

- SUBJECT:** Exempting sellers of electric signs from needing a license
- COMMITTEE:** Licensing and Administrative Procedures — committee substitute recommended
- VOTE:** 9 ayes — Smith, Kuempel, Geren, Gooden, Guillen, Gutierrez, Miles, Price, S. Thompson
- 0 nays
- WITNESSES:** For — Glenn Dodd; Karen Fordyce; De Humphries; Catherine Monson, Fastsigns International; Vikrant Reddy, Texas Public Policy Foundation; Kurtis Strand, S&S Signs and Specialties (*Registered, but did not testify*: Tom Baker; Kevin Brightwell, Stephanie Brooks, Ron Felt, Mark Glenn, Lana Hogue, Mike Hogue, Fastsigns; Brianna Brooks; Chris Brooks; Martha Dodd; Philip Dodd; Luis Escobar; Chris Fluhman; Bill Hammond, Texas Association of Business; Chris Howe; Annie Mahoney, Texas Conservative Coalition; Ed Mayle; Peter McDonough; William Stockley; Tina Strand; Shon Swanner; Ronald West; Rick Wilson)
- Against — Paul Ingle, Design Center Signs; John Lewis, Texas Sign Association; Lonnie Stabler, Texas Sign Association; (*Registered, but did not testify*: Renea Beasley, Independent Electrical Contractors of Texas; Michael Grimes, Texas Business Advertising Alliance; Rani Huffaker, State Sign; Chad Jones, Southwest Signs of San Antonio; Andy Leffler, Custom Sign Solutions; Sammy Morris; Jeffrey Palmer, Precision Roofing Inc.; Arthur Sitterle, Comet Signs, San Antonio and Houston; Leona Stabler, Texas Sign Association; Daniel Tessier; Tony Thomas, Daktronics; Lydell Toy)
- On — William Kuntz, Texas Department of Licensing and Regulation
- BACKGROUND:** Occupations Code, ch. 1305 regulates electricians. Secs. 1305.159 and 1305.160 require electrical contractors and electrical sign contractors to be licensed under chapter 1305.
- DIGEST:** The bill would exempt from ch. 1305 of the Occupations Code people who sold or offered to sell signs requiring electrical work or electrical sign work, if the person did not perform or offer to perform the sign work

themselves and if they used only an electrical contractor under sec. 1305.159 or an electrical sign contractor under sec. 1305.160.

This 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, 2013..

**SUPPORTERS
SAY:**

Current law regarding electric signage is bad for consumers and hurts competition in the electric sign industry. Sign companies who do not employ a licensed master electrician or a master electrical sign contractor on their staffs must direct their customers elsewhere for electric signage. Employing a licensed electrician is a significant cost to these sign companies, who only occasionally may need electric sign work performed.

Because a master electrician or a master sign electrician must assign his or her license exclusively to a single company, in practical terms sign companies are unable to hire these much-in-demand electrician license holders for seasonal or part-time work. The cost of hiring a licensed electrician full-time not only includes the base salary of the electrician but also the benefits and insurance accorded to any full-time employee.

This bill would not change the fact that signs requiring electrical work to construct or install would be performed by a licensed electrical contractor or electrical sign contractor. The bill would ensure safety was preserved by having fully licensed professionals complete the technical aspects of the work while allowing these sign companies to give consumers a comprehensive sign service.

Under CSHB 1352, a customer would not have to work with multiple companies to have all their signage needs met. Sign companies would enjoy the same ability to subcontract that exists in most other industries, which may take advantage of specialized contract labor to deliver goods to consumers at a reasonable price.

**OPPONENTS
SAY:**

The bill raises questions about safety, as it would authorize an unlicensed person to sell an electrical sign. In spite of supporters concerns, sign companies are at liberty to hire licensed master electricians or electrical sign contractors part-time or seasonally; there is no need to hire them full-time. There are several thousand master electricians and master sign electricians, many of whom do not have their licenses assigned to a company and who would be available for hire. The status quo is perfectly

acceptable, with sign companies sending consumers looking for sign work to a licensed electrical contractor who can perform any design, installation, and construction of electric signage.