

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2376
By: Hamilton (Jackson)
Business & Commerce
5/4/2011
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law allows for a party involved in litigation to concurrently request that the Texas State Board of Plumbing Examiners (TSBPE) investigate a complaint that is the subject matter of the litigation.

C.S.H.B. 2376 would create more efficiency in the dispute resolution process for TSBPE and the industry by prohibiting TSBPE from investigating a complaint in which the complaint and the subject of the complaint are engaged in litigation.

C.S.H.B. 2376 amends current law relating to the regulation of plumbing.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas State Board of Plumbing Examiners in SECTION 7 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 1301.002(9-a) and (11), Occupations Code, to redefine "responsible master plumber" and "water supply protection specialist."

SECTION 2. Amends Section 1301.304, Occupations Code, by adding Subsection (d), to prohibit the Texas State Board of Plumbing Examiners (TSBPE), unless a threat to health or safety exists, from investigating a complaint in which the person filing the complaint and the person who is the subject of the complaint are engaged in litigation related to the subject matter of the complaint until the outcome of the litigation is finally determined if TSBPE determines the complaint process is being abused.

SECTION 3. Amends Section 1301.3565, Occupations Code, by adding Subsections (a-1) and (e-1) and amending Subsection (b), as follows:

(a-1) Prohibits a person from designing a multipurpose residential fire protection sprinkler system for installation under this section unless the person:

- (1) is licensed under this chapter as a master plumber; and
- (2) holds an endorsement issued under this section.

(b) Requires TSBPE to issue an endorsement as a multipurpose residential fire protection sprinkler specialist to a person who:

- (1) holds the license described by Subsection (a);
- (2) applies to TSBPE on a form prescribed by TSBPE;
- (3) pays a fee set by TSBPE;

(4) presents evidence satisfactory to TSBPE of successful completion of a training program approved by TSBPE that provides the training necessary for the proper design and installation of a multipurpose residential fire protection sprinkler system as required by the applicable codes and standards recognized by the state; and

(5) passes an examination required by TSBPE.

(e-1) Provides that, notwithstanding any other law, a master plumber who holds an endorsement under this section is not required to hold a license or registration issued by another state agency in order to design a multipurpose residential fire protection sprinkler system for installation under this section.

SECTION 4. Amends Section 1301.3576, Occupations Code, as follows:

Sec. 1301.3576. New heading: CERTIFICATE OF INSURANCE AND TRAINING FOR RESPONSIBLE MASTER PLUMBER. Requires the master plumber, before the master plumber works as a responsible master plumber, rather than when a person is issued a master plumber's license, to :

(1) provide TSBPE with a certificate of insurance that meets the requirements of Section 1301.552; and

(2) present evidence satisfactory to TSBPE of successful completion of a training program approved or administered by TSBPE regarding the laws and rules applicable to the operation of a plumbing business in this state, rather than before the person works as a responsible master plumber.

SECTION 5. Amends Section 1301.552, Occupations Code, as follows:

Sec. 1301.552. CERTIFICATE OF INSURANCE FOR PLUMBING PERMIT IN POLITICAL SUBDIVISION. Requires a political subdivision that requires a responsible master plumber or an agent of a responsible master plumber, rather than a plumbing contractor, to obtain a permit before performing plumbing in the political subdivision to verify through the board's Internet website, or by contacting TSBPE by telephone, that the responsible master plumber has on file with TSBPE a certificate of insurance. Requires that the certificate of insurance:

(1) be written by an insurer authorized to engage in the business of insurance in this state or an eligible surplus line insurer, as defined by Section 981.002 (Definitions), Insurance Code, rather than be written by a company licensed to do business in this state;

(2) provide for commercial general liability insurance for the responsible master plumber for a claim for property damage or bodily injury, regardless of whether the claim arises from negligence or on a contract; and

(3) provide coverage of not less than \$300,000 for all claims arising in a one-year period. Makes a conforming change.

SECTION 6. Makes application of Section 1301.3565, Occupations Code, as amended by this Act, prospective.

SECTION 7. Requires TSBPE, not later than December 31, 2011, to develop the curriculum and adopt rules for the approval or administration of the training program required by Section 1301.3576(2), Occupations Code, as added by this Act.

SECTION 8. Provides that Section 1301.3576, Occupations Code, as amended by this Act, does not apply to a master plumber who, on or before January 1, 2012, provides TSBPE with a

certificate of insurance that meets the requirements of Section 1301.552, Occupations Code, as amended by this Act, and that is effective on January 1, 2012.

SECTION 9. Makes application of Section 1301.552, Occupations Code, as amended by this Act, prospective.

SECTION 10. Effective date: September 1, 2011.