e) A member may be removed under IC 25-1-6.5-4.

23 Sec. 3. A member of the commission is not entitled to a salary,
24 but is entitled to reimbursement for traveling and other expenses
25 as provided in the state travel policies and procedures established
26 by the department of administration and approved by the state
27 budget agency.

28 Sec. 4. The commission shall annually organize and select one
29 (1) of the members as chairperson and one (1) of the members to
30 serve as secretary. The officers selected under this section shall
31 serve for a term of one (1) year.

32 Sec. 5. The commission, through the licensing agency, shall keep
33 a record of all its proceedings, transactions, communications,
34 official acts, and records.

35 Sec. 6. The commission shall do the following:

36 (1) Adopt and use an official seal.

37 (2) Prescribe the form of the statewide license issued under
38 IC 25-20.4-5.

39 (3) Issue statewide licenses to applicants who qualify and
40 comply with the provisions of this article and pay required
41 license fees.

42 (4) Adopt rules in accordance with IC 4-22-2 that establish



1 standards for independent electrical contractors.
 2 **Sec. 7. The commission may:**
 3 (1) adopt and promulgate rules and regulations for its
 4 guidance and for the regulation of its business and procedure
 5 consistent with the provisions of this article and in the manner
 6 provided in IC 4-22-2;
 7 (2) enter into contracts and authorize expenditures as its
 8 duties require, subject to the provisions of this article and
 9 IC 25-1-6; and
 10 (3) do all things necessary for carrying into effect the
 11 provisions of this article.
 12 **Sec. 8. (a) The secretary shall call each meeting of the**
 13 **commission:**
 14 (1) as directed by the chairperson or upon request in writing
 15 by two (2) members; and
 16 (2) at the time and place within Indiana as the commission
 17 business may require.
 18 (b) The secretary shall provide sufficient notice of each meeting
 19 to permit each member to attend. A quorum of the board consists
 20 of a majority of the appointed members.
 21 (c) Meetings of the commission may be held pursuant to written
 22 waiver of notice signed by all the members of the commission. The
 23 secretary shall keep a record of all proceedings at meetings and of
 24 the vote taken on each act or transaction of the commission. A
 25 majority vote of all members is required to bind the commission.
 26 **Chapter 4. Additional Powers and Duties of the Commission on**
 27 **Independent Electrical Contractors**
 28 **Sec. 1. The commission may negotiate reciprocal agreements**
 29 **with other states, the District of Columbia, or the territories of the**
 30 **United States that require standards for licensure, registration, or**
 31 **certification that the commission determines are at least as**
 32 **stringent as the requirements of this article.**
 33 **Sec. 2. The commission shall investigate and resolve complaints**
 34 **filed under IC 25-20.4-7-2.**
 35 **Chapter 5. Statewide License for Independent Electrical**
 36 **Contractors**
 37 **Sec. 1. An individual satisfying the requirements of section 2 of**
 38 **this chapter may apply to the commission for a statewide license on**
 39 **a form and in the manner prescribed by the commission.**
 40 **Sec. 2. Except as provided in section 4 of this chapter, an**
 41 **applicant for a statewide license must:**
 42 (1) be at least twenty-one (21) years of age;



1 (2) provide proof of liability insurance in the amount of at
2 least five thousand dollars (\$5,000);

3 (3) pass a standardized and nationally recognized electrical
4 assessment examination that has been:

5 (A) created and administered by a third party; and

6 (B) approved by the commission after determining that the
7 examination meets national industry standards;

8 (4) pay the costs of taking an examination required by
9 subdivision (3); and

10 (5) have:

11 (A) completed twelve thousand (12,000) verifiable hours of
12 installing equipment and associated wiring;

13 (B) completed ten thousand (10,000) verifiable hours of
14 installing equipment and associated wiring and received an
15 electrical journeyman certificate from a United States
16 Department of Labor approved electrical apprenticeship
17 program;

18 (C) completed eight thousand (8,000) verifiable hours of
19 installing equipment and associated wiring and received
20 and associate degree from a state accredited program; or

21 (D) completed four thousand (4,000) verifiable hours of
22 supervising the installation of equipment and associated
23 wiring and received a four (4) year degree in electrical
24 engineering.

25 Sec. 3. The commission shall issue a statewide license to an
26 applicant who satisfies the requirements of this article.

27 Sec. 4. (a) This section applies to an electrical contractor who:

28 (1) holds an electrical contractor license issued by a political
29 subdivision before January 1, 2023;

30 (2) has passed a standardized and nationally accredited
31 written electrical assessment examination that is based on the
32 national electrical code; and

33 (3) has completed twelve thousand (12,000) verifiable hours
34 of practical experience.

35 (b) If an electrical contractor described in subsection (a) applies
36 for a statewide license, the commission shall issue a statewide
37 license to the electrical contractor.

38 Sec. 5. Subject to IC 25-20.4-6-1, holding a statewide license
39 allows an electrical contractor to work in any political subdivision
40 requiring electrical contractors to hold a locally issued license.

41 Sec. 6. A statewide license is not required for an electrical
42 contractor to work in a political subdivision that does not require



1 an electrical contractor to hold a locally issued license.

2 **Sec. 7.** A statewide license is valid for three (3) years and may be
3 renewed by submitting a renewal form prescribed by the
4 commission and paying a renewal fee determined by the
5 commission.

6 **Sec. 8.** The commission shall mail a renewal form to the last
7 known address of a licensee at least sixty (60) days before date that
8 the licensee's statewide license expires. A licensee must:

- 9 (1) complete and submit the renewal form; and
10 (2) pay the renewal fee;

11 at least thirty (30) days before the date that the licensee's statewide
12 license expires.

13 **Sec. 9.** If a licensee does not submit the renewal form and
14 renewal fee required by section 8 of this chapter before the date
15 that the licensee's statewide license expires, the commission shall
16 declare the licensee's statewide license inactive. If a person's
17 statewide license is declared inactive, the person may not engage in
18 electrical contracting until the person's statewide license is
19 reinstated under section 10 of this chapter.

20 **Sec. 10.** A person may petition the commission on a form
21 prescribed by the commission for an order reinstating the person's
22 statewide license. The commission shall reinstate the person's
23 statewide license if:

- 24 (1) the petition is submitted not more than two (2) years after
25 the date that the person's statewide license was declared
26 inactive;
27 (2) the commission determines that the person is otherwise
28 qualified to hold a statewide license; and
29 (3) the person pays the commission the renewal fee charged
30 under section 7 of this chapter.

31 **Sec. 11.** The commission may grant inactive status to a person
32 holding a statewide license if the person does not:

- 33 (1) hold himself or herself out as holding a statewide license;
34 and
35 (2) maintain any continuing competency requirements
36 established by the commission or otherwise required of an
37 electrical contractor.

38 **Sec. 12. (a)** The commission may:

- 39 (1) refuse to issue or renew; or
40 (2) suspend;

41 a statewide license for a cause specified in subsection (c).

42 (b) The commission shall notify an applicant or licensee in



1 writing of the reasons for taking an action described in subsection
 2 (a). The commission shall inform the applicant or licensee of the
 3 person's right to appeal the action in the manner prescribed by this
 4 title.

5 (c) The commission may discipline a licensee, or any person who
 6 has failed to renew or has surrendered a statewide license, for one
 7 (1) or more of the following causes:

8 (1) A conviction or a plea of nolo contendere in a state or
 9 federal court for an offense:

10 (A) reasonably related to the qualifications, functions, or
 11 duties of a licensee or other person regulated under this
 12 article; or

13 (B) of which fraud, dishonesty, or an act of violence is an
 14 essential element.

15 (2) The use of fraud, deception, misrepresentation, or bribery
 16 to obtain a statewide license or in obtaining permission to take
 17 an examination under this article.

18 (3) Obtaining or attempting to obtain any fee, charge, tuition,
 19 or other compensation by fraud, deception, or
 20 misrepresentation.

21 (4) Incompetence, misconduct, gross negligence, fraud,
 22 misrepresentation, or dishonesty in the performance of the
 23 functions and duties of any profession regulated under this
 24 article.

25 (5) Violating, or assisting or enabling another person to
 26 violate, this article or a rule adopted under this article.

27 (6) Impersonating a licensee or, in the case of a licensee,
 28 allowing another person to use the licensee's statewide license.

29 (7) An adjudication that the individual is:

30 (A) an incapacitated person (as defined by IC 29-3-1-7.5);

31 (B) mentally ill and either dangerous or gravely disabled
 32 resulting in an order that the individual be involuntarily
 33 detained or committed under IC 12-26-4, IC 12-26-5,
 34 IC 12-26-6, or IC 12-26-7;

35 (C) not responsible for a crime by reason of insanity under
 36 IC 35-36-3-4; or

37 (D) incompetent to stand trial under IC 35-36-3-1.

38 (8) Assisting or enabling any person to practice or offer to
 39 practice a profession licensed or regulated under this article
 40 while knowing that the person receiving the assistance is not
 41 permitted to practice a profession licensed or regulated under
 42 this article.



1 **(9) Possessing a license, certificate of registration, or permit**
2 **issued to the person under a material mistake of fact.**
3 **Sec. 13. IC 25-1-7 applies to a complaint against a licensee.**
4 **Sec. 14. An individual whose license is revoked must wait at**
5 **least one (1) year after the date of the revocation before applying**
6 **for a new license under this article. The commission may issue a**
7 **new license to an applicant at its discretion after finding that the**
8 **applicant has fulfilled any obligation imposed upon the applicant**
9 **with respect to the revoked license.**
10 **Sec. 15. (a) The commission shall publish the following on the**
11 **commission's Internet web site:**
12 **(1) A searchable data base of all licensees holding a statewide**
13 **license.**
14 **(2) A list of ongoing discipline actions against licensees.**
15 **(3) The procedure for filing a complaint against a licensee.**
16 **(b) The commission shall update the information published**
17 **under subsection (a) each week.**
18 **Chapter 6. Miscellaneous Requirements of Persons Engaged in**
19 **Electrical Contracting**
20 **Sec. 1. If a political subdivision requires an electrical contractor**
21 **to post a bond before performing work in the political subdivision,**
22 **an electrical contractor holding a statewide license shall post a**
23 **bond in the required amount before performing work in the**
24 **political subdivision.**
25 **Sec. 2. A person engaged in electrical contracting subject to this**
26 **article shall employ at least one (1) electrical contractor holding a**
27 **statewide license in a supervisory position. An electrical contractor**
28 **may not be employed by more than one (1) person in compliance**
29 **with this section at one time.**
30 **Sec. 3. If a licensee transfers employment from one (1) company**
31 **to another, the licensee must clear all permits on the licensee's**
32 **statewide license. The licensee shall notify the commission of the**
33 **licensee's intent to transfer employment and any current active**
34 **permits on the licensee's statewide license before the date of the**
35 **transfer. The commission shall notify by electronic mail the**
36 **affected political subdivisions of the licensee's status. For purposes**
37 **of this section, a permit is considered cleared if the affected**
38 **political subdivision does not respond to the commission within**
39 **seventy-two (72) hours of the notice sent by electronic mail.**
40 **Chapter 7. Licensing of Electrical Contractors by Political**
41 **Subdivisions**
42 **Sec. 1. This article does not prohibit a political subdivision from**



1 requiring electrical contractors performing work in the political
2 subdivision to hold a license issued by the political subdivision.
3 However, this article requires a political subdivision to recognize
4 and honor the statewide license. A political subdivision must accept
5 the statewide license in lieu of a locally issued license for purposes
6 of authorizing an electrical contractor to perform work or
7 obtaining necessary permits for work performed in the political
8 subdivision.

9 **Sec. 2.** If a political subdivision does not honor and recognize the
10 statewide license in the manner required by section 1 of this
11 chapter, the aggrieved licensee may file a complaint with the
12 commission on a form and in the manner prescribed by the
13 commission.

14 **Sec. 3.** The commission shall investigate complaints filed under
15 section 2 of this chapter.

16 **Sec. 4. (a)** If the commission finds that a political subdivision has
17 failed to honor and recognize a statewide license in the manner
18 required by section 1 of this chapter, the commission shall notify
19 the political subdivision of its finding and that the political
20 subdivision has thirty (30) days after the date of the notice to
21 correct the situation by recognizing and honoring the statewide
22 license.

23 **(b)** If the political subdivision does not recognize and honor an
24 electrical contractor's statewide license within the thirty (30) day
25 period required under subsection (a), the commission shall penalize
26 the political subdivision by directing the auditor of state to
27 intercept an amount equal to one percent (1%) of the amount of
28 local income tax revenue allocated to the political subdivision in the
29 following calendar month under IC 6-3.6-9. The auditor of state
30 shall retain the intercepted amount in escrow for the political
31 subdivision under IC 6-3.6-9-20 until the commission notifies the
32 auditor of state that the political subdivision is in compliance with
33 this chapter and is entitled to release and receipt of the intercepted
34 amount.

35 **Sec. 5.** A permitting authority of a political subdivision may
36 suspend a licensee's work in the political subdivision for not more
37 than thirty (30) days while a complaint is being forwarded to the
38 commission under IC 25-20.4-5.

