

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 240
99TH GENERAL ASSEMBLY

Reported from the Committee on Professional Registration, March 16, 2017, with recommendation that the Senate Committee Substitute do pass.

1045S.03C

ADRIANE D. CROUSE, Secretary.

AN ACT

To amend chapter 324, RSMo, by adding thereto nine 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 nine new sections, to be known as sections 324.900, 324.910, 324.915, 324.920, 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 clearly indicates otherwise, the following terms shall mean:

(1) "Certifying entity", the nongovernmental agency or association which certifies or registers individuals who have completed academic and training requirements;

(2) "Division", the division of professional registration within the department of insurance, financial institutions and professional registration;

(3) "Electrical contracting", engaging in the business of installing, erecting, or maintaining electrical wiring, fixtures, apparatus, equipment, devices, or components, regardless of voltage, that are used for generation, transmission, and utilization of electricity;

(4) "Electrical contractor", a person engaged in electrical contracting;

(5) "License holder", any electrical contractor who is granted a statewide license by the division;

(6) "Local license", a valid license issued by a political subdivision. Holders of such a license are limited to practice within the political subdivision issuing the license or in a political subdivision

20 that does not require a license;

21 (7) "Person", an individual, corporation, partnership, association,
22 or other legal entity;

23 (8) "Statewide license", a valid license issued or recognized by
24 the division that allows the licensee to practice in any jurisdiction
25 regardless of local licensing requirements.

324.910. 1. The division shall adopt, implement, rescind, amend,
2 and administer such rules as may be necessary to carry out the
3 provisions of sections 324.900 to 324.945. The division may promulgate
4 necessary rules compatible with sections 324.900 to 324.945, including,
5 but not limited to, rules relating to professional conduct, continuing
6 competency requirements for the renewal of licenses, approval of
7 continuing competency programs, and the establishment of ethical
8 standards of business practice for persons holding a license pursuant
9 to sections 324.900 to 324.945. Any rule or portion of a rule, as that
10 term is defined in section 536.010 that is created under the authority
11 delegated in this section shall become effective only if it complies with
12 and is subject to all of the provisions of chapter 536, and, if applicable,
13 section 536.028. This section and chapter 536 are nonseverable and if
14 any of the powers vested with the general assembly pursuant to chapter
15 536, to review, to delay the effective date, or to disapprove and annul
16 a rule are subsequently held unconstitutional, then the grant of
17 rulemaking authority and any rule proposed or adopted after August
18 28, 2017, shall be invalid and void.

19 2. For the purpose of sections 324.900 to 324.945, the division
20 shall:

21 (1) Employ, within the limits of the appropriations for such
22 purpose, employees as are necessary to carry out the provisions of
23 sections 324.900 to 324.945;

24 (2) Exercise all administrative functions;

25 (3) Establish all applicable fees, set at an amount which shall not
26 substantially exceed the cost of administering sections 324.900 to
27 324.945;

28 (4) Deposit all fees collected under sections 324.900 to 324.945, by
29 transmitting such funds to the department of revenue for deposit to the
30 state treasury to the credit of the Missouri electrical industry licensing
31 fund; and

32 **(5) Approve or disapprove certifying entities for professions**
33 **within the electrical industry included in the scope of sections 324.900**
34 **to 324.945.**

35 **3. The division may terminate recognition of any certifying**
36 **entity included in the scope of sections 324.900 to 324.945 following a**
37 **subsequent review of the certification or registration procedures of**
38 **that certifying entity.**

324.915. 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**
4 **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**
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;**

16 **(5) A private broadcast engineering contractor possessing a valid**
17 **Society of Broadcast Engineers certification; or**

18 **(6) A contractor who is engaged in the design, installation,**
19 **erection, repair, maintenance, or alteration of class two or class three**
20 **remote control, signaling, or power-limited circuits, optical fiber cables**
21 **or other cabling, or communications circuits, including raceways, as**
22 **defined in the National Electrical Code for voice, video, audio, and data**
23 **signals in residential or commercial premises.**

324.920. 1. The applicant for a statewide electrical contractor's
2 **license shall satisfy the following requirements:**

3 **(1) Be at least twenty-one years of age;**

4 **(2) Provide proof of liability insurance in the amount of five**
5 **hundred thousand dollars, and post a bond with each political**
6 **subdivision in which he or she will perform work, as required by that**
7 **political subdivision;**

8 **(3) Pass a standardized and nationally accredited electrical**
9 **assessment examination that has been created and administered by a**
10 **third party and that meets current national industry standards, as**
11 **determined by the division;**

12 **(4) Pay for the costs of such examination; and**

13 **(5) Have completed one of the following:**

14 **(a) Twelve thousand verifiable practical hours installing**
15 **equipment and associated wiring;**

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

20 **(c) Eight thousand verifiable practical hours installing**
21 **equipment and associated wiring and have received an associate's**
22 **degree from a state-accredited program; or**

23 **(d) Four thousand verifiable practical hours supervising the**
24 **installation of equipment and associated wiring and have received a**
25 **four-year electrical engineering degree.**

26 **2. Electrical contractors who hold an electrical contractor**
27 **license in good standing that was issued by any authority in this state**
28 **that required prior to January 1, 2018, the passing of a standardized**
29 **and nationally accredited written electrical assessment examination**
30 **that is based upon the National Electrical Code and who have**
31 **completed twelve thousand hours of verifiable practical experience**
32 **shall be issued a statewide license. The provisions of this subsection**
33 **shall apply only to electrical contractor licenses issued by a political**
34 **subdivision with the legal authority to issue such licenses.**

35 **3. Each corporation, firm, institution, organization, company, or**
36 **representative thereof engaging in electrical contracting shall have in**
37 **its employ, at a supervisory level, at least one electrical contractor who**
38 **possesses a statewide license in accordance with sections 324.900 to**
39 **324.945. A statewide licensed electrical contractor shall represent only**
40 **one firm, company, corporation, institution, or organization at one**
41 **time.**

42 **4. Any person operating as an electrical contractor in a political**
43 **subdivision that does not require the contractor to hold a local license**
44 **shall not be required to possess a statewide license under sections**

45 **324.900 to 324.945 to continue to operate as an electrical contractor in**
46 **such political subdivision.**

47 **5. The division may negotiate reciprocal agreements with other**
48 **states, the District of Columbia, or territories of the United States**
49 **which require standards for licensure, registration, or certification**
50 **considered to be equivalent or more stringent than the requirements**
51 **for licensure under sections 324.900 to 324.945.**

324.925. 1. Political subdivisions shall not be prohibited from
2 **establishing their own local electrical contractor's license, but shall**
3 **recognize a statewide license in lieu of a local license for the purposes**
4 **of performing contracting work or obtaining permits to perform work**
5 **within such political subdivision.**

6 **2. If a political subdivision does not recognize a statewide**
7 **license in lieu of a local license for the purposes of performing**
8 **contracting work or obtaining permits to perform work within the**
9 **political subdivision, then a statewide licensee may file a complaint**
10 **with the division. The division shall perform an investigation into the**
11 **complaint, and if the division finds that the political subdivision failed**
12 **to recognize a statewide license in accordance with this section, then**
13 **the division shall notify the political subdivision that the political**
14 **subdivision has violated the provisions of this section and has thirty**
15 **days to comply with the law. If after thirty days the political**
16 **subdivision still does not recognize a statewide license, then the**
17 **division shall notify the director of the department of revenue who**
18 **shall withhold any moneys the noncompliant political subdivision**
19 **would otherwise be entitled to from local sales tax as defined in section**
20 **32.085 until the director has received notice from the division that the**
21 **political subdivision is in compliance with this section. Upon the**
22 **political subdivision coming into compliance with the provisions of this**
23 **section, the division shall notify the director of the department of**
24 **revenue who shall disburse all funds held under this**
25 **subsection. Moneys held by the director of the department of revenue**
26 **under this subsection shall not be deemed to be state funds and shall**
27 **not be commingled with any funds of the state.**

28 **3. The provisions of this section shall not prohibit any political**
29 **subdivision in this state from:**

30 **(1) Enforcing any code or law contained in this section;**

31 **(2) Implementing an electrical code based upon the National**
32 **Electrical Code;**

33 **(3) Issuing an electrical contractor license or communication**
34 **contractor license valid for that political subdivision;**

35 **(4) Requiring a business license to perform electrical contracting**
36 **work;**

37 **(5) Issuing electrical contracting permits;**

38 **(6) Enforcing codes of the political subdivision;**

39 **(7) Inspecting the work of a statewide license holder; and**

40 **(8) Licensing electricians provided that such licenses are based**
41 **upon professional experience and passage of a nationally accredited**
42 **Electrical Assessment Examination that is administered on a routine**
43 **and accessible schedule.**

44 **4. Political subdivisions that do not have the authority to issue**
45 **or require electrical licenses prior to August 28, 2017, shall not be**
46 **granted such authority under the provisions of this section.**

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

324.935. 1. Starting in 2020, licenses shall be renewed once every
2 **three years. The division shall mail a renewal notice to the last known**
3 **address of each person licensed under sections 324.900 to 324.945 prior**
4 **to the renewal date. Failure to provide the division with the**
5 **information required for renewal or to pay the required fee after such**
6 **notice shall result in the license being declared inactive. The licensee**
7 **shall not practice until he or she applies for reinstatement and pays the**
8 **required fees. The license shall be restored if the application for**
9 **reinstatement is received within two years of the renewal date.**

10 2. Upon request, the division may grant inactive status to a
11 licensee if the person:

12 (1) Does not hold himself or herself out as possessing a license
13 required under sections 324.900 to 324.945 in this state; and

14 (2) Does not maintain any continuing competency requirements
15 established by the division.

16 3. If an electrical contractor transfers employment from one
17 company to another, all permits on the contractor's license shall first
18 be cleared. It is the responsibility of the contractor to notify the
19 division of the contractor's intent to transfer employment and any
20 current active permits on the contractor's license when transferring
21 employment. Upon such notification, the division shall notify all
22 affected political subdivisions via electronic communication of the
23 contractor's status. It shall be assumed all permits are cleared if no
24 response is given otherwise by affected political subdivisions within
25 seventy-two hours of the notification.

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

8 2. The division shall publish via electronic media and update on
9 a weekly basis a list of valid statewide license holders, a list of current
10 enforcement actions against license holders, and the procedures for
11 filing grievances against licensees.

12 3. The permitting authority of each political subdivision may
13 suspend a contractor's work in that political subdivision for a period
14 of up to thirty days while a complaint is being forwarded by the
15 permitting authority to the division for adjudication.

16 4. The division may cause a complaint to be filed with the
17 administrative hearing commission as provided by chapter 621 against
18 any holder of any license required by sections 324.900 to 324.945 or any
19 person who has failed to renew or has surrendered his or her license
20 for any one or any combination of the following causes:

21 (1) The final adjudication and finding of guilty, or the entering

22 of a plea of guilty or nolo contendere, in a criminal prosecution under
23 the laws of any state or of the United States, for any offense reasonably
24 related to the qualifications, functions, or duties of any profession
25 licensed or regulated by sections 324.900 to 324.945, for any offense an
26 essential element of which is fraud, dishonesty, or an act of violence,
27 whether or not sentence is imposed;

28 (2) Use of fraud, deception, misrepresentation, or bribery in
29 securing any license issued under sections 324.900 to 324.945 or in
30 obtaining permission to take any examination given or required under
31 sections 324.900 to 324.945;

32 (3) Obtaining or attempting to obtain any fee, charge, tuition, or
33 other compensation by fraud, deception, or misrepresentation;

34 (4) Incompetence, misconduct, gross negligence, fraud,
35 misrepresentation, or dishonesty in the performance of the functions
36 and duties of any profession licensed or regulated by sections 324.900
37 to 324.945;

38 (5) Violation of, or assisting or enabling any person to violate,
39 any provision of sections 324.900 to 324.945 or any lawful rule adopted
40 under sections 324.900 to 324.945;

41 (6) Impersonation of any person holding a license or allowing
42 any person to use his or her license;

43 (7) Final adjudication of a person as insane or incompetent by
44 a court of competent jurisdiction;

45 (8) Assisting or enabling any person to practice or offer to
46 practice any profession licensed or regulated by sections 324.900 to
47 324.945 who is not registered and currently eligible to practice under
48 sections 324.900 to 324.945;

49 (9) Issuance of a certificate of registration or authority, permit,
50 or license based upon a material mistake of fact.

51 5. After the filing of such complaint, the proceedings shall be
52 conducted in accordance with the provisions of chapter 621. Upon a
53 finding by the administrative hearing commission that the grounds
54 provided in subsection 4 of this section for disciplinary action are met,
55 the division may, singly or in combination, censure or place the person
56 named in the complaint on probation with such terms and conditions
57 as the division deems appropriate for a period not to exceed five years,
58 or may suspend, for a period not to exceed three years, or revoke the

59 license, certificate, or permit.

60 **6. An individual whose license has been revoked shall wait at**
61 **least one year from the date of revocation to apply for**
62 **relicensure. Relicensure shall be at the discretion of the division after**
63 **compliance with all requirements of sections 324.900 to 324.945 relative**
64 **to the previous licensing of the applicant.**

324.945. 1. Any person that knowingly violates any provision of
2 **sections 324.900 to 324.945 is guilty of a class B misdemeanor.**

3 **2. Any officer or agent of a corporation or member or agent of a**
4 **partnership or association who knowingly and personally participates**
5 **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 may cause a complaint to be filed for any**
8 **violation of sections 324.900 to 324.945 in any court of competent**
9 **jurisdiction and perform such other acts as may be necessary to enforce**
10 **the provisions of sections 324.900 to 324.945.**

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Bill

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