

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011

# A Bill

SENATE BILL 717

4  
5 By: Senator Files

## For An Act To Be Entitled

8 AN ACT TO REQUIRE CERTAIN LICENSEES OF THE HVACR  
9 LICENSING BOARD TO ACQUIRE AND MAINTAIN GENERAL  
10 LIABILITY INSURANCE; AND FOR OTHER PURPOSES.

## Subtitle

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14 TO REQUIRE CERTAIN LICENSEES OF THE HVACR  
15 LICENSING BOARD TO ACQUIRE AND MAINTAIN  
16 GENERAL LIABILITY INSURANCE.

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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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21 SECTION 1. Arkansas Code § 17-33-101 is amended to read as follows:  
22 17-33-101. Definitions.

23 As used in this chapter:

- 24 (1) "Board" means the HVACR Licensing Board;
- 25 (2) "BTUH" means British Thermal Unit per hour of heat;
- 26 (3) "Department" means the Department of Health;
- 27 (4) "Director" means the Director of the Department of Health;
- 28 (5) "General liability insurance" means insurance designed to

29 protect a business from third party bodily injury claims or property damage  
30 claims arising from occurrences involving:

- 31 (A) Premises;
- 32 (B) Operations;
- 33 (C) Products; or
- 34 (D) Completed operations exposures;

35 ~~(5)~~(6) "Heating and air conditioning" means the process of  
36 treating air to control temperature, humidity, cleanliness, ventilation, or



1 circulation to meet human comfort requirements;

2 ~~(6)~~(7) "Heating, ventilation, air conditioning, and  
 3 refrigeration" or "HVACR" means the design, installation, construction,  
 4 maintenance, service, repair, alteration, or modification of a product or of  
 5 equipment in heating and air conditioning, refrigeration, ventilation, or  
 6 process cooling or heating systems;

7 ~~(7)~~(8) "Horsepower" means the equivalent to seven hundred forty-  
 8 six (746) watts;

9 ~~(8)~~(9) "HVACR gas fitting work" means gas fitting work for the  
 10 purpose of supplying an HVACR system and shall be limited to installing six  
 11 feet (6') or less final of gas piping connection to a heating unit from an  
 12 existing, accessible manual safety shutoff gas cock, installing flue gas  
 13 vents and combustion air for the HVACR system;

14 ~~(9)~~(10) "HVACR Licensing Fund" means a fund established under  
 15 this chapter to be used exclusively to fund all activities covered under this  
 16 chapter;

17 ~~(10)~~(11) "HVACR maintenance work" means repair, modification,  
 18 service, and all other work required for the normal continued performance of  
 19 an HVACR system. This term does not include the installation or total  
 20 replacement of a system or the installation of boiler or pressure vessels  
 21 that must be installed by persons licensed under § 20-23-101 et seq.;

22 ~~(11)~~(12) "Licensee" means the holder of a license issued  
 23 pursuant to this chapter;

24 ~~(12)~~(13) "One ton" means twelve thousand (12,000) BTUH;

25 ~~(13)~~(14) "Persons" means any individual, firm, partnership,  
 26 copartnership, corporation, association, cooperative, or any other  
 27 association or combination thereof;

28 ~~(14)~~(15) "Public entity" means any agency of the State of  
 29 Arkansas or any political subdivision of the state;

30 ~~(15)~~(16) "Refrigeration" means the use of mechanical or  
 31 absorption equipment to control temperature or humidity, or both, in order to  
 32 satisfy the intended use of a specific space other than for human comfort;

33 ~~(16)~~(17) "Registrant" means a person who:

34 (A) Does not hold a Class A, Class B, Class C, Class D, or  
 35 Class E HVACR license;

36 (B) Can only perform work for an HVACR licensee; and

- 1 (C) Holds a current HVACR registration;
- 2 ~~(17)~~(18) "Repair" means the reconstruction or replacement of any
- 3 part of an existing HVACR system for the purpose of its maintenance;
- 4 ~~(18)~~(19) "Subcontractor" means a person who performs a portion
- 5 of the HVACR installation; and
- 6 ~~(19)~~(20) "Ventilation" means the process of supplying or
- 7 removing air by natural or mechanical means to or from any space.

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9 SECTION 2. Arkansas Code § 17-33-202 is amended to read as follows:

10 17-33-202. Powers and duties.

11 The HVACR Licensing Board may:

- 12 (1) Adopt certain rules ~~and regulations~~ to ensure the proper
- 13 administration and enforcement of this chapter;
- 14 (2) Adopt a mechanical code and standards for the conduct of
- 15 HVACR work;
- 16 (3) Assist and advise the Department of Health on all matters
- 17 related to the licensing of HVACR maintenance work;
- 18 (4) Conduct hearings on all matters related to the licensing and
- 19 inspection of HVACR work;
- 20 (5) Establish HVACR code inspection programs;
- 21 (6) Conduct investigations into the qualifications of applicants
- 22 for licensure at the request of the department;
- 23 (7) Review applications for examination for a Class A, Class B,
- 24 Class C, Class D, Class E, and Class L license;
- 25 ~~(8) Establish by board regulation a minimum level of general~~
- 26 ~~liability insurance coverage for a license if the board determines that a~~
- 27 ~~specific class of license requires insurance coverage;~~
- 28 ~~(9)~~(8) Assist and advise the department in other such matters as
- 29 requested by the department; and
- 30 ~~(10)~~(9) Establish fees for the proper administration of the
- 31 requirements of this chapter.

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33 SECTION 3. Arkansas Code Title 17, Chapter 33, Subchapter 3 is amended

34 to add an additional section to read as follows:

35 17-33-309. General liability insurance requirements.

36 (a) Except as provided in subsection (b) of this section, the

1 following licensees shall acquire and maintain general liability insurance as  
2 prescribed by rule of the HVACR Licensing Board:

- 3 (1) Class A licensees;
- 4 (2) Class B licensees;
- 5 (3) Class C licensees;
- 6 (4) Class D licensees;
- 7 (5) Class E licensees; and
- 8 (6) Class L licensees.

9 (b) The following Class A, Class B, Class C, Class D, Class E, or  
10 Class L licensees shall not be required to acquire and maintain general  
11 liability insurance:

- 12 (1) Licensees who are not engaged in performing service or  
13 installation of HVACR systems for the public;
- 14 (2) Licensees who are not the designated license holder for a  
15 HVACR firm or business; or
- 16 (3) Licensees whose license has an inactive or deferred status.

17 (c) A person holding a Class A, Class B, Class C, Class D, Class E, or  
18 Class L license as of the effective date of this act who is required to  
19 acquire and maintain general liability insurance under subsection (a) of this  
20 section shall acquire general liability insurance as prescribed by rule of  
21 the board by January 1, 2012.

22 (d)(1) Applicants for a Class A, Class B, Class C, Class D, Class E,  
23 or Class L license who are required to obtain general liability insurance  
24 shall provide proof of general liability insurance before the issuance of the  
25 license.

26 (2) An applicant is not required to provide proof of general  
27 liability insurance when applying for a license.

28 (e) A Class A, Class B, Class C, Class D, Class E, or Class L licensee  
29 required to obtain general liability insurance shall provide proof of general  
30 liability insurance when renewing his or her license.

31 (f) The board may require Class A, Class B, Class C, Class D, Class E,  
32 or Class L licensees who are required to obtain general liability insurance  
33 to provide proof of general liability insurance upon request.

34 (g) A Class A, Class B, Class C, Class D, Class E, or Class L  
35 licensee required to obtain general liability insurance who fails to maintain  
36 general liability insurance shall be subject to the penalties available under

1 this chapter.

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