

FIRST REGULAR SESSION

[PERFECTED]

SENATE SUBSTITUTE FOR

SENATE BILL NO. 80

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHROER.

0621S.14P

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 324, RSMo, by adding thereto nine new sections relating to statewide mechanical contractor licenses, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 324, RSMo, is amended by adding thereto
2 nine new sections, to be known as sections 324.950, 324.953,
3 324.956, 324.959, 324.962, 324.965, 324.968, 324.971, and
4 324.974, to read as follows:

**324.950. 1. Sections 324.950 to 324.974 shall be
2 known and may be cited as the "Missouri Statewide Mechanical
3 Contractor Licensing Act" and shall not be affected by the
4 provisions of section 324.009. The provisions of sections
5 324.950 to 324.974 shall not be construed to affect the
6 provisions of chapter 341.**

**7 2. As used in sections 324.950 to 324.974, unless the
8 context clearly indicates otherwise, the following terms
9 shall mean:**

**10 (1) "Apprentice", a person who holds a valid statewide
11 mechanical apprentice license to perform mechanical work
12 for, and under the direct supervision of, a journeyman;**

**13 (2) "Contractor", a person who holds a valid statewide
14 mechanical contractor license and who is employed by a**

15 corporation, firm, institution, organization, or company to
16 perform mechanical work and directly supervise the
17 performance of mechanical work by journeymen;

18 (3) "Division", the division of professional
19 registration within the department of commerce and insurance;

20 (4) "Journeyman", a person who holds a valid statewide
21 mechanical journeyman license to perform mechanical work
22 for, and under the supervision of and inspection of, a
23 contractor, and to supervise and inspect the mechanical work
24 of an apprentice;

25 (5) "Local license", a license issued by a political
26 subdivision and valid only in that political subdivision
27 that is required to bid, accept, or perform mechanical work;

28 (6) "Mechanical work", work per the International Code
29 Council, International Association of Plumbing and
30 Mechanical Officials, 30 CSR 20, or the National Fire
31 Protection Association (NFPA) 99.

32 (a) Such work shall include the design, installation,
33 maintenance, construction, alteration, repair, and
34 inspection of any:

35 a. HVAC system and associated appurtenances;

36 b. HVAC duct system and associated appurtenances;

37 c. Exhaust systems and associated appurtenances;

38 d. Combustion air or make up air and associated
39 appurtenances;

40 e. Chimneys and vents and associated appurtenances,
41 excluding those regulated by local ordinances as such
42 existed on April 18, 2023;

43 f. Hydronic piping systems and associated
44 appurtenances that are part of an HVAC system;

45 g. Boilers, water heaters that are one hundred twenty
46 gallons and above, or two hundred thousand British thermal

47 units (BTUs) and above, and pressure vessels and associated
48 appurtenances, excluding those covered by a nationally-
49 standardized plumbing code, those regulated by local
50 ordinances as such existed on April 18, 2023, or those used
51 for potable water systems;

52 h. Process piping systems and associated appurtenances;

53 i. Fuel gas distribution piping and associated
54 appurtenances, excluding those regulated by local ordinances
55 as such existed on April 18, 2023;

56 j. Fuel oil-fired and solid fuel appliances and
57 associated appurtenances, excluding those covered by a
58 nationally-standardized plumbing code or local ordinances
59 promulgated by a political subdivision of this state as such
60 ordinances existed on April 18, 2023;

61 k. Fuel oil piping and storage vessels and associated
62 appurtenances;

63 l. Fuel oil-fired and solid fuel appliance venting
64 systems and associated appurtenances;

65 m. Equipment and appliances intended to utilize solar
66 energy for space heating or cooling together with associated
67 appurtenances;

68 n. Process heating and associated appurtenances;

69 o. Refrigeration systems, including all equipment and
70 components thereof and associated appurtenances;

71 p. Nonmedical air, nonmedical oxygen, and nonmedical
72 vacuum piping for mechanical equipment and associated
73 appurtenances, excluding work covered by a nationally-
74 standardized plumbing code;

75 q. Liquefied petroleum gas distribution piping and
76 associated appurtenances, excluding work covered by a
77 nationally-standardized plumbing code or local ordinances as
78 such ordinances existed on April 18, 2023;

79 r. Biogas, biodiesel, hydrogen processing systems, and
80 ethanol distribution and associated appurtenances;

81 s. Chillers, cooling towers, and associated support
82 steel and appurtenances for cooling towers;

83 t. Petroleum piping and venting together with
84 associated equipment and associated appurtenances, pumps,
85 and tanks governed by NPFA 30 and 30a;

86 u. All fuel and petroleum pipelines, piping, and
87 associated pumping stations with associated equipment and
88 appurtenances; and

89 v. All associated equipment and facilities related to
90 subparagraphs a. to u. of this paragraph.

91 (b) Notwithstanding the provisions of this subdivision
92 to the contrary, "mechanical work" shall not include, and
93 the provisions of sections 324.950 to 324.974 shall not
94 apply to, the design, installation, maintenance,
95 construction, alteration, repair, or inspection of any:

96 a. Solid-fuel or gas-fueled hearth appliance,
97 including, but not limited to, wood stoves and fireplaces,
98 manufacturer-specified venting systems, fireplace chimneys,
99 outdoor cooking appliances with manufacturer-specified
100 venting systems, outdoor fireplaces, or outdoor fire pits;

101 b. Propane-related equipment for which certification
102 is required by any regulation adopted under subdivision (3)
103 of subsection 13 of section 323.035; or

104 c. Fire sprinkler or suppression systems.

105 Additional certification may be required by the division for
106 a particular scope of mechanical work;

107 (7) "Residential work", service-related and
108 replacement-related mechanical work in an existing domicile

109 for or on behalf of the individual owners or renters
110 occupying:

111 (a) Single-family houses;

112 (b) An individual dwelling unit in a duplex, triplex,
113 or fourplex; or

114 (c) An individual dwelling unit in an apartment
115 building containing five or more apartments.

116 "Residential work" shall not include new construction or
117 work required for a building or structure as a whole that
118 services more than one dwelling unit;

119 (8) "Statewide mechanical apprentice license", a valid
120 license issued by the division to an apprentice to
121 physically perform mechanical work under the direct
122 supervision and inspection of a journeyman;

123 (9) "Statewide mechanical contractor license", a valid
124 license issued by the division to a contractor to bid and
125 accept mechanical work in any political subdivision
126 regardless of local requirements to bid and accept
127 mechanical work, to physically perform mechanical work, and
128 to directly supervise and inspect the mechanical work of a
129 journeyman;

130 (10) "Statewide mechanical journeyman license", a
131 valid license issued by the division to a journeyman to
132 physically perform mechanical work under the supervision and
133 inspection of a contractor and to directly supervise and
134 inspect the mechanical work of an apprentice.

324.953. 1. The division shall adopt, implement,
2 rescind, amend, and administer such rules as may be
3 necessary to carry out the provisions of sections 324.950 to
4 324.974, including but not limited to, the following:

5 (1) Training, education, and experience requirements
6 for licensure under sections 324.950 to 324.974;

7 (2) Application forms and fees;

8 (3) Professional education units for license renewal
9 and approval of professional education programs;

10 (4) Renewal dates, notifications of renewal, and
11 renewal applications and fees;

12 (5) Inactive licenses and reinstatement procedures; and

13 (6) Professional conduct and ethical standards of
14 business practice for licensees.

15 Any rule or portion of a rule, as that term is defined in
16 section 536.010, that is created under the authority
17 delegated in this section shall become effective only if it
18 complies with and is subject to all of the provisions of
19 chapter 536 and, if applicable, section 536.028. This
20 section and chapter 536 are nonseverable and if any of the
21 powers vested with the general assembly pursuant to chapter
22 536 to review, to delay the effective date, or to disapprove
23 and annul a rule are subsequently held unconstitutional,
24 then the grant of rulemaking authority and any rule proposed
25 or adopted after August 28, 2023, shall be invalid and void.

26 2. For the purpose of sections 324.950 to 324.974, the
27 division shall:

28 (1) Employ, within the limits of the appropriations
29 for such purpose, employees as are necessary to carry out
30 the provisions of sections 324.950 to 324.974;

31 (2) Exercise all administrative functions;

32 (3) Establish all applicable fees, set at an amount
33 that shall not substantially exceed the cost of
34 administering sections 324.950 to 324.974;

35 (4) Deposit all fees collected by transmitting such
36 funds to the department of revenue for deposit to the state
37 treasury to the credit of the Missouri mechanical contractor
38 licensing fund established under section 324.956;

39 (5) Enter into agreements with the boiler and pressure
40 vessel safety unit within the division of fire safety of the
41 department of public safety to investigate complaints
42 against a licensee from persons who receive services from
43 the licensee and for the submission of a report to the
44 division of such investigation; provided that the division
45 shall retain the authority to institute any enforcement
46 action against a licensee as a result of an investigation
47 under this subdivision. Nothing in this subdivision shall
48 be construed to prevent the boiler and pressure vessel
49 safety unit from reporting a violation of sections 324.950
50 to 324.974 found during a routine inspection to the
51 division; and

52 (6) Institute actions to enforce compliance with the
53 provisions of sections 324.950 to 324.974.

54 3. No new licensing activity assigned to the division
55 under sections 324.950 to 324.974 shall become effective
56 until the initial rules filed under this section have become
57 effective.

 324.956. There is hereby created in the state treasury
2 the "Missouri Mechanical Contractor Licensing Fund", which
3 shall consist of moneys collected under sections 324.950 to
4 324.974. The state treasurer shall be custodian of the fund
5 and may approve disbursements from the fund in accordance
6 with sections 30.170 and 30.180. Upon appropriation, moneys
7 in the fund shall be used solely for the administration of
8 sections 324.950 to 324.974. The provisions of section
9 33.080 to the contrary notwithstanding, moneys in this fund

10 shall not be transferred and placed to the credit of general
11 revenue until the amount in the fund at the end of the
12 biennium exceeds three times the amount of the appropriation
13 from the fund for the preceding fiscal year. The amount, if
14 any, in the fund which shall lapse is that amount in the
15 fund which exceeds the appropriate multiple of the
16 appropriations from the fund for the preceding fiscal year.
17 The state treasurer shall invest moneys in the fund in the
18 same manner as other funds are invested. Any interest and
19 moneys earned on such investments shall be credited to the
20 fund.

324.959. The provisions of sections 324.950 to 324.974
2 shall not apply to mechanical work, including residential
3 work, performed in any county with more than two hundred
4 sixty thousand but fewer than three hundred thousand
5 inhabitants, any county with more than fifty thousand but
6 fewer than sixty thousand inhabitants and with a county seat
7 with more than ten thousand but fewer than twelve thousand
8 six hundred inhabitants, or any county with more than one
9 hundred twenty thousand but fewer than one hundred fifty
10 thousand inhabitants, or any political subdivision contained
11 within such counties.

324.962. 1. The applicant for a statewide mechanical
2 contractor license shall have:

3 (1) Completed the application form provided by the
4 division and pay any applicable application fees;

5 (2) Provided proof of liability insurance in the
6 amount of one million dollars and posted bond with each
7 political subdivision in which he or she will perform work,
8 as required by that political subdivision; and

9 (3) Completed the educational, training, and
10 experience requirements equal to or greater than that of a

11 contractor's license, as such existed on April 18, 2023, in
12 the mechanical code or ordinance of any county with more
13 than one million inhabitants.

14 2. The applicant for a statewide mechanical journeyman
15 license shall have:

16 (1) Completed the application form provided by the
17 division and pay any applicable application fees; and

18 (2) Completed the educational, training, and
19 experience requirements equal to or greater than that of a
20 journeyman license, as such existed on April 18, 2023, in
21 the mechanical code or ordinance of any county with more
22 than one million inhabitants.

23 3. The applicant for a statewide mechanical apprentice
24 license shall have:

25 (1) Completed the application form provided by the
26 division and pay any applicable application fees; and

27 (2) Completed the educational, training, and
28 experience requirements equal to or greater than that of an
29 apprentice license, as such existed on April 18, 2023, in
30 the mechanical code or ordinance of any county with more
31 than one million inhabitants.

324.965. 1. Any corporation, firm, institution,
2 organization, company, or representative thereof engaging in
3 mechanical work in a political subdivision that requires a
4 local license in order to perform such work shall:

5 (1) Have in its employ, at a supervisory level, at
6 least one statewide mechanical contractor licensee, or an
7 equivalent local licensee. A statewide mechanical
8 contractor licensee shall represent only one firm, company,
9 corporation, institution, or organization at one time;

10 (2) For purposes of performing residential work, have
11 either a statewide mechanical contractor licensee or a

12 statewide mechanical journeyman licensee to perform, direct,
13 inspect, or supervise the work, or the equivalent local
14 licensee; and

15 (3) For all other mechanical work, have at least one
16 statewide mechanical journeyman licensee on site for every
17 statewide mechanical apprentice licensee performing the
18 work, or the equivalent local licensee.

19 2. Any person performing mechanical work in a
20 political subdivision that does not require the person to
21 hold a local license, or any person who possesses such local
22 license, shall not be required to obtain or possess a
23 statewide license under sections 324.950 to 324.974 to
24 perform mechanical work in such political subdivision.

25 3. (1) Political subdivisions shall not be prohibited
26 from establishing their own mechanical contractor,
27 journeyman, or apprentice licenses, but shall recognize a
28 statewide license in lieu of the equivalent local license
29 for the purpose of performing mechanical work in such
30 political subdivision. A statewide licensee under sections
31 324.950 to 324.974 shall be deemed eligible to perform
32 mechanical work and to obtain permits to perform said work
33 from any political subdivision in this state commensurate
34 with the corresponding local license.

35 (2) Nothing in sections 324.950 to 324.974 shall be
36 construed to prohibit a political subdivision from enforcing
37 any of the political subdivision's codes, ordinances, or
38 laws; inspecting the work of licensees; or reporting
39 suspected violations of sections 324.950 to 324.974 to the
40 division for investigation of the licensee.

41 4. (1) If a political subdivision does not recognize
42 a statewide license in lieu of an equivalent local license
43 for the purposes of performing mechanical work or obtaining

44 permits to perform mechanical work within the political
45 subdivision, then a statewide licensee may file a complaint
46 with the division.

47 (2) The division shall perform an investigation into
48 the complaint, and if the division finds that the political
49 subdivision failed to recognize a statewide license in
50 accordance with the provisions of this section, then the
51 division shall notify the political subdivision that the
52 political subdivision has violated the provisions of this
53 section and has thirty days to comply with the law.

54 (3) If, after thirty days of notification by the
55 division, the political subdivision continues to refuse or
56 fail to recognize a statewide license, then the division
57 shall notify the director of the department of revenue, who
58 shall withhold any moneys that the noncompliant political
59 subdivision would otherwise be entitled to from local sales
60 tax, as defined in section 32.085, until the director has
61 received notice from the division that the political
62 subdivision is in compliance with this section.

63 (4) When the political subdivision becomes compliant
64 with the provisions of this section, the division shall
65 notify the director of the department of revenue who shall
66 disburse all funds held under this subsection. Moneys held
67 by the director of the department of revenue under this
68 subsection shall not be deemed to be state funds and shall
69 not be commingled with any funds of the state.

324.968. Licenses issued under sections 324.950 to
2 324.974 shall expire on a renewal date established in rule
3 by the division. The term of licensure shall be three
4 years. The division shall mail a renewal notice prior to
5 the renewal date. Professional education units needed for
6 license renewal, as well as procedures involving inactive

7 licenses and reinstatement of licenses shall be equal to
8 those in the mechanical code or ordinance, as such existed
9 on April 18, 2023, of any county with more than one million
10 inhabitants.

324.971. 1. The division may refuse to issue or renew
2 or may suspend any license under sections 324.950 to 324.974
3 for one or any combination of causes stated in subsection 3
4 of this section. The division shall notify the applicant in
5 writing of the reasons for the refusal and shall advise the
6 applicant of his or her right to file a complaint with the
7 administrative hearing commission as provided by chapter 621.

8 2. The division shall publish via electronic media and
9 update on a weekly basis a list of valid statewide
10 mechanical contractor licensees under sections 324.950 to
11 324.974, a list of current enforcement actions against such
12 licensees, and the procedures for filing grievances against
13 any statewide mechanical contractor, mechanical journeyman,
14 and mechanical apprentice licensees.

15 3. The division may cause a complaint to be filed with
16 the administrative hearing commission as provided by chapter
17 621 against any licensee under sections 324.950 to 324.974
18 or any person who has failed to renew or has surrendered his
19 or her license for any one or any combination of the
20 following causes:

21 (1) The final adjudication and finding of guilty, or
22 the entering of a plea of guilty or nolo contendere, in a
23 criminal prosecution under the laws of any state, of the
24 United States, or of any country, for any offense reasonably
25 related to the qualifications, duties, and responsibilities
26 of a licensee under sections 324.950 to 324.974 for any
27 offense an essential element of which is fraud, dishonesty,
28 or an act of violence;

29 (2) Use of fraud, deception, misrepresentation, or
30 bribery in securing any license issued under sections
31 324.950 to 324.974 or in obtaining permission to take any
32 examination given or required under sections 324.950 to
33 324.974;

34 (3) Obtaining or attempting to obtain any fee, charge,
35 tuition, or other compensation by fraud, deception, or
36 misrepresentation;

37 (4) Incompetence, misconduct, gross negligence, fraud,
38 misrepresentation, or dishonesty in the performance of the
39 functions and duties of any profession licensed or regulated
40 under sections 324.950 to 324.974;

41 (5) Violation of, or assisting or enabling any person
42 to violate, any provision of sections 324.950 to 324.974 or
43 any lawful rule adopted under sections 324.950 to 324.974;

44 (6) Impersonation of any person holding a license or
45 allowing any person to use his or her license;

46 (7) Final adjudication of a person as incompetent by a
47 court of competent jurisdiction;

48 (8) Assisting or enabling any person to practice, or
49 offer to practice, any profession licensed or regulated
50 under sections 324.950 to 324.974 who is not licensed and
51 currently eligible to practice under sections 324.950 to
52 324.974 or who does not possess an active equivalent local
53 license if required by a political subdivision; or

54 (9) Issuance of a license based upon a material
55 mistake of fact.

56 4. After the filing of such complaint, the proceedings
57 shall be conducted in accordance with the provisions of
58 chapter 621. Upon a finding by the administrative hearing
59 commission that the grounds provided in subsection 3 of this
60 section for disciplinary action are met, the division may,

61 singly or in combination, censure or place the person named
62 in the complaint on probation with such terms and conditions
63 as the division deems appropriate for a period not to exceed
64 five years, or may suspend, for a period not to exceed three
65 years, or revoke the license.

66 5. An individual whose license has been revoked shall
67 wait at least one year from the date of revocation to apply
68 for relicensure. Relicensure shall be at the discretion of
69 the division after compliance with all requirements of
70 sections 324.950 to 324.974 relative to the previous
71 licensing of the applicant.

324.974. 1. Any person who knowingly violates any
2 provision of sections 324.950 to 324.974 is guilty of a
3 class B misdemeanor.

4 2. Any officer or agent of a corporation or member or
5 agent of a partnership or association who knowingly and
6 personally participates in or is an accessory to any
7 violation of sections 324.950 to 324.974 is guilty of a
8 class B misdemeanor.

9 3. The division may cause a complaint to be filed for
10 any violation of sections 324.950 to 324.974 in any court of
11 competent jurisdiction and perform such other acts as may be
12 necessary to enforce the provisions of sections 324.950 to
13 324.974.

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