

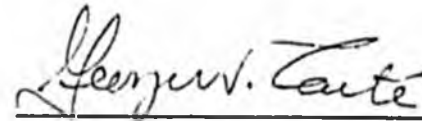
ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672
5415 SLAB SB 480 - SB 487 997

marketing campaigns, and serve as a liaison for coordination with local governments and the State regarding regional economic activities and issues, and

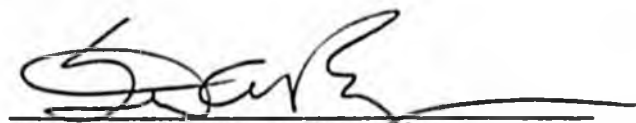
WHEREAS, the ARDOR program and regional development strategies will provide the foundation for the development of a credible, strong, and pragmatic state development strategy;

NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League urges that the Governor and the Legislature support the Division of Business Development, Alaska Department of Commerce and Economic Development, and fund the Alaska Regional Development Organizations Program (ARDOR).

Adopted this 13th day of November 1987.


George W. Carte', President

ATTEST:


Scott A. Burgess, Executive Director

Resolution No. 88-4



Southwest Alaska Municipal Conference

Putting Resources to Work For People

1007 West 3rd Avenue, Suite 201 • Anchorage, Alaska 99501 • (907) 274-7555

February 28, 1988

Senator Arliss Sturgulewski, Chairperson
Senate Special Committee on Local and
Regional Economic Opportunity
P.O. Box V
Juneau, Alaska 99811

Re: SB 480

Dear Senator Sturgulewski:

The Southwest Alaska Municipal Conference (S.W.A.M.C.) is pleased to comment on SB 480 which establishes the Alaska regional economic assistance program. S.W.A.M.C. views SB 480 as a positive contribution to locally-initiated economic development in the State.

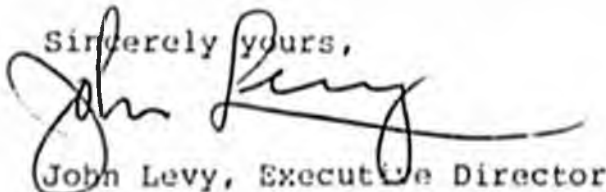
S.W.A.M.C. represents municipalities in Bristol Bay, the Aleutians, the Pribilofs and Kodiak. Our many associate members include banks, shippers, and Native corporations. Our organization currently relies on memberships and donations (\$15,000 annually) to employ one part-time staff person. I have enclosed an example of some of the economic development work S.W.A.M.C. has done. These profiles were researched and written by S.W.A.M.C. and Department of Community and Regional Affairs staff last summer.

Printing costs (\$26,000) were paid for by the eight communities involved in the project. S.W.A.M.C. had a booth at Fish Expo in Seattle where we distributed several hundred. Funding of SB 480 would allow regional organizations such as ourselves to become even more active in identifying the growth and investment needs for the region and bring together business and local government to address those needs.

Our only concern with the current version of the bill is that we request that Section 2 (e) (2) be changed so that everything after "...civic and social interests..." to the end of the paragraph be struck. S.W.A.M.C. represents cities. Although unincorporated communities and firms may be associate members, only cities have voting rights. We fear that the present qualifying language would prevent our participating in this program.

I thank you for this opportunity to offer comments and hope to be available to testify at the March 9 hearing.

Sincerely yours,



John Levy, Executive Director

Representing Bristol Bay, The Pribilofs, Kodiak and the Aleutians.



U.S. DEPARTMENT OF COMMERCE
Economic Development Administration
701 "C" Street, Box 10
Anchorage, Alaska 99513
907-271-5857

March 6, 1988

Honorable Tim Kelly, Chairman
Senate Committee on Labor and Commerce
Alaska State Legislature
The Capitol
Juneau, Alaska 99811

Dear Senator Kelly:

This letter concerns Senate Bill No. 480, which your Committee is to consider March 9th. As it will not be possible for me to appear in person to testify, I wished to write to you in regard to the proposed Alaska regional economic assistance program.

Throughout most of the United States, regional economic development has grown significantly. It has proved effective, both in terms of cost and program delivery.

I am very pleased to see both the Legislature and the Administration working to encourage meaningful local, regional economic development. For a variety of unique and developmental reasons, Alaska has not previously fostered regional economic development. Senate Bill 480 should provide a very strong encouragement for local development of regional economic development organizations.

In addition to direct local benefit from working together, the State (and my agency, as well) should benefit from stronger, more targeted and better thought-out projects which have broader local commitment.

In those regions which can meet Economic Development District criteria, I feel that even more benefits will accrue. Where you have the local public and private sector representatives sitting around a table, as equals, making decisions or recommendations which together they have a better opportunity of making happen, success in economic development should breed further success. The "movers and shakers" of both sectors can be the driving force to increase local jobs and improve local economies.

Best regards,

Bernard Richeart
Bernard Richeart
Economic Development
Representative

ECONOMIC DEVELOPMENT DISTRICTS

Economic Development Districts (or EDD's or Districts) are locally-formed organizations with representation of both the Public and Private sectors. The primary objective of a District is to promote sound economic development for the communities it serves. An Economic Development District:

- o can serve a variety of purposes or functions (which are determined locally)
- o will work together for common economic development purposes
- o has as its membership multiple geo-political entities
- o is funded from a variety of sources (State, Federal, Borough, City, etc.)
- o has a staff responsible to the local board of directors.

There are well over 300 EDD's nationally, many States being covered with the organizations. A District can provide technical assistance in selected program areas, or it can run programs or deliver a wide range of services, depending upon the local EDD's wishes.

Financial advantages include sharing the cost of the organization among various funding sources. (The Economic Development Administration can make Planning or "administrative" grants-in-aid to help EDD's with their Overall Economic Development Programs.) Public Works projects which are funded by the Economic Development Administration are eligible for an additional ten percent (10%) bonus from the Federal Government. There also should be an economy of scale by communities working more closely together. By agreeing on what to work together on, it should be possible to avoid duplication.

An EDD is independent, yet responsible and responsive to local public and private interests because both are meaningfully involved as board members, and local governments contribute to the financial operation of the District.

A new District would likely have a staff of about three, working directly under a Board of Directors of a size workable for the local area.

Possible activities could include any of the following, and many others:

- o areawide tourism promotion
- o transportation planning
- o working to establish a Customs office
- o run a revolving loan program or establish a business "incubator"
- o export promotion, industrial development, energy conservation, financial management for villages or cities, resource development

This program ties in nicely with the State's Trade Alaska Program.

Getting started: establish an appropriate organization (State non-profit) and request the Governor to endorse the geographic area as an Economic Development District to the Economic Development Administration.

PUBLIC OPINION MESSAGE

DEAR: SENATOR STURGULEWSKI

NAME: ROBIN ZERBEL
TITLE:
ADDRESS: 430 W. 7TH, SUITE 115
CITY: ANCHORAGE ZIP: 99501
PHONE: 274-7232
BILL NO: SB 480
SUBJECT: REGIONAL ECONOMIC ASSISTANCE PROGRAM
MESSAGE: I AM IN COMPLETE SUPPORT OF YOUR REGIONAL ASSISTANCE PLAN MOST
ESPECIALLY FOR THE KENAI PENINSULA AND MAT-SU. THE SDDC CONTINUES TO RECEIVE
DAILY REQUESTS FROM BOTH AREAS FOR BASIC BUSINESS ASSISTANCE TO ESTABLISH
AND STABILIZE THEIR BASIC BUSINESS ECONOMY. KEEP UP THE GOOD WORK.

FOMID: 03152358
DATE: 03/07/88
TIME: 15:23:58
LIONAME: ANCHORAGE LI

S B

4 8 7

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907 465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

December 8, 1987

SUBJECT: Draft bill relating to mechanical
administrators
(Work Order No. 5-1451)

TO: Representative Mark Boyer

FROM: George Utermohle *GU*
Legislative Counsel

Enclosed is the draft bill relating to mechanical administrators that you requested.

A conflict that exists in the current electrical administrator statutes (AS 08.40) and that is also carried forward in the draft bill, should be resolved. The definition of mechanical administrator includes "a person engaged in the business of . . . installing or repairing . . . mechanical piping and systems, devices, fixtures, equipment, or other mechanical materials. . ." (Sec. 08.40.390) But excluded from the coverage of the bill is "a person engaged in (1) the manufacture or repair of mechanical apparatus or equipment;" (Sec. 08.40.370) When these contradictory provisions are considered together it is unclear whether a person engaged in repairing mechanical equipment is subject to the bill. Should a person who repairs mechanical equipment be licensed as a mechanical administrator?

The draft bill closely follows the existing statutes relating to electrical administrators and the proposed language in the bill request, however the draft bill does deviate in some respects from the existing statute and the bill request.

The bill provides for licensing of mechanical administrators by a three member board as requested. This is not consistent with the current situation for electrical administrators. The regulation of electrical administrators is presently done by the Department of Commerce and Economic Development, because the legislature sunsetted the Board of

Representative Boyer
Page 2
December 8, 1987

Electrical Examiners and transferred the authority to the department at the end of last session.

A number of provisions relating to administration of the board contained in the bill request are not included in the bill because recent changes to the structure of AS 08 have made it unnecessary to include these provisions in each bill relating to occupational licensing. Among these provisions are requirements that terms of board members be staggered, that members serve at the pleasure of the governor, and that members receive per diem and travel expenses.

The bill request contains language setting a fixed license fee in statute, however the draft bill follows the current policy of delegating this authority to the department. Under current procedures the department in cooperation with the licensing board sets the licensing fee. This avoids the problems associated with having the legislature constantly amending license fees set out in the statutes. If the approach taken by the draft bill does not meet your objectives, please contact me so that I can make the appropriate change.

The draft bill follows the definition of "mechanical administrator" included with the bill request. The direct substitution of "mechanical" for "electrical" to transform the definition of electrical administrator into a definition of mechanical administrator is not necessarily the best method to define mechanical administrator. This definition is not as precise as it could be in describing who is subject to the bill. Unfortunately I cannot offer a better definition, because I am not familiar with the work of mechanical administrators.

Please contact me, if I can assist you further with this bill.

GU:mkr
m13/116

Enclosure



MECHANICAL CONTRACTORS

of Fairbanks, Inc.

P.O. Box 74796 Fairbanks, Alaska 99707-4796
1830 Second Avenue (907) 458-8347



December 28, 1987

Representative Mark Boyer
Alaska State Legislature
P.O. Box V
State Capital
Juneau, Alaska 99811

Dear Mark:

Transmitted herewith is a marked-up copy of our mechanical licensing bill. The attorney has done a nice job and his comments are appreciated by myself.

In an effort to resolve the conflict of "repairing," I have changed "repair" to "modify" in the definition of a mechanical administrator.

I realize that the Board of Electrical Examiners was sunsetted by the legislators, but it is crucial that the mechanical administrator statute be regulated by a board from the industry. This is necessary to insure that the regulations adopted by the board be workable for the industry and the public.

The definition of a mechanical administrator is meant to encompass persons who perform work covered under the referenced codes. It is the best definition I am capable of at the present time without going into detail mentioning Plumbing, Pipefitting, Sprinklers, Ventilation, Air-conditioning, Refrigeration, etc. The thought is that by being delisted someone may be exempt who should have been covered because they were not specifically mentioned.

I am forwarding a copy of all of this to Lenny to keep him informed.

Thanks.

Sincerely,

Eugene R. Rutland
Executive Director

John -

I assume you were calling to get back-up on Mechanical Administrators. Since we are plowing new ground with this (or re-plowing Electrical Administrators statute) we don't have much in the way of back-up.

The House Bill is up in L & C on March 17. Gene Rutland of the Mechanical Contractors Association in Fairbanks is going to try to make it down for the hearing. He will be the best source of info on the subject. It's probably too short a notice, but if your committee was going to discuss an MA bill, maybe Gene could talk to them when he's here. Since the 12/8 memo by George Utermohle the drafts was changed. The "repair" sections he questioned were changed to "modify," and language which might have posed a problem for underground utility

Contractors was deleted.

— ED Flanagan

Reg. Boyer
x 3466



MECHANICAL CONTRACTORS of Alaska, Inc.



P.O. Box 74786 Fairbanks, Alaska 99707-4786
1830 Second Avenue (907) 456-8347



March 14, 1988

Representative Mark Boyer
Alaska State Legislature
P.O. Box V
Juneau, Alaska, 99811

Re; House Bill No. 472

Dear Representative Boyer:

The Mechanical Contractors of Alaska, Inc. is an association of mechanical construction contractors in the Anchorage and Fairbanks areas. I serve as their president.

This letter is written to express our support for the passage of House Bill No. 472.

This type of legislation is overdue for our industry in Alaska. During the construction boom Alaska has recently gone through, 'mechanical contractors' suddenly appeared from everywhere. The results of their ignorance (or worse) of code requirements and lack of knowledge of the special requirements of mechanical installations in the arctic can be found in too many buildings. The primary victim of their shoddy work is the homeowner and small businessman, the unsophisticated buyers of construction. These people did not receive the value for their construction dollars. Unfortunately, the entire construction industry takes the blame.

Please pass House Bill No. 472 so that the public receives what they expect from state licensed contractors, competent professionals.

Sincerely,

A handwritten signature in cursive script that reads "R.W. Macomber".

R.W. Macomber
President

PHONE 455-8282
OR 455-5281

P. 1
P. O. BOX 534
99707

Chandler PLUMBING
& HEATING, INC.

129 MINNIE
FAIRBANKS, ALASKA 99701

March 14, 1988

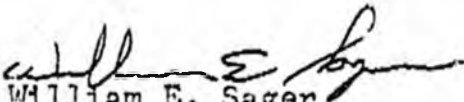
Representative Mark Boyer
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

Dear Sir:

This is to express support for and encourage the passage of House Bill 472, "An Act Relating to Mechanical Administrators".

Very truly yours,

CHANDLER PLUMBING & HEATING, INC.


William E. Sager
President

WES/bly



MECHANICAL CONTRACTORS

of Fairbanks, Inc.

P.O. BOX 74786 ★ FAIRBANKS, ALASKA 99707-4786

The Need for House Bill 472, "An Act relating to Mechanical Administrators"

Licensing has been described as "a process by which an agency of government grants permission to an individual to engage in a given occupation upon finding that the applicant has attained the minimal degree of competency required to ensure that public health, safety and welfare will be reasonably well protected." At the present, except for electrical contractors, there are no competency requirements for a firm or individual to obtain a state construction contractors license.

The codes cited in H.B.472 contain minimum installation requirements for mechanical work in the building construction industry. This work encompasses many systems and work disciplines.

Testing an individual on his knowledge of these codes, the ability to understand plans and specifications, knowledge of installation problems and usage of the trade peculiar to Alaska, along with prerequisite experience requirements would help to determine competency.

In Alaska today, because of budget cutbacks, the state, along with both Anchorage and Fairbanks, have drastically reduced their inspection capabilities.

While inspection of construction work cannot insure compliance with codes, the drastic reduction of construction inspection capability at every governmental level in Alaska underscores the need for construction contractors to demonstrate their competency before being allowed to sell

their services to the public. The public probably perceives that a state licensed contractor is a competent contractor. Today this is not necessarily true.

H.B.472 is intended to assure that people licensed as mechanical administrators will have demonstrated competence in their category of mechanical construction.

Original sponsor: Labor and Commerce Committee

1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

2 CS FOR SENATE BILL NO. 487 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to mechanical administrators and
7 construction contractors; and providing for an effec-
8 tive date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 08.01.010 is amended by adding a new paragraph to read:

11 (28) Board of Mechanical Examiners (AS 08.40.220).

12 * Sec. 2. AS 08.03.010(c) is amended by adding a new paragraph to read:

13 (21) Board of Mechanical Examiners (AS 08.40.220) --

14 June 30, 1992.

15 * Sec. 3. AS 08.18 is amended by adding a new section to read:

16 Sec. 08.18.028. MECHANICAL CONTRACTORS. (a) The department may
17 not issue a certificate of registration as a mechanical contractor to
18 an applicant unless the applicant is, or employs, a person currently
19 licensed as a mechanical administrator under AS 08.40.

20 (b) Each applicant for a mechanical contractor's certificate of
21 registration may employ more than one mechanical administrator.

22 (c) If the relationship of the only mechanical administrator
23 with a registered mechanical contractor is terminated, the registra-
24 tion is void 30 days after the next regularly scheduled mechanical
25 administrator's examination unless the mechanical contractor has hired
26 a licensed mechanical administrator in the interim.

27 * Sec. 4. AS 08.18.041 is amended to read:

28 Sec. 08.18.041. FEES. The department [DEPARTMENT OF COMMERCE
29 AND ECONOMIC DEVELOPMENT] shall set registration and renewal fees

1 under AS 08.01.065 for the following:

- 2 (1) general contractor;
3 (2) specialty contractor;
4 (3) mechanical contractor.

5 * Sec. 5. AS 08.18.071(b) is amended to read:

6 (b) If the applicant is a general contractor, the amount of the
7 bond shall be \$10,000; if the applicant is a mechanical contractor,
8 the amount of the bond shall be \$7,500; if the applicant is a special-
9 ty contractor, the amount of the bond shall be \$5,000. In lieu of the
10 surety bond the applicant may file with the commissioner a cash depos-
11 it or other negotiable security acceptable to the commissioner in the
12 amount specified for bonds.

13 * Sec. 6. AS 08.18.171(3) is repealed and reenacted to read:

14 (3) "contractor" means a person who, in the pursuit of an
15 independent business, undertakes or offers to perform, or claims to
16 have the capacity to perform, or submits a bid for a project to con-
17 struct, alter, repair, move, or demolish a building, highway, road,
18 railroad, or any type of fixed structure, including excavation and
19 site development and erection of scaffolding; "contractor" includes a
20 general contractor, builder, mechanical contractor, speciality con-
21 tractor, and subcontractor;

22 * Sec. 7. AS 08.18.171 is amended by adding a new paragraph to read:

23 (5) "trade" means a skill used in the field of construc-
24 tion, as defined by regulation by the department.

25 * Sec. 8. AS 08.18.171 is amended by adding new paragraphs to read:

26 (6) "builder" means general contractor;

27 (7) "general contractor" means a contractor whose business
28 operations require the use of more than three trades or the use of
29 mechanical or specialty contractors and subcontractors who are under

1 the supervision of the contractor;

2 (8) "mechanical contractor" means a contractor whose busi-
3 ness operations involve plumbing, pipe fitting, sheet metal, heating,
4 air conditioning, ventilating, or sprinkler and dry chemical fire
5 protection trades in order to install or modify mechanical piping and
6 systems, devices, fixtures, and equipment or other mechanical mate-
7 rials subject to the following codes as published by the International
8 Association of Plumbing and Mechanical Officials or the International
9 Conference of Building Officials:

10 (A) Uniform Plumbing Code;

11 (B) Uniform Swimming Pool, Spa, and Hot Tub Code;

12 (C) Uniform Solar Energy Code; and

13 (D) Uniform Mechanical Code;

14 (9) "specialty contractor" means a contractor, other than a
15 mechanical contractor, whose business operations require the use of
16 not more than three trades.

17 * Sec. 9. AS 08.40 is amended by adding new sections to read:

18 ARTICLE 4. MECHANICAL ADMINISTRATORS.

19 Sec. 08.40.210. PURPOSE. The purpose of AS 08.40.210 - 08.40.-
20 490 is to protect the safety of people and property in the state from
21 the danger of improperly installed or modified mechanical systems by
22 providing a procedure to

23 (1) assure the public that persons responsible for making
24 mechanical installations in this state are qualified; and

25 (2) assure that a sufficient number of persons are so
26 qualified.

27 Sec. 08.40.220. BOARD OF MECHANICAL EXAMINERS. (a) There is
28 created the Board of Mechanical Examiners consisting of three members.
29 Two members of the board shall be licensed mechanical administrators

1 and one member shall be a public member.

2 (b) The members of the board shall elect one of its members as
3 chair.

4 (c) The board shall meet at least annually. The board may hold
5 other meetings at the call of the chair.

6 Sec. 08.40.230. CATEGORIES OF LICENSES. The board may adopt
7 regulations establishing categories of mechanical administrators,
8 qualifications for those categories, and the content of examinations
9 for applicants for each category.

10 Sec. 08.40.240. REGULATIONS. The board shall adopt regulations
11 under the Administrative Procedure Act (AS 44.62), relating to the ex-
12 amination and licensing of mechanical administrators, the establishing
13 of the continued competency of licensees for license renewal and
14 reinstatement, and the suspension or revocation of licenses.

15 Sec. 08.40.250. EXAMINATIONS. The board shall conduct licensing
16 examinations at least twice each year at appropriate places in the
17 state.

18 Sec. 08.40.260. LICENSE REQUIRED. (a) A person may not act as
19 a mechanical administrator without a license.

20 (b) A person licensed under AS 08.40.210 - 08.40.490 may perform
21 work only in a category for which the person is licensed.

22 Sec. 08.40.270. EXAMINATION OF APPLICANT. (a) Each applicant
23 shall be examined to determine the applicant's

24 (1) ability to understand plans, design specifications, and
25 engineering terms commonly used in the mechanical field;

26 (2) knowledge of mechanical installations and piping;

27 (3) familiarity with the requirements of the Uniform Plumb-
28 ing Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar
29 Energy Code, and the Uniform Mechanical Code currently in effect in

1 the state;

2 (4) familiarity with mechanical installation problems and
3 the usages of the trade peculiar to this state; and

4 (5) personal skill and ability.

5 (b) If an applicant for a license submits proof satisfactory to
6 the board that the applicant is licensed as a mechanical administrator
7 or the equivalent by another state or territory, meets qualifications
8 established by the board under AS 08.40.230, and has passed an ex-
9 amination equivalent to the test administered under (a) of this sec-
10 tion except insofar as that examination tests knowledge and skill
11 particularly required to meet the environment and usages of the trade
12 peculiar to this state, the board shall waive all of the examination
13 required under (a) of this section except those parts that test knowl-
14 edge and skill particularly required to meet the environment and
15 usages of the trade peculiar to this state.

16 Sec. 08.40.280. ADMINISTRATOR LIMITED TO ONE LICENSED CONTRAC-
17 TOR. A person may not qualify or operate as a mechanical adminis-
18 trator for more than one registered contractor, corporation, joint
19 venture, or other business entity.

20 Sec. 08.40.290. RENEWAL AND REINSTATEMENT. (a) A license
21 issued under AS 08.40.210 - 08.40.490 is nontransferable and, unless
22 revoked or suspended, may be renewed on a date set by the department
23 upon proof of continued competency.

24 (b) A lapsed license may be reinstated upon proof of continued
25 competency by payment of all unpaid renewal fees and any penalty fee
26 established under AS 08.01.100(b), unless the license has been lapsed
27 for more than two years. If a person's license has been lapsed for
28 more than two years, the person is required to take an examination
29 under AS 08.40.270.

1 Sec. 08.40.300. ISSUANCE AND DISPLAY OF LICENSE. An applicant
2 who successfully passes the examination shall receive a certificate of
3 license. The licensee shall prominently display the certificate,
4 while in effect, in the licensee's principal place of business.

5 Sec. 08.40.310. FEES. Each applicant and each licensee shall
6 pay application and renewal fees established under AS 08.01.065.

7 Sec. 08.40.320. DENIAL, SUSPENSION, AND REVOCATION OF LICENSE.

8 (a) The board may take disciplinary action against a licensee or
9 applicant upon a finding that

10 (1) the application is fraudulent or misleading;

11 (2) the licensee has knowingly violated AS 08.40.210 -
12 08.40.490 or a lawful rule, order, or regulation of the board or the
13 department; or

14 (3) the licensee is incompetent or has engaged in fraudu-
15 lent practices.

16 (b) Notice of a proposed denial, suspension, or revocation of
17 license shall be in writing and shall state the grounds.

18 (c) Proceedings for the denial, suspension, or revocation of a
19 license shall be governed by the Administrative Procedure Act (AS 44.-
20 62).

21 Sec. 08.40.330. INVESTIGATIONS. Either the Department of Com-
22 merce and Economic Development or the Department of Labor may investi-
23 gate alleged or apparent violations of AS 08.40.210 - 08.40.490. A
24 department, upon showing proper credentials, may enter, during regular
25 hours of work, a construction site where it appears that mechanical
26 work is being done. A department may make inquiries about the identi-
27 ty of the mechanical administrator or the person acting in the capaci-
28 ty of a mechanical administrator. Upon demand, a mechanical adminis-
29 trator or person acting in the capacity of a mechanical administrator,

1 or that person's representative, shall produce evidence of current
2 licensure.

3 Sec. 08.40.340. ISSUANCE OF CITATIONS. Either the Department of
4 Commerce and Economic Development or the Department of Labor may issue
5 a citation for a violation if there is probable cause to believe a
6 person has violated AS 08.40.210 - 08.40.490. Each day a violation
7 continues after a citation for the violation has been issued consti-
8 tutes a separate violation.

9 Sec. 08.40.350. PROCEDURE AND FORM OF CITATION. (a) A citation
10 issued under AS 08.40.340 must be in writing. A person receiving the
11 citation is not required to sign a notice to appear in court.

12 (b) The time specified in the notice to appear on a citation
13 issued under AS 08.40.340 must be at least five days, not including
14 weekends and holidays, after the issuance of the citation, unless the
15 person cited requests an earlier hearing.

16 (c) The Department of Commerce and Economic Development and the
17 Department of Labor are responsible for the issuance of books contain-
18 ing appropriate citations, and each shall maintain a record of each
19 book issued and each citation contained in it. Each department shall
20 require and retain a receipt for every book issued to an employee of
21 that department.

22 (d) The department that issues a citation under AS 08.40.340
23 shall deposit the original or a copy of the citation with a court
24 having jurisdiction over the alleged offense. Upon its deposit with
25 the court, the citation may be disposed of only by trial in the court
26 or other official action taken by the magistrate, judge, or prosecu-
27 tor. The department that issued the citation may not dispose of it or
28 copies of it or of the record of its issuance except as required under
29 this subsection and (e) of this section.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
... (e) The Department of Commerce and Economic Development and the Department of Labor shall require the return of a copy of every citation issued by the respective department under AS 08.40.340 and of all copies of every citation that has been spoiled or upon which an entry has been made and not issued to an alleged violator. The departments shall also maintain, in connection with every citation issued by the respective department, a record of the disposition of the charge by the court where the original or copy of the citation was deposited.

(f) If the form of citation issued under AS 08.40.340 includes the essential facts constituting the offense charged, and if the citation is sworn to as required under the laws of this state for a complaint charging commission of the offense alleged in the citation, then the citation when filed with a court having jurisdiction is considered to be a lawful complaint for the purpose of prosecution.

Sec. 08.40.360. CEASE AND DESIST ORDER. (a) If the commissioner of commerce and economic development determines that a person is acting as a mechanical administrator in violation of AS 08.40.210 - 08.40.490 the commissioner may issue a cease and desist order prohibiting further action by the person as a mechanical administrator. The cease and desist order remains in effect until the person has submitted evidence acceptable to the commissioner showing that the violation has been corrected.

(b) A person affected by an order issued under (a) of this section may seek equitable relief preventing the commissioner of commerce and economic development from enforcing the order.

Sec. 08.40.370. INJUNCTIVE RELIEF. The commissioner of commerce and economic development may seek an injunction in the superior court to enjoin a person from violating AS 08.40.210 - 08.40.490.

Sec. 08.40.380. PENALTIES. (a) A person who knowingly violates

1 AS 08.40.210 - 08.40.490, or who knowingly violates a valid rule,
2 regulation, or order of the board or the department, is guilty of a
3 misdemeanor, and upon conviction is punishable by a fine of not more
4 than \$300, or by imprisonment for not more than 60 days, or by both.

5 (b) Unless the citation has been voided or otherwise dismissed
6 by the magistrate, judge, or prosecutor, a person who without lawful
7 justification or excuse fails to appear in court to answer a citation
8 issued under AS 08.40.340, regardless of the disposition of the charge
9 for which the citation was issued, is guilty of a class B misdemeanor.

10 Sec. 08.40.390. EXCLUSIONS. (a) AS 08.40.210 - 08.40.490 do
11 not apply to a utility or municipality whose employees are engaged in
12 mechanical work on an integral part of a system owned and operated by
13 the utility or municipality.

14 (b) AS 08.40.210 - 08.40.490 do not apply to a person engaged in

15 (1) the manufacture or repair of mechanical apparatus or
16 equipment;

17 (2) mechanical work, the cost of which does not exceed
18 \$5,000, involving residences or small commercial establishments in
19 communities that

20 (A) have a population of under 500; or

21 (B) are over 50 miles by air or water transportation
22 from the business place of a mechanical administrator licensed
23 under AS 08.40.210 - 08.40.490;

24 (3) mechanical installation on a single family residence
25 that is owned by the installer or a member of the installer's immedi-
26 ate family and not intended for sale at the time of making the instal-
27 lation;

28 (4) installation outside of the property lines of the
29 premises of water lines or sanitary, storm, or drain sewer lines.

1 Sec. 08.40.400. PERSONAL SUPERVISION. A person licensed under
2 AS 08.40.210 - 08.40.490 as a mechanical administrator who contracts
3 to install or modify mechanical piping and systems, devices, fixtures,
4 equipment, or other mechanical materials, shall personally inspect
5 those materials after installation and modification unless the instal-
6 lation or modification amounts to simple or highly standardized work
7 performed in less than 24 man-hours by personnel generally under the
8 supervision of the mechanical administrator.

9 Sec. 08.40.490. DEFINITIONS. In AS 08.40.210 - 08.40.490

10 (1) "department" means the Department of Commerce and
11 Economic Development except where the context otherwise requires;

12 (2) "manufacture" means fabrication or completion of a
13 product or mechanical apparatus exclusive of its completion or instal-
14 lation at a job site;

15 (3) "mechanical administrator" means a person engaged in
16 the business of, or purporting to be engaged in the business of,
17 installing or modifying, or contracting to install or modify, mechani-
18 cal piping and systems, devices, fixtures, equipment, or other mechani-
19 cal materials subject to the Uniform Plumbing Code, Uniform Swimming
20 Pool, Spa, and Hot Tub Code, Uniform Solar Energy Code, and the Uni-
21 form Mechanical Code as published by the International Association of
22 Plumbing and Mechanical Officials and the International Conference of
23 Building Officials;

24 (4) "mechanical piping" includes piping fixtures, devices,
25 and equipment;

26 (5) "utility" means every public, cooperative, or other
27 corporation, company, individual, or association of individuals, their
28 lessees, trustees, or receivers appointed by a court, that owns,
29 operates, manages, or controls a plant or system for

1 (A) furnishing, by generation, transmission, or dis-
2 tribution, electrical service, fuel gas service, district heat-
3 ing, sewage disposal, or domestic water service to the public for
4 compensation;

5 (B) furnishing telecommunications service to the
6 public for compensation.

7 * Sec. 10. INITIAL APPOINTMENTS TO THE BOARD. A person is eligible for
8 an initial appointment to the Board of Mechanical Examiners, created under
9 sec. 9 of this Act, as a professional member of the board, if at the time
10 of the appointment the person

11 (1) understands plans, design specifications, and engineering
12 terms commonly used in mechanical installations and piping;

13 (2) is familiar with mechanical installations and piping and
14 with mechanical installation problems peculiar to this state; and

15 (3) is familiar with the requirements of the Uniform Plumbing
16 Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar Energy
17 Code, and Uniform Mechanical Code that are currently in effect in the
18 state.

19 * Sec. 11. LICENSURE BY QUALIFICATION. (a) Notwithstanding AS 08.40.-
20 230, 08.40.270, and 08.40.300, as added by sec. 9 of this Act, a person may
21 qualify for and receive without examination a license as a mechanical
22 administrator in those categories of mechanical administration for which
23 the person is qualified, if the person

24 (1) has functioned as a mechanical administrator in the state
25 DURING THE for at least two years before the effective date of this section;

26 (2) satisfies the minimum requirements for licensure based on
27 experience as adopted by regulation by the Board of Mechanical Examiners;
28 and

29 (3) applies for licensure before July 1, 1989.

1 (b) A person who applies for licensure under this section is exempt
2 from AS 08.40.260, as added by sec. 9 of this Act, until the person's
3 application has been accepted or rejected by the Board of Mechanical
4 Examiners.

5 (c) A license issued under this section is for all purposes a
6 license issued under AS 08.40.300, as added by sec. 9 of this Act.

7 * Sec. 12. TRANSITIONAL PROVISION. In addition to the requirements of
8 AS 08.18.028, added by sec. 3 of this Act, by July 1, 1989, the following
9 persons must be, or employ a person who is, a licensed mechanical adminis-
10 trator under AS 08.40, added by sec. 9 of this Act:

11 (1) a person who is a registered mechanical contractor on Ju-
12 ly 1, 1989;

13 (2) a person who applies before July 1, 1989, to be a registered
14 mechanical contractor and is issued a certificate of registration after
15 July 1, 1989.

16 * Sec. 13. Sections 1, 2, 7, and 9 - 11 of this Act take effect immedi-
17 ately under AS 01.10.070(c).

18 * Sec. 14. Sections 4 - 6, 8, and 12 of this Act take effect Decem-
19 ber 31, 1988.

20 * Sec. 15. Section 3 of this Act takes effect July 1, 1989.
21
22
23
24
25
26
27
28
29

1 IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

2

SENATE BILL NO. 487

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to mechanical administrators."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 08.40 is amended by adding new sections to read:

9

ARTICLE 4. MECHANICAL ADMINISTRATORS.

10

Sec. 08.40.210. PURPOSE. The purpose of AS 08.40.210 - 08.40.-

11

490 is to protect the safety of people and property in the state from

12

the danger of improperly installed or modified mechanical systems by

13

providing a procedure to

14

(1) assure the public that persons responsible for making

15

mechanical installations in this state are qualified; and

16

(2) assure that a sufficient number of persons are so

17

qualified.

18

Sec. 08.40.220. BOARD OF MECHANICAL EXAMINERS. (a) There is

19

created the Board of Mechanical Examiners consisting of three members.

20

Two members of the board shall be licensed mechanical administrators

21

and one member shall be a public member.

22

(b) The members of the board shall elect one of its members as

23

chair.

24

(c) The board shall meet at least annually. The board may hold

25

other meetings at the call of the chair.

26

Sec. 08.40.230. CATEGORIES OF LICENSES. The board may adopt

27

regulations establishing categories of mechanical administrators,

28

qualifications for those categories, and the content of examinations

29

for applicants for each category.

1 Sec. 08.40.240. REGULATIONS. The board shall adopt regulations
2 under AS 44.62 (Administrative Procedure Act), relating to the ex-
3 amination and licensing of mechanical administrators, the establishing
4 of the continued competency of licensees for license renewal and
5 reinstatement, and the suspension or revocation of licenses.

6 Sec. 08.40.250. EXAMINATIONS. The board shall conduct licensing
7 examinations at least twice each year at appropriate places in the
8 state.

9 Sec. 08.40.260. INSPECTION OR INVESTIGATION BY BOARD. The board
10 may

11 (1) make or have made a special inspection or investigation
12 into the work of a licensee that it considers necessary;

13 (2) issue subpoenas and process compelling the attendance
14 of a person and the production of papers or books, for the purpose of
15 the investigation and examination;

16 (3) administer oaths when required; and

17 (4) petition a court of the state to enforce subpoenas and
18 process or to compel testimony.

19 Sec. 08.40.270. LICENSE REQUIRED. (a) A person may not act as
20 a mechanical administrator without a license.

21 (b) A person licensed under AS 08.40.210 - 08.40.490 may perform
22 work only in a category for which the person is licensed.

23 Sec. 08.40.280. EXAMINATION OF APPLICANT. (a) Each applicant
24 shall be examined to determine the applicant's

25 (1) ability to understand plans, design specifications, and
26 engineering terms commonly used in the mechanical field;

27 (2) knowledge of mechanical installations and piping;

28 (3) familiarity with the requirements of the Uniform Plumb-
29 ing Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar

1 Energy Code, and the Uniform Mechanical Code currently in effect in
2 the state;

3 (4) familiarity with mechanical installation problems and
4 the usages of the trade peculiar to this state; and

5 (5) personal skill and ability.

6 (b) If an applicant for a license submits proof satisfactory to
7 the board that the applicant is licensed as a mechanical administrator
8 or the equivalent by another state or territory, meets qualifications
9 established by the board under AS 08.40.230, and has passed an ex-
10 amination equivalent to the test administered under (a) of this sec-
11 tion except insofar as that examination tests knowledge and skill
12 particularly required to meet the environment and usages of the trade
13 peculiar to this state. the board shall waive all of the examination
14 required under (a) of this section except those parts that test knowl-
15 edge and skill particularly required to meet the environment and
16 usages of the trade peculiar to this state.

17 Sec. 08.40.290. ADMINISTRATOR LIMITED TO ONE LICENSED CONTRAC-
18 TOR. A person may not qualify or operate as a mechanical adminis-
19 trator for more than one registered contractor, corporation, joint
20 venture, or other business entity.

21 Sec. 08.40.300. RENEWAL AND REINSTATEMENT. (a) A license
22 issued under AS 08.40.210 - 08.40.490 is nontransferable and, unless
23 revoked or suspended, may be renewed upon proof of continued com-
24 petency.

25 (b) A lapsed license may be reinstated upon proof of continued
26 competency by payment of all unpaid renewal fees and any penalty fee
27 established under AS 08.01.100(b), unless the license has been lapsed
28 for more than two years. If a person's license has been lapsed for
29 more than two years, the person is required to take an examination

1 under AS 08.40.280.

2 Sec. 08.40.310. ISSUANCE AND DISPLAY OF LICENSE. An applicant
3 who successfully passes the examination shall receive a certificate of
4 license. The licensee shall prominently display the certificate,
5 while in effect, in the licensee's principal place of business.

6 Sec. 08.40.320. FEES. Each applicant and each licensee shall
7 pay application and renewal fees established under AS 08.01.065.

8 Sec. 08.40.330. DENIAL, SUSPENSION, AND REVOCATION OF LICENSE.

9 (a) The board may take disciplinary action against a licensee or
10 applicant upon a finding that

11 (1) the application is fraudulent or misleading;

12 (2) the licensee has knowingly violated AS 08.40.210 -
13 08.40.490 or a lawful rule, order, or regulation of the board or the
14 department; or

15 (3) the licensee is incompetent or has engaged in fraudu-
16 lent practices.

17 (b) Notice of a proposed denial, suspension, or revocation of
18 license shall be in writing and shall state the grounds.

19 (c) Proceedings for the denial, suspension, or revocation of a
20 license shall be governed by AS 44.62 (Administrative Procedure Act).

21 Sec. 08.40.340. INVESTIGATIONS. Either the Department of Com-
22 merce and Economic Development or the Department of Labor may investi-
23 gate alleged or apparent violations of AS 08.40.210 - 08.40.490. A
24 department, upon showing proper credentials, may enter, during regular
25 hours of work, a construction site where it appears that mechanical
26 work is being done. A department may make inquiries about the identi-
27 ty of the mechanical administrator or the person acting in the capaci-
28 ty of a mechanical administrator. Upon demand, a mechanical adminis-
29 trator or person acting in the capacity of a mechanical administrator,

1 or that person's representative, shall produce evidence of current
2 licensure.

3 Sec. 08.40.350. ISSUANCE OF CITATIONS. Either the Department of
4 Commerce and Economic Development or the Department of Labor may issue
5 a citation for a violation if there is probable cause to believe a
6 person has violated AS 08.40.210 - 08.40.490. Each day a violation
7 continues after a citation for the violation has been issued consti-
8 tutes a separate violation.

9 Sec. 08.40.360. PROCEDURE AND FORM OF CITATION. (a) A citation
10 issued under AS 08.40.350 must be in writing. A person receiving the
11 citation is not required to sign a notice to appear in court.

12 (b) The time specified in the notice to appear on a citation
13 issued under AS 08.40.350 must be at least five days, not including
14 weekends and holidays, after the issuance of the citation, unless the
15 person cited requests an earlier hearing.

16 (c) The Department of Commerce and Economic Development and the
17 Department of Labor are responsible for the issuance of books contain-
18 ing appropriate citations, and each shall maintain a record of each
19 book issued and each citation contained in it. Each department shall
20 require and retain a receipt for every book issued to an employee of
21 that department.

22 (d) The department that issues a citation under AS 08.40.350
23 shall deposit the original or a copy of the citation with a court
24 having jurisdiction over the alleged offense. Upon its deposit with
25 the court, the citation may be disposed of only by trial in the court
26 or other official action taken by the magistrate, judge, or prosecu-
27 tor. The department that issued the citation may not dispose of it or
28 copies of it or of the record of its issuance except as required under
29 this subsection and (e) of this section.

1 (e) The Department of Commerce and Economic Development and the
2 Department of Labor shall require the return of a copy of every cita-
3 tion issued by the respective department under AS 08.40.350 and of all
4 copies of every citation that has been spoiled or upon which an entry
5 has been made and not issued to an alleged violator. The departments
6 shall also maintain, in connection with every citation issued by the
7 respective department, a record of the disposition of the charge by
8 the court where the original or copy of the citation was deposited.

9 (f) If the form of citation issued under AS 08.40.350 includes
10 the essential facts constituting the offense charged, and if the
11 citation is sworn to as required under the laws of this state for a
12 complaint charging commission of the offense alleged in the citation,
13 then the citation when filed with a court having jurisdiction is
14 considered to be a lawful complaint for the purpose of prosecution.

15 Sec. 08.40.370. CEASE AND DESIST ORDER. (a) If the commis-
16 sioner of commerce and economic development determines that a person
17 is acting as a mechanical administrator in violation of AS 08.40.210 -
18 08.40.490 the commissioner may issue a cease and desist order pro-
19 hibiting further action by the person as a mechanical administrator.
20 The cease and desist order remains in effect until the person has
21 submitted evidence acceptable to the commissioner showing that the
22 violation has been corrected.

23 (b) A person affected by an order issued under (a) of this
24 section may seek equitable relief preventing the commissioner of
25 commerce and economic development from enforcing the order.

26 Sec. 08.40.380. INJUNCTIVE RELIEF. The commissioner of commerce
27 and economic development may seek an injunction in the superior court
28 to enjoin a person from violating AS 08.40.210 - 08.40.490.

29 Sec. 08.40.390. PENALTIES. (a) A person who knowingly violates

1 AS 08.40.210 - 08.40.490, or who knowingly violates a valid rule,
2 regulation, or order of the board or the department, is guilty of a
3 misdemeanor, and upon conviction is punishable by a fine of not more
4 than \$300, or by imprisonment for not more than 60 days, or by both.

5 (b) Unless the citation has been voided or otherwise dismissed
6 by the magistrate, judge, or prosecutor, a person who without lawful
7 justification or excuse fails to appear in court to answer a citation
8 issued under AS 08.40.350, regardless of the disposition of the charge
9 for which the citation was issued, is guilty of a class B misdemeanor.

10 Sec. 08.40.400. EXCLUSIONS. (a) Except for inspections au-
11 thorized under AS 08.40.260, 08.40.210 - 08.40.490 do not apply to a
12 utility or municipality engaged in

13 (1) mechanical construction and maintenance of mechanical
14 systems and equipment for the generation and distribution of elec-
15 trical current or generation and distribution of district heating when
16 the mechanical work is performed on an integral part of a system owned
17 and operated by that utility or municipal light and power department
18 and when the work is performed by employees of the utility or munici-
19 pality;

20 (2) mechanical construction and maintenance of mechanical
21 systems and equipment for the distribution of fuel gas when the me-
22 chanical work is performed on an integral part of the distribution
23 system owned and operated by the utility or municipality and when the
24 work is performed by employees of the utility or municipality.

25 (b) Except for inspections authorized under AS 08.40.260, 08.-
26 40.210 - 08.40.490 do not apply to a person engaged in

27 (1) the manufacture or repair of mechanical apparatus or
28 equipment;

29 (2) mechanical work, the cost of which does not exceed

1 \$5,000, involving residences or small commercial establishments in
2 communities that

3 (A) have a population of under 500; or

4 (B) are over 50 miles by air or water transportation
5 from the business place of a mechanical administrator licensed
6 under AS 08.40.210 - 08.40.490;

7 (3) mechanical installation on a single family residence
8 that is owned by the installer or a member of the installer's immedi-
9 ate family and not intended for sale at the time of making the instal-
10 lation;

11 (4) installation outside of a building of water lines or
12 sanitary, storm, or drain sewer lines.

13 Sec. 08.40.410. PERSONAL SUPERVISION. A person licensed under
14 AS 08.40.210 - 08.40.490 as a mechanical administrator who contracts
15 to install or modify mechanical piping and systems, devices, fixtures,
16 equipment, or other mechanical materials, shall personally inspect
17 those materials after installation and modification unless the instal-
18 lation or modification amounts to simple or highly standardized work
19 performed in less than 24 man-hours by personnel generally under the
20 supervision of the mechanical administrator.

21 Sec. 08.40.490. DEFINITIONS. In AS 08.40.210 - 08.40.490

22 (1) "department" means the Department of Commerce and
23 Economic Development except where the context otherwise requires;

24 (2) "manufacture" means fabrication or completion of a
25 product or mechanical apparatus exclusive of its completion or instal-
26 lation at a job site;

27 (3) "mechanical administrator" means a person engaged in
28 the business of, or purporting to be engaged in the business of,
29 installing or modifying, or contracting to install or modify,

1 mechanical piping and systems, devices, fixtures, equipment, or other
2 mechanical materials subject to the Uniform Plumbing Code, Uniform
3 Swimming Pool, Spa, and Hot Tub Code, Uniform Solar Energy Code, and
4 the Uniform Mechanical Code as published by the International Associa-
5 tion of Plumbing and Mechanical Officials and the International Con-
6 ference of Building Officials;

7 (4) "mechanical piping" includes piping fixtures, devices,
8 and equipment;

9 (5) "utility" means every public, cooperative, or other
10 corporation, company, individual, or association of individuals, their
11 lessees, trustees, or receivers appointed by a court, that owns,
12 operates, manages, or controls a plant or system for

13 (A) furnishing, by generation, transmission, or dis-
14 tribution, electrical service, fuel gas service, district heat-
15 ing, sewage disposal, or domestic water service to the public for
16 compensation;

17 (B) furnishing telecommunications service to the
18 public for compensation.

19 * Sec. 2. AS 08.01.010 is amended by adding a new paragraph to read:

20 (28) Board of Mechanical Examiners (AS 08.40.220).

21 * Sec. 3. AS 08.03.010(c) is amended by adding a new paragraph to read:

22 (21) Board of Mechanical Examiners (AS 08.40.220) --

23 June 30, 1992.

24 * Sec. 4. INITIAL APPOINTMENTS TO THE BOARD. A person is eligible for
25 an initial appointment to the Board of Mechanical Examiners, created under
26 sec. 1 of this Act, as a professional member of the board, if at the time
27 of the appointment the person

28 (1) understands plans, design specifications, and engineering
29 terms commonly used in mechanical installations and piping;

1 (2) is familiar with mechanical installations and piping and
2 with mechanical installation problems peculiar to this state; and

3 (3) is familiar with the requirements of the Uniform Plumbing
4 Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar Energy
5 Code, and Uniform Mechanical Code that are currently in effect in the
6 state.

M E M O R A N D U M

To: George Utermohle; Drafter, SB 487
Legislative Legal Services

Via: Senator Tim Kelly
Senate Labor & Commerce Committee

From: Senator Mike Szymanski

Date: March 18, 1988 (updated March 21)

Subject: Proposed new Senate L & C CS for SB 487

I would like to request a draft CS drawn up for Senate L & C Committee, with the approval of Senate L & C. In the interests of time (since SB 487 will be heard in Senate L&C Committee at 3:30 on Monday, March 21), I am submitting this memo directly to you with the approval of Senate Labor and Commerce. The proposed changes are based on the 3/17 version of the House L&C CS for HB 472 which passed out of House Labor and Commerce Committee on 3/18. If you have any further questions, please contact my aide, Roger Poppe. (Please note: the proposed changes were done, and the 3/21 Utermohole draft, numbered 5-2055L, for CS SB487 (L&C) includes these changes, except for (F) proposed below.

PROPOSED CS SB 487

A) Please delete all language in the proposed Senate L&C CS for SB 487 that exists in the 3/18 version, and replace it with the language of the current House L&C CS for HB 472 (3/17 version)

B) page 5, line 22. Insert after 'revoked or suspended, may be renewed,' the following language: "on a date set by the department" 'upon proof of continued competency.'

(NOTE: I understand that the actual period of time the license is valid for is covered in generic language at the beginning of this part of the statutes, but it does make it clear that the Department has the authority to specify the period of time the licensing covers. Phrase was taken directly from the statutes covering electrical administrators, see AS 08.40.135).

C) page 9, lines 10-24 through page 10 lines 1-8. Delete and replace with the following (now page 9, lines 10-13 of CS SB487):

Section 08.40.390. Exclusions. (a) AS 108.40.210-.0840.490 do not apply to a utility or municipality whose employees are engaged in mechanical work on an integral part of a system owned and operated by that utility or municipality.

(NOTE: The language in the 3/17 version appears to have been borrowed from AS 08.40.190 and elsewhere. I am nervous that we are getting too specific here by detailing electrical and fuel gas utility problems. Since it is already spelled out for electrical people in AS 08.40.190, I would rather see the current language simplified as much as possible. The language suggested above, or a close approximation to it, has been read and approved by the head of the Mechanical Contractors of Fairbanks. He feels it accomplishes what he was trying to say originally, though he indicated he would be happy with either the old version or this new version. Basically, we are assuming that either version specifically means that any contracting work done by a utility or municipality that relates to mechanical work on an integral system will be covered by the bill, which is what we want. There is a lot of conflict in this area right now with some utilities submitting bids on contracts not immediately germane to their systems, and intruding on the prerogatives of the electricians, etc.)

D) page 12, line 8. Insert a new section 12 and renumber the subsequent sections. New Section will read:

Section 12. Upon application to the Board (Department?), persons who have functioned in the state in a mechanical administrator capacity may request exemption from part or all of the mechanical administrator's licensing and/or examination. Exemption may be granted if the following requirements are met:

a) The person has operated in Alaska in one of the mechanical administrator categories established by Board (Department) regulations for at least the two years prior to the effective date of this act, and

b) The person meets the minimum additional qualifications for licensing as established by the Board (Department?) through regulation.

Note: The above proposed change was actually included as Section 11 of the CS SB 487, LICENSURE BY QUALIFICATION, page 11, lines 19-29, and page 12, lines 1-6.

(NOTE: I don't know if authority for this should be given to the Board or the Department, whatever is appropriate. Basically, we are trying allow grandfathering in for those people who have already been functioning in the state for at least two years, because they have already had direct experience with the unique mechanical contracting aspects of operating in a northern environment. Reciprocity with other states is covered on page 5 under the examination of the applicant so that all requirements

could be waived except those relating to the peculiarities of the trade relating to Alaska.

It will be up to the Board to determine what constitutes two years of experience in Alaska thru regulation. The person may have functioned in a particular category for two years, but if he only did two jobs, is that the same as having done 20 jobs? The regs will establish this and other criteria.

A related problem here is that the Board is planning on having 7 different categories of mechanical administrators (electrical administrators have four categories). Determination of the categories, how many there are, the requirements for each, etc. is assumed to be done by the Department through regulation. I gather this does not have to be stated directly in the statute, as long as the Department has the regulatory authority to do so. If the proposed bill or CS or other statutes do not currently allow this, could you include language on it in an appropriate place?

Also tied into this, the actual license will list which of the 7 categories the person is eligible to operate and practice in; some may be eligible for three or four categories. The proposed two-year requirement for actual operating experience in the state should apply to each category separately, so that just because a person has 2 years experience in one category doesn't make him eligible in another category. However, the experience can be in several categories simultaneously, not serially. Again, I assume that can be left to Board regulation.

I am assuming that the language of b) above does give authority to the Board to develop all regulations deemed necessary for minimum requirements to be met in order to be licensed. The mechanical contractors are already thinking about regulations that would include licensing based on experience of either a managerial or practical nature, on basic and continuing education, etc. similar to those required under regulation for the electrical administrators).

E) page 10, lines 18-19. I am awaiting a propose language change that would delete these two lines and substitute other language. As soon as that material arrives, I will deliver it to you. Hopefully we can get this in the proposed Senate L&C CS for SB 487 before the Senate L&C hearing on Monday afternoon at 3:30 pm.

NOTE: Material for (E) above arrived and is as follows:

Now on page 9, lines 28-29 of CS for SB487 (L&C), 3/21. Delete and replace with the following: "installation outside of the property lines of the premises of waterlines or sanitary, storm, or drain sewer lines." This phrasing has been agreed upon

by Eugene Rutland of the Mechanical Contractors of Fairbanks, and Dwight Perkins, representing the plumbers.

F) page 11 of CS SB487, line 25: Delete the phrase "for at least two years before," and replace with the phrase "during the two years before." This will make it clear that we are referring to the two years immediately prior to the effective date, and not to someone who put in his two years maybe ten years ago. Cleared with Eugene Rutland and bill drafter.

Reference:

CS FOR HOUSE BILL NO. 472 (LEC

Work Draft 5-1451B

dated 3/17/88

Change Page 10 lines 8 and 9
To read "(4) installation outside
of the property lines of the premises of
water lines or sanitary, storm, or drain
sewer lines."

Association of Plumbers

UNIFORM
PLUMBING
CODE



1979
EDITION

by any means whatsoever, for any unapproved foreign matter to enter a water distribution system used for domestic purposes.

(7) The foregoing enumeration of conditions to which the term "insanitary" shall apply, shall not preclude the application of that term to conditions that are, in fact, insanitary.

(e) **Interceptor**—An interceptor is a device designed and installed so as to separate and retain deleterious, hazardous, or undesirable matter from normal wastes and permit normal sewage or liquid wastes to discharge into the disposal terminal by gravity.

Sec. 111 —J—
No definitions

Sec. 112 —K—
No definitions

Sec. 113 —L—

(a) **Labeled**—Labeled means equipment or materials bearing a label of a listing agency (see **Listed**).

(b) **Liquid Waste**—Liquid waste is the discharge from any fixture, appliance or appurtenance in connection with a plumbing system which does not receive fecal matter.

(c) **Listed**—Listed means equipment or materials included in a list published by a listing agency that maintains periodic inspection on current production of listed equipment or materials and whose listing states either that the equipment or material complies with approved standards or has been tested and found suitable for use in a specified manner.

(d) **Listing Agency**—Listing agency means an agency accepted by the Administrative Authority which is in the business of listing or labeling and which maintains a periodic inspection program on current production of listed models, and which makes available a published report of such listing in which specific information is included that the product has been tested to approved standards and found safe for use in a specific manner.

(e) **Loop Vent**—Any vent connecting a horizontal branch or fixture drain with the stack vent of the originating waste or soil stack.

(f) **Lot**—Lot means a single or individual parcel or area of land legally recorded or validated by other means acceptable to the Administrative Authority on which is situated a building or which is the site of any work regulated by this Code, together with the yards, courts and unoccupied spaces legally required for the building or works, and which is owned by or is in the lawful possession of the owner of the building or works.

Sec. 114 —M—

(a) **Main**—The main of any system of continuous piping is the principal artery of the system to which branches may be connected.

(b) **Main Sewer**—See **Public Sewer**.

(c) **Main Vent**—The main vent is the principal artery of the venting system to which vent branches may be connected.

(d) **May**—the word may is a permissive term.

(c) **Main Vent**—The main vent is the principal artery of the venting system to which vent branches may be connected.

(d) **May**—the word may is a permissive term.

(e) **Mobile Home Park Sewer**—The mobile home park sewer is that part of the horizontal piping of a drainage system which begins two (2) feet (.8m) downstream from the last mobile home site and conveys it to a public sewer, private sewer, individual sewage disposal system or other point of disposal.

Sec. 115 —N—

(a) **Nuisance**—Nuisance includes, but is not limited to:

(1) Any public nuisance known at common law or in equity jurisprudence.

(2) Whenever any work regulated by this Code is dangerous to human life or is detrimental to health and property.

(3) Inadequate or unsafe water supply or sewage disposal system.

Sec. 116 —O—

(a) **Offset**—An offset in a line of piping is a combination of elbows or bends which brings one section of the pipe out of line but into a parallel with the other section.

Sec. 117 —P—

(a) **PE**—PE means Polyethylene.

(b) **Person**—Person means a natural person, his heirs, executor, administrators or assigns and shall also include a firm, corporation, municipal or quasi-municipal corporation or governmental agency. Singular includes plural, male includes female.

(c) **Plumbing**—Plumbing means the business, trade or work having to do with the installation, removal, alteration or repair of plumbing and drainage systems or parts thereof.

(d) **Plumbing Fixtures**—Plumbing fixtures are approved type installed receptacles, devices or appliances which are supplied with water or which receive liquid or liquid borne wastes and discharge such wastes into the drainage system to which they may be directly or indirectly connected. Industrial or commercial tanks, vats and similar processing equipment are not plumbing fixtures, but may be connected to or discharged into approved traps or plumbing fixtures when and as otherwise provided for elsewhere in this Code.

(e) **Plumbing Official**—See **Administrative Authority**.

(f) **Plumbing System**—The plumbing system means and includes all potable water supply and distribution pipes, all plumbing fixtures and traps, all drainage and vent pipe and all building drains, including their respective joints and connection, devices, receptacles and appurtenances within the property lines of the premises and shall include potable water piping, potable water treating or using equipment, fuel gas piping, water heaters and vents for same.

(g) **Potable Water**—Potable water is water which is satisfactory for drinking, culinary and domestic purposes and meets the require-

Reference:

CS FOR HOUSE BILL NO. 472 (L&C)
Work Draft 5-1451B
dated 3/17/88

Change Page 10 lines 8 and 9
To read "(4) installation outside
of the property lines of the premises of
water lines or sanitary, storm, or drain
sewer lines."

of Plumbing

UNION
PLUMBING
CODE



1979
EDITION

by any means whatsoever, for any unapproved foreign matter to enter a water distribution system used for domestic purposes.

(7) The foregoing enumeration of conditions to which the term "insanitary" shall apply, shall not preclude the application of that term to conditions that are, in fact, insanitary.

(e) **Interceptor**—An interceptor is a device designed and installed so as to separate and retain deleterious, hazardous, or undesirable matter from normal wastes and permit normal sewage or liquid wastes to discharge into the disposal terminal by gravity.

Sec. 111 —J—

No definitions

Sec. 112 —K—

No definitions

Sec. 113 —L—

(a) **Labeled**—Labeled means equipment or materials bearing a label of a listing agency (see Listed).

(b) **Liquid Waste**—Liquid waste is the discharge from any fixture, appliance or appurtenance in connection with a plumbing system which does not receive fecal matter.

(c) **Listed**—Listed means equipment or materials included in a list published by a listing agency that maintains periodic inspection on current production of listed equipment or materials and whose listing states either that the equipment or material complies with approved standards or has been tested and found suitable for use in a specified manner.

(d) **Listing Agency**—Listing agency means an agency accepted by the Administrative Authority which is in the business of listing or labeling and which maintains a periodic inspection program on current production of listed models, and which makes available a published report of such listing in which specific information is included that the product has been tested to approved standards and found safe for use in a specific manner.

(e) **Loop Vent**—Any vent connecting a horizontal branch or fixture drain with the stack vent of the originating waste or soil stack.

(f) **Lot**—Lot means a single or individual parcel or area of land legally recorded or validated by other means acceptable to the Administrative Authority on which is situated a building or which is the site of any work regulated by this Code, together with the yards, courts and unoccupied spaces legally required for the building or works, and which is owned by or is in the lawful possession of the owner of the building or works.

Sec. 114 —M—

(a) **Main**—The main of any system of continuous piping is the principal artery of the system to which branches may be connected.

(b) **Main Sewer**—See **Public Sewer**.

(c) **Main Vent**—The main vent is the principal artery of the venting system to which vent branches may be connected.

(d) **May**—the word may is a permissive term.

(c) **Main Vent**—The main vent is the principal artery of the venting system to which vent branches may be connected.

(d) **May**—the word may is a permissive term.

(e) **Mobile Home Park Sewer**—The mobile home park sewer is that part of the horizontal piping of a drainage system which begins two (2) feet (.6m) downstream from the last mobile home site and conveys it to a public sewer, private sewer, individual sewage disposal system or other point of disposal.

Sec. 115

—N—

(a) **Nuisance**—Nuisance includes, but is not limited to:

- (1) Any public nuisance known at common law or in equity jurisprudence.
- (2) Whenever any work regulated by this Code is dangerous to human life or is detrimental to health and property.
- (3) Inadequate or unsafe water supply or sewage disposal system.

Sec. 116

—O—

(a) **Offset**—An offset in a line of piping is a combination of elbows or bends which brings one section of the pipe out of line but into a line parallel with the other section.

Sec. 117

—P—

(a) **PE**—PE means Polyethylene.

(b) **Person**—Person means a natural person, his heirs, executor, administrators or assigns and shall also include a firm, corporation, municipal or quasi-municipal corporation or governmental agency. Singular includes plural, male includes female.

(c) **Plumbing**—Plumbing means the business, trade or work having to do with the installation, removal, alteration or repair of plumbing and drainage systems or parts thereof.

(d) **Plumbing Fixtures**—Plumbing fixtures are approved type installed receptacles, devices or appliances which are supplied with water or which receive liquid or liquid borne wastes and discharge such wastes into the drainage system to which they may be directly or indirectly connected. Industrial or commercial tanks, vats and similar processing equipment are not plumbing fixtures, but may be connected to or discharged into approved traps or plumbing fixtures when and as otherwise provided for elsewhere in this Code.

(e) **Plumbing Official**—See Administrative Authority.

(f) **Plumbing System**—The plumbing system means and includes all potable water supply and distribution pipes, all plumbing fixtures and traps, all drainage and vent pipe and all building drains, including their respective joints and connection, devices, receptacles and appurtenances within the property lines of the premises and shall include potable water piping, potable water treating or using equipment, fuel gas piping, water heaters and vents for same.

(g) **Potable Water**—Potable water is water which is satisfactory for drinking, culinary and domestic purposes and meets the require-

M E M O R A N D U M

To: George Utermohle; Drafter, SB 487
Legislative Legal Services

Via: Senator Tim Kelly
Senate Labor & Commerce Committee

From: Senator Mike Szymanski

Date: March 18, 1988

Subject: Proposed new Senate L & C CS for SB 487

I would like to request a draft CS drawn up for Senate L & C Committee, with the approval of Senate L & C. In the interests of time (since SB 487 will be heard in Senate L&C Committee at 3:30 on Monday, March 21), I am submitting this memo directly to you with the approval of Senate Labor and Commerce. The proposed changes are based on the 3/17 version of the House L&C CS for HB 472 which passed out of House Labor and Commerce Committee on 3/18. If you have any further questions, please contact my aide, Roger Poppe.

PROPOSED CS SB 487

- A) Please delete all language in the proposed Senate L&C CS for SB 487 that exists in the 3/18 version, and replace it with the language of the current House L&C CS for HB 472 (3/17 version)
- B) page 5, line 22. Insert after 'revoked or suspended, may be renewed,' the following language: "on a date set by the department" 'upon proof of continued competency.'

(NOTE: I understand that the actual period of time the license is valid for is covered in generic language at the beginning of this part of the statutes, but it does make it clear that the Department has the authority to specify the period of time the licensing covers. Phrase was taken directly from the statutes covering electrical administrators, see AS 08.40.135).

- C) page 9, lines 10-24 through page 10 lines 1-8. Delete and replace with the following:

Section 08.40.390. Exclusions. (a) AS 108.40.210-.0840.490 do not apply to a utility or municipality whose employees are

engaged in mechanical work on an integral part of a system owned and operated by that utility or municipality.

(NOTE: The language in the 3/17 version appears to have been borrowed from AS 08.40.190 and elsewhere. I am nervous that we are getting too specific here by detailing electrical and fuel gas utility problems. Since it is already spelled out for electrical people in AS 08.40.190, I would rather see the current language simplified as much as possible. The language suggested above, or a close approximation to it, has been read and approved by the head of the Mechanical Contractors of Fairbanks. He feels it accomplishes what he was trying to say originally, though he indicated he would be happy with either the old version or this new version. Basically, we are assuming that either version specifically means that any contracting work done by a utility or municipality that relates to mechanical work on an integral system will be covered by the bill, which is what we want. There is a lot of conflict in this area right now with some utilities submitting bids on contracts not immediately germane to their systems, and intruding on the prerogatives of the electricians, etc.)

D) page 12, line 8. Insert a new section 12 and renumber the subsequent sections. New section will read:

Section 12. Upon application to the Board (Department?), persons who have functioned in the state in a mechanical administrator capacity may request exemption from part or all of the mechanical administrator's licensing and/or examination. Exemption may be granted if the following requirements are met:

a) The person has operated in Alaska in one of the mechanical administrator categories established by Board (Department) regulations for at least the two years prior to the effective date of this act, and

b) The person meets the minimum additional qualifications for licensing as established by the Board (Department?) through regulation.

(NOTE: I don't know if authority for this should be given to the Board or the Department, whatever is appropriate. Basically, we are trying allow grandfathering in for those people who have already been functioning in the state for at least two years, because they have already had direct experience with the unique mechanical contracting aspects of operating in a northern environment. Reciprocity with other states is covered on page 3 under the examination of the applicant so that all requirements could be waived except those relating to the peculiarities of the trade relating to Alaska.

It will be up to the Board to determine what constitutes two years of experience in Alaska thru regulation. The person may have functioned in a particular category for two

years, but if he only did two jobs, is that the same as having done 20 jobs? The regs will establish this and other criteria.

A related problem here is that the Board is planning on having 7 different categories of mechanical administrators (electrical administrators have four categories). Determination of the categories, how many there are, the requirements for each, etc. is assumed to be done by the Department through regulation. I gather this does not have to be stated directly in the statute, as long as the Department has the regulatory authority to do so. If the proposed bill or CS or other statutes do not currently allow this, could you include language on it in an appropriate place?

Also tied into this, the actual license will list which of the 7 categories the person is eligible to operate and practice in; some may be eligible for three or four categories. The proposed two-year requirement for actual operating experience in the state should apply to each category separately, so that just because a person has 2 years experience in one category doesn't make him eligible in another category. However, the experience can be in several categories simultaneously, not serially. Again, I assume that can be left to Board regulation.

I am assuming that the language of b) above does give authority to the Board to develop all regulations deemed necessary for minimum requirements to be met in order to be licensed. The mechanical contractors are already thinking about regulations that would include licensing based on experience of either a managerial or practical nature, on basic and continuing education, etc. similar to those required under regulation for the electrical administrators).

E) page 10, lines 18-19. I am awaiting a propose language change that would delete these two lines and substitute other language. As soon as that material arrives, I will deliver it to you. Hopefully we can get this in the proposed Senate L&C CS for SB 487 before the Senate L&C hearing on Monday afternoon at 3:30 pm.

1 (A) furnishing, by generation, transmission, or dis-
2 tribution, electrical service, fuel gas service, district heat-
3 ing, sewage disposal, or domestic water service to the public for
4 compensation;

5 (B) furnishing telecommunications service to the
6 public for compensation.

7 * Sec. 10. INITIAL APPOINTMENTS TO THE BOARD. A person is eligible for
8 an initial appointment to the Board of Mechanical Examiners, created under
9 sec. 9 of this Act, as a professional member of the board, if at the time
10 of the appointment the person

11 (1) understands plans, design specifications, and engineering
12 terms commonly used in mechanical installations and piping;

13 (2) is familiar with mechanical installations and piping and
14 with mechanical installation problems peculiar to this state; and

15 (3) is familiar with the requirements of the Uniform Plumbing
16 Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar Energy
17 Code, and Uniform Mechanical Code that are currently in effect in the
18 state.

19 * Sec. 11. LICENSURE BY QUALIFICATION. (a) Notwithstanding AS 08.40.-
20 230, 08.40.270, and 08.40.300, as added by sec. 9 of this Act, a person may
21 qualify for and receive without examination a license as a mechanical
22 administrator in those categories of mechanical administration for which
23 the person is qualified, if the person

24 ⁽¹⁾ has functioned as a mechanical administrator in the state
25 ~~for at least~~ ^{during the} two years before the effective date of this section;

26 (2) satisfies the minimum requirements for licensure based on
27 experience as adopted by regulation by the Board of Mechanical Examiners;
28 and

29 (3) applies for licensure before July 1, 1989.

Original sponsor: Labor and Commerce Committee

IN THE SENATE

BY THE LABOR AND
COMMERCE COMMITTEE

CS FOR SENATE BILL NO. 487 (L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIFTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to mechanical administrators and construction contractors; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 08.01.010 is amended by adding a new paragraph to read:

(28) Board of Mechanical Examiners (AS 08.40.220).

* Sec. 2. AS 08.03.010(c) is amended by adding a new paragraph to read:

(21) Board of Mechanical Examiners (AS 08.40.220) --

June 30, 1992.

* Sec. 3. AS 08.18 is amended by adding a new section to read:

Sec. 08.18.02e. MECHANICAL CONTRACTORS. (a) The department may not issue a certificate of registration as a mechanical contractor to an applicant unless the applicant is, or employs, a person currently licensed as a mechanical administrator under AS 08.40.

(b) Each applicant for a mechanical contractor's certificate of registration may employ more than one mechanical administrator.

(c) If the only mechanical administrator employed by a registered mechanical contractor is terminated, the registration is void 30 days after the next regularly scheduled mechanical administrator's examination unless the mechanical contractor has hired a licensed mechanical administrator in the interim.

* Sec. 4. AS 08.18.041 is amended to read:

Sec. 08.18.041. FEES. The department [DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT] shall set registration and renewal fees

1 under AS 08.01.065 for the following:

- 2 (1) general contractor;
3 (2) specialty contractor;
4 (3) mechanical contractor.

5 * Sec. 5. AS 08.18.071(b) is amended to read:

6 (b) If the applicant is a general contractor, the amount of the
7 bond shall be \$10,000; if the applicant is a mechanical contractor,
8 the amount of the bond shall be \$7,500; if the applicant is a special-
9 ty contractor, the amount of the bond shall be \$5,000. In lieu of the
10 surety bond the applicant may file with the commissioner a cash depos-
11 it or other negotiable security acceptable to the commissioner in the
12 amount specified for bonds.

13 * Sec. 6. AS 08.18.171(3) is repealed and reenacted to read:

14 (3) "contractor" means a person who, in the pursuit of an
15 independent business, undertakes or offers to perform, or claims to
16 have the capacity to perform, or submits a bid for a project to con-
17 struct, alter, repair, move, or demolish a building, highway, road,
18 railroad, or any type of fixed structure, including excavation and
19 site development and erection of scaffolding; "contractor" includes a
20 general contractor, builder, mechanical contractor, speciality con-
21 tractor, and subcontractor;

22 * Sec. 7. AS 08.18.171 is amended by adding new paragraphs to read:

23 (5) "builder" means general contractor;

24 (6) "general contractor" means a contractor whose business
25 operations require the use of more than three trades or the use of
26 mechanical or specialty contractors and subcontractors who are under
27 the supervision of the contractor;

28 (7) "mechanical contractor" means a contractor whose busi-
29 ness operations involve plumbing, pipe fitting, sheet metal, heating,

1 air conditioning, ventilating, or sprinkler and dry chemical fire
2 protection trades in order to install or modify mechanical piping and
3 systems, devices, fixtures, and equipment or other mechanical mate-
4 rials subject to the following codes as published by the International
5 Association of Plumbing and Mechanical Officials or the International
6 Conference of Building Officials:

- 7 (A) Uniform Plumbing Code;
- 8 (B) Uniform Swimming Pool, Spa, and Hot Tub Code;
- 9 (C) Uniform Solar Energy Code; and
- 10 (D) Uniform Mechanical Code;

11 (8) "specialty contractor" means a contractor, other than a
12 mechanical contractor, whose business operations require the use of
13 not more than three trades.

14 * Sec. 8. AS 08.40 is amended by adding new sections to read:

15 ARTICLE 4. MECHANICAL ADMINISTRATORS.

16 Sec. 08.40.210. PURPOSE. The purpose of AS 08.40.210 - 08.40.-
17 490 is to protect the safety of people and property in the state from
18 the danger of improperly installed or modified mechanical systems by
19 providing a procedure to

20 (1) assure the public that persons responsible for making
21 mechanical installations in this state are qualified; and

22 (2) assure that a sufficient number of persons are so
23 qualified.

24 Sec. 08.40.220. BOARD OF MECHANICAL EXAMINERS. (a) There is
25 created the Board of Mechanical Examiners consisting of three members.
26 Two members of the board shall be licensed mechanical administrators
27 and one member shall be a public member.

28 (b) The members of the board shall elect one of its members as
29 chair.

1 (c) The board shall meet at least annually. The board may hold
2 other meetings at the call of the chair.

3 Sec. 08.40.230. CATEGORIES OF LICENSES. The board may adopt
4 regulations establishing categories of mechanical administrators,
5 qualifications for those categories, and the content of examinations
6 for applicants for each category.

7 Sec. 08.40.240. REGULATIONS. The board shall adopt regulations
8 under the Administrative Procedure Act (AS 44.62) relating to the ex-
9 amination and licensing of mechanical administrators, the establishing
10 of the continued competency of licensees for license renewal and
11 reinstatement, and the suspension or revocation of licenses.

12 Sec. 08.40.250. EXAMINATIONS. The board shall conduct licensing
13 examinations at least twice each year at appropriate places in the
14 state.

15 Sec. 08.40.260. INSPECTION OR INVESTIGATION BY BOARD. The board
16 may

17 (1) make or have made a special inspection or investigation
18 into the work of a licensee that it considers necessary;

19 (2) issue subpoenas and process compelling the attendance
20 of a person and the production of papers or books, for the purpose of
21 the investigation and examination;

22 (3) administer oaths when required; and

23 (4) petition a court of the state to enforce subpoenas and
24 process or to compel testimony.

25 Sec. 08.40.270. LICENSE REQUIRED. (a) A person may not act as
26 a mechanical administrator without a license.

27 (b) A person licensed under AS 08.40.210 - 08.40.490 may perform
28 work only in a category for which the person is licensed.

29 Sec. 08.40.280. EXAMINATION OF APPLICANT. (a) Each applicant

1 shall be examined to determine the applicant's

2 (1) ability to understand plans, design specifications, and
3 engineering terms commonly used in the mechanical field;

4 (2) knowledge of mechanical installations and piping;

5 (3) familiarity with the requirements of the Uniform Plumb-
6 ing Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar
7 Energy Code, and the Uniform Mechanical Code currently in effect in
8 the state;

9 (4) familiarity with mechanical installation problems and
10 the usages of the trade peculiar to this state; and

11 (5) personal skill and ability.

12 (b) If an applicant for a license submits proof satisfactory to
13 the board that the applicant is licensed as a mechanical administrator
14 or the equivalent by another state or territory, meets qualifications
15 established by the board under AS 08.40.230, and has passed an ex-
16 amination equivalent to the test administered under (a) of this sec-
17 tion except insofar as that examination tests knowledge and skill
18 particularly required to meet the environment and usages of the trade
19 peculiar to this state, the board shall waive all of the examination
20 required under (a) of this section except those parts that test knowl-
21 edge and skill particularly required to meet the environment and
22 usages of the trade peculiar to this state.

23 Sec. 08.40.290. ADMINISTRATOR LIMITED TO ONE LICENSED CONTRAC-
24 TOR. A person may not qualify or operate as a mechanical adminis-
25 trator for more than one registered contractor, corporation, joint
26 venture, or other business entity.

27 Sec. 08.40.300. RENEWAL AND REINSTATEMENT. (a) A license
28 issued under AS 08.40.210 - 08.40.490 is nontransferable and, unless
29 revoked or suspended, may be renewed upon proof of continued

1 competency.

2 (b) A lapsed license may be reinstated upon proof of continued
3 competency by payment of all unpaid renewal fees and any penalty fee
4 established under AS 08.01.100(b), unless the license has been lapsed
5 for more than two years. If a person's license has been lapsed for
6 more than two years, the person is required to take an examination
7 under AS 08.40.280.

8 Sec. 08.40.310. ISSUANCE AND DISPLAY OF LICENSE. An applicant
9 who successfully passes the examination shall receive a certificate of
10 license. The licensee shall prominently display the certificate,
11 while in effect, in the licensee's principal place of business.

12 Sec. 08.40.320. FEES. Each applicant and each licensee shall
13 pay application and renewal fees established under AS 08.01.065.

14 Sec. 08.40.330. DENIAL, SUSPENSION, AND REVOCATION OF LICENSE.

15 (a) The board may take disciplinary action against a licensee or
16 applicant upon a finding that

17 (1) the application is fraudulent or misleading;

18 (2) the licensee has knowingly violated AS 08.40.210 -
19 08.40.490 or a lawful rule, order, or regulation of the board or the
20 department; or

21 (3) the licensee is incompetent or is engaged in fraudu-
22 lent practices.

23 (b) Notice of a proposed denial, suspension, or revocation of
24 license shall be in writing and shall state the grounds.

25 (c) Proceedings for the denial, suspension, or revocation of a
26 license shall be governed by the Administrative Procedure Act (AS 44.-
27 62).

28 Sec. 08.40.340. INVESTIGATIONS. Either the Department of Com-
29 merce and Economic Development or the Department of Labor may

1 investigate alleged or apparent violations of AS 08.40.210 - 08.40.-
2 490. A department, upon showing proper credentials, may enter, during
3 regular hours of work, a construction site where it appears that
4 mechanical work is being done. A department may make inquiries about
5 the identity of the mechanical administrator or the person acting in
6 the capacity of a mechanical administrator. Upon demand, a mechanical
7 administrator or person acting in the capacity of a mechanical admin-
8 istrator, or that person's representative, shall produce evidence of
9 current licensure.

10 Sec. 08.40.350. ISSUANCE OF CITATIONS. Either the Department of
11 Commerce and Economic Development or the Department of Labor may issue
12 a citation for a violation if there is probable cause to believe a
13 person has violated AS 08.40.210 - 08.40.490. Each day a violation
14 continues after a citation for the violation has been issued consti-
15 tutes a separate violation.

16 Sec. 08.40.360. PROCEDURE AND FORM OF CITATION. (a) A citation
17 issued under AS 08.40.350 must be in writing. A person receiving the
18 citation is not required to sign a notice to appear in court.

19 (b) The time specified in the notice to appear on a citation
20 issued under AS 08.40.350 must be at least five days, not including
21 weekends and holidays, after the issuance of the citation, unless the
22 person cited requests an earlier hearing.

23 (c) The Department of Commerce and Economic Development and the
24 Department of Labor are responsible for the issuance of books contain-
25 ing appropriate citations, and each shall maintain a record of each
26 book issued and each citation contained in it. Each department shall
27 require and retain a receipt for every book issued to an employee of
28 that department.

29 (d) The department that issues a citation under AS 08.40.350

1 shall deposit the original or a copy of the citation with a court
2 having jurisdiction over the alleged offense. Upon its deposit with
3 the court, the citation may be disposed of only by trial in the court
4 or other official action taken by the magistrate, judge, or prosecu-
5 tor. The department that issued the citation may not dispose of it or
6 copies of it or of the record of its issuance except as required under
7 this subsection and (e) of this section.

8 (e) The Department of Commerce and Economic Development and the
9 Department of Labor shall require the return of a copy of every cita-
10 tion issued by the respective department under AS 08.40.350 and of all
11 copies of every citation that has been spoiled or upon which an entry
12 has been made and not issued to an alleged violator. The departments
13 shall also maintain, in connection with every citation issued by the
14 respective department, a record of the disposition of the charge by
15 the court where the original or copy of the citation was deposited.

16 (f) If the form of citation issued under AS 08.40.350 includes
17 the essential facts constituting the offense charged, and if the
18 citation is sworn to as required under the laws of this state for a
19 complaint charging commission of the offense alleged in the citation,
20 then the citation when filed with a court having jurisdiction is
21 considered to be a lawful complaint for the purpose of prosecution.

22 Sec. 08.40.370. CEASE AND DESIST ORDER. (a) If the commis-
23 sioner of commerce and economic development determines that a person
24 is acting as a mechanical administrator in violation of AS 08.40.210 -
25 08.40.490 the commissioner may issue a cease and desist order pro-
26 hibiting further action by the person as a mechanical administrator.
27 The cease and desist order remains in effect until the person has
28 submitted evidence acceptable to the commissioner showing that the
29 violation has been corrected.

1 (b) A person affected by an order issued under (a) of this
2 section may seek equitable relief preventing the commissioner of
3 commerce and economic development from enforcing the order.

4 Sec. 08.40.380. INJUNCTIVE RELIEF. The commissioner of commerce
5 and economic development may seek an injunction in the superior court
6 to enjoin a person from violating AS 08.40.210 - 08.40.490.

7 Sec. 08.40.390. PENALTIES. (a) A person who knowingly violates
8 AS 08.40.210 - 08.40.490, or who knowingly violates a valid rule,
9 regulation, or order of the board or the department, is guilty of a
10 misdemeanor, and upon conviction is punishable by a fine of not more
11 than \$300, or by imprisonment for not more than 60 days, or by both.

12 (b) Unless the citation has been voided or otherwise dismissed
13 by the magistrate, judge, or prosecutor, a person who without lawful
14 justification or excuse fails to appear in court to answer a citation
15 issued under AS 08.40.350, regardless of the disposition of the charge
16 for which the citation was issued, is guilty of a class B misdemeanor.

17 Sec. 08.40.400. EXCLUSIONS. (a) Except for inspections au-
18 thorized under AS 08.40.260, 08.40.210 - 08.40.490 do not apply to a
19 utility or municipality engaged in

20 (1) mechanical construction and maintenance of mechanical
21 systems and equipment for the generation and distribution of elec-
22 trical current or generation and distribution of district heating when
23 the mechanical work is performed on an integral part of a system owned
24 and operated by that utility or municipal light and power department
25 and when the work is performed by employees of the utility or munici-
26 pality;

27 (2) mechanical construction and maintenance of mechanical
28 systems and equipment for the distribution of fuel gas when the me-
29 chanical work is performed on an integral part of the distribution

1 system owned and operated by the utility or municipality and when the
2 work is performed by employees of the utility or municipality.

3 (b) Except for inspections authorized under AS 08.40.260, 08.-
4 40.210 - 08.40.490 do not apply to a person engaged in

5 (1) the manufacture or repair of mechanical apparatus or
6 equipment;

7 (2) mechanical work, the cost of which does not exceed
8 \$5,000, involving residences or small commercial establishments in
9 communities that

10 (A) have a population of under 500; or

11 (B) are over 50 miles by air or water transportation
12 from the business place of a mechanical administrator licensed
13 under AS 08.40.210 - 08.40.490;

14 (3) mechanical installation on a single family residence
15 that is owned by the installer or a member of the installer's immedi-
16 ate family and not intended for sale at the time of making the instal-
17 lation;

18 (4) installation outside of a building of water lines or
19 sanitary, storm, or drain sewer lines.

20 Sec. 08.40.410. PERSONAL SUPERVISION. A person licensed under
21 AS 08.40.210 - 08.40.490 as a mechanical administrator who contracts
22 to install or modify mechanical piping and systems, devices, fixtures,
23 equipment, or other mechanical materials, shall personally inspect
24 those materials after installation and modification unless the instal-
25 lation or modification amounts to simple or highly standardized work
26 performed in less than 24 man-hours by personnel generally under the
27 supervision of the mechanical administrator.

28 Sec. 08.40.490. DEFINITIONS. In AS 08.40.210 - 08.40.490

29 (1) "department" means the Department of Commerce and

Economic Development except where the context otherwise requires;

(2) "manufacture" means fabrication or completion of a product or mechanical apparatus exclusive of its completion or installation at a job site;

(3) "mechanical administrator" means a person engaged in the business of, or purporting to be engaged in the business of, installing or modifying, or contracting to install or modify, mechanical piping and systems, devices, fixtures, equipment, or other mechanical materials subject to the Uniform Plumbing Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar Energy Code, and the Uniform Mechanical Code as published by the International Association of Plumbing and Mechanical Officials and the International Conference of Building Officials;

(4) "mechanical piping" includes piping fixtures, devices, and equipment;

(5) "utility" means every public, cooperative, or other corporation, company, individual, or association of individuals, their lessees, trustees, or receivers appointed by a court, that owns, operates, manages, or controls a plant or system for

(A) furnishing, by generation, transmission, or distribution, electrical service, fuel gas service, district heating, sewage disposal, or domestic water service to the public for compensation;

(B) furnishing telecommunications service to the public for compensation.

* Sec. 9. INITIAL APPOINTMENTS TO THE BOARD. A person is eligible for an initial appointment to the Board of Mechanical Examiners, created under AS 08.40.220, added by sec. 8 of this Act, as a professional member of the board, if at the time of the appointment the person

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

(1) understands plans, design specifications, and engineering terms commonly used in mechanical installations and piping;

(2) is familiar with mechanical installations and piping and with mechanical installation problems peculiar to this state; and

(3) is familiar with the requirements of the Uniform Plumbing Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar Energy Code, and Uniform Mechanical Code that are currently in effect in the state.

* Sec. 10. This Act takes effect immediately under AS 01.10.070(c).

SB 487

IN THE HOUSE

HOUSE BILL NO. 472

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIFTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to mechanical administrators and mechanical contracting; and providing an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

*Section 5. AS 08.18.026 is amended to read:

Sec. 08.18.026. ELECTRICAL AND MECHANICAL CONTRACTORS. (a) The department may not issue a certificate of registration as an electrical or mechanical contractor to an applicant unless the applicant is, or employs, as applicable, a person currently licensed as an electrical or mechanical administrator under AS 08.40.

(b) Each applicant for an electrical or mechanical contractor's certificate of registration may employ more than one electrical or mechanical administrator.

(c) If the [RELATIONSHIP OF THE] only electrical administrator employed by [WITH] a registered electrical contractor is terminated, or if the only mechanical administrator employed by a registered mechanical contractor is terminated, the electrical contractor's or mechanical contractor's certificate of registration, as applicable, is void 30 days after the next regularly scheduled electrical or mechanical administrator examination unless the electrical or mechanical contractor has hired a licensed electrical or mechanical administrator in the interim.

*Sec. 6. AS 08.18.071(b) is amended to read:

(b) If the applicant is a general contractor, the amount of the bond shall be \$10,000; if the applicant is a mechanical contractor, the amount of the bond shall be \$7,500; if the applicant is a specialty contractor the amount of the bond shall be \$5,000. In lieu of the surety bond, the applicant may file with the commissioner a cash deposit or other negotiable security acceptable to the commissioner in the amount specified for bonds.

*Sec. 7. AS 08.18.171(3) is amended to read:

(3) "contractor" means a person who, in the pursuit of an independent business, undertakes or offers to perform, or claims to have the capacity to perform, or submits a bid for a project to construct, alter, repair, move or demolish a building, highway, road, railroad, or any type of fixed structure, including excavation and site development and erection of scaffolding, and includes the terms "general contractor," "builder," "mechanical contractor," "specialty contractor," and "subcontractor"; a "general contractor" is a contractor whose business operations require the use of more than ~~three~~ (TWO) distinct trades, specialty or mechanical contractors, or other subcontractors whose work the general contractor superintends; the terms "general contractor" and "builder" are synonymous; a "mechanical contractor" is a contractor whose operations involve the plumbing and pipe fitting, sheet metal, heating, air conditioning or ventilating trades in order to install or modify mechanical piping and systems, devices, fixtures, and equipment or other mechanical materials subject to the Uniform Plumbing Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar Energy Code, and the Uniform Mechanical Code, as published by the International Association of Plumbing and Mechanical Officials and the International Conference of Building Officials; a "specialty contractor" is a contractor whose operations require the use of three or less trades and do not fall within the definition of "general contractor."

*Sec. 8. This act takes effect immediately.

FISCAL NOTE WOULD BE ABOUT THE SAME AS H.B. 112
4,400.00

STATE OF ALASKA THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907 465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

December 8, 1987

SUBJECT: Draft bill relating to mechanical administrators
(Work Order No. 5-1451)

TO: Representative Mark Boyer

FROM: George Utermohle *GU*
Legislative Counsel

Enclosed is the draft bill relating to mechanical administrators that you requested.

A conflict that exists in the current electrical administrator statutes (AS 08.40) and that is also carried forward in the draft bill, should be resolved. The definition of mechanical administrator includes "a person engaged in the business of . . . installing or repairing . . . mechanical piping and systems, devices, fixtures, equipment, or other mechanical materials. . . ." (Sec. 08.40.390) But excluded from the coverage of the bill is "a person engaged in (1) the manufacture or repair of mechanical apparatus or equipment;" (Sec. 08.40.370) When these contradictory provisions are considered together it is unclear whether a person engaged in repairing mechanical equipment is subject to the bill. Should a person who repairs mechanical equipment be licensed as a mechanical administrator?

The draft bill closely follows the existing statutes relating to electrical administrators and the proposed language in the bill request, however the draft bill does deviate in some respects from the existing statute and the bill request.

The bill provides for licensing of mechanical administrators by a three member board as requested. This is not consistent with the current situation for electrical administrators. The regulation of electrical administrators is presently done by the Department of Commerce and Economic Development, because the legislature sunsetted the Board of

Representative Boyer
Page 2
December 8, 1987

Electrical Examiners and transferred the authority to the department at the end of last session.

A number of provisions relating to administration of the board contained in the bill request are not included in the bill because recent changes to the structure of AS 08 have made it unnecessary to include these provisions in each bill relating to occupational licensing. Among these provisions are requirements that terms of board members be staggered, that members serve at the pleasure of the governor, and that members receive per diem and travel expenses.

The bill request contains language setting a fixed license fee in statute, however the draft bill follows the current policy of delegating this authority to the department. Under current procedures the department in cooperation with the licensing board sets the licensing fee. This avoids the problems associated with having the legislature constantly amending license fees set out in the statutes. If the approach taken by the draft bill does not meet your objectives, please contact me so that I can make the appropriate change.

The draft bill follows the definition of "mechanical administrator" included with the bill request. The direct substitution of "mechanical" for "electrical" to transform the definition of electrical administrator into a definition of mechanical administrator is not necessarily the best method to define mechanical administrator. This definition is not as precise as it could be in describing who is subject to the bill. Unfortunately I cannot offer a better definition, because I am not familiar with the work of mechanical administrators.

Please contact me, if I can assist you further with this bill.

GU:mkr
m13/116

Enclosure

WORK ORDER REQUEST FORM

W.O. 15- 2055

Keywords: boards and commissions
construction

Assigned To: Utterback

Request For: Bill Resolution Research Other

Subject Industrial Administration

Requested For _____ By _____ Phone _____

Deliver To _____ Taken By _____

Instructions, Explanations _____

Obtain

Special Drafting Instructions Attached

Authorized to Confer With _____

Return _____

To Requester

Approved: _____ Director, Legal Services

Special Instructions to Typist/Proofreader

Reviewed _____

In _____ Due _____

Typed: Draft _____ Date _____

Final _____ Date _____

Proofed _____ Delivered _____

Draft

Final



Shop: 2225 Van Horn Road

Telephone: 452-1831

WESTERN MECHANICAL, INC.

P.O. BOX 60067, AIRPORT ANNEX

FAIRBANKS, ALASKA 99706-0067

AA 333

March 15, 1988

Representative Mark Boyer
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

Re: House Bill 472

Dear Representative Boyer,

I wish to express the support of Western Mechanical, Inc. for the passage of HB472, "An Act Relating to Mechanical Administrators".

It is high time to establish competency requirements for all mechanical contractors who would be licensed by the State of Alaska. Because there are currently no such minimum requirements, anyone who can furnish the minimal contractor bond can obtain a contractor's license, whether he is qualified to perform the work or not.

The ultimate beneficiary of this bill is the consumer (whether public or private), who will be assured that the actual work is properly installed- for along with the administrators license comes a fair amount of responsibility. The proposed bill appears to provide appropriate relief.

We appreciate your sponsorship of HB472. Hopefully we will be able to establish a fair level of professionalism for the mechanical contracting industry.

Yours truly,

Michael C. Desmond
Vice President

MD/cj

PHONE 456-8282
OR 456-8281

P O BOX 834
99707

Chandler PLUMBING & HEATING, INC.

129 MINNIE
FAIRBANKS, ALASKA 99701

March 14, 1988

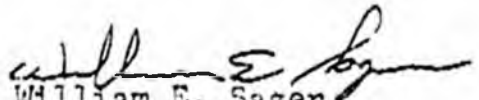
Representative Mark Boyer
Alaska State Legislature
P. O. Box V
Juneau, Alaska 99811

Dear Sir:

This is to express support for and encourage the
passage of House Bill 472, "An Act Relating to
Mechanical Administrators".

Very truly yours,

CHANDLER PLUMBING & HEATING, INC.


William E. Sager
President

WES/bly



MECHANICAL CONTRACTORS

of Fairbanks, Inc.

P.O. BOX 74798 ★ FAIRBANKS, ALASKA 99707-4788

The Need for House Bill 472, "An Act relating to Mechanical Administrators"

Licensing has been described as "a process by which an agency of government grants permission to an individual to engage in a given occupation upon finding that the applicant has attained the minimal degree of competency required to ensure that public health, safety and welfare will be reasonably well protected." At the present, except for electrical contractors, there are no competency requirements for a firm or individual to obtain a state construction contractors license.

The codes cited in H.B.472 contain minimum installation requirements for mechanical work in the building construction industry. This work encompasses many systems and work disciplines.

Testing an individual on his knowledge of these codes, the ability to understand plans and specifications, knowledge of installation problems and usage of the trade peculiar to Alaska, along with prerequisite experience requirements would help to determine competency.

In Alaska today, because of budget cutbacks, the state, along with both Anchorage and Fairbanks, have drastically reduced their inspection capabilities.

While inspection of construction work cannot insure compliance with codes, the drastic reduction of construction inspection capability at every governmental level in Alaska underscores the need for construction contractors to demonstrate their competency before being allowed to sell

their services to the public. The public probably perceives that a state licensed contractor is a competent contractor. Today this is not necessarily true.

H.B.472 is intended to assure that people licensed as mechanical administrators will have demonstrated competence in their category of mechanical construction.



MECHANICAL CONTRACTORS of Alaska, Inc.



P.O. Box 74788 Fairbanks, Alaska 99707-4788
1830 Second Avenue (907) 456-8347



March 14, 1988

Representative Mark Boyer
Alaska State Legislature
P.O. Box V
Juneau, Alaska, 99811

Re; House Bill No. 472

Dear Representative Boyer:

The Mechanical Contractors of Alaska, Inc. is an association of mechanical construction contractors in the Anchorage and Fairbanks areas. I serve as their president.

This letter is written to express our support for the passage of House Bill No. 472.

This type of legislation is overdue for our industry in Alaska.

During the construction boom Alaska has recently gone through, "mechanical contractors" suddenly appeared from everywhere. The results of their ignorance (or worse) of code requirements and lack of knowledge of the special requirements of mechanical installations in the arctic can be found in too many buildings. The primary victim of their shoddy work is the homeowner and small businessman, the unsophisticated buyers of construction. These people did not receive the value for their construction dollars. Unfortunately, the entire construction industry takes the blame.

Please pass House Bill No. 472 so that the public receives what they expect from state licensed contractors, competent professionals.

Sincerely,

A handwritten signature in cursive script that reads "R.W. Macomber".

R.W. Macomber
President

Attn: Linda Steward



International Mechanical, Inc.

646 E. DOWLING RD. - ANCHORAGE, ALASKA 99518 - (907) 563-3044

March 11, 1988

Red Boucher
Labor & Commerce Committee
Room 17 Capital Bldg.
Juneau, AK

RE: H-B 472

Dear Red:

As past president of the State and Local Mechanical Contractor Association, and a past member of the Municipality of Anchorage Mechanical Board, I am very much in favor of H-B 472. I also believe you should push forward on Adoption of the 1985 or 88 U.M.C. and U.P.C.

As you know Anchorage has been working under the 1985 codes, and at present we are reviewing the 88 codes at the Board of Building Regulation Examiner & Appeals of which I am presently a member.

Keep up the good work.

Sincerely,

Ray Caroy
President

RC/lw

Original sponsors: Boyer, Boucher
and Ellis

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 472 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to mechanical administrators and
7 construction contractors; and providing for an effec-
8 tive date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 08.01.010 is amended by adding a new paragraph to read:

11 (28) Board of Mechanical Examiners (AS 08.40.220).

12 * Sec. 2. AS 08.03.010(c) is amended by adding a new paragraph to read:

13 (21) Board of Mechanical Examiners (AS 08.40.220) --

14 June 30, 1992.

15 * Sec. 3. AS 08.18 is amended by adding a new section to read:

16 Sec. 08.18.028. MECHANICAL CONTRACTORS. (a) The department may
17 not issue a certificate of registration as a mechanical contractor to
18 an applicant unless the applicant is, or employs, a person currently
19 licensed as a mechanical administrator under AS 08.40.

20 (b) Each applicant for a mechanical contractor's certificate of
21 registration may employ more than one mechanical administrator.

22 (c) If the relationship of the only mechanical administrator
23 with a registered mechanical contractor is terminated, the registra-
24 tion is void 30 days after the next regularly scheduled mechanical
25 administrator's examination unless the mechanical contractor has hired
26 a licensed mechanical administrator in the interim.

27 * Sec. 4. AS 08.18.041 is amended to read:

28 Sec. 08.18.041. FEES. The department [DEPARTMENT OF COMMERCE
29 AND ECONOMIC DEVELOPMENT] shall set registration and renewal fees

1 under AS 08.01.065 for the following:

- 2 (1) general contractor;
- 3 (2) specialty contractor;
- 4 (3) mechanical contractor.

5 * Sec. 5. AS 08.18.071(b) is amended to read:

6 (b) If the applicant is a general contractor, the amount of the
7 bond shall be \$10,000; if the applicant is a mechanical contractor,
8 the amount of the bond shall be \$7,500; if the applicant is a special-
9 ty contractor, the amount of the bond shall be \$5,000. In lieu of the
10 surety bond the applicant may file with the commissioner a cash depos-
11 it or other negotiable security acceptable to the commissioner in the
12 amount specified for bonds.

13 * Sec. 6. AS 08.18.171(3) is amended to read:

14 (3) "contractor" means a person who, in the pursuit of an
15 independent business, undertakes or offers to perform, or claims to
16 have the capacity to perform, or submits a bid for a project to con-
17 struct, alter, repair, move, or demolish a building, highway, road,
18 railroad, or any type of fixed structure, including excavation and
19 site development and erection of scaffolding; "contractor" includes a
20 general contractor, builder, speciality contractor, and subcontractor;
21 a "general contractor" is a contractor whose business operations
22 require the use of more than three [TWO] distinct trades whose work
23 the general contractor superintends; the terms "general contractor"
24 and "builder" are synonymous; a "specialty contractor" is a contractor
25 whose operations do not fall within the definition of "general con-
26 tractor";

27 * Sec. 7. AS 08.18.171(3) is repealed and reenacted to read:

28 (3) "contractor" means a person who, in the pursuit of an
29 independent business, undertakes or offers to perform, or claims to

1 have the capacity to perform, or submits a bid for a project to con-
2 struct, alter, repair, move, or demolish a building, highway, road,
3 railroad, or any type of fixed structure, including excavation and
4 site development and erection of scaffolding; "contractor" includes a
5 general contractor, builder, mechanical contractor, speciality con-
6 tractor, and subcontractor;

7 * Sec. 8. AS 08.13.171 is amended by adding a new paragraph to read:

8 (5) "trade" means a skill used in the field of construc-
9 tion, as defined by regulation by the department.

10 * Sec. 9. AS 08.18.171 is amended by adding new paragraphs to read:

11 (6) "builder" means general contractor;

12 (7) "general contractor" means a contractor whose business
13 operations require the use of more than three trades or the use of
14 mechanical or specialty contractors and subcontractors who are under
15 the supervision of the contractor;

16 (8) "mechanical contractor" means a contractor whose busi-
17 ness operations involve plumbing, pipe fitting, sheet metal, heating,
18 air conditioning, ventilating, or sprinkler and dry chemical fire
19 protection trades in order to install or modify mechanical piping and
20 systems, devices, fixtures, and equipment or other mechanical mate-
21 rials subject to the following codes as published by the International
22 Association of Plumbing and Mechanical Officials or the International
23 Conference of Building Officials:

24 (A) Uniform Plumbing Code;

25 (B) Uniform Swimming Pool, Spa, and Hot Tub Code;

26 (C) Uniform Solar Energy Code; and

27 (D) Uniform Mechanical Code;

28 (9) "specialty contractor" means a contractor, other than a
29 mechanical contractor, whose business operations require the use of

not more than three trades.

* Sec. 10. AS 08.40 is amended by adding new sections to read:

ARTICLE 4. MECHANICAL ADMINISTRATORS.

Sec. 08.40.210. PURPOSE. The purpose of AS 08.40.210 - 08.40.490 is to protect the safety of people and property in the state from the danger of improperly installed or modified mechanical systems by providing a procedure to

(1) assure the public that persons responsible for making mechanical installations in this state are qualified; and

(2) assure that a sufficient number of persons are so qualified.

Sec. 08.40.220. BOARD OF MECHANICAL EXAMINERS. (a) There is created the Board of Mechanical Examiners consisting of three members. Two members of the board shall be licensed mechanical administrators and one member shall be a public member.

(b) The members of the board shall elect one of its members as chair.

(c) The board shall meet at least annually. The board may hold other meetings at the call of the chair.

Sec. 08.40.230. CATEGORIES OF LICENSES. The board may adopt regulations establishing categories of mechanical administrators, qualifications for those categories, and the content of examinations for applicants for each category.

Sec. 08.40.240. REGULATIONS. The board shall adopt regulations under the Administrative Procedure Act (AS 44.62), relating to the examination and licensing of mechanical administrators, the establishing of the continued competency of licensees for license renewal and reinstatement, and the suspension or revocation of licenses.

Sec. 08.40.250. EXAMINATIONS. The board shall conduct licensing

1 examinations at least twice each year at appropriate places in the
2 state.

3 Sec. 08.40.260. LICENSE REQUIRED. (a) A person may not act as
4 a mechanical administrator without a license.

5 (b) A person licensed under AS 08.40.210 - 08.40.490 may perform
6 work only in a category for which the person is licensed.

7 Sec. 08.40.270. EXAMINATION OF APPLICANT. (a) Each applicant
8 shall be examined to determine the applicant's

9 (1) ability to understand plans, design specifications, and
10 engineering terms commonly used in the mechanical field;

11 (2) knowledge of mechanical installations and piping;

12 (3) familiarity with the requirements of the Uniform Plumb-
13 ing Code, Uniform Swimming Pool, Spa, and Hot Tub Code, Uniform Solar
14 Energy Code, and the Uniform Mechanical Code currently in effect in
15 the state;

16 (4) familiarity with mechanical installation problems and
17 the usages of the trade peculiar to this state; and

18 (5) personal skill and ability.

19 (b) If an applicant for a license submits proof satisfactory to
20 the board that the applicant is licensed as a mechanical administrator
21 or the equivalent by another state or territory, meets qualifications
22 established by the board under AS 08.40.230, and has passed an ex-
23 amination equivalent to the test administered under (a) of this sec-
24 tion except insofar as that examination tests knowledge and skill
25 particularly required to meet the environment and usages of the trade
26 peculiar to this state, the board shall waive all of the examination
27 required under (a) of this section except those parts that test knowl-
28 edge and skill particularly required to meet the environment and
29 usages of the trade peculiar to this state.

1 Sec. 08.40.280. ADMINISTRATOR LIMITED TO ONE LICENSED CONTRAC-
 2 TOR. A person may not qualify or operate as a mechanical adminis-
 3 trator for more than one registered contractor, corporation, joint
 4 venture, or other business entity.

5 Sec. 08.40.290. RENEWAL AND REINSTATEMENT. (a) A license
 6 issued under AS 08.40.210 - 08.40.490 is nontransferable and, unless
 7 revoked or suspended, may be renewed upon proof of continued com-
 8 petency.

9 (b) A lapsed license may be reinstated upon proof of continued
 10 competency by payment of all unpaid renewal fees and any penalty fee
 11 established under AS 08.01.100(b), unless the license has been lapsed
 12 for more than two years. If a person's license has been lapsed for
 13 more than two years, the person is required to take an examination
 14 under AS 08.40.270.

15 Sec. 08.40.300. ISSUANCE AND DISPLAY OF LICENSE. An applicant
 16 who successfully passes the examination shall receive a certificate of
 17 license. The licensee shall prominently display the certificate,
 18 while in effect, in the licensee's principal place of business.

19 Sec. 08.40.310. FEES. Each applicant and each licensee shall
 20 pay application and renewal fees established under AS 08.01.065.

21 Sec. 08.40.320. DENIAL, SUSPENSION, AND REVOCATION OF LICENSE.
 22 (a) The board may take disciplinary action against a licensee or
 23 applicant upon a finding that

24 (1) the application is fraudulent or misleading;

25 (2) the licensee has knowingly violated AS 08.40.210 -
 26 08.40.490 or a lawful rule, order, or regulation of the board or the
 27 department; or

28 (3) the licensee is incompetent or has engaged in fraudu-
 29 lent practices.

1 (b) Notice of a proposed denial, suspension, or revocation of
2 license shall be in writing and shall state the grounds.

3 (c) Proceedings for the denial, suspension, or revocation of a
4 license shall be governed by the Administrative Procedure Act
5 (AS 44.62).

6 Sec. 08.40.330. INVESTIGATIONS. Either the Department of Com-
7 merce and Economic Development or the Department of Labor may investi-
8 gate alleged or apparent violations of AS 08.40.210 - 08.40.490. A
9 department, upon showing proper credentials, may enter, during regular
10 hours of work, a construction site where it appears that mechanical
11 work is being done. A department may make inquiries about the identi-
12 ty of the mechanical administrator or the person acting in the capaci-
13 ty of a mechanical administrator. Upon demand, a mechanical adminis-
14 trator or person acting in the capacity of a mechanical administrator,
15 or that person's representative, shall produce evidence of current
16 licensure.

17 Sec. 08.40.340. ISSUANCE OF CITATIONS. Either the Department of
18 Commerce and Economic Development or the Department of Labor may issue
19 a citation for a violation if there is probable cause to believe a
20 person has violated AS 08.40.210 - 08.40.490. Each day a violation
21 continues after a citation for the violation has been issued consti-
22 tutes a separate violation.

23 Sec. 08.40.350. PROCEDURE AND FORM OF CITATION. (a) A citation
24 issued under AS 08.40.340 must be in writing. A person receiving the
25 citation is not required to sign a notice to appear in court.

26 (b) The time specified in the notice to appear on a citation
27 issued under AS 08.40.340 must be at least five days, not including
28 weekends and holidays, after the issuance of the citation, unless the
29 person cited requests an earlier hearing.