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# Proposed Regulation Agency Background Document

Agency Name:	Department of Professional and Occupational Regulation		
VAC Chapter Number:	18 VAC 50-30-10 et seq.		
Regulation Title:	Board for Contractors Tradesman Regulations		
Action Title:	Amending		
Date:	December 12, 2000		

This information is required pursuant to the Administrative Process Act (§ 9-6.14:9.1 et seq. of the Code of Virginia), Executive Order Twenty-Five (98), Executive Order Fifty-Eight (99), and the Virginia Register Form, Style and Procedure Manual. Please refer to these sources for more information and other materials required to be submitted in the regulatory review package.

#### **Summary**

Please provide a brief summary of the proposed new regulation, proposed amendments to an existing regulation, or the regulation proposed to be repealed. There is no need to state each provision or amendment or restate the purpose and intent of the regulation; instead give a summary of the regulatory action and alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

The Board for Contractors (the Board) seeks to amend its current Tradesman Regulations to reflect statutory changes that respond to changes in the industry. The regulations have not been revised since July 7, 1999. Parts of the text of the regulations have been revised for clarity and ease of use.

#### Basis

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Please identify the state and/or federal source of legal authority to promulgate the regulation. The discussion of this statutory authority should: 1) describe its scope and the extent to which it is mandatory or discretionary; and 2) include a brief statement relating the content of the statutory authority to the specific regulation. In addition, where applicable, please describe the extent to which proposed changes exceed federal minimum requirements. Full citations of legal authority and, if available, web site addresses for locating the text of the cited authority must be provided. Please state that the Office of the Attorney General has certified that the agency has the statutory authority to promulgate the proposed regulation and that it comports with applicable state and/or federal law.

Section 54.1-1102 of the Code of Virginia (1950), as amended, provides the authority for the Board for Contractors to amend its regulations (18 VAC 50-30-10 et seq.) in accordance with the Administrative Process Act (§ 9-6.14:1 et seq.) as is necessary to effectively administer the programs delegated to the Board. The content of the regulations is up to the discretion of the Board, but shall not be in conflict with the purposes of the statutory authority. The Office of the Attorney General has cerified that the agency has the statutory authority to promulgate the proposed regulation and that it comports with applicable state and/or federal law.

## **Purpose**

Please provide a statement explaining the need for the new or amended regulation. This statement must include the rationale or justification of the proposed regulatory action and detail the specific reasons it is essential to protect the health, safety or welfare of citizens. A statement of a general nature is not acceptable, particular rationales must be explicitly discussed. Please include a discussion of the goals of the proposal and the problems the proposal is intended to solve.

The purpose of this amendment to the Tradesman Program is to include the separate trades of Liquefied Petroleum Gas Fitter and Natural Gas Fitter Provider as provided by amendments to § § 54.1-1128 through 54.1-1135 of the Code of Virginia during the 1997, 1999 and 2000 sessions of the General Assembly. These workers are added to the group of trades deemed most dangerous in the construction industry to the health, safety and welfare of the citizens of Virginia.

#### **Substance**

Please identify and explain the new substantive provisions, the substantive changes to existing sections, or both where appropriate. Please note that a more detailed discussion is required under the statement providing detail of the regulatory action's changes.

The following substantive changes are being proposed:

#### **18 VAC 50-30-10 Definitions.**

Add two definitions – "Liquefied petroleum gas fitter" (LPG) and "Natural gas fitter provider" (NGF) – due to statutory requirements. The definition for "Incidental" is added to clarify its usage in the regulations. The trades listed in this section were alphabetized for clarity. The definition of "Gasfitter" was changed to remove incorrect limits and be consistent with statutory language.

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### 18 VAC 50-30-20 Requirements for licensure as a journeyman or master tradesman

The list of trades in the section title and text was alphabetized to be consistent.

### 18 VAC 50-30-40.A.1 Evidence of ability and proficiency.

Language was added to this section to identify the requirements necessary to qualify to take the LPG/NGF journeyman examination.

## 18 VAC 50-30-50. Exemption from examination.

The changes in this section were added due to statutory requirements for exemption from the examination. The list of trades was alphabetized to be consistent.

## 18 VAC 50-30-90. Fees for licensure and examination.

Section H was added to identify the fee necessary for initial licensure for LPG and NGF.

## 18 VAC 50-30-200 Professional Education.

Language about the education of LPG and NGF was added to the first paragraph to establish minimum competency requirements.

## Issues

Please provide a statement identifying the issues associated with the proposed regulatory action. The term "issues" means: 1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions; 2) the primary advantages and disadvantages to the agency or the Commonwealth; and 3) other pertinent matters of interest to the regulated community, government officials, and the public. If there are no disadvantages to the public or the Commonwealth, please include a sentence to that effect.

In amending these regulations, the Board will reduce the entry requirements to enable qualified individuals to practice their trade. At the same time, the Board is providing the necessary public protection through the increased assurance that licensed tradesmen have met minimum standards of competency. The tradesman licensee, who wishes to offer liquefied petroleum gas and natural gas installation and repair to the general public, will benefit because the scope of work will allow them to practice as a separate trade. The primary advantage to the Board and the Commonwealth is the compliance to statutory requirements and the public's understanding thereof.

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## Fiscal Impact

Please identify the anticipated fiscal impacts and at a minimum include: (a) the projected cost to the state to implement and enforce the proposed regulation, including (i) fund source / fund detail, (ii) budget activity with a cross-reference to program and subprogram, and (iii) a delineation of one-time versus ongoing expenditures; (b) the projected cost of the regulation on localities; (c) a description of the individuals, businesses or other entities that are likely to be affected by the regulation; (d) the agency's best estimate of the number of such entities that will be affected; and e) the projected cost of the regulation for affected individuals, businesses, or other entities.

#### **Summary:**

18 VA 50-30-20 is amended as follows:

- Add Liquefied Petroleum Gas Fitters as a stand alone trade as specified in House Bill 2536 (1997).
- Add Natural Gas Fitter Providers as a stand alone trade as specified in House Bill 2280 (1999).

All costs incurred in support of board activities and regulatory operations are paid by the department and funded through fees paid by applicants and licensees.

All Boards within the Department of Professional and Occupational Regulation must operate within the Code provisions of the Callahan Act (54.1-113), and the general provisions of 54.1-201. Each regulatory program's revenues must be adequate to support both its direct costs and a proportional share of indirect costs. The department allocates costs to its regulatory programs based on consistent, equitable, and cost-effective methodologies.

## **Fiscal Impact:**

	FY 2001	FY 2002	FY2003	FY2004
Fund	NGF (0900)	NGF (0900)	NGF (0900)	NGF (0900)
Program/Subprogram	560 44	560 44	560 44	560 44

Impact of Regulatory Changes:					
One-Time Costs	0	0	0	0	
Ongoing Costs	0	0	0	0	
Total Fiscal Impact	0	0	0	0	

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## **Description of Costs:**

One-Time: The printing and mailing of revised regulations, as well as the Notices of Regulatory Intent, are normal operating board costs.

Ongoing: None

**Cost to Localities:** None anticipated.

**Description of Individuals, Businesses, or Other Entities Impacted:** Adding these two trades to the list of those that require registration would affect any business operating in Virginia that chooses to install Heating Systems or other appliances that require portable or a main line hook up of liquefied gas.

**Estimated Number of Individuals, Businesses, or Other Entities Impacted:** There are already 7,918 individuals licensed to perform gas fitting work. The Liquefied Petroleum Gas Association expects approximately 1,000 regulants to register with this specialty, and Natural Gas companies expect another 1,000.

# **Detail of Changes**

Please detail any changes, other than strictly editorial changes, that are being proposed. Please detail new substantive provisions, all substantive changes to existing sections, or both where appropriate. This statement should provide a section-by-section description - or cross-walk - of changes implemented by the proposed regulatory action. Where applicable, include citations to the specific sections of an existing regulation being amended and explain the consequences of the proposed changes.

#### **18 VAC 50-30-10 Definitions.**

To the existing "Gasfitter" definition was added "liquefied petroleum or natural" and deleted "propane" to clarify the types of current gas piping. This trade has been performing all types of gas piping and will continue to do so. The reason for adding "liquefied petroleum or natural" is to be consistent with statutory language. The reason for deleting "propane" was to remove an incorrect limit, which this trade had already been doing.

Add "Incidental" definition to clarify for the regulants how this word is used in this Chapter.

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Add "Liquefied petroleum gas fitter" definition due to statutory requirement.

Add "Natural gas fitter provider" definition due to statutory requirement.

The existing list of trades, in the "Trade" definition, was alphabetized to clarify the order of the trades and be consistent throughout this Chapter.

#### 18 VAC 50-30-20 Requirements for licensure as a journeyman or master tradesman.

The list of trades was alphabetized to be consistent.

### 18 VAC 50-30-40.A.1 Evidence of ability and proficiency.

This section was added to identify the requirements necessary to sit for the LPG/NGF journeyman examination. The requirement of 80 hours was determined from a study of the current training program information provided by the Virginia Propane Gas Association. The Board accepted the following portions of the Certified Employee Training Program (CETP) Study Program:

20 hours
22 hours
28 hours
10 hours
80 hours

These requirements are less restrictive than the current 240 hours of training which exist for a "Gas Fitter".

## 18 VAC 50-30-50. Exemption from examination.

## **B.4.** a. and **B.4.**b.

This section was added due to statutory requirement for exemption from the examination. In B.4.a., the Board added the designation of "Master Tradesman" and in B.4.b., the Board added the designation of "Journeyman Tradesman" to distinguish between the two.

#### B.5.a. and B.5.b.

This section was added due to statutory requirement for exemption from the examination. In B.5.a., the Board added the designation of "Master Tradesman" and in B.5.b., the Board added the designation of "Journeyman Tradesman" to distinguish between the two.

C.2.

The list of trades was alphabetized to be consistent.

18 VAC 50-30-90. Fees for licensure and examination.

H.

This section was added to identify the fee necessary for the initial licensure of "Liquefied Petroleum Gas Fitter" and "Natural Gas Fitter Provider." The fee is consistent with other trades.

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18 VAC 50-30-200. Professional Education.

Α.

In paragraph one, language was added to specify the minimum competency requirements for the education of the "Liquefied Petroleum Gas Fitter" and "Natural Gas Fitter Provider."

#### **Alternatives**

Please describe the specific alternatives to the proposal considered and the rationale used by the agency to select the least burdensome or intrusive alternative that meets the essential purpose of the action.

In reviewing the Tradesman Regulations, the Board considered whether there was a less burdensome alternative. Alternatives that failed to meet this consideration were rejected. The regulations need to be revised in order to comply with statutory requirements and correct unclear language. The Board believes that failure to adopt these changes will allow outdated requirements to remain in the regulations.

The Board will consider all comments received during the comment period as to proposed alternatives.

#### **Public Comment**

Please summarize all public comment received during the NOIRA comment period and provide the agency response.

Following publication of the NOIRA, there were no public comments received. During the final phase of the regulatory process, comments will be solicited through five Public Hearings, which will enable the public to express their views.

# Clarity of the Regulation

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Please provide a statement indicating that the agency, through examination of the regulation and relevant public comments, has determined that the regulation is clearly written and easily understandable by the individuals and entities affected.

The Board and the Department of Professional and Occupational Regulation made a considerable effort to identify unnecessary and/or confusing language. The Board submits that the proposed regulations are more clearly written and understandable for the regulants and the public.

#### Periodic Review

Please supply a schedule setting forth when the agency will initiate a review and re-evaluation to determine if the regulation should be continued, amended, or terminated. The specific and measurable regulatory goals should be outlined with this schedule. The review shall take place no later than three years after the proposed regulation is expected to be effective.

The regulations will be reviewed during the Board's normal course of regulatory review that in no case shall exceed three years from the effective date of these regulations. Fees are evaluated at the end of every biennium. If fee adjustments are necessary, then the regulatory review process is initiated, which could include a re-evaluation of the regulations. Otherwise, within 24 to 36 months of the effective date of these regulations, the matter of reviewing them will be placed on the Board's agenda for consideration.

## Family Impact Statement

Please provide an analysis of the proposed regulatory action that assesses the potential impact on the institution of the family and family stability including the extent to which the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

The proposed regulations are expected to have no adverse impact on families in the Commonwealth.