



Oklahoma
State
Senate

Legislative Brief

June 2000

Licensing and Regulation of Building Crafts/Trades

Issue Background

Efforts to separate licensing and regulation of contractors, journeymen, and apprentices performing plumbing, electrical, mechanical (heat and air), and fire sprinkler work, as well as code inspection, from the State Board/Department of Health -- supported over a period of several years by Sen. Mark Snyder and Sen. Lewis Long, among others -- were intensified as the result of hearings held during the 1999 interim in Tulsa, Lawton, and Oklahoma City in connection with a joint House and Senate study on whether to create a Construction Industry Commission.

The interim committee was told repeatedly about ways in which unscrupulous general contractors defy work-site inspection and heard numerous allegations about failure of the State Board/Department to process citations or take meaningful action against those contractors. Concern was expressed that small Oklahoma contractors and journeymen were being fined for minor violations while the large out-of-state contractors were able to come in with low bids on the assumption they could get away with utilizing unlicensed people at lower wages. At subsequent meetings in early May in Oklahoma City, the Senate Business & Labor Committee heard comments from the Health Department's inspectors and supervisory personnel about the site inspection problems, the Department's internal procedures for handling of citations, and statutory loopholes or ambiguities that make it difficult for the Department to proceed against violators.

Summary of Actions

None of the bills to create a separate commission and tighten up regulatory enforcement were successful.

SB 1013 (Long/Fields) would have required general contractors on major projects to provide, in advance, passes that would allow inspectors to enter the work site unimpeded. It also would have required the general contractor to maintain various documents at the work site, including copies of worker licenses and lists of personnel working. It would have authorized inspectors to shut down a work site under certain circumstances. The bill also included provisions intended to prevent advance notice of inspections. SB 1013 did not contain the above-described provisions, however, prior to preparation of the Conference Committee Report two days before the end of session. The CCR was adopted by the Senate but rejected by the House on a ruling that the contents were not germane to the original subject of the bill.

HB 1319 (Fields/Long), vetoed by the Governor, would have created the Construction Industries Commission to take over the licensing, inspection, and enforcement responsibilities in the above-mentioned areas effective January 1, 2001. In his veto message, the Governor remarked that "While it may be advisable to consider an alternative regulatory scheme after the Department of Health has completed its internal evaluations, creating this new state agency at this time would be disruptive and premature to this process."

The Governor also vetoed HB 1933 (Collins/Milacek), which would have licensed and regulated Home Inspectors. That bill was also the product of an interim study. In his veto message, the Governor said "This bill unnecessarily adds to the duties and responsibilities of the Department of Health at a time when the Department is seeking to focus attention on critical needs at hand. Furthermore, expanding the size of state government without a compelling reason is fiscally irresponsible."

Yet another veto sank HB 2418 (Rice/Long) which would have prevented contractors building new electric generating facilities from utilizing unlicensed personnel for the installation of piping under the pretext that the unlicensed personnel were employees of a public utility.

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