SENATE BILL NO. 1116

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHROER.

4267S.01I KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 324, RSMo, by adding thereto nine 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 nine new sections, to be known as sections 324.950, 324.953,
- **3** 324.956, 324.959, 324.962, 324.965, 324.968, 324.971, and
- 4 324.974, to read as follows:

324.950. 1. The provisions of sections 324.950 to

- 2 324.974 shall be known and may be cited as the "Missouri
- 3 Statewide Mechanical Contractor Licensing Act and shall not
- 4 be affected by the provisions of section 324.009. The
- 5 provisions of sections 324.950 to 324.974 shall not be
- 6 construed to affect the provisions of chapter 341.
- 7 2. As used in sections 324.950 to 324.974, unless the
- 8 context clearly indicates otherwise, the following terms
- 9 shall mean:
- 10 (1) "Apprentice", a person who holds a valid statewide
- 11 mechanical apprentice license to perform mechanical work
- 12 for, and under the direct supervision of, a journeyman;
- (2) "Contractor", a person who holds a valid statewide
- 14 mechanical contractor license and who is employed by a
- 15 corporation, firm, institution, organization, or company to
- 16 perform mechanical work and directly supervise the
- 17 performance of mechanical work by journeymen;

- 18 (3) "Division", the division of professional
 19 registration within the department of commerce and insurance;
- 20 (4) "Journeyman", a person who holds a valid statewide
- 21 mechanical journeyman license to perform mechanical work
- 22 for, and under the supervision of and inspection of, a
- 23 contractor, and to supervise and inspect the mechanical work
- 24 of an apprentice;
- 25 (5) "Local license", a license issued by a political
- 26 subdivision and valid only in that political subdivision
- 27 that is required to bid, accept, or perform mechanical work;
- 28 (6) "Mechanical work", work per the International Code
- 29 Council, International Association of Plumbing and
- 30 Mechanical Officials, 30 CSR 20, or the National Fire
- 31 Protection Association (NFPA) 99.
- 32 (a) Such work shall include the design, installation,
- 33 maintenance, construction, alteration, repair, and
- 34 inspection of any:
- 35 a. HVAC system and associated appurtenances;
- 36 b. HVAC duct system and associated appurtenances;
- 37 c. Exhaust systems and associated appurtenances;
- d. Combustion air or make up air and associated
- 39 appurtenances;
- 40 e. Chimneys and vents and associated appurtenances,
- 41 excluding those regulated by local ordinances as such
- 42 existed on April 18, 2023;
- 43 f. Hydronic piping systems and associated
- 44 appurtenances that are part of an HVAC system;
- 45 g. Boilers, water heaters that are one hundred twenty
- 46 gallons and above, or two hundred thousand British thermal
- 47 units (BTUs) and above, and pressure vessels and associated
- 48 appurtenances, excluding those covered by a nationally-
- 49 standardized plumbing code, those regulated by local

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ordinances as such existed on April 18, 2023, or those used for potable water systems;

- 52 h. Process piping systems and associated appurtenances;
- i. Fuel gas distribution piping and associated
- 54 appurtenances, excluding those regulated by local ordinances
- 55 as such existed on April 18, 2023;
- j. Fuel oil-fired and solid fuel appliances and
- 57 associated appurtenances, excluding those covered by a
- 58 nationally-standardized plumbing code or local ordinances
- 59 promulgated by a political subdivision of this state as such
- ordinances existed on April 18, 2023;
- 61 k. Fuel oil piping and storage vessels and associated
- 62 appurtenances;
- 1. Fuel oil-fired and solid fuel appliance venting
- 64 systems and associated appurtenances;
- 65 m. Equipment and appliances intended to utilize solar
- 66 energy for space heating or cooling together with associated
- 67 appurtenances;
- 68 n. Process heating and associated appurtenances;
- o. Refrigeration systems, including all equipment and
- 70 components thereof and associated appurtenances;
- 71 p. Nonmedical air, nonmedical oxygen, and nonmedical
- 72 vacuum piping for mechanical equipment and associated
- 73 appurtenances, excluding work covered by a nationally-
- 74 standardized plumbing code;
- 75 q. Liquified petroleum gas distribution piping and
- 76 associated appurtenances, excluding work covered by a
- 77 nationally-standardized plumbing code or local ordinances as
- 78 such ordinances existed on April 18, 2023;
- 79 r. Biogas, biodiesel, hydrogen processing systems, and
- 80 ethanol distribution and associated appurtenances;

s. Chillers, cooling towers, and associated support steel and appurtenances for cooling towers;

Petroleum piping and venting together with

- or boots and apparationalises for coording concret,
- 84 associated equipment and associated appurtenances, pumps,
- 85 and tanks governed by NFPA 30 and 30a;
- 86 u. All fuel and petroleum pipelines, piping, and
- 87 associated pumping stations with associated equipment and
- 88 appurtenances; and

- 89 v. All associated equipment and facilities related to
- 90 subparagraphs a. to u. of this paragraph.
- 91 (b) Notwithstanding the provisions of this subdivision
- 92 to the contrary, the term "mechanical work" shall not
- 93 include, and the provisions of sections 324.950 to 324.974
- 94 shall not apply to, the design, installation, maintenance,
- 95 construction, alteration, repair, or inspection of any:
- 96 a. Solid-fuel or gas-fueled hearth appliance,
- 97 including, but not limited to, wood stoves and fireplaces,
- 98 manufacturer-specified venting systems, fireplace chimneys,
- 99 outdoor cooking appliances with manufacturer-specified
- 100 venting systems, outdoor fireplaces, or outdoor fire pits;
- 101 b. Propane-related equipment for which certification
- 102 is required by any regulation adopted under subdivision (3)
- of subsection 13 of section 323.035; or
- 104 c. Fire sprinkler or suppression systems.
- 105 Additional certification may be required by the division for
- 106 a particular scope of mechanical work;
- 107 (7) "Residential work", service-related and
- 108 replacement-related mechanical work in an existing domicile
- 109 for or on behalf of the individual owners or renters
- 110 occupying:
- 111 (a) Single-family houses;

112 (b) An individual dwelling unit in a duplex, triplex,

- or fourplex; or
- 114 (c) An individual dwelling unit in an apartment
- 115 building containing five or more apartments.
- 116 The term "residential work" shall not include new
- 117 construction or work required for a building or structure as
- a whole that services more than one dwelling unit;
- 119 (8) "Statewide mechanical apprentice license", a valid
- 120 license issued by the division to an apprentice to
- 121 physically perform mechanical work under the direct
- supervision and inspection of a journeyman;
- 123 (9) "Statewide mechanical contractor license", a valid
- 124 license issued by the division to a contractor to bid and
- 125 accept mechanical work in any political subdivision
- 126 regardless of local requirements to bid and accept
- 127 mechanical work, to physically perform mechanical work, and
- 128 to directly supervise and inspect the mechanical work of a
- 129 journeyman;
- 130 (10) "Statewide mechanical journeyman license", a
- valid license issued by the division to a journeyman to
- 132 physically perform mechanical work under the supervision and
- inspection of a contractor and to directly supervise and
- inspect the mechanical work of an apprentice.
 - 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
 - 4 324.974, including but not limited to, the following:
 - 5 (1) Training, education, and experience requirements
 - for licensure under sections 324.950 to 324.974;
 - 7 (2) Application forms and fees;

8 (3) Professional education units for license renewal 9 and approval of professional education programs;

- 10 (4) Renewal dates, notifications of renewal, and 11 renewal applications and fees;
- 12 (5) Inactive licenses and reinstatement procedures; and
- 13 (6) Professional conduct and ethical standards of
- 14 business practice for licensees.
- 15 Any rule or portion of a rule, as that term is defined in
- section 536.010, that is created under the authority
- 17 delegated in this section shall become effective only if it
- 18 complies with and is subject to all of the provisions of
- 19 chapter 536 and, if applicable, section 536.028. This
- 20 section and chapter 536 are nonseverable and if any of the
- 21 powers vested with the general assembly pursuant to chapter
- 22 536 to review, to delay the effective date, or to disapprove
- 23 and annul a rule are subsequently held unconstitutional,
- 24 then the grant of rulemaking authority and any rule proposed
- 25 or adopted after August 28, 2024, shall be invalid and void.
- 2. For the purpose of sections 324.950 to 324.974, the
- 27 division shall:
- 28 (1) Employ, within the limits of the appropriations
- 29 for such purpose, employees as are necessary to carry out
- 30 the provisions of sections 324.950 to 324.974;
- 31 (2) Exercise all administrative functions;
- 32 (3) Establish all applicable fees, set at an amount
- 33 that shall not substantially exceed the cost of
- 34 administering sections 324.950 to 324.974;
- 35 (4) Deposit all fees collected by transmitting such
- 36 funds to the department of revenue for deposit to the state
- 37 treasury to the credit of the Missouri mechanical contractor
- 38 licensing fund established under section 324.956;

- 39 (5) Enter into agreements with the boiler and pressure 40 vessel safety unit within the division of fire safety of the 41 department of public safety to investigate complaints 42 against a licensee from persons who receive services from the licensee and for the submission of a report to the 43 44 division of such investigation; provided that the division 45 shall retain the authority to institute any enforcement action against a licensee as a result of an investigation 46 47 under this subdivision. Nothing in this subdivision shall 48 be construed to prevent the boiler and pressure vessel safety unit from reporting a violation of sections 324.950 49 50 to 324.974 found during a routine inspection to the division; and 51
- 52 (6) Institute actions to enforce compliance with the 53 provisions of sections 324.950 to 324.974.
- 3. No new licensing activity assigned to the division under sections 324.950 to 324.974 shall become effective until the initial rules filed under this section have become effective.

324.956. 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 The state treasurer shall be custodian of the fund 4 324.974. 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 sections 324.950 to 324.974. The provisions of section 8 9 33.080 to the contrary notwithstanding, moneys in this fund shall not be transferred and placed to the credit of general 10 11 revenue until the amount in the fund at the end of the 12 biennium exceeds three times the amount of the appropriation

from the fund for the preceding fiscal year. The amount, if

- 14 any, in the fund which shall lapse is that amount in the
- 15 fund which exceeds the appropriate multiple of the
- 16 appropriations from the fund for the preceding fiscal year.
- 17 The state treasurer shall invest moneys in the fund in the
- 18 same manner as other funds are invested. Any interest and
- 19 moneys earned on such investments shall be credited to the
- 20 **fund**.
 - 324.959. The provisions of sections 324.950 to 324.974
- 2 shall not apply to mechanical work, including residential
- 3 work, performed in any county with more than two hundred
- 4 sixty thousand but fewer than three hundred thousand
- 5 inhabitants, any county with more than fifty thousand but
- 6 fewer than sixty thousand inhabitants and with a county seat
- 7 with more than ten thousand but fewer than twelve thousand
- 8 six hundred inhabitants, or any county with more than one
- 9 hundred twenty thousand but fewer than one hundred fifty
- 10 thousand inhabitants, or any political subdivision contained
- 11 within such counties.
 - 324.962. 1. The applicant for a statewide mechanical
- 2 contractor license shall have:
- 3 (1) Completed the application form provided by the
- 4 division and pay any applicable application fees;
- 5 (2) Provided proof of liability insurance in the
- 6 amount of one million dollars and posted bond with each
- 7 political subdivision in which he or she will perform work,
- 8 as required by that political subdivision; and
- 9 (3) Completed the educational, training, and
- 10 experience requirements equal to or greater than that of a
- 11 contractor's license, as such existed on April 18, 2023, in
- 12 the mechanical code or ordinance of any county with more
- 13 than one million inhabitants.

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2. The applicant for a statewide mechanical journeyman license shall have:

- 16 (1) Completed the application form provided by the 17 division and pay any applicable application fees; and
- (2) Completed the educational, training, and
 experience requirements equal to or greater than that of a
 journeyman license, as such existed on April 18, 2023, in
 the mechanical code or ordinance of any county with more
 than one million inhabitants.
- 3. The applicant for a statewide mechanical apprentice license shall have:
 - (1) Completed the application form provided by the division and pay any applicable application fees; and
- 27 (2) Completed the educational, training, and
 28 experience requirements equal to or greater than that of an
 29 apprentice license, as such existed on April 18, 2023, in
 30 the mechanical code or ordinance of any county with more
 31 than one million inhabitants.
 - 324.965. 1. Any corporation, firm, institution, organization, company, or representative thereof engaging in mechanical work in a political subdivision that requires a local license in order to perform such work shall:
- (1) Have in its employ, at a supervisory level, at
 least one statewide mechanical contractor licensee, or an
 equivalent local licensee. A statewide mechanical
 contractor licensee shall represent only one firm, company,
 corporation, institution, or organization at one time;
- 10 (2) For purposes of performing residential work, have
 11 either a statewide mechanical contractor licensee or a
 12 statewide mechanical journeyman licensee to perform, direct,
 13 inspect, or supervise the work, or the equivalent local
 14 licensee; and

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- 15 (3) For all other mechanical work, have at least one 16 statewide mechanical journeyman licensee on site for every 17 statewide mechanical apprentice licensee performing the 18 work, or the equivalent local licensee.
- 2. Any person performing mechanical work in a political subdivision that does not require the person to hold a local license, or any person who possesses such local license, shall not be required to obtain or possess a statewide license under sections 324.950 to 324.974 to perform mechanical work in such political subdivision.
- 25 3. Political subdivisions shall not be prohibited from establishing their own mechanical contractor, 26 27 journeyman, or apprentice licenses, but shall recognize a 28 statewide license in lieu of the equivalent local license for the purpose of performing mechanical work in such 29 30 political subdivision. A statewide licensee under sections 31 324.950 to 324.974 shall be deemed eliqible to perform mechanical work and to obtain permits to perform said work 32 from any political subdivision in this state commensurate 33 with the corresponding local license. 34
 - (2) Nothing in sections 324.950 to 324.974 shall be construed to prohibit a political subdivision from enforcing any of the political subdivision's codes, ordinances, or laws; inspecting the work of licensees; or reporting suspected violations of sections 324.950 to 324.974 to the division for investigation of the licensee.
- 4. (1) If a political subdivision does not recognize
 a statewide license in lieu of an equivalent local license
 for the purposes of performing mechanical work or obtaining
 permits to perform mechanical work within the political
 subdivision, then a statewide licensee may file a complaint
 with the division.

47 (2) The division shall perform an investigation into
48 the complaint, and if the division finds that the political
49 subdivision failed to recognize a statewide license in
50 accordance with the provisions of this section, then the
51 division shall notify the political subdivision that the
52 political subdivision has violated the provisions of this
53 section and has thirty days to comply with the law.

- (3) If, after thirty days of notification by the division, the political subdivision continues to refuse or fail to recognize a statewide license, then the division shall notify the director of the department of revenue, who shall withhold any moneys that the noncompliant political subdivision would otherwise be entitled to from local sales tax, as defined in section 32.085, until the director has received notice from the division that the political subdivision is in compliance with this section.
- (4) When the political subdivision becomes compliant with the provisions of this section, the division shall notify the director of the department of revenue who shall disburse all funds held under this subsection. Moneys held by the director of the department of revenue under this subsection shall not be deemed to be state funds and shall not be commingled with any funds of the state.

324.968. Licenses issued under sections 324.950 to 324.974 shall expire on a renewal date established in rule by the division. The term of licensure shall be three The division shall mail a renewal notice prior to the renewal date. Professional education units needed for license renewal, as well as procedures involving inactive licenses and reinstatement of licenses shall be equal to those in the mechanical code or ordinance, as such existed

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9 on April 18, 2023, of any county with more than one million 10 inhabitants.

- 324.971. 1. The division may refuse to issue or renew 2 or may suspend any license under sections 324.950 to 324.974 for one or any combination of causes stated in subsection 3 3 4 of this section. The division shall notify the applicant in 5 writing of the reasons for the refusal and shall advise the 6 applicant of his or her right to file a complaint with the administrative hearing commission as provided by chapter 621. 7
- 2. The division shall publish via electronic media and update on a weekly basis a list of valid statewide mechanical contractor licensees under sections 324.950 to 324.974, a list of current enforcement actions against such licensees, and the procedures for filing grievances against any statewide mechanical contractor, mechanical journeyman, and mechanical apprentice licensees.
- 3. The division may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621 against any licensee under sections 324.950 to 324.974 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) 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, of the United States, or of any country, for any offense reasonably related to the qualifications, duties, and responsibilities of a licensee under sections 324.950 to 324.974 for any offense an essential element of which is fraud, dishonesty, or an act of violence;
- 29 (2) Use of fraud, deception, misrepresentation, or 30 bribery in securing any license issued under sections

- 31 324.950 to 324.974 or in obtaining permission to take any
- 32 examination given or required under sections 324.950 to
- 33 **324.974**;
- 34 (3) Obtaining or attempting to obtain any fee, charge,
- 35 tuition, or other compensation by fraud, deception, or
- 36 misrepresentation;
- 37 (4) Incompetence, misconduct, gross negligence, fraud,
- 38 misrepresentation, or dishonesty in the performance of the
- 39 functions and duties of any profession licensed or regulated
- 40 under sections 324.950 to 324.974;
- 41 (5) Violation of, or assisting or enabling any person
- 42 to violate, any provision of sections 324.950 to 324.974 or
- 43 any lawful rule adopted under sections 324.950 to 324.974;
- 44 (6) Impersonation of any person holding a license or
- 45 allowing any person to use his or her license;
- 46 (7) Final adjudication of a person as incompetent by a
- 47 court of competent jurisdiction;
- 48 (8) Assisting or enabling any person to practice, or
- 49 offer to practice, any profession licensed or regulated
- under sections 324.950 to 324.974 who is not licensed and
- 51 currently eligible to practice under sections 324.950 to
- 52 324.974 or who does not possess an active equivalent local
- 53 license if required by a political subdivision; or
- 54 (9) Issuance of a license based upon a material
- 55 mistake of fact.
- 4. After the filing of such complaint, the proceedings
- 57 shall be conducted in accordance with the provisions of
- 58 chapter 621. Upon a finding by the administrative hearing
- 59 commission that the grounds provided in subsection 3 of this
- 60 section for disciplinary action are met, the division may,
- 61 singly or in combination, censure or place the person named
- 62 in the complaint on probation with such terms and conditions

63 as the division deems appropriate for a period not to exceed

64 five years, or may suspend, for a period not to exceed three

- 65 years, or revoke the license.
- 5. An individual whose license has been revoked shall
- 67 wait at least one year from the date of revocation to apply
- 68 for relicensure. Relicensure shall be at the discretion of
- 69 the division after compliance with all requirements of
- 70 sections 324.950 to 324.974 relative to the previous
- 71 licensing of the applicant.
 - 324.974. 1. Any person who knowingly violates any
- 2 provision of sections 324.950 to 324.974 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 324.974 is guilty of a
- 8 class B misdemeanor.
- 9 3. The division may cause a complaint to be filed for
- any violation of sections 324.950 to 324.974 in any court of
- 11 competent jurisdiction and perform such other acts as may be
- 12 necessary to enforce the provisions of sections 324.950 to
- 13 **324.974**.

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