SUBJECT:	Licensing, regulation of journeyman and apprentice sheet metal workers
COMMITTEE:	Licensing and Administrative Procedures — committee substitute recommended
VOTE:	8 ayes — Flores, Geren, Goolsby, Hamilton, Jones, Miles, Quintanilla, Thompson
	0 nays
	1 absent — Isett
WITNESSES:	For —Doug McGee, Sheet Metal Workers Local Union #54; (<i>Registered, but did not testify:</i> Joe Arabie, Texas AFL-CIO; Michael W. Cunningham, Texas State Building and Construction Trades, AFL-CIO; Brian Granger, Texas Pipe Trades; Charlie Hiney; Jim Reynolds, MCA-Texas Austin Sheet Metal Association)
	Against —Marc Levin, Texas Public Policy Foundation Center for Effective Justice
	On — (<i>Registered, but did not testify:</i> William H. Kuntz, Texas Department of Licensing and Regulation)
DIGEST:	CSHB 1281 would amend Occupations Code, ch. 1302 to establish the licensing and regulation of journeyman and apprentice sheet metal workers by the Texas Department of Licensing and Regulation (TDLR).
	The bill would require air conditioning and refrigeration contractors to employ only licensed commercial sheet metal workers. Those holding an air conditioning and refrigeration contractor's license would not be required to be licensed as sheet metal workers.
	A person seeking a journeyman license would have to certify that the person had been employed for at least 8,000 hours in the performance of commercial sheet metal work while:

HB 1281 House Research Organization page 2

- registered in a training program administered by the Bureau of Apprenticeship and Training, United States Department of Labor, or any other recognized training program; or
- receiving on-the-job training under the supervision of an air conditioning and refrigeration licensed contractor.

The person also would have to pass a journeyman sheet metal license examination and pay the required application and examination fees.

A journeyman sheet metal license examination could require the applicant to demonstrate a working knowledge of:

- the International Mechanical Code;
- the Uniform Mechanical Code;
- the Sheet Metal and Air Conditioning Contractor's National Association's duct standards;
- the rules and standards of the Occupational Safety and Health Administration and the National Fire Protection Association;
- indoor air quality standards;
- the testing, adjusting, and balancing of commercial heating, ventilation, and air-conditioning systems;
- the reading of blueprints and specifications; and
- the laws, rules, and codes governing commercial heating, ventilation, and air-conditioning systems.

Those seeking an apprentice sheet metal license would have to pay the required application fee and be engaged in the process of learning and assisting in commercial sheet metal work while:

- registered in a training program administered by the Bureau of Apprenticeship and Training, United States Department of Labor, or any other recognized training program; or
- receiving on-the-job training under the supervision of an air conditioning and refrigeration licensed contractor.

A license would be valid for one year. License applications and renewals could be subject to a criminal background check, and both journeyman and apprentice sheet metal workers would be required to complete six hours of continuing education courses to be eligible to renew a license.

HB 1281 House Research Organization page 3

	"Commercial sheet metal work" would mean the forming, assembling, sealing, internal insulating, sorting, sectioning, installing, testing, and servicing of all ductwork on a job site, regardless of the materials used, and the connection to related appurtenances, other than equipment with coils and ductwork located within five feet of an air-handling unit, that is associated with the installation of an environmentally sound, energy- efficient commercial heating, ventilation, and air-conditioning system that protects the health and safety of the users of the system.
	The Texas Commission of Licensing and Regulation would have until January 1, 2008, to adopt rules, procedures, and fees.
	The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2007.
SUPPORTERS SAY:	CSHB 1281 would improve public safety by requiring that all individuals who worked in the commercial sheet metal industry gained the skill and training needed for the trade. With more than 50,000 new sheet metal workers expected to enter the industry in the next five years, it is important for the trade to be regulated to ensure reliable and quality workmanship. One aspect of the commercial sheet metal industry is the installation of fire dampers, which shut down the ventilation system if fire or smoke is detected. Some counties have reported a failure rate of these dampers as high as 40 percent. Code inspectors and fire marshals rely on sheet metal workers to install these fire protection systems properly.
	Many professional licenses either require or allow for criminal background checks. Providing an opportunity for a licensing board to review a person's criminal background would not be for the purpose of excluding anyone from the industry but to determine whether a crime directly related to the occupation. These considerations could include the relationship of the crime to the purposes for requiring a license to work in the industry or the extent to which a license might offer an opportunity to engage in further criminal activity of the same type. These checks would be necessary to provide assurances there were no threats to the public or to the integrity of the industry being regulated.
OPPONENTS SAY:	This bill could potentially exclude otherwise qualified workers through a background check. The Texas Workforce Commission has developed Project RIO (Reintegration of Offenders), which provides career guidance

HB 1281 House Research Organization page 4

	and training to ex-offenders. The purpose of the program is to reduce recidivism through employment. Construction and trade jobs are a source of employment for ex-offenders. Allowing criminal background checks could thwart well intended efforts by programs such as RIO and ex- offenders interested in becoming contributing members of society.
	CSHB 1281 is unnecessary because localities already have the authority to adopt local regulations. While some areas feel regulation of the trade is warranted, the state does not need to adopt a law that would apply to all areas of the state.
OTHER OPPONENTS SAY:	Subjecting an occupation to government regulation creates a mechanism to reduce competition among providers and could result in higher prices for consumers.
NOTES:	According to the fiscal note, operating expenses for TDLR to implement the bill would be \$1.4 million in fiscal 2008 and just more than \$900,000 for each fiscal year thereafter. Operating costs would be absorbed by the generated revenue of application and examination fees.