

# Senate Bill 586

Sponsored by Senator CLOSE

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Instructs Mechanical Board to adopt rules establishing licensing program for heating and cooling system contractors. Prohibits person from engaging in business as heating and cooling system contractor without license after December 31, 2014. Creates temporary exception.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to the regulation of occupations by the Mechanical Board; creating new provisions;  
3 amending ORS 455.129; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS chapter 455.**

6 **SECTION 2. (1) As used in this section:**

7 (a) **"Heating and cooling system contractor" means a person operating a business that**  
8 **provides installation, servicing or repair of the heating, ventilation, air conditioning or re-**  
9 **frigeration systems of a structure.**

10 (b) **"Heating, ventilation, air conditioning or refrigeration systems":**

11 (A) **Includes, but is not limited to, absorption, combustion, conditioning, dispersion, dis-**  
12 **tribution, ducting, energy recovery, evaporative, exhaust, piping, refrigerating and venting**  
13 **systems.**

14 (B) **Does not include boilers or pressure vessels regulated by the Board of Boiler Rules**  
15 **or a domestic water heater described under ORS 480.525.**

16 (2) **A person may not work as a heating and cooling system contractor, or purport to be**  
17 **a heating and cooling system contractor, unless the person holds a heating and cooling sys-**  
18 **tem contractor license issued by the Mechanical Board. An owner, officer, member or em-**  
19 **ployee of a business may not engage in the layout or superintending of heating or cooling**  
20 **system installations unless licensed by the board as a heating and cooling system contractor.**

21 (3) **Subsection (2) of this section does not apply to any person acting within the scope of**  
22 **a license, registration, certification or other authorization issued to the person by a board,**  
23 **commission or agency of this state.**

24 (4) **The board shall adopt rules under ORS 455.117 to administer a licensing program for**  
25 **heating and cooling system contractors. The licensing qualifications established by the rules**  
26 **must require the applicant to pass an examination and to successfully complete, no later**  
27 **than six months after taking the examination, a heating and cooling system contractor ap-**  
28 **prenticeship program or training agreement registered with the State Apprenticeship and**  
29 **Training Council and a course of study approved by a state joint committee under ORS**  
30 **660.157. The board may charge reasonable fees for services provided by the board under this**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **section, including but not limited to fees for license applications, examinations and the is-**  
 2 **suance or renewal of a license.**

3 **(5) The board shall establish a continuing education requirement for persons renewing**  
 4 **heating and cooling system contractor licenses.**

5 **SECTION 3.** ORS 455.129 is amended to read:

6 455.129. (1) Subject to ORS chapter 183, except as provided in subsection (4) of this section, a  
 7 regulatory body listed in subsection (2) of this section may deny a license, certificate, registration  
 8 or application or may suspend, revoke, condition or refuse to renew a license, certificate or regis-  
 9 tration if the regulatory body finds that the licensee, certificate holder, registrant or applicant:

10 (a) Has failed to comply with the laws administered by the regulatory body or with the rules  
 11 adopted by the regulatory body.

12 (b) Has failed to comply with an order of the regulatory body or the Director of the Department  
 13 of Consumer and Business Services, including but not limited to the failure to pay a civil penalty.

14 (c) Has filed an application for a license, certificate or registration that, as of the date the li-  
 15 cense, certificate or registration was issued or the date of an order denying the application, was  
 16 incomplete in any material respect or contained a statement that, in light of the circumstances un-  
 17 der which it was made, was incorrect or misleading in any respect.

18 (d) Has performed work without appropriate licensing, certification or registration or has em-  
 19 ployed individuals to perform work without appropriate licensing, certification or registration.

20 (e) Has failed to meet any condition or requirement to obtain or maintain a license, certificate  
 21 or registration.

22 (f) Has acted in a manner creating a serious danger to the public health or safety.

23 (g) Has been subject to a revocation, cancellation or suspension order or to other disciplinary  
 24 action by the Construction Contractors Board or has failed to pay a civil penalty imposed by the  
 25 board.

26 (h) Has been subject to a revocation, cancellation or suspension order or to other disciplinary  
 27 action by another state in regard to construction standards, permit requirements or construction-  
 28 related licensing violations or has failed to pay a civil penalty imposed by the other state in regard  
 29 to construction standards, permit requirements or construction-related licensing violations.

30 (i) Has, while performing work that requires or that is related to work that requires a valid li-  
 31 cense or certificate under ORS 446.003 to 446.200, 446.225 to 446.285, 446.395 to 446.420, 479.510 to  
 32 479.945, 479.950 or 480.510 to 480.670, this chapter or ORS chapter 447, 460 or 693, violated any  
 33 statute or rule related to the state building code.

34 (j) Is a business, the owner or an officer of which has an outstanding obligation to pay a civil  
 35 penalty assessed under ORS 455.895 or has been the subject of action against the license, certificate  
 36 or registration by the Department of Consumer and Business Services, the director or any advisory  
 37 board.

38 (k) Is a business, owner or officer of a reorganized business entity as defined in ORS 657.682,  
 39 if an owner, officer, shareholder or partner of the reorganized business entity, or a member if the  
 40 reorganized business entity is a member-managed limited liability company, has been subject to a  
 41 revocation or suspension order or to a condition or civil penalty under ORS 446.003 to 446.200,  
 42 446.225 to 446.285, 446.395 to 446.420, 479.510 to 479.945, 479.950 or 480.510 to 480.670, this chapter  
 43 or ORS chapter 447, 460, 693 or 701, or by another state in regard to construction standards, permit  
 44 requirements or construction-related licensing violations.

45 (L) Is ordered to pay damages under a judgment or arbitration award that relates to con-

1 instruction and that has become final by operation of law or on appeal.

2 (m) Is a business, the owner or an officer of which was an owner or officer in another business  
3 at the time:

4 (A) The other business was assessed a civil penalty under ORS 455.895 that remains unpaid; or

5 (B) An act or failure to act by any owner or officer of the other business resulted in action  
6 being taken against the license, certificate or registration of the other business by the department,  
7 the director or any advisory board.

8 (2) Subsection (1) of this section applies to:

9 (a) The State Plumbing Board for purposes of licenses issued under ORS 447.010 to 447.156 or  
10 ORS chapter 693.

11 (b) The Electrical and Elevator Board for purposes of licenses issued under ORS 446.210 or  
12 479.510 to 479.945.

13 (c) The Board of Boiler Rules for purposes of licenses issued under ORS 480.510 to 480.670.

14 **(d) Notwithstanding paragraph (e) of this subsection, the Mechanical Board for purposes**  
15 **of a license issued under section 2 of this 2013 Act.**

16 [(d)] (e) The department for purposes of licenses issued under this chapter.

17 [(e)] (f) The department, subject to Electrical and Elevator Board approval, for purposes of li-  
18 censes issued under ORS 460.005 to 460.175.

19 [(f)] (g) The department, subject to Residential and Manufactured Structures Board approval, for  
20 purposes of licenses, certificates and registrations issued under ORS 446.003 to 446.200, 446.225 to  
21 446.285 and 446.395 to 446.420.

22 (3) The department may administer and enforce subsection (1) of this section in the same manner  
23 and to the same extent as any advisory board.

24 (4) This section does not apply to licenses, certificates, registrations or applications for  
25 licensure, certification or registration involving inspectors or involving persons engaged in the  
26 manufacture, conversion or repair of prefabricated structures, prefabricated components or recre-  
27 ational vehicles.

28 **SECTION 4. (1) Notwithstanding any rules adopted by the Mechanical Board under sec-**  
29 **tion 2 of this 2013 Act regarding examination, apprenticeship or training, the board shall is-**  
30 **sue a heating and cooling system contractor license to a person who provides evidence**  
31 **satisfactory to the board that the person operated a full time business providing installation,**  
32 **servicing or repair of the heating, ventilation, air conditioning or refrigeration systems of**  
33 **structures for the one-year period immediately preceding the date the person files an appli-**  
34 **cation for issuance of a license under this subsection. An application for issuance of a license**  
35 **under this subsection must be filed with the board no later than July 1, 2014. A heating and**  
36 **cooling system contractor license issued under this subsection shall for all purposes be re-**  
37 **garded as a heating and cooling system contractor license issued under section 2 of this 2013**  
38 **Act.**

39 **(2) The Mechanical Board shall adopt rules establishing qualifications for issuance of a**  
40 **heating and cooling system contractor license under section 2 of this 2013 Act in time for the**  
41 **rules to take effect no later than July 1, 2014. The board shall make licenses available for**  
42 **issuance under subsection (1) of this section and section 2 of this 2013 Act to qualifying ap-**  
43 **plicants no later than July 1, 2014.**

44 **(3) Notwithstanding section 2 of this 2013 Act, a person may work as a heating and**  
45 **cooling system contractor without being licensed by the board until the later of:**

1       **(a) December 31, 2014; or**

2       **(b) The date that the board takes final action on a license application filed by the person**  
3 **under subsection (1) of this section.**

4       **SECTION 5.** **Section 4 of this 2013 Act is repealed January 2, 2016.**

5       **SECTION 6.** **This 2013 Act being necessary for the immediate preservation of the public**  
6 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**  
7 **on its passage.**

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