

## RULE IMPACT STATEMENT

### TITLE 158. CONSTRUCTION INDUSTRIES BOARD CHAPTER 10. FINE SCHEDULE

1. **BRIEF DESCRIPTION OF PURPOSE OF PROPOSED RULE:** The purpose of the proposed rule amendments is to clarify the description of the violation related to contracting without being properly licensed, registered or endorsed.
2. **DESCRIPTION OF THE CLASSES OF PERSONS AFFECTED:** The agency, individuals who contract to perform plumbing, electrical, mechanical, or roofing work, and trade hearing boards (electrical, mechanical, plumbing, or roofing), the Construction Industries Board, or a court of competent jurisdiction for the violation of municipal ordinances.
3. **CLASSES OF PERSONS BENEFITTED:** The agency, individuals who contract to perform plumbing, electrical, mechanical, or roofing work, and trade hearing boards (electrical, mechanical, plumbing, or roofing), the Construction Industries Board, or a court of competent jurisdiction for the violation of municipal ordinances.
4. **ECONOMIC IMPACT UPON AFFECTED CLASSES OF PERSONS:** No new fines are established by the proposed rules. The proposed rules should have a positive economic impact in that having clear and unambiguous descriptions of violations of the trade acts should help to prevent individuals from unknowingly committing a violation that could result in a fine or penalty.
5. **COSTS AND BENEFITS TO THE AGENCY:** The proposed amendments create no new cost to the agency. The benefit is to have clear, unambiguous rules in place to assist those impacted by the rules.
6. **ECONOMIC IMPACT ON POLITICAL SUBDIVISIONS:** No economic impact on any political subdivision is anticipated by the proposed rules.
7. **ECONOMIC IMPACT ON SMALL BUSINESS:** The economic impact on small business is not measurable.
8. **MEASURES TAKEN TO MINIMIZE COMPLIANCE COSTS:** The proposed rule changes are the least costly or least intrusive method of achieving the purpose of the proposed rules. There are no non-regulatory methods for achieving the purpose of the proposed rule changes.

9. **EFFECT OF THE PROPOSED RULE ON PUBLIC HEALTH:** It is important that trade work be contracted and performed by a licensed individual who is knowledgeable of the applicable codes adopted by the Oklahoma Uniform Building Code Commission, which helps to protect the health, safety and welfare of the public.
10. **DETRIMENTS TO PUBLIC HEALTH IF THE RULE IS NOT ADOPTED:** Trade work not completed according to the recently adopted codes could be a detriment to the health, safety and welfare of the public.
11. **DATE IMPACT STATEMENT PREPARED:** December 12, 2017.

**TITLE 158. CONSTRUCTION INDUSTRIES BOARD  
CHAPTER 10. FINE SCHEDULE**

**SUBCHAPTER 3. ADMINISTRATIVE FINE SCHEDULE**

**158:10-3-1. Common requirements under the Electrical License Act, the Mechanical Licensing Act, the Plumbing License Law of 1955, Home Inspection Licensing Act, and the Roofing Contractor Registration Act**

(a) The schedule of fines in this Section is based on violation of requirements common to the rules promulgated under authority of the Electrical License Act, the Mechanical Licensing Act and The Plumbing License Law of 1955, or each of the respective licensing laws, and the Roofing Contractor Registration Act. Except residential roofing jobs where a written warning may be issued prior to applying the fine schedule and as provided in Section 158:10-3-2, the fine schedule for citations issued by the Board for violations of the following requirements is:

- (1) Contracting without an active contractor license or roofing contractor registration in good standing or endorsement, which includes offering to perform work through advertisement or otherwise:
  - (A) First - \$500.00
  - (B) Second or subsequent - \$1,000.00.
- (2) Inactive contractor or a journeyman engaged in contracting:
  - (A) First - \$500.00
  - (B) Second or subsequent - \$1,000.00.
- (3) Contractor working unlicensed or unregistered individual (per person):
  - (A) First - \$500.00;
  - (B) Second or subsequent - \$1,000.00.
- (4) Contractor working registered apprentice without direct supervision (per apprentice):
  - (A) First - \$500.00;
  - (B) Second or subsequent - \$1,000.00.
- (5) Unlicensed or unregistered individual performing trade work under the direction of one acting as a contractor:
  - (A) First - \$500.00;
  - (B) Second or subsequent - \$1,000.00.
- (6) Loaning a license or registration or endorsement:
  - (A) First - \$500;
  - (B) Second or subsequent - \$1,000.00.
- (7) Forging, falsifying or altering a license or registration or endorsement:
  - (A) First - \$500.00;
  - (B) Second or subsequent - \$1,000.00.
- (8) Code violations per day (after NOV compliance date): First - \$500.00.
- (9) Contracting with an expired bond:
  - (A) First - \$500.00;
  - (B) Second or subsequent - \$1,000.00.
- (10) Contracting with expired insurance
  - (A) First - \$500.00;
  - (B) Second or subsequent - \$1,000.00.

## DRAFT of Proposed Amendments to Permanent Rules – 2018 Rulemaking

- (11) Failure to properly display firm name and state license number, roofing registration number, and if applicable commercial endorsement on vehicles; or roofing registrants failing to post on the job site and all media the name, registration number, and if applicable commercial endorsement:
- (A) First - \$500.00;
  - (B) Second or subsequent - \$1,000.00.
- (b) The fine schedule for citations issued by the Board for Violations of the Home Inspection Licensing Act or the Rules promulgated there under shall be subject to the following fines:
- (1) Violation of 158:70-5-2(d):
    - (A) First violation: \$50.00
    - (B) Subsequent violation: \$200.00
  - (2) Violations of 158:70-11-2(a):
    - (A) First violation: up to \$500.00
    - (B) Subsequent violation: up to \$1,000.00
  - (3) Violations of 158:70-11-2(b):
    - (A) First violation: up to \$500.00
    - (B) Subsequent violation: up to \$1,000.00
  - (4) Violations of 158:70-11-2(c):
    - (A) First violation: up to \$500.00
    - (B) Subsequent violation: up to \$1,000.00
  - (5) Violations of 158:70-11-2(d):
    - (A) First violation: up to \$200.00
    - (B) Subsequent violation: up to \$500.00
  - (6) Violations of 158:70-11-2(e):
    - (A) First violation: up to \$500.00
    - (B) Subsequent violation: up to \$1,000.00
  - (7) Violations of 158:70-11-2(f):
    - (A) First violation: up to \$500.00
    - (B) Subsequent violation: up to \$1,000.00
  - (8) Violations of 158:70-11-2(g):
    - (A) First violation: up to \$500.00
    - (B) Subsequent violation: up to \$1,000.00
  - (9) Violations of 158:70-11-2(h):
    - (A) First violation: up to \$500.00
    - (B) Subsequent violation: up to \$1,000.00
  - (10) Violations of 158:70-11-2(i):
    - (A) First violation: up to \$500.00
    - (B) Subsequent violation: up to \$1,000.00
  - (11) Violations of 158:70-11-2(j):
    - (A) First violation: up to \$1,000.00
    - (B) Subsequent violation: up to \$2,000.00
  - (12) Violations of 158:70-11-2(k):
    - (A) First violation: up to \$200.00
    - (B) Subsequent violation: up to \$500.00
  - (13) Violations of 158:70-11-2(l):
    - (A) First violation: up to \$200.00

**DRAFT of Proposed Amendments to Permanent Rules – 2018 Rulemaking**

- (B) Subsequent violation: up to \$500.00
- (14) Violations of 158:70-11-2(m):
  - (A) First violation: up to \$200.00
  - (B) Subsequent violation: up to \$500.00
- (15) Violations of 158:70-11-2(n):
  - (A) First violation: up to \$200.00
  - (B) Subsequent violation: up to \$500.00
- (c) Violations of any other provision of the Electrical Industry Regulations, the Mechanical Industry Regulations and the Plumbing Industry Regulations not otherwise provided hereinabove or in 158:10-3-2, shall be subject to a fine of \$200.00 for the first offense and \$400.00 for each subsequent offense.
- (d) Violations of any other provision of the Roofing Contractor Registration Act or the Roofing Contractor Registration Regulations involving a residential job as provided in Chapter 85 of OAC 158, shall be subject to a fine of \$500.00 for the first offense, \$1,000.00 for a second offense, and \$3,500.00 for each subsequent offense.
- (e) Subsequent violations involving residential roofing jobs after adjudication of a \$1,000.00 fine, can be fined up to \$3,500.00.
- (f) Violations of any other provision of the Roofing Contractor Registration Act or the Roofing Contractor Registration Regulations involving a commercial job as provided in Chapter 85 of OAC 158, shall be subject to a fine of \$500.00 for the first offense, \$1,000.00 for a second offense, and \$5,000.00 for each subsequent offense.
- (g) Subsequent violations involving commercial roofing jobs after adjudication of a \$1,000.00 fine, can be fined up to \$5,000.00.

**TITLE 158. CONSTRUCTION INDUSTRIES BOARD  
CHAPTER 10. FINE SCHEDULE**

**RULEMAKING ACTION:**

Notice of proposed PERMANENT rulemaking

**PROPOSED RULES:**

Subchapter 3. Administrative Fine Schedule  
158:10-3-1 [AMENDED]

**SUMMARY:**

The proposed amendments do not add or change any fees. The proposed amendment clarifies the description of the violation related to contracting without being properly licensed, registered or endorsed.

**AUTHORITY:**

Construction Industries Board; 59 O.S. §§ 858-627, 1000.4, 1000.5, 1002, 1032, 1681, 1850.3, 1151.2a, and 1151.4

**COMMENT PERIOD:**

Written and oral comments will be accepted until 4:30 p.m. on January 16, 2018, at the following address: Construction Industries Board, ATTN: Administrative Rules Division, 2401 NW 23rd Street, Ste. 2F, Oklahoma City, OK 73107. During the open public comment period, comments may be delivered during regular business hours or submitted via regular mail.

**PUBLIC HEARING:**

A Public Hearing is scheduled for 1:30 p.m. on Wednesday, January 17, 2018, at the monthly meeting of the Construction Industries Board which will be held in the Construction Industries Board Conference Room at 2401 NW 23rd Street, Suite 2F, Oklahoma City, OK 73107. Anyone who wishes to make comments regarding the proposed rules at the public hearing must sign in by 1:30 p.m. See "Additional Information" section below.

**REQUESTS FOR COMMENTS FROM BUSINESS ENTITIES:**

The Construction Industries Board requests that business entities affected by these proposed rules provide the Construction Industries Board, within the comment period set forth and described above, in dollar amounts if possible, the increase in the level of direct costs, such as administrative fees, and the indirect costs such as reporting, recordkeeping, equipment, construction, labor, professional services, revenue loss, or other costs that the business entity expects to be incurred due to compliance with the proposed rules. Business entities may submit this information in writing to the Administrative Rules Division through the close of the comment period on January 16, 2018, at the address shown below for obtaining copies of the proposed rules.

**COPIES OF PROPOSED RULES:**

Copies of the proposed rules are available at the Construction Industries Board, 2401 NW 23rd Street, Ste. 2F, Oklahoma City, OK 73107, or online at [www.cib.ok.gov](http://www.cib.ok.gov).

**RULE IMPACT STATEMENT:**

Pursuant to 75 O.S. § 303(D), a rule impact statement will be prepared and will be available beginning December 29, 2017, at the address listed above for obtaining copies of the proposed rules.

**CONTACT PERSON:**

Kim Stell, Business Program Officer/Assistant, 405-521-6550

**ADDITIONAL INFORMATION:**

If the monthly meeting of the Construction Industries Board scheduled for Wednesday, January 17, 2018, cannot be held due to inclement weather or lack of a quorum, the Public Hearing that would have occurred January 17, 2018, at that monthly meeting of the Construction Industries Board will be held instead at the monthly meeting scheduled for Wednesday, February 21, 2018, at 1:30 p.m., in the Construction Industries Board Conference Room at 2401 NW 23rd Street, Suite 2F, Oklahoma City, OK 73107. Anyone who wishes to make comments regarding the proposed rules at the public hearing must sign in by 1:30 p.m.