

1 ENGROSSED HOUSE
2 BILL NO. 2858

By: Wallace of the House

and

Coleman of the Senate

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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; providing for sharing certain information
18 related to workforce; modifying certain contracting
19 ability; implementing reporting requirements for
20 certain funds; creating processes for reclaiming
21 lapsed funds; providing an effective date; and
22 declaring an emergency.

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

24 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 administered 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~~ 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~~ The Plumbing License Law of 1955, the
6 Oklahoma Inspectors Act, the Electrical License Act, ~~and~~ the
7 Mechanical Licensing Act, the Home Inspection Licensing Act, or the
8 Roofing Contractor Registration Act; provided, however, the Board is
9 not authorized to inspect or issue administrative violations or
10 fines for public utilities, public service corporations, intrastate
11 gas pipeline companies, gas gathering pipeline companies, gas
12 processing companies, rural electric associations, municipal
13 utilities or their subsidiaries, chemical plants, gas processing
14 plants or petroleum refineries where the entity uses their employees
15 or contractors to 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 in~~ ninety (90) days from 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 Education fully accredited vocational or technical
9 school or system of education institution in the State of Oklahoma
10 receiving state appropriations and offering programs in secondary
11 and 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
18 completion of the contract, provide a written report to the Board
19 providing an accounting of expenditures, describing an explanation
20 of the funds used for the services provided and the success of
21 outreach demonstrating a return on the investment including, but not
22 limited 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 unexpended 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
23 declared to exist, by reason whereof this act shall take effect and
24 be in full force from and after its passage and approval.

1 Passed the House of Representatives the 6th day of March, 2023.

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4 Presiding Officer of the House
5 of Representatives

6 Passed the Senate the ___ day of _____, 2023.

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9 Presiding Officer of the Senate