

SENATE BILL NO. 80

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHROER.

0621S.01H

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 324, RSMo, by adding thereto eleven new sections relating to statewide mechanical contractor licenses, 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
2 eleven new sections, to be known as sections 324.950, 324.953,
3 324.956, 324.959, 324.962, 324.965, 324.968, 324.971, 324.977,
4 324.980, and 324.983, to read as follows:

**324.950. 1. Sections 324.950 to 324.983 shall be
2 known and may be cited as the "Missouri Statewide Mechanical
3 Contractor Licensing Act".**

**4 2. As used in sections 324.950 to 324.983, unless the
5 context clearly indicates otherwise, the following terms
6 shall mean:**

**7 (1) "Division", the division of professional
8 registration within the department of commerce and insurance;**

**9 (2) "Field employee", any person who is an employee of
10 a mechanical contractor and is engaged in mechanical work at
11 a jobsite within Missouri;**

**12 (3) "License holder", any person who is granted a
13 statewide mechanical contractor license by the division;**

**14 (4) "Local license", a valid business or occupational
15 license issued by a Missouri political subdivision;**

**16 (5) "Mechanical contractor", a company engaged in
17 mechanical contracting work per the International Code**

- 18 Council (ICC) and National Fire Protection Association
19 (NFPA), including the design, installation, maintenance,
20 construction, alteration, repair, or inspection of any:
- 21 (a) HVAC system;
 - 22 (b) HVAC duct system;
 - 23 (c) Exhaust systems;
 - 24 (d) Combustion air or make up air;
 - 25 (e) Chimneys and vents;
 - 26 (f) Hydronic piping systems that are part of an HVAC
27 system;
 - 28 (g) Boilers, water heaters, and pressure vessels;
 - 29 (h) Process piping systems;
 - 30 (i) Fuel gas distribution piping;
 - 31 (j) Fuel gas-fired, fuel, and oil-fired appliances;
 - 32 (k) Fuel oil piping and storage vessels;
 - 33 (l) Fuel gas-fired and fuel oil-fired appliance
34 venting systems;
 - 35 (m) Equipment and appliances intended to utilize solar
36 energy for space heating or cooling;
 - 37 (n) Domestic hot water heating, swimming pool heating,
38 or process heating;
 - 39 (o) Refrigeration systems, including all equipment and
40 components thereof;
 - 41 (p) Backflow preventers;
 - 42 (q) Medical gas piping;
 - 43 (r) Air, oxygen, and vacuum piping;
 - 44 (s) Fire suppression systems; and
 - 45 (t) Chillers and cooling towers.

46 For purposes of this subdivision, the term "mechanical
47 contracting work" shall not include the design, service,
48 maintenance, installation, or inspection of solid-fuel or

49 gas-fueled hearth appliances, such as wood stoves and
50 fireplaces, including manufacturer-specified venting
51 systems, fireplace chimneys, outdoor cooking appliances with
52 manufacturer-specified venting systems, outdoor fireplaces,
53 and outdoor firepits. Additional certification may be
54 required by the division for a particular scope of
55 mechanical work;

56 (6) "Office", the office of mechanical contractors
57 within the division of professional registration;

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

60 (8) "Statewide mechanical contractor license" or
61 "statewide license", a valid license issued by the division
62 that allows the mechanical contractor and any of its
63 employees or manufacturers' representatives or
64 subcontractors to practice in any jurisdiction in Missouri
65 regardless of local licensing requirements.

324.953. 1. The division shall adopt, implement,
2 rescind, amend, and administer such rules as may be
3 necessary to carry out the provisions of sections 324.950 to
4 324.983. The division may promulgate necessary rules
5 authorized or as required to explain or clarify sections
6 324.950 to 324.983 including, but not limited to, rules
7 relating to professional conduct, continuing competency
8 requirements for the renewal of licenses, approval of
9 continuing competency programs, fees, and the establishment
10 of ethical standards of business practice for persons
11 holding a license under sections 324.950 to 324.983. Any
12 rule or portion of a rule, as that term is defined in
13 section 536.010, that is created under the authority
14 delegated in this section shall become effective only if it
15 complies with and is subject to all of the provisions of

16 chapter 536 and, if applicable, section 536.028. This
17 section and chapter 536 are nonseverable, and if any of the
18 powers vested with the general assembly pursuant to chapter
19 536 to review, to delay the effective date, or to disapprove
20 and annul a rule are subsequently held unconstitutional,
21 then the grant of rulemaking authority and any rule proposed
22 or adopted after August 28, 2023, shall be invalid and void.

23 2. For the purpose of sections 324.950 to 324.983, the
24 division shall:

25 (1) Establish all applicable fees, set at an amount
26 that shall not substantially exceed the cost of
27 administering sections 324.950 to 324.983; and

28 (2) Deposit all fees collected under sections 324.950
29 to 324.983 by transmitting such funds to the department of
30 revenue for deposit to the state treasury to the credit of
31 the Missouri mechanical contractor licensing fund.

32 3. Nothing in sections 324.950 to 324.983 shall apply
33 to any certification required by regulation adopted under
34 subdivision (3) of subsection 13 of section 323.025.

324.956. There is hereby created the "Office of
2 Mechanical Contractors" to be housed within the division of
3 professional registration. The division shall:

4 (1) Employ, within the limits of the funds
5 appropriated, persons as are necessary to carry out the
6 provisions of sections 324.950 to 324.983, including both
7 administrative and professional staff and legal counsel,
8 with the discretion to hire experts in mechanical
9 contracting to advise the division on technical matters
10 related to mechanical contracting;

11 (2) Exercise all budgeting, purchasing, reporting, and
12 related management functions;

13 (3) Conduct investigations to determine compliance
14 with sections 324.950 to 324.983; and

15 (4) File suit in its own name on behalf of the office
16 to enforce the provisions of sections 324.950 to 324.983.

 324.959. 1. The applicant for a statewide mechanical
2 contractor 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
5 of one million dollars and post bond with each political
6 subdivision in which he or she will perform work as required
7 by that political subdivision. If a political subdivision
8 requires any license holder to be named on a document
9 including, but not limited to, the bond, the license holder
10 of the mechanical contractor shall be allowed to provide
11 services in the political subdivision;

12 (3) Pass:

13 (a) A standardized mechanical assessment test
14 nationally offered by:

15 a. The International Code Council;

16 b. Prometric; or

17 c. The International Association of Plumbing and
18 Mechanical Officials (IAPMO); or

19 (b) A test similar to any test described in paragraph
20 (a) of this subdivision that is administered by an
21 independent professional testing agency not affiliated with
22 any political subdivision or the state of Missouri and that
23 is approved by the division;

24 (4) Pay for all costs associated with the tests
25 described in subdivision (3) of this subsection;

26 (5) Complete the application form provided by the
27 division and pay any applicable application fees; and

28 (6) Have completed seven thousand five hundred hours
29 of verifiable field experience in mechanical contracting
30 work or a bachelor's or further advanced degree in
31 mechanical or civil engineering from an accredited college
32 or university with a minimum of three years of verifiable
33 experience directing and supervising at least one field
34 employee.

35 2. Any applicant for licensure who holds a local
36 license or other license authorizing him or her to engage in
37 mechanical contracting, who has seven thousand five hundred
38 hours of verifiable field experience in mechanical
39 contracting work, and who is otherwise eligible for
40 licensure shall be issued a statewide mechanical contractor
41 license. The provisions of this subsection shall apply only
42 to licenses issued by a political subdivision with the legal
43 authority to issue such licenses.

44 3. If a corporation, firm, institution, organization,
45 company, or representative thereof desires to engage in
46 mechanical contracting under sections 324.950 to 324.983, it
47 shall have in its employ at least one statewide license
48 holder in accordance with sections 324.950 to 324.983. A
49 statewide mechanical contractor license holder shall
50 represent only one corporation, firm, institution,
51 organization, or company at one time. A mechanical
52 contractor shall have one license holder responsible for
53 offering Missouri-based field employees eight contact hours
54 of industry training per year, and such mechanical
55 contractor shall be responsible for providing proof of
56 training to the division upon request. In the event of a
57 loss of a license holder, a mechanical contractor shall
58 remain in good standing with the division for six months
59 after notifying the division of the change in status.

60 Within the six-month period, a new license holder shall be
61 registered with the division. If no license holder is
62 registered within such six-month period, the division shall
63 declare the mechanical contractor inactive.

64 4. The division may issue a statewide mechanical
65 contractor license to any person who holds a current and
66 active license to engage in the practice of a mechanical
67 contractor or as a master pipefitter or master plumber
68 issued by any other state, the District of Columbia, or any
69 territory of the United States that requires standards for
70 licensure, registration, or certification considered to be
71 equivalent or more stringent than the requirements for
72 licensure under sections 324.950 to 324.983.

73 5. Where the contact information of a mechanical
74 contractor's employees is required to fulfill the
75 obligations of a license, such contact information shall be
76 considered a trade secret and therefore not a public record
77 under chapter 610.

324.962. 1. Political subdivisions shall not be
2 prohibited from establishing their own local mechanical
3 contractor's license but shall recognize a statewide license
4 in lieu of a local license for the purposes of performing
5 contracting work or obtaining permits to perform work within
6 such political subdivision. No political subdivision shall
7 require the employees of a statewide licensed mechanical
8 contractor or its subcontractors' or manufacturers'
9 representatives to obtain journeyman licenses, apprentice
10 licenses, or occupation licenses that require passing any
11 examination or any special requirements to assess
12 proficiency or mastery of the mechanical trade. The
13 workforce of a statewide licensee shall be deemed eligible
14 to perform mechanical contracting work and to obtain permits

15 to perform such work from any political subdivision within
16 the state of Missouri.

17 2. If a political subdivision does not recognize a
18 statewide license in lieu of a local license for the
19 purposes of performing contracting work or obtaining permits
20 to perform work within the political subdivision, a
21 statewide mechanical contractor licensee may file a
22 complaint with the division. The division shall perform an
23 investigation into the complaint, and if the division finds
24 that the political subdivision failed to recognize a
25 statewide license in accordance with this section, the
26 division shall notify the political subdivision that the
27 political subdivision has violated the provisions of this
28 section and has thirty days to comply with this section. If
29 after thirty days the political subdivision still does not
30 recognize a statewide license, the division shall notify the
31 director of the department of revenue, who shall withhold
32 any moneys the noncompliant political subdivision would
33 otherwise be entitled to from local sales tax, as defined in
34 section 32.085, until the director has received notice from
35 the division that the political subdivision is in compliance
36 with this section. Upon the political subdivision coming
37 into compliance with the provisions of this section, the
38 division shall notify the director of the department of
39 revenue, who shall disburse all funds held under this
40 subsection. Moneys held by the director of the department
41 of revenue under this subsection shall not be deemed to be
42 state funds and shall not be commingled with any funds of
43 the state.

44 3. The provisions of this section shall not prohibit
45 any political subdivision in this state from:

- 46 (1) Enforcing any technical code or law contained in
47 this section;
- 48 (2) Requiring a business license to perform mechanical
49 contracting work;
- 50 (3) Issuing mechanical contracting permits;
- 51 (4) Enforcing technical codes of the political
52 subdivision; or
- 53 (5) Inspecting the work of a statewide mechanical
54 contractor.

55 4. Political subdivisions that do not have the
56 authority to issue or require mechanical contractor licenses
57 prior to August 28, 2023, shall not be granted such
58 authority under the provisions of this section.

 324.965. There is hereby created in the state treasury
2 the "Missouri Mechanical Contractor Licensing Fund", which
3 shall consist of moneys collected under sections 324.950 to
4 324.983. The state treasurer shall be custodian of the fund
5 and may approve disbursements from the fund in accordance
6 with sections 30.170 and 30.180. Upon appropriation, moneys
7 in the fund shall be used solely for the administration of
8 sections 324.950 to 324.983. The provisions of section
9 33.080 to the contrary notwithstanding, moneys in this fund
10 shall not be transferred and placed to the credit of general
11 revenue until the amount in the fund at the end of the
12 biennium exceeds three times the amount of the appropriation
13 from the fund for the preceding fiscal year. The amount, if
14 any, in the fund that shall lapse is that amount in the fund
15 that exceeds the appropriate multiple of the appropriations
16 from the fund for the preceding fiscal year. The state
17 treasurer shall invest moneys in the fund in the same manner
18 as other funds are invested. Any interest and moneys earned
19 on such investments shall be credited to the fund.

324.968. 1. Licenses shall expire on a renewal date
2 established by the division. The term of licensure shall be
3 twenty-four months. The division shall mail a renewal
4 notice to the last known address of each person licensed
5 under sections 324.950 to 324.983 prior to the renewal
6 date. Failure to provide the division with the information
7 required for renewal or to pay the required fee after such
8 notice shall result in the license being declared inactive.
9 The licensee shall not practice until he or she applies for
10 reinstatement and pays the required fees. The license shall
11 be restored if the application for reinstatement is received
12 within two years of the renewal date.

13 2. In addition to other requirements provided by
14 sections 324.950 to 324.983 and established by the division,
15 in order to renew such license under this section, the
16 person shall have at least sixteen contact hours of industry-
17 related training.

324.971. Any person operating as a mechanical
2 contractor in a political subdivision that does not require
3 the mechanical contractor to hold a local license, or who
4 operates as a mechanical contractor in a political
5 subdivision that requires a local license possessed by that
6 person, shall not be required to possess a statewide license
7 under sections 324.950 to 324.983 to operate as a mechanical
8 contractor in such political subdivision.

324.977. The statewide mechanical contractor license
2 shall be regulated by the division of professional
3 registration and not a state-appointed licensing board.

324.980. 1. The division may refuse to issue a
2 statewide mechanical contractor license for one or any
3 combination of causes stated in subsection 2 of this
4 section. The division shall notify the applicant in writing

5 of the reasons for the refusal and shall advise the
6 applicant of his or her right to file a complaint with the
7 administrative hearing commission as provided by chapter 621.

8 2. The division may cause a complaint to be filed with
9 the administrative hearing commission as provided by chapter
10 621 against any license holder or any person who has failed
11 to renew or has surrendered his or her license for any one
12 or any combination of the following causes:

13 (1) Use of any controlled substance, as defined in
14 chapter 195, or alcoholic beverage to an extent that such
15 use impairs a person's ability to perform the work of any
16 profession licensed or regulated by sections 324.950 to
17 324.983;

18 (2) The person has been finally adjudicated and found
19 guilty, or entered a plea of guilty or nolo contendere, in a
20 criminal prosecution under the laws of any state, of the
21 United States, or of any country for any offense directly
22 related to the duties and responsibilities of the
23 occupation, as set forth in section 324.012, regardless of
24 whether a sentence is imposed;

25 (3) Use of fraud, deception, misrepresentation, or
26 bribery in securing any license issued under sections
27 324.950 to 324.983 or in obtaining permission to take any
28 examination given or required under sections 324.950 to
29 324.983;

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

33 (5) Incompetency, misconduct, gross negligence, fraud,
34 misrepresentation, or dishonesty in the performance of the
35 functions or duties of any profession licensed or regulated
36 by sections 324.950 to 324.983;

37 (6) Violation of, or assisting or enabling any person
38 to violate, any provision of sections 324.950 to 324.983, or
39 of any lawful rule or regulation adopted thereunder;

40 (7) Impersonation of any person holding a statewide
41 mechanical contractor license or allowing any person to use
42 his or her license or diploma from any school;

43 (8) Disciplinary action against the holder of a
44 license or other right to practice any profession regulated
45 by sections 324.950 to 324.983 granted by another political
46 subdivision, state, territory, federal agency, or country
47 upon grounds for which revocation or suspension is
48 authorized in this state;

49 (9) A person is finally adjudged mentally incompetent
50 by a court of competent jurisdiction;

51 (10) Assisting or enabling any person to practice or
52 offer to practice any profession licensed or regulated by
53 sections 324.950 to 324.983 who is not licensed and
54 currently eligible to practice thereunder in the particular
55 jurisdiction;

56 (11) Issuance of a license based upon a material
57 mistake of fact;

58 (12) Failure to maintain liability coverage as
59 required for initial licensure;

60 (13) Violation of any professional trust or confidence;

61 (14) Use of any advertisement or solicitation that is
62 false, misleading, or deceptive to the general public or
63 persons to whom the advertisement or solicitation is
64 primarily directed; or

65 (15) Failure to post bond as required by any local
66 jurisdiction.

67 3. After the filing of such complaint, the proceedings
68 shall be conducted in accordance with the provisions of

69 chapter 621. Upon a finding by the administrative hearing
70 commission that the grounds provided in subsection 2 of this
71 section for disciplinary action are met, the division may,
72 singly or in combination, censure or place the person named
73 in the complaint on probation on such terms and conditions
74 as the division deems appropriate for a period not to exceed
75 five years, or may suspend, for a period not to exceed three
76 years, or revoke any license issued under sections 324.950
77 to 324.983.

78 4. An individual whose license has been revoked shall
79 wait three years from the date of revocation to apply for
80 any license under sections 324.950 to 324.983. Any license
81 shall be issued at the discretion of the division after
82 compliance with all the requirements of sections 324.950 to
83 324.983 relative to the licensing or registration of the
84 applicant for the first time.

85 5. The division may file suit to enforce compliance
86 and shall have the authority to seek injunctions and
87 restraining orders to enjoin any person from:

88 (1) Offering to engage or engaging in the performance
89 of any acts or practices for which a license is required
90 upon a showing that such acts or practices were performed or
91 offered to be performed without a license;

92 (2) Engaging in the practice of business authorized by
93 a license issued under a building trades contractor law upon
94 a showing that the license holder presents a substantial
95 probability of serious harm to the health, safety, or
96 welfare of any resident of this state or owner or lessee of
97 real property within this state; or

98 (3) Refusing to recognize a statewide license as a
99 valid license within any political subdivision, requiring
100 journeymen or apprentices to be individually licensed, or

101 requiring subcontractors' and manufacturers' representatives
102 or other members of the contractor's workforce to be
103 licensed.

104 6. The division may assess fines for violations of any
105 of the provisions of sections 324.950 to 324.983 in an
106 amount not to exceed five thousand dollars per occurrence
107 upon a judicial or administrative finding of violation of
108 law.

109 7. The division may compel the production of
110 documents, things, or persons by subpoena.

111 8. The division may refer any violations of the
112 provisions of any state law or local ordinance relating to
113 the work performed by a licensee to the appropriate state or
114 local official.

 324.983. 1. Any person who knowingly violates any
2 provision of sections 324.950 to 324.983 is guilty of a
3 class B misdemeanor.

4 2. Any officer or agent of a corporation or member or
5 agent of a partnership or association who knowingly and
6 personally participates in or is an accessory to any
7 violation of sections 324.950 to 324.983 is guilty of a
8 class B misdemeanor.

9 3. The division may file suit for any violation of
10 sections 324.950 to 324.983 in any court of competent
11 jurisdiction and perform such other acts as may be necessary
12 to enforce the provisions of sections 324.950 to 324.983.

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