

- SUBJECT:** Removing fees requirements for electricians set by local governments
- COMMITTEE:** Licensing and Administrative Procedures — committee substitute recommended
- VOTE:** 7 ayes — Kuempel, Guillen, Frullo, Geren, Herrero, Paddie, S. Thompson
0 nays
2 absent — Goldman, Hernandez
- WITNESSES:** For — Thomas Edds; (*Registered, but did not testify:* Jon Fisher, Associated Builders and Contractors of Texas; CJ Tredway, Independent Electrical Contractors of Texas; Annie Spilman, National Federation of Independent Business-Texas; Michael Jewell, Solar Energy Industries Association; J.D. Rimann, Texas Public Policy Foundation; Charlie Hemmeline, Texas Solar Power Association)

Against — (*Registered, but did not testify:* TJ Patterson, City of Fort Worth); Leonard Aguilar, Texas Building Trades

On — (*Registered, but did not testify:* Leonard Aguilar, Texas Building Trades; George Ferrie, Texas Department of Licensing and Regulation)
- BACKGROUND:** Occupation Code, sec. 1305.201(a)(4) does not prohibit a municipality or region from regulating electricians or residential appliance installers by collecting permit fees for municipal or regional licenses and examinations for work performed in the municipality or region.
- DIGEST:** CSHB 3329 would prohibit municipalities or regions from collecting a permit fee, registration fee, administrative fee, or any other fee from a licensed electrician who performed work in the municipality or region. It would not prohibit a municipality or region from collecting a building permit fee.

The bill would take effect September 1, 2017.

**SUPPORTERS
SAY:**

CSHB would protect electricians from having to pay duplicative and excessive fees to municipalities if they already have a state electrician's license. Cities currently may charge electricians when they register their state license to work in the city or require payment for a city license. Electricians already pay a state licensing fee, and requiring them to pay more fees in each city where they work is unfair, especially for smaller companies or individual electricians who may handle minor jobs in multiple cities.

The bill makes clear that it would not prohibit a municipality from collecting building permit fees, so cities could make up lost revenue by rolling registration and licensing fees into the overall building permit fee. This would be more appropriate because it would better reflect the city's involvement in a project. Currently, an electrician may be registered in a city and do multiple jobs there, necessitating multiple inspections by the city, but only be assessed one licensing or registration fee. It would make more sense to charge based on the number of jobs that had to be inspected by including these costs in a building permit.

CSHB 3329 would not prohibit cities from requiring electricians to register. It simply would not allow them to charge fees. The bill would not compromise public safety because all electricians must meet state licensing standards, regardless of what municipalities might require.

**OPPONENTS
SAY:**

CSHB 3329 would diminish oversight of electricians, potentially weakening public safety. Fees generated by these licenses or registrations are necessary to ensure that electrical work is inspected and determined to be safe. They also can be an important revenue source for many cities.

NOTES:

A companion bill, SB 1797 by Campbell, was considered in a public hearing of the Senate Business and Commerce Committee on April 18 and left pending.