## SECOND REGULAR SESSION

## SENATE BILL NO. 755

## 97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WALLINGFORD.

Read 1st time January 21, 2014, and ordered printed.

5410S.01I

TERRY L. SPIELER, Secretary.

## AN ACT

To amend chapter 324, RSMo, by adding thereto ten new sections relating to the statewide licensure of electrical contractors, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 324, RSMo, is amended by adding thereto ten new

- 2 sections, to be known as sections 324.900, 324.905, 324.910, 324.915, 324.920,
- 3 324.925, 324.930, 324.935, 324.940, and 324.945, to read as follows:

324.900. As used in sections 324.900 to 324.945, unless the context

- 2 clearly indicates otherwise, the following terms shall mean:
- 3 (1) "Board", the Missouri electrical industry licensing board;
- 4 (2) "Certifying entity", the nongovernmental agency or
- 5 association which certifies or registers individuals who have completed
- 6 academic and training requirements;
- 7 (3) "Director", the director of the division of professional
- 8 registration;
- 9 (4) "Division", the division of professional registration within the
- 10 department of insurance, financial institutions and professional
- 11 registration;
- 12 (5) "Electrical contracting", engaging in the business of installing,
- 13 erecting, or maintaining electrical wiring, fixtures, apparatus,
- 14 equipment, devices, or components, regardless of voltage, that are used
- 15 for generation, transmission, and utilization of electricity;
- 16 (6) "Electrical contractor", a person engaged in electrical
- 17 contracting. No person, firm, corporation, institution, organization, or
- 18 representative thereof shall engage in electrical contracting without
- 19 having an individual responsible for such work who is licensed under
- 20 sections 324.900 to 324.945. A licensed electrical contractor shall

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- 21 represent only one firm, person, corporation, institution, or 22 organization at one time;
- 23 (7) "Local license", a valid license issued by a local political 24 subdivision. Holders of such a license are limited to practice within 25 the political subdivision issuing the license or in a political subdivision 26 that does not require a license;
- 27 (8) "Person", an individual, corporation, partnership, association, 28 or other legal entity;
- 29 (9) "Statewide license", a valid license issued or recognized by 30 the electrical industry licensing board that allows the licensee to 31 practice in any jurisdiction regardless of local licensing requirements.

324.905. 1. There is hereby created within the division of 2 professional registration the "Missouri Electrical Industry Licensing Board". The board shall consist of nine voting members, all of whom shall be citizens of the United States and domiciled within this state. The governor shall appoint four members of the board from district one, four members from district two, and one member from district three, as set out in subdivisions (1), (2), and (3) of this subsection, with the advice and consent of the senate for terms of four years, except as provided in subsection 3 of this section. Four members shall be in good standing with the National Electrical Contractors 10 Association, or any successor organization, two members shall be in good standing with the Associated Builders and Contractors, or any successor organization, two members shall be in good standing with the Independent Electrical Contractors, or any successor organization, and 15 one member shall be in good standing with the Society of Professional Engineers. All members shall be chosen from lists submitted by the 16 director of the division of professional registration who shall inquire 17of the Independent Electrical Contractors Association, Associated Builders and Contractors, and National Electrical Contractors 19 20 Association, or any successor organizations, to obtain the names of 21individuals to be considered. Each association shall submit three names from district one and three names from district two for the 22selection process, and the society shall submit three names from 23district three. 24

25 (1) District one shall consist of the counties of Boone, Callaway, 26 Cape Girardeau, Cole, Franklin, Jefferson, Lincoln, St. Charles, St.

- 27 François, and St. Louis; and the city of St. Louis;
- 28 (2) District two shall consist of the counties of Buchanan,
- 29 Camden, Cass, Christian, Clay, Greene, Jackson, Jasper, Newton, Platte,
- 30 and Taney; and

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- 31 (3) District three shall consist of all counties of the third and 32 fourth classification.
- 2. No person shall be eligible for reappointment to the board who has served as a member for a total of eight years. A vacancy in the office of any board member shall be filled for the unexpired term only.
- 36 3. The initial appointments to the board shall be three members for terms of two years, three members for terms of three years, and two members for terms of four years.
- 4. Any member of the board may be removed from the board by the governor for neglect of duty required by law, for incompetence, or for unethical or dishonest conduct. Upon the death, resignation, disqualification, or removal of any member of the board, the governor shall appoint a successor.
  - 324.910. 1. The board shall elect annually a chairperson and a vice-chairperson from the board's membership.
- 3 2. The division, in collaboration with the board, shall adopt, implement, rescind, amend, and administer such rules as may be necessary to carry out the provisions of sections 324.900 to 324.945. The division, in collaboration with the board, may promulgate necessary rules compatible with sections 324.900 to 324.945, including, but not limited to, rules relating to professional conduct, continuing competency requirements for the renewal of licenses, approval of continuing competency programs, and the establishment of ethical standards of practice for persons holding a license pursuant to sections 11 324.900 to 324.945. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 15536.028. This section and chapter 536 are nonseverable and if any of 16 17 the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule 18 are subsequently held unconstitutional, then the grant of rulemaking 19

authority and any rule proposed or adopted after August 28, 2014, shall

- 21 be invalid and void.
- 3. The board shall convene at the request of the director or as the board shall determine. The board shall hold regular meetings at least four times per year.
- 4. Each member of the board shall receive as compensation an amount set by the division not to exceed seventy dollars per day for each day devoted to the affairs of the board and may be reimbursed for actual and necessary expenses incurred in the performance of the member's official duties.
  - 324.915. 1. For the purpose of sections 324.900 to 324.945, the division shall:
  - 3 (1) Employ, within the limits of the appropriations for such 4 purpose, employees as are necessary to carry out the provisions of 5 sections 324.900 to 324.945;
- 6 (2) Exercise all administrative functions;
- 7 (3) Establish all applicable fees, set at an amount which shall not 8 substantially exceed the cost of administering sections 324.900 to 9 324.945;
- 10 (4) Deposit all fees collected under sections 324.900 to 324.945, by 11 transmitting such funds to the department of revenue for deposit to the 12 state treasury to the credit of the Missouri electrical industry licensing 13 board fund; and
- 14 (5) Approve or disapprove certifying entities for professions 15 within the electrical industry included in the scope of sections 324.900 16 to 324.945.
- 2. The division may terminate recognition of any certifying entity included in the scope of sections 324.900 to 324.945 following a subsequent review of the certification or registration procedures of that certifying entity.

324.920. Sections 324.900 to 324.945 shall not apply to work done 2 by:

- 3 (1) Any employee of an electric utility, a gas corporation as defined in section 386.020, or a water corporation as defined in section 5 386.020;
- 6 (2) A railroad corporation;
- 7 (3) A contractor who services the construction and maintenance 8 of power lines or substations of an electric utility corporation, a

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9 municipal utility, a rural electric cooperative, or a telecommunications 10 company as defined in section 386.020, when engaged in work of the 11 utility;

- 12 (4) A federally licensed radio or television broadcast station or 13 a commercial mobile radio service provider licensed by the Federal 14 Communications Commission under the commercial mobile radio 15 services rules and regulations;
- (5) A private broadcast engineering contractor possessing a valid
  Society of Broadcast Engineers certification; or
- 18 (6) Contractors whose primary occupation is the design, 19 integration, installation, maintenance, or service of cabling 20 infrastructure and products that transport voice, video, audio, and data 21 signals into a commercial or residential premises.
- 324.925. 1. Each electrical contracting firm shall have in its 2 employ, at a supervisory level, at least one licensed electrical 3 contractor.
- 2. The applicant for a statewide electrical contractor's license shall satisfy the following requirements:
- 6 (1) Be at least twenty-one years of age and a United States 7 citizen;
- 8 (2) Provide proof of insurance in the amount of five hundred 9 thousand dollars, and post a bond with each political subdivision in 10 which he or she will perform work, as required by that political 11 subdivision;
- 12 (3) Pass a standardized and nationally accredited electrical 13 assessment examination that has been created and administered by a 14 third party and that meets current national industry standards, as 15 determined by the board;
  - (4) Pay for the costs of such examination; and
- 17 (5) Have completed one of the following:

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- 18 **(a)** Twelve thousand verifiable practical hours installing 19 equipment and associated wiring;
- (b) Ten thousand verifiable practical hours installing equipment and associated wiring and have received an electrical journeyman certificate from a United States Department of Labor-approved electrical apprenticeship program;
- 24 (c) Eight thousand verifiable practical hours installing

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25equipment and associated wiring and have received an associate's degree from a state-accredited program; or 26

- (d) Four thousand verifiable practical hours supervising the installation of equipment and associated wiring and have received a four-year electrical engineering degree.
- 3. Electrical contractors who currently hold an electrical license in good standing that was issued by any authority in this state that required, prior to January 1, 2005, the passing of a written examination and who have completed twelve thousand hours of verifiable practical experience shall be issued a statewide license.
- 4. Any person operating as an electrical contractor in a political subdivision that does not require the contractor to hold a local license shall not be required to possess a statewide license under sections 324.900 to 324.945 to continue to operate as an electrical contractor in such political subdivision.
- 5. The division, in collaboration with the board, may negotiate reciprocal agreements with other states, the District of Columbia, or territories of the United States which require standards for licensure, registration, or certification considered to be equivalent or more stringent than the requirements for licensure under sections 324.900 to 324.945.
- 6. Political subdivisions shall not be prohibited from establishing their own local electrical contractor's license, but shall recognize a 48 statewide license in lieu of a local license for the purposes of 49 performing contracting work or obtaining permits to perform work 50 within such a political subdivision.

324.930. There is hereby created in the state treasury the "Missouri Electrical Industry Licensing Board Fund", which shall consist of money collected under sections 324.900 to 324.945. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for the administration of sections 324.900 to 324.945. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and

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12 moneys earned on such investments shall be credited to the fund.

324.935. 1. The division shall mail a renewal notice to the last known address of each person licensed under sections 324.900 to 324.945 prior to the renewal date. Failure to provide the division with the information required for renewal or to pay the required fee after such notice shall result in the license being declared inactive. The licensee shall not practice until he or she applies for reinstatement and pays the required fees. The license shall be restored if the application for reinstatement is received within two years of the renewal date.

- 2. Upon request, the division, in collaboration with the board, may grant inactive status to a licensee if the person:
- (1) Does not hold himself or herself out as possessing a license required under sections 324.900 to 324.945 in this state; and
- 13 (2) Does not maintain any continuing competency requirements 14 established by the division, in collaboration with the board.
- 15 3. If an electrical contractor transfers employment from one 16 company to another, all permits on the contractor's license shall first be cleared. It is the responsibility of the contractor to notify the 17 division of the contractor's intent to transfer employment and any 18 current active permits on the contractor's license when transferring employment. Upon such notification, the division shall notify all 20 affected political subdivisions via electronic communication of the 22 contractor's status. It shall be assumed all permits are cleared if no 23 response is given otherwise by affected political subdivisions within 24 seventy-two hours of the notification.

324.940. 1. The board may refuse to issue or renew or may suspend any license required under sections 324.900 to 324.945 for one or any combination of causes stated in subsection 4 of this section. The board shall notify the applicant in writing of the reasons for the refusal and shall advise the applicant of his or her right to file a complaint with the administrative hearing commission as provided by chapter 621.

- 2. The board shall publish via electronic media and update on a weekly basis a list of valid statewide license holders, a list of current enforcement actions against license holders, and the procedures for filing grievances against licensees.
  - 3. The permitting authority of each political subdivision may

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suspend a contractor's work in that political subdivision for a period of up to thirty days while a complaint is being forwarded by the permitting authority to the board for adjudication.

- 4. The board may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621 against any holder of any license required by sections 324.900 to 324.945 or any person who has failed to renew or has surrendered his or her license for any one or any combination of the following causes:
  - (1) Use or unlawful possession of any controlled substance, as defined in chapter 195, or alcoholic beverage to an extent that such use impairs a person's ability to perform the work of an electrical contractor;
  - (2) The final adjudication and finding of guilty, or the entering of a plea of guilty or nolo contendere, in a criminal prosecution under the laws of any state or of the United States, for any offense reasonably related to the qualifications, functions, or duties of any profession licensed or regulated by sections 324.900 to 324.945, for any offense an essential element of which is fraud, dishonesty, or an act of violence or for any offense involving moral turpitude, whether or not sentence is imposed;
  - (3) Use of fraud, deception, misrepresentation, or bribery in securing any license issued under sections 324.900 to 324.945 or in obtaining permission to take any examination given or required under sections 324.900 to 324.945;
- 37 (4) Obtaining or attempting to obtain any fee, charge, tuition, or 38 other compensation by fraud, deception, or misrepresentation;
- 39 (5) Incompetence, misconduct, gross negligence, fraud, 40 misrepresentation, or dishonesty in the performance of the functions 41 and duties of any profession licensed or regulated by sections 324.900 42 to 324.945;
- 43 (6) Violation of, or assisting or enabling any person to violate, 44 any provision of sections 324.900 to 324.945 or any lawful rule adopted 45 under sections 324.900 to 324.945;
- 46 (7) Impersonation of any person holding a license or allowing 47 any person to use his or her license;
- 48 (8) Disciplinary action against the holder of a license or other 49 right to practice any profession regulated by sections 324.900 to 324.945

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50 granted by another state, territory, federal agency, or country upon 51 grounds for which revocation or suspension is authorized in this state;

- 52 (9) Final adjudication of a person as insane or incompetent by 53 a court of competent jurisdiction;
- (10) Assisting or enabling any person to practice or offer to practice any profession licensed or regulated by sections 324.900 to 324.945 who is not registered and currently eligible to practice under sections 324.900 to 324.945;
  - (11) Issuance of a certificate of registration or authority, permit, or license based upon a material mistake of fact;
    - (12) Violation of any professional trust or confidence;
- 61 (13) Use of any advertisement or solicitation which is false, 62 misleading, or deceptive to the general public or persons to whom the 63 advertisement or solicitation is primarily directed;
- 64 (14) Unethical conduct as defined in the ethical standards 65 adopted by the division and filed with the secretary of state;
- 66 (15) Violation of the drug laws or rules of this state, any other 67 state, or the federal government.
- 5. After the filing of such complaint, the proceedings shall be conducted in accordance with the provisions of chapter 621. Upon a finding by the administrative hearing commission that the grounds provided in subsection 4 of this section for disciplinary action are met, the board may, singly or in combination, censure or place the person named in the complaint on probation with such terms and conditions as the board deems appropriate for a period not to exceed five years, or may suspend, for a period not to exceed three years, or revoke the license, certificate, or permit.
- 6. An individual whose license has been revoked shall wait at least one year from the date of revocation to apply for relicensure. Relicensure shall be at the discretion of the board after compliance with all requirements of sections 324.900 to 324.945 relative to the previous licensing of the applicant.
  - 324.945. 1. Any person that knowingly violates any provision of sections 324.900 to 324.945 is guilty of a class B misdemeanor.
  - 2. Any officer or agent of a corporation or member or agent of a partnership or association who knowingly and personally participates in or is an accessory to any violation of sections 324.900 to 324.945 is

- 6 guilty of a class B misdemeanor.
- 7 3. The division, in collaboration with the board, may cause a
- 8 complaint to be filed for any violation of sections 324.900 to 324.945 in
- 9 any court of competent jurisdiction and perform such other acts as may
- 10 be necessary to enforce the provisions of sections 324.900 to 324.945.

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