

## RULE IMPACT STATEMENT

### TITLE 158. CONSTRUCTION INDUSTRIES BOARD CHAPTER 30. PLUMBING INDUSTRY REGULATIONS

1. **BRIEF DESCRIPTION OF PURPOSE OF PROPOSED RULE:** The purpose of the proposed amendment to 158:30-1-3 is to clarify that the section applies to registered apprentices as well as to licensed journeymen and contractors. The proposed amendment to 158:30-3-1 is for the purpose of clarifying that the public can communicate with the Committee through the Construction Industries Board. The proposed amendments to 158:30-5-1 are for the purpose of clarifying the period of time an apprentice registration is effective, and for clarifying that an application fee is not required for a timely filed apprentice re-registration. The purpose of the proposed amendments to 158:30-5-2 is to remove outdated, obsolete verbiage, and to require that plumbing contractors add the Construction Industries Board ("CIB") to the certificate of liability insurance as a certificate holder, not as an additional insured and with no additional cost, to ensure the CIB is notified if the liability policy is cancelled or expires for non-payment of premiums. The purpose of the proposed amendments to 158:30-9-1 is to clarify the experience requirement for a journeyman and contractor license; to clarify education that may be substituted for a portion of the experience requirement; and to identify documentation required to demonstrate completion of education that may be substituted for experience.
2. **DESCRIPTION OF THE CLASSES OF PERSONS AFFECTED:** The agency, members of industry and the public who are involved in or wish to be involved in the plumbing industry/trade licensed and regulated by the Construction Industries Board ("CIB"), continuing education providers, and citizens of Oklahoma.
3. **CLASSES OF PERSONS BENEFITTED:** The agency, members of industry and the public who are involved in or wish to be involved in the plumbing industry/trade licensed and regulated by the Construction Industries Board ("CIB"), continuing education providers, and citizens of Oklahoma.
4. **ECONOMIC IMPACT UPON AFFECTED CLASSES OF PERSONS:** Having clear and unambiguous rules should have a positive economic impact in that it should help to keep an individual from unknowingly committing a violation that could result in a fine or penalty. There is a positive economic impact on apprentices who re-register timely as they only have to submit the registration fee for the re-registration and not the application fee. There should be no additional cost to plumbing contractors related to the requirement to add the CIB to the certificate of liability insurance as a certificate holder, not as an additional insured. The ability to substitute education for experience can help an applicant to meet the requirements for testing and licensing sooner, which could have a positive economic impact on the applicant.
5. **COSTS AND BENEFITS TO THE AGENCY:** It is a benefit to the agency to have clear unambiguous rules. Allowing an apprentice who re-registers timely to not pay the application fee for the re-registration would have a negligible economic impact on the agency.

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:** Licensing helps to protect the health, safety and welfare of the public. Having clear and unambiguous rules regarding licensing requirements should have a positive effect on public health.
10. **DETRIMENTS TO PUBLIC HEALTH IF THE RULE IS NOT ADOPTED:** There are no known detriments to public health if the rule is not adopted.
11. **DATE IMPACT STATEMENT PREPARED:** December 12, 2017.

**TITLE 158. CONSTRUCTION INDUSTRIES BOARD  
CHAPTER 30. PLUMBING INDUSTRY REGULATIONS**

**SUBCHAPTER 1. GENERAL PROVISIONS**

**158:30-1-3. License and registration requirement**

(a) No person, on his or her own behalf or on behalf of a plumbing firm, shall engage or offer to engage in, by advertisement or otherwise, any plumbing work who does not possess a valid and appropriate license or registration from the Construction Industries Board pursuant to this Chapter.

(b) Any changes in address, business relationship, structure or affiliation shall be reported in writing to the Oklahoma Construction Industries Board within thirty (30) days of such change.

**SUBCHAPTER 3. PROCEDURES OF THE COMMITTEE AND HEARING BOARD**

**158:30-3-1. Procedures of the Committee**

The Committee shall serve the Board in an advisory capacity, formulate rules pursuant to the Plumbing License Law of 1955, and assist and advise the Administrator on the examination of applicants for licenses as journeyman plumber and/or plumbing contractor, in accordance with this Chapter and the terms and conditions of the Act. The Committee shall make up a part of the State Plumbing Hearing Board.

(1) The Committee shall meet at least twice each year. Meetings of the Committee will comply with the Oklahoma Open Meeting Act. The Board shall notify all examination applicants by direct mail of the procedures and contact information to set a date and time for examination.

(2) The public may communicate, obtain information and make submissions, requests, and applications for plumbing examinations by mail or in person at the Oklahoma Construction Industries Board.

(3) Application for licensure shall be done by filling out an application for examination on a form provided by the Plumbing Licensing Unit.

(4) All forms and instructions used by the Plumbing Licensing Unit shall be approved by the Administrator pursuant to 59 O.S. § 1007, and are available at the offices of the Board.

(5) All records not privileged from disclosure by law are subject to the provisions of the Oklahoma Open Records Act, 51 O.S. § 24A.1, *et seq.* Copies shall be priced as determined by OAC 158:1-3-5.

(6) The Administrator will confirm or deny that a person is licensed upon request of the public.

**SUBCHAPTER 5. LICENSE TYPES, BOND REQUIREMENTS, AND DISPLAY OF LICENSE NUMBER AND FIRM NAME**

**158:30-5-1. License and registration types**

**(a) Apprentice plumber registration.**

(1) Apprentice plumbers must be under the direct supervision of a licensed plumber when engaged in plumbing.

(2) A maximum of three (3) apprentice plumbers can work under the supervision of a licensed plumber.

(3) Apprenticeship registration is effective upon the posting of the application and evidence of such posting shall be a copy of the executed application form with proof of tender of the proper fee which may serve as evidence of registration for a period not to exceed thirty (30) days.

(4) The apprentice will be registered for a one (1) year period if a completed application form with the apprentice application and registration fee listed in OAC 158:30-9-2(b) is submitted to the Plumbing License Unit along with verification of enrollment in an approved school or training course or a statement of employment by the licensed plumbing contractor who arranged for employment of the apprentice.

(5) When re-registering, the application fee is only required with the registration fee when the registration application is not filed within thirty (30) days of expiration of previous registration.

(b) **Journeyman plumber license.**

(1) To engage in the act of plumbing, a journeyman plumber must be employed or supervised by a licensed plumbing contractor.

(2) A journeyman shall not contract or furnish labor and/or labor and materials.

(c) **Plumbing contractor license.** Plumbing contractors must notify their surety of any municipalities wherein plumbing work will be performed.

**158:30-5-2. Insurance and bond requirements**

(a) Unless as otherwise provided in (b) of this Section: Each active plumbing contractor must maintain a five thousand dollar (\$5,000.00) corporate surety bond, payable to the Board, and must cause the surety to deposit a copy of such bond with the Plumbing Licensing Unit.

(b) An active plumbing contractor may satisfy the requirements of (a) of this Section by depositing with the Plumbing Licensing Unit, either the sum of \$5,000 cash, or a certificate of deposit in the sum of \$5,000 payable to the order of the Plumbing Licensing Revolving Fund.

(c) Failure to maintain a corporate surety bond in effect shall constitute an inactive contractor status of a bonded plumbing contractor license immediately upon the expiration of such bond.

(d) A corporate surety bond may be accepted from any surety authorized to do business in the State of Oklahoma. It shall continue in effect until thirty (30) days have elapsed after the Bond and Insurance Unit is notified by the surety of the cancellation of such bond, unless the bond expired on a date certain on its face. ~~Sureties must notify each municipality furnished with a copy of the bond regarding the pending cancellation if known to them.~~

~~(e) The Board shall notify the surety of the change in license status of any of its bonded licensed plumbing contractors.~~

~~(f)~~(e) A bond or other surety filed in accordance with (a) of this Section shall be in lieu of filing a bond with each municipality where the plumbing contractor works, and shall be conditioned upon all the following terms:

(1) Plumbing contractors shall faithfully and properly conduct business in compliance with applicable statutes, rules of the Oklahoma Construction Industries Board, and with all the applicable ordinances of the municipality in which plumbing work is performed.

(2) Plumbing contractors shall pay all fines and penalties imposed by penalty orders of the Board and fines and penalties imposed by courts of competent jurisdiction for the violation of municipal ordinances. The Board may seek payment through the surety bond of any fines or penalties, which the licensee fails to pay.

(3) In lieu of a corporate surety, an active plumbing contractor may deposit with the Bonds and Insurance Unit the required amount in lawful money or negotiable bonds of the United States, accompanied by a written instrument, to be approved by the Construction Industries Board, executed and acknowledged by the active plumbing contractor, and setting forth the conditions upon which the deposit is made. When the true owner is other than the active plumbing contractor making the deposit, the instrument shall so state and shall also be executed and acknowledged by the true owner. Upon exoneration, the instrument and deposit may be returned by the Bonds and Insurance Unit to the depositor or the true owner, if the depositor is other than the named true owner, after application of the deposit to claims made pursuant to this Section.

(4) Notwithstanding any provision of a security instrument to the contrary, every surety or depositor of security subjects himself or herself to the jurisdiction of the Construction Industries Board and irrevocably appoints the Administrator as his or her agent upon whom any papers affecting his or her liability may be served. Every surety or depositor of security consents to his or her liability being joint and several. Consequently, judgment may be entered against the surety, or depositor of security, in accordance with his or her obligation simultaneously with judgment against the principal, and execution may thereupon issue.

(5) Plumbing contractors shall protect, save harmless and indemnify the State and municipalities against any liability imposed by law against the State and municipalities for the negligence of said contractor arising from any act or omission while engaged in work pursuant to the Plumbing License Law.

(6) Any aggrieved person may bring an action upon the bond for the recovery of penalty thereof to the same extent and with equal rights as though such aggrieved person had been named as the obligee in the bond.

(7) For purposes of this Section, the term plumbing contractor also includes the agents, servants, and employees of a plumbing contractor.

~~(g)~~(f) Exceptions. The bond and insurance requirement will be waived if:

(1) The plumbing contractor wishes to be inactive. A contractor may choose to place his or her license on inactive status and may practice as a journeyman but shall not practice as an active contractor. The inactive contractor can obtain an active license at any time if his or her license is valid and the bond and insurance requirements are met; or

(2) The plumbing contractor is employed by a corporation, partnership, public entity, or political subdivision and said corporation, partnership, public entity or political subdivision submits an affidavit on behalf of the contractor that the employee will only perform plumbing work on property owned by said corporation, partnership, public entity, or political subdivision and the employer assumes all financial responsibility in lieu of the contractor providing bond and insurance. The affidavit must include a statement by the employer that the Board will be notified if the contractor is no longer employed by said employer, or if the employer no longer wishes to assume financial responsibility for the contractor.

~~(h)~~(g) Insurance. A plumbing contractor shall provide proof of financial responsibility by providing a certificate of insurance, which indicates a minimum general liability policy of \$50,000. The Construction Industries Board must be notified in the event such liability policy is cancelled for any reason or expires for non-payment of premiums. Plumbing contractors are to add the Construction Industries Board to the certificate of insurance as a certificate holder but not as an additional insured and with no additional cost to ensure required notification.

## **SUBCHAPTER 9. EXAMINATION PROCEDURES, LICENSE AND REGISTRATION FEES AND DURATION OF LICENSES**

### **158:30-9-1. Examination and licensure procedures**

(a) The plumbing standards for the plumbing examination shall be the standard of installation as described in OAC 158:30-1-4.

(b) Any previously certified examination may be used to meet an examination requirement pursuant to the Act and this Chapter.

(c) Examination for a plumber's license shall include, but not be limited to, written questions and drawings and/or charts.

(d) The maximum grade value of each part of the plumbing examination shall be 100 points. An examinee must make 75% or more on each part, to pass the examination.

(e) Applicants for a contractor license must pass both portions (business/law and trade) of the contractor license exam. If an applicant for a contractor license passes only one of the two portions of the required exam, the applicant need only retake the portion of the exam not passed if done within three (3) years of the date the Applicant is approved and eligible to sit for the contractor's exam. Otherwise, the Applicant will need to retake both portions of the contractor license exam.

(f) If an applicant for a contractor license passes only the trade portion of the contractor exam, the applicant may choose to apply the passing score of the trade portion of the contractor exam to a journeyman license application. All other requirements in the Act and this Chapter for a journeyman license are required, including but not limited to, completing the journeyman application form and submitting any applicable fee, both of which must be received by the Board no more than one year after passing the trade portion of the contractor exam. The timeframe to complete both portions of the contractor exam as provided in (e) of this Section is applicable even if a journeyman license is obtained under this subsection.

(g) A contractor license, whether active or inactive, must be renewed annually including completing the renewal form and paying the renewal license fee for a contractor license. An inactive contractor status may be changed to active contractor status at any time by providing proof of compliance with bond and insurance requirements as provided in this Chapter. A contractor, whether active or inactive, can elect to renew as a journeyman with filing of a journeyman renewal application and fee which election will be considered a permanent change of license category. If a permanent license category change occurs and the individual wants to change from journeyman to contractor category, either active or inactive, the individual must retake and pass the contractor license exam and meet all other contractor license requirements in the Act and this Chapter.

(h) Applicants for the plumbing contractor examination must be capable of reading English without assistance. A person who cannot meet this requirement may request a hearing before the Committee to request reasonable accommodations.

(i) Except as authorized by the Plumbing Examiners Committee, no person, other than examinees, shall be permitted in the examination area.

(j) Any applicant who violates exam procedures as determined by the examination provider, including but not limited to cheating, misrepresenting oneself as another, or inappropriate actions during an examination may be immediately notified and expelled from the examination. Furthermore, the applicant's exam will be considered invalid and the applicant will be disqualified from retaking the exam for a period of time no less than 30 days and no more than 365 days as determined by the Administrator of the Construction Industries Board.

(k) Applicants for the journeyman examination must be eighteen (18) years of age or older and have:

(1) three (3) years of experience in the plumbing trade while employed by a licensed Plumbing contractor, or a combination of education and experience as provided for in (n) of this Section; or

(2) equivalent verifiable three (3) years of experience in the plumbing trade while serving in the U.S. military; or

(3) a verifiable out-of-state plumbing license which may expedite processing of the requirements or be considered for reciprocity under OAC 158:30-5-4 if there is a written reciprocity agreement with that state, the license is currently in good standing, and meets the qualifications in (k)(1) of this Section.~~that must be:~~

~~(A) current, and~~

~~(B) in good standing.~~

(l) Applicants for the contractors examination must meet the same requirements as applicants for the journeyman examination with an additional one (1) year of experience ~~be eighteen (18) years of age or older and have four (4) years of experience in the plumbing trade while~~

~~employed by a licensed Plumbing contractor.~~

(m) Applicants for plumbing license examinations who are not licensed and wish to include experience gained in Oklahoma must maintain an apprentice registration on file with the Oklahoma Construction Industries Board for all experience obtained in Oklahoma. The Construction Industries Board will not consider experience obtained in or outside of Oklahoma as verifiable experience for periods in which an apprentice is unregistered, except for experience lawfully obtained according to any applicable federal or state laws, or the rules in this Chapter, and must be comprised of plumbing work as defined in the Act and in this Chapter.

(n) The following may be substituted for a portion of the experience requirement in (k)(1) and (l) of this Section:

(1) An associate degree or ~~Career Tech~~ vocational diploma certifying completion of a formal plumbing educational program approved by the Committee, consisting of a minimum of one thousand (1,000) classroom hours from a school, approved by the Committee, may be substituted for two (2) years of experience.

(2) A ~~Career Tech~~ vocational diploma certifying completion of ~~an~~ a formal plumbing educational program approved by the Committee, consisting of a minimum of five hundred (500) classroom hours from a school, approved by the Committee, may be substituted for one (1) year of experience.

(3) A ~~Career Tech~~ vocational diploma certifying completion of ~~an~~ a formal plumbing educational program approved by the Committee, consisting of a minimum of three hundred and seventy five (375) classroom hours from a school, approved by the Committee, may be substituted for three-fourths (3/4) of a year, or nine months of experience.

(4) A ~~Career Tech~~ vocational diploma certifying completion of ~~an~~ a formal plumbing educational program approved by the Committee, consisting of a minimum of three hundred and thirty four (334) classroom hours from a school, approved by the Committee, may be substituted for two-thirds (2/3) of a year, or eight months of experience.

(5) A ~~Career Tech~~ vocational diploma certifying completion of ~~an~~ a formal plumbing educational program approved by the Committee, consisting of a minimum of two hundred and fifty (250) classroom hours from a school, approved by the Committee, may be substituted for one-half (1/2) year, or six months of experience.

(o) Applicants must present transcripts showing the Committee approved school, the Committee approved program, courses, hours attended, grades, any certificates achieved, and a vocational diploma or certificate of completion for the specific plumbing educational program and school that have been approved by the Committee. The Administrator shall make the final determination on acceptability of the described supporting documentation.

(p) The fees for a license must be on deposit with the Administrator in advance of the examination.

~~(p)~~(q) If the applicant fails to meet the minimum qualifications to take the examination, the application fee will be forfeited.



**TITLE 158. CONSTRUCTION INDUSTRIES BOARD  
CHAPTER 30. PLUMBING INDUSTRY REGULATIONS**

**RULEMAKING ACTION:**

Notice of proposed PERMANENT rulemaking

**PROPOSED RULES:**

Subchapter 1. General Provisions

158:30-1-3 [AMENDED]

Subchapter 3. Procedures of the Committee and Hearing Board

158:30-3-1 [AMENDED]

Subchapter 5. License Types, Bond Requirements, and Display of License Number and Firm Name

158:30-5-1 [AMENDED]

158:30-5-2 [AMENDED]

Subchapter 9. Examination Procedures, License and Registration Fees and Duration of Licenses

158:30-9-1 [AMENDED]

**SUMMARY:**

The proposed amendment to 158:30-1-3 clarifies that the section applies to registered apprentices as well as to licensed journeymen and contractors. The proposed amendment to 158:30-3-1 is for the purpose of clarifying that the public can communicate with the Committee through the Construction Industries Board. The proposed amendments to 158:30-5-1 clarify the period of time an apprentice registration is effective, and clarify an application fee is not required for a timely filed apprentice re-registration. The proposed amendments to 158:30-5-2 remove outdated, obsolete verbiage, and require that plumbing contractors add the Construction Industries Board ("CIB") to the certificate of liability insurance as a certificate holder, not as an additional insured and with no additional cost, to ensure the CIB is notified if the liability policy is cancelled or expires for non-payment of premiums. The proposed amendments to 158:30-9-1 clarify the experience requirement for a journeyman and contractor license; clarify education that may be substituted for a portion of the experience requirement; and identify documentation required to demonstrate completion of education that may be substituted for experience.

**AUTHORITY:**

Construction Industries Board; 59 O.S. §§ 1000.4(A)(1), 1000.5, and 1002

**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.