

**2013 SENATE GOVERNMENT AND VETERANS AFFAIRS**

**SCR 4022**

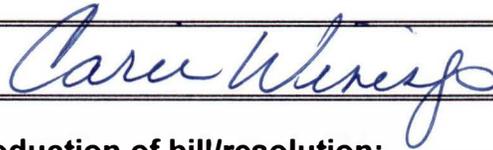
# 2013 SENATE STANDING COMMITTEE MINUTES

## Senate Government and Veterans Affairs Committee Missouri River Room, State Capitol

SCR 4022  
03/07/2013  
Job Number 19532

Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

A concurrent resolution directing the Legislative Management to study the desirability of and the potential process for licensing or certifying mechanical contractors.

### Minutes:

**Chairman Dever:** Opened the hearing on SCR 4022.

**Bill Kalanek, North Dakota Association of Plumbing, Heating & Mechanical**

**Contractors:** See Attachment # 1 for testimony in support of the bill.

**(3:35) Chairman Dever:** Are mechanical contractors - heating ventilation and air conditioning sometimes but not necessarily plumbers? Plumbers are governed specifically by the board of plumbing.

**Bill Kalanek:** That is correct. Currently there is no statewide licensure or certification for those dealing with the mechanical side. Although a lot of shops are overseen by the plumbing board - at least that part of it. Other than the few municipalities around the state that have taken the initiative to do some sort of licensure in their jurisdiction, there is no body governing those outside of those particular cities. Bismarck, Minot, Fargo, Jamestown, and Grand Forks have them off the top of my head. Those out in the oil patch outside of a city are not being overseen. There is no proof of qualification on their behalf. We are looking to examine if there is a way to, aside of setting up some sort of board, do

some sort of certification between jurisdictions that would establish more uniformity across the state in regard to mechanical contractors.

**Chairman Dever:** As it regards plumbers, do you know if the plumber comes from out of state or are they required to be licensed in North Dakota?

**Bill Kalanek:** Yes they are.

**Chairman Dever:** Closed the public hearing on SCR 4022.

**Senator Nelson:** Moved a Do Pass.

**Senator Marcellais:** Seconded.

**A Roll Call Vote Was Taken: 7 yeas, 0 nays, 0 absent.**

**Chairman Dever:** Carrier.

Date: 3/7/13  
 Roll Call Vote #: 1

2013 SENATE STANDING COMMITTEE  
 ROLL CALL VOTES

BILL/RESOLUTION NO. 4022

Senate Government and Veterans Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Senator Nelson Seconded By Senator Marcellais

Senators	Yes	No	Senator	Yes	No
Chairman Dick Dever	✓		Senator Carolyn Nelson	✓	
Vice Chairman Spencer Berry	✓		Senator Richard Marcellais	✓	
Senator Dwight Cook	✓				
Senator Donald Schaible	✓				
Senator Nicole Poolman	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Dever

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SCR 4022: Government and Veterans Affairs Committee (Sen. Dever, Chairman)**  
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).  
SCR 4022 was placed on the Eleventh order on the calendar.

**2013 HOUSE INDUSTRY, BUSINESS, AND LABOR**

**SCR 4022**

# 2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee  
Peace Garden Room, State Capitol

SCR 4022  
March 18, 2013  
Job 20039

Conference Committee

Committee Clerk Signature

## Explanation or reason for introduction of bill/resolution:

Directing Legislative Management to study desirability of and potential process for licensing or certifying mechanical contractors

## Minutes:

Written testimony, attachments 1 and 2

Hearing opened.

**Senator Dick Dever, District 32:** Introduced concurrent resolution. There is no licensure of mechanical contractors unless licensed by a city. This resolution comes at the request of mechanical contractors, asking that we consider studying the need for licensing and certifying mechanical contractors.

2:08 **Representative Frantsvog:** If this passes, would one of the first tasks be to create a definition for mechanical contractor?

2:25 **Senator Dever:** The resolution asks for an interim study on licensing and certification. My expectation is that type of study would come out with a framework for licensure that would include any necessary definitions. Then we would see a bill in the next session to create that. It would give a framework for the board.

3:22 **Representative Ruby:** Is there a need for this licensure and certification when we have building codes that protect citizens?

4:00 **Senator Dever:** I am not sure that we are universally protecting people with building codes across the state. Gave example of a professional board with which there was a concern.

4:43 **Chairman Keiser:** This is a *shall study*. What that your intent?

4:54 **Senator Dever:** Unlike with a bill, if it says either it either way in a resolution, the study is optional.

5:24 **Representative Kreun:** Would this be integrated with the cities that already have requirements for these kinds of activities?

5:49 **Senator Dever:** That is exactly right. Having that conversation is one of the reasons for requesting a study rather than bringing forth a bill.

6:02 **Representative Frantsvog:** After the floods around the state, a lot of contractors came in from outside of the state. I think they had to show their credentials to Job Service. What did they do about mechanical contractors if there is no guideline?

6:36 **Senator Dever:** The city of Minot has licensure. My recollection is that the Attorney General and the Secretary of State and WSI and others put together a task force for determining who qualified by those standards.

7:37 **Representative M. Nelson:** How do mechanical contractors fall outside the scope of the contractors currently in the state code?

7:59 **Senator Dever:** We license plumbers. I do not know that we license building contractors. We do license electrical contractors.

8:08 **Representative M. Nelson:** I think they should be under that because of the dollar amount of work they do.

8:13 **Senator Dever:** We're talking about a different type of license. After a certain dollar amount, they are required to have a license from the Secretary of State. For that, there is not consideration of their qualifications.

8:42 **Representative M. Nelson:** You're not asking for a general contractors license; you're asking for a professional license in addition to a contracting license.

8:48 **Senator Dever:** Thank you for that clarification.

8:59 **Chairman Keiser:** Have there been recognized problems in which people have claimed to be mechanical contractors but have done inferior work? Do we have actual cases that demonstrate this has been a significant problem?

9:19 **Senator Dever:** I cannot answer with any specificity, but I know there have been problems.

**Support:**

9:57 **Bill Kalanek, representing the members of the ND Association of Plumbing, Heating & Mechanical Contractors:** Provided written testimony, attachment 1. Introduced Mark Thompson. The association urges the committee's support. It is a study, and the reason for that is that we have not set out a particular direction in which to proceed. Gave examples of potential future steps. This is something our membership has discussed for over two years.

11:26 **Representative N. Johnson:** Do neighboring states have licensure or certification for mechanical contractors?

11:42 **Bill Kalanek:** I am not sure which surrounding states require mechanical licensure. This study would allow us to look at what other states are doing. We understand that there have been issues, and we would prefer to get out ahead of that instead of getting a black eye within the industry. This is an opportunity to do something which is friendly to the industry but ensures the safety of the public.

12:43 **Chairman Keiser:** If you could check that out and get back to us this afternoon, that would be great.

13:14 **Mark Thompson, owner of H. A Thompson and Sons, a mechanical firm in Bismarck, ND:** Refer to written testimony, attachment 2.

15:46 **Representative Frantsvog:** What does the license from the Secretary of State say?

16:04 **Mark Thompson:** It is simply a contractor's license. We are in the mechanical business, but we get a contractor's license from the Secretary of State. Gave examples of cases and situations pertaining to contractor's licenses. I don't know that you have to prove any particular knowledge in your industry to get a license to be a contractor in the state of North Dakota. There is no test.

17:01 **Representative N. Johnson:** Is there a special school or training for mechanical contractors? Would they have to be specialized tests for those doing gas installations?

17:17 **Mark Thompson:** There is no school of which I am aware, as there is no school for a plumbing license. Provided information on process to become a plumbing contractor. On the mechanical side, it does involve gas piping, and there is no requirement to prove knowledge. Some cities do have requirements beyond having a general contractor's license. There is a test in the city of Bismarck to become a mechanical provider. Listed additional cities which have tests for mechanical providers. We started working with the building inspections departments in those cities to see if we can reach a standardized test and some reciprocity. Spoke about permits and inspections for mechanical contracting. Spoke about permit and inspection for plumbing installations. Gave examples of testing, licensing, and inspections. Stated that his employees have told him of problems they have seen while completing a job. We as an industry would like individuals to demonstrate that they know the industry before they do work for the public. Spoke of cooperation between mechanical consulting engineers, city inspectors, and his state association. Does not know of state-level requirements in Montana, South Dakota, and Minnesota requiring licensures for mechanical contractors.

**Opposition:**

**Neutral:**

**Hearing closed.**

**Representative Sukut:** We will hold this resolution.

# 2013 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee  
Peace Garden Room, State Capitol

SCR 4022  
March 18, 2013, afternoon  
Job 20069

Conference Committee

Committee Clerk Signature

## Explanation or reason for introduction of bill/resolution:

Directing Legislative Management to study desirability of and potential process for licensing or certifying mechanical contractors

## Minutes:

Handout, attachment 1

**Chairman Keiser:** Briefly reviewed the bill.

**Bill Kalanek, on behalf of the North Dakota Association of Plumbing, Heating, and Mechanical Contractors:** Distributed attachment 1. I came up with a list of twenty-four states that have a recognized mechanical licensure on a state-wide basis. A number of the remaining states typically have licensing of mechanical contractors by municipalities but nothing uniform across the state. I apologize if I have omitted a state.

**Chairman Keiser:** None of our surrounding states have gotten into this yet.

**Bill Kalanek:** The larger cities in South Dakota do their own thing, like we do here. That is one of the reasons why we were interested in doing a study. We would like to have a uniform exam across municipalities.

**Motion for a Do Pass.** Motion made by Representative Frantsvog and seconded by Representative Boschee.

**Roll call vote on motion for a Do Pass. Motion carries.**

**Yes = 9**

**No = 6**

**Absent = 0**

**Carrier:** Representative Frantsvog

Chairman Keiser and Representative Vigesaa clarified to the committee that study resolutions go to the consent calendar whether or not they are unanimous in the committee. They can then be pulled off the consent calendar.

Date: 3-18-2013

Roll Call Vote #: 1

**2013 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. SCR 4022**

**House Industry, Business, and Labor Committee**

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider  Consent Calendar

Motion Made By Frantsvog Seconded By Boschee

Representatives	Yes	No	Representatives	Yes	No
Chairman George Keiser	✓		Rep. Bill Amerman	✓	
Vice Chairman Gary Sukut	✓		Rep. Joshua Boschee	✓	
Rep. Thomas Beadle	✓		Rep. Edmund Gruchalla	✓	
Rep. Rick Becker		✓	Rep. Marvin Nelson		✓
Rep. Robert Frantsvog	✓				
Rep. Nancy Johnson	✓				
Rep. Jim Kasper		✓			
Rep. Curtiss Kreun	✓				
Rep. Scott Louser		✓			
Rep. Dan Ruby		✓			
Rep. Don Vigesaa		✓			

Total Yes 9 No 6

Absent 0

Floor Assignment Frantsvog

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SCR 4022: Industry, Business and Labor Committee (Rep. Keiser, Chairman)**  
recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR**  
(9 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING). SCR 4022 was placed on the  
Tenth order on the calendar.

**2013 TESTIMONY**

**SCR 4022**

**Testimony on SCR 4022  
Bill Kalanek  
ND Association of Plumbing, Heating & Mechanical Contractors  
Senate Government and Veterans Affairs Committee  
March 7, 2013**

Good Morning Chairman Dever and members of the Senate Government and Veterans Affairs Committee, my name is Bill Kalanek, here today representing the members of the ND Association of Plumbing, Heating & Mechanical Contractors.

On behalf of our contractor members I'd like to voice our support for Senate Concurrent Resolution 4022 which proposes to study the need for licensure or certification of mechanical contractors.

This study resolution comes to you as a result of our association's determination that there is an urgent need for consistency across jurisdictions and a general need for some level of qualification for those members of the construction industry engaged in the installation and maintenance of mechanical systems. The concern on our part is safety. The public health and safety is of utmost importance when it comes to the natural gas and propane systems that provide heat for the residents of North Dakota.

The North Dakota Association of Plumbing, Heating and Mechanical Contractors has been discussing this particular issue over the past two years and has taken it upon itself to reach out to contractors as well as the State Plumbing board for input on the issue. The association has since taken the position that a study to examine the various ways in which municipalities test and license mechanical contractors as well as an examination of how other states are conducting themselves is necessary to ensure that qualified contractors are operating throughout the state.

Please consider giving SCR 4022 positive consideration and pass it on to the floor of the Senate for adoption.

Thank you.

**Testimony on SCR 4022**  
**Bill Kalanek**  
**ND Association of Plumbing, Heating & Mechanical Contractors**  
**House Industry, Business & Labor Committee**  
**March 18, 2013**

① SCR 4022  
3-18-2013

Good Morning Chairman Keiser and members of the House Industry, Business & Labor Committee, my name is Bill Kalanek, here today representing the members of the ND Association of Plumbing, Heating & Mechanical Contractors.

On behalf of our contractor members I'd like to voice our support for Senate Concurrent Resolution 4022 which proposes to study the need for licensure or certification of mechanical contractors.

This study resolution comes to you as a result of our association's determination that there is an urgent need for consistency across jurisdictions and a general need for some level of qualification for members of the construction industry engaged in the installation and maintenance of mechanical systems. The concern on our part is safety. The public health and safety is of utmost importance when it comes to the natural gas and propane systems that provide heat for the residents of North Dakota.

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Please consider giving SCR 4022 positive consideration and pass it on to the floor of the House for adoption.

Thank you.

② SCR 4022  
3-18-2013

18 March, 2013

Today I speak to you representing myself as the owner of H. A. Thompson & Sons, a mechanical contracting business in Bismarck owned and managed by my family for the past 105 years, and the members of the North Dakota Association of Plumbing, Heating, and Mechanical Contractors.

Currently there is no statewide requirement by any governing body for an individual wanting to engage in the business of mechanical equipment installation or service work to prove any knowledge or skill in performing that work. One merely has to obtain a contractor's license from the Secretary of State and commence offering the services.

Several individual municipalities have licensure procedures which include passing a test that proves some level of knowledge of the industry. A larger number of municipalities also have building inspections departments that require permits to be taken out for work performed and thus generates an inspection procedure that ensures the contractor follows applicable codes. But throughout much of North Dakota there is no system that guarantees individuals wanting to perform mechanical work are knowledgeable or doing the work in a safe manner such as would be required by governing codes.

Individuals performing work in the related field of plumbing are required to prove their knowledge and have their work inspected by the governing body.

As contractors we are not attempting to build fences to restrict competition, we are concerned that unqualified individuals will create unsafe situations and do harm to the reputations of those of us who have spent years building our good reputations. In the main however this is a public safety issue.

The legislative study would help determine if there is a feasible way to create a body similar to the State Plumbing Board that would handle the licensing procedure for those interested in performing mechanical work. There is some current interest on the part of contractors and those municipalities who have licensing procedures to standardize an exam that could be used throughout the state.

I urge your consideration of this resolution. Statewide licensure requirements would promote greater safety in buildings everywhere in North Dakota.

Respectfully,

Mark W. Thompson

President

H. A. Thompson & Sons

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ND House Industry, Business & Labor Committee  
Chairman Keiser  
03/18/13

① 3-18-2013  
afternoon  
SCR 4022

Below is the information you requested during the hearing on SCR 4022 this morning, I apologize I did not have this information readily available.

I was able to identify 24 states that license Mechanical Contractors on a statewide basis, I must mention that in the individual states that do not license Mechanical Contractors there is typically licensing at the local level.

### **Mechanical Contractor Licensing**

#### **State Licensure**

Alaska  
Arizona  
Arkansas  
Connecticut  
Florida  
Georgia  
Hawaii  
Indiana  
Iowa  
Louisiana  
Maryland  
Michigan  
Mississippi  
Nebraska  
Nevada  
New Mexico  
North Carolina  
Oklahoma  
Rhode Island  
South Carolina  
Tennessee  
Texas  
Utah  
West Virginia