

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 HOUSE BILL 2858

By: Wallace

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5  
6 AS INTRODUCED

7 An Act relating to the Construction Industries Board;  
8 amending 59 O.S. 2021, Section 1000.2, which relates  
9 to the recreation of the Board; amending regulated  
10 industries; amending 59 O.S. 2021, Section 1000.4,  
11 which relates to the powers of the Board; amending  
12 the scope of the Board; authorizing certain members  
13 to make specific changes to meetings; altering  
14 receipt of certain reports; modifying when certain  
15 votes must occur; amending 59 O.S. 2021, Section  
16 1000.4a, which relates to additional powers of the  
17 Board; addressing sharing certain information related  
18 to workforce; modifying certain contracting ability;  
19 implementing reporting requirements for certain  
20 funds; creating processes for reclaiming lapsed  
21 funds; providing an effective date; and declaring an  
22 emergency.

23 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

24 SECTION 1. SECTION 1. AMENDATORY 59 O.S. 2021,

Section 1000.2, is amended to read as follows:

Section 1000.2 A. The Construction Industries Board is hereby  
re-created to continue until July 1, 2023, in accordance with the  
provisions of the Oklahoma Sunset Law. The Board shall regulate the  
plumbing, electrical and mechanical trades, the building and  
construction inspectors, the home inspectors, and the roofing

1 contractors through the powers and duties set forth in the  
2 Construction Industries Board Act and in the respective licensing or  
3 registration acts for such trades, or as otherwise provided by law.

4 B. 1. Beginning July 1, 2013, the Board shall be composed of  
5 seven (7) members appointed by the Governor with the advice and  
6 consent of the Senate, as follows:

7 a. two members shall have at least ten (10) years'  
8 experience in the plumbing trade, of which one shall  
9 be a plumbing contractor and one shall be a journeyman  
10 plumber,

11 b. two members shall have at least ten (10) years'  
12 experience in the electrical trade, of which one shall  
13 be an electrical contractor and one shall be a  
14 journeyman electrician,

15 c. two members shall have at least ten (10) years'  
16 experience in the mechanical trade, of which one shall  
17 be a mechanical contractor and one shall be a  
18 mechanical journeyman, and

19 d. one member shall have at least ten (10) years'  
20 experience as a building and construction inspector.

21 2. Members shall be appointed for staggered terms of four (4)  
22 years, as designated by the Governor. Members shall continue in  
23 office until a successor is appointed by the Governor. The Governor  
24 shall fill all vacancies and unexpired terms in the same manner as

1 the original appointment of the member whose position is to be  
2 filled. A member may be removed by the Governor at any time.

3 SECTION 2. AMENDATORY 59 O.S. 2021, Section 1000.4, is  
4 amended to read as follows:

5 Section 1000.4 A. 1. Pursuant to and in compliance with  
6 Article I of the Administrative Procedures Act, the Construction  
7 Industries Board shall have the power to adopt, amend, repeal, and  
8 promulgate rules as may be necessary to regulate the plumbing,  
9 electrical and mechanical trades, building and construction  
10 inspectors and home inspectors. All rules promulgated by the Board  
11 shall be reviewed and approved as provided in subsection F of  
12 Section 308 of Title 75 of the Oklahoma Statutes.

13 2. The Board shall have the power to enforce the provisions of  
14 the Construction Industries Board Act, The Plumbing License Law of  
15 1955, the Oklahoma Inspectors Act, the Electrical License Act, the  
16 Mechanical Licensing Act, the Home Inspection Licensing Act, and the  
17 Roofing Contractor Registration Act, as provided in the respective  
18 acts.

19 B. The Board shall have the following powers:

20 1. Exercise all incidental powers and duties which are  
21 necessary to effectuate the provisions of The Plumbing License Law  
22 of 1955, the Oklahoma Inspectors Act, the Electrical License Act,  
23 the Mechanical Licensing Act, ~~and~~ the Home Inspection Licensing Act,  
24 and the Roofing Contractor Registration Act, including but not

1 limited to authorizing the Board chair, vice-chair, administrator,  
2 or designee to determine good reason for and to cancel a scheduled  
3 meeting or reschedule meetings of a licensing or registration act  
4 advisory examining committee of the Board pursuant to state  
5 requirements; such canceling or rescheduling meetings authority  
6 provided for in this section shall supersede all other meeting  
7 scheduling requirements for acts administer by the Board;

8 2. Serve as a code variance and appeals board for the trades  
9 and industries it regulates which do not have statutory code  
10 variance and appeals boards;

11 3. Order or subpoena the attendance of witnesses, the  
12 inspection of records and premises, and the production of relevant  
13 books and papers for the investigation of matters that may come  
14 before the Board;

15 4. Initiate disciplinary proceedings, request prosecution of  
16 and initiate injunctive proceedings against any person who violates  
17 any of the provisions of the Plumbing License Law of 1955, the  
18 Oklahoma Inspectors Act, the Electrical License Act, the Mechanical  
19 Licensing Act, ~~and~~ the Home Inspection Licensing Act, and the  
20 Roofing Contractor Registration Act;

21 5. Maintain an administrative staff including, but not limited  
22 to, a Construction Industries Administrator whose appointment shall  
23 be made as provided in Section 1000.6 of this title;

1           6. Establish and levy administrative fines for violations of  
2 law or rule in the trades and industries the Board licenses or  
3 regulates or against any person or entity denying the Board or its  
4 representatives access to a job site for purposes of enforcing any  
5 of the provisions of the Plumbing License Law of 1955, the Oklahoma  
6 Inspectors Act, the Electrical License Act, ~~and~~ the Mechanical  
7 Licensing Act, the Home Inspection Licensing Act, or the Roofing  
8 Contractor Registration Act; provided, however, the Board is not  
9 authorized to inspect or issue administrative violations or fines  
10 for public utilities, public service corporations, intrastate gas  
11 pipeline companies, gas gathering pipeline companies, gas processing  
12 companies, rural electric associations, municipal utilities or their  
13 subsidiaries, chemical plants, gas processing plants or petroleum  
14 refineries where the entity uses their employees or contractors to  
15 work on their own facilities or equipment;

16           7. Direct such other expenditures as may be necessary in the  
17 performance of its duties including, but not limited to,  
18 expenditures for office space, equipment, furnishings and contracts  
19 for legal services. All expenditures shall be made pursuant to the  
20 Oklahoma Central Purchasing Act; and

21           8. Enforce provisions of the plumbing, electrical and  
22 mechanical codes as adopted by the Oklahoma Uniform Building Code  
23 Commission pursuant to the Oklahoma Uniform Building Code Commission  
24 Act.

1 C. The Board shall account for all receipts and expenditures of  
2 the monies of the Board, including annually preparing and publishing  
3 a statement of receipts and expenditures of the Board for each  
4 fiscal year. The Board's annual statement of receipts and  
5 expenditures shall be audited by the State Auditor and Inspector or  
6 an independent accounting firm in accordance with the provisions of  
7 subsection B of Section 212 of Title 74 of the Oklahoma Statutes,  
8 and the audit report shall be certified to the Governor of this  
9 state to be true and correct, under oath, by the chair and vice-  
10 chair of the Board. A copy of such certified report, if not already  
11 available online, shall be delivered to the chairs of the respective  
12 Senate and House of Representatives Committees having authority over  
13 matters relating to business, labor and construction industry  
14 licensing or regulation not later than February 1 each year.

15 D. The Board shall account for all fines, penalties and fees  
16 assessed and collected pursuant to the Administrative Procedures Act  
17 or any rule promulgated for regulation of any industry and trade  
18 under the authority of the Construction Industries Board. All  
19 fines, penalties and fees assessed for any violation of law or rule  
20 shall be automatically reviewed and brought before the entire Board  
21 for consideration and vote not later than ~~the last day of the~~  
22 monthly quarter ninety (90) days from in which it was imposed. The  
23 Construction Industries Administrator shall present to the Board a  
24 written recommendation and summary for each case in which an

1 assessment of a fine, penalty or fee was imposed after  
2 administrative proceedings. The Board shall consider the  
3 recommendations for each case at the next meeting date and at such  
4 meeting shall either vote to affirm the recommendations or vote to  
5 deny the recommendations and remand the case for further  
6 administrative hearing, with or without instructions. No  
7 administrative case shall be delayed or continued by the Board after  
8 being placed on an agenda for final Board review, except with the  
9 consent of all parties. The licensee or persons affected by the  
10 imposition of an administrative fine, penalty or fee on final review  
11 by the Board shall have all rights of appeal preserved pursuant to  
12 the Administrative Procedures Act until final action by the Board.

13 E. The Construction Industries Board shall hear all appeals  
14 timely made from an administrative ruling relating to an industry  
15 and trade regulated by the Board; however, this appeal authority  
16 shall not be in addition to the appeal process authorized by the  
17 Administrative Procedures Act. Any ruling by the Board from an  
18 administrative hearing may be further appealed to the district court  
19 of Oklahoma County. The district court, upon conclusion of an  
20 appeal from a Board ruling, shall be authorized to award reasonable  
21 legal fees to the prevailing party.

22 SECTION 3. AMENDATORY 59 O.S. 2021, Section 1000.4a, is  
23 amended to read as follows:

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1 Section 1000.4a A. The Construction Industries Board shall  
2 have the additional powers to:

3 1. Receive and convey information relating to the skilled  
4 trades regulated by the Construction Industries Board including, but  
5 not limited to, workforce development; and

6 2. Enter into contracts with the Oklahoma Department of Career  
7 and Technology Education ~~for~~ or any Oklahoma State Board of Career  
8 and Technology fully accredited vocational or technical school or  
9 system of education institution in the State of Oklahoma receiving  
10 state appropriations and offering programs in secondary and  
11 postsecondary instruction that provide electrical, mechanical,  
12 plumbing or roofing trade coursework for any of the following  
13 purposes, or combination thereof:

14 a. developing and implementing instructional courses on  
15 Oklahoma statutes and rules that govern the  
16 electrical, mechanical, plumbing and roofing trades,  
17 which courses can be in conjunction with instruction  
18 in performing trade work or instruction on statewide-  
19 adopted trade codes, or both, for the advancement of  
20 the electrical, mechanical, plumbing and roofing  
21 trades, or

22 b. developing and implementing a workforce development  
23 program that will create interest in the pursuit of a  
24 skilled trade career. The workforce development



1 program may consist of, but is not limited to, use of  
2 the Internet, community and school presentations, and  
3 research and instruction on the electrical,  
4 mechanical, plumbing and roofing trades.

5 B. All contracts ~~with the Oklahoma Department of Career and~~  
6 ~~Technology Education~~ pursuant to this section shall be approved by  
7 the Construction Industries Board in accordance with the Oklahoma  
8 Open Meeting Act. Costs of the contracts ~~with the Oklahoma~~  
9 ~~Department of Career and Technology Education~~ for education and  
10 workforce development programs shall be paid from the Skilled Trade  
11 Education and Workforce Development Fund established herein and  
12 funded by administrative fines or penalties as described in this  
13 section. Applications for proposals are to be submitted to the  
14 Board on forms provided requiring sufficient justification and  
15 information to evaluate costs, return on investment, value, and  
16 viability of the proposal. Any contracts will include the  
17 requirement that the recipient of the funds will upon the completion  
18 of the contract provide a written report to the Board providing an  
19 accounting of expenditures, describing an explanation of the funds  
20 used for the services provided and the success of outreach  
21 demonstrating a return on the investment including, but not limited  
22 to, an accounting of accomplishments.

23 C. Fines or penalties collected by the Board and deposited in  
24 the Oklahoma Mechanical Licensing Revolving Fund, the Electrical

1 Revolving Fund, the Plumbing Licensing Revolving Fund and the  
2 Roofing Contractor Registration Revolving Fund may be transferred to  
3 the Skilled Trade Education and Workforce Development Fund created  
4 in subsection E of this section for the following purposes:

5 1. To develop instructional materials on Oklahoma laws,  
6 statutes and rules, as they relate to the plumbing, mechanical,  
7 electrical and roofing trades and state licensing standards;

8 2. To cover the cost of equipment, materials, personnel and any  
9 other costs of developing and implementing the trade curriculum; and

10 3. To cover the cost of equipment, materials, personnel and any  
11 other costs of developing and implementing the workforce development  
12 program used to promote the plumbing, mechanical, electrical and  
13 roofing trades as a career in Oklahoma.

14 D. The Skilled Trade Education and Workforce Development Fund  
15 monies shall be used only for the advancement of trade-related  
16 education and workforce development, and only if available based  
17 upon statutory limitations.

18 E. 1. There is hereby created in the State Treasury a  
19 revolving fund for the Construction Industries Board to be  
20 designated the "Skilled Trade Education and Workforce Development  
21 Fund". The fund shall be a continuing fund, not subject to fiscal  
22 year limitations. The fund shall consist of an annual transfer of  
23 fully adjudicated fine revenue received in the Oklahoma Mechanical  
24 Licensing Revolving Fund, Electrical Revolving Fund, Plumbing

1 Licensing Revolving Fund or Roofing Contractor Registration  
2 Revolving Fund as determined pursuant to this section. Funds may be  
3 transferred only from the prior fiscal year.

4 2. If actual receipts, not including fine receipts, exceed  
5 actual expenses and outstanding encumbrances, then one hundred  
6 percent (100%) of all fully adjudicated fine revenue received shall  
7 be transferred from each specific trade revolving fund: the  
8 Oklahoma Mechanical Licensing Revolving Fund, Electrical Revolving  
9 Fund, Plumbing Licensing Revolving Fund or Roofing Contractor  
10 Registration Revolving Fund.

11 3. If at any time the receipts in the Oklahoma Mechanical  
12 Licensing Revolving Fund, Electrical Revolving Fund, Plumbing  
13 Licensing Revolving Fund or Roofing Contractor Registration  
14 Revolving Fund, not including fine receipts, are less than actual  
15 expenses and outstanding encumbrances, then the difference of fine  
16 receipts over actual expenses and outstanding encumbrances, if any,  
17 shall be transferred.

18 4. If at any time the annual receipts in the Oklahoma  
19 Mechanical Licensing Revolving Fund, Electrical Revolving Fund,  
20 Plumbing Licensing Revolving Fund or Roofing Contractor Registration  
21 Revolving Fund, including fine receipts, are less than the actual  
22 expenses and outstanding encumbrances, there shall be no transfer of  
23 funds for that period.

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1           5. All monies accruing to the credit of the Skilled Trade  
2 Education and Workforce Development Fund may be budgeted and  
3 expended by the Construction Industries Board for workforce  
4 development as it relates to the skilled trades and to contract for  
5 the services identified in ~~Section 1000.4 of Title 59 of the~~  
6 ~~Oklahoma Statutes or~~ this act. Expenditures from the fund shall be  
7 made upon warrants issued by the State Treasurer against claims  
8 filed as prescribed by law with the Director of the Office of  
9 Management and Enterprise Services for approval and payment.

10           6. All unexpected or outstanding Skilled Trade Education and  
11 Workforce Development Funds from any written agreement where work or  
12 services have not been previously approved by specific quote or cost  
13 estimate and have not been performed within eighteen (18) months of  
14 the date the agreement was signed are hereby released from the  
15 agreement and are available for future agreements approved by the  
16 Board pursuant to this act, except for specific quotes, estimates,  
17 or invoices that previously have been approved for payment,  
18 performance has been initiated, and completed within twenty-four  
19 (24) months of the signed agreement.

20           SECTION 4. This act shall become effective July 1, 2023.

21           SECTION 5. It being immediately necessary for the preservation  
22 of the public peace, health or safety, an emergency is hereby  
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1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

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