



# SENATE BILL 156: Plumbing & Heating Contractors Changes.

2017-2018 General Assembly

<b>Committee:</b> House Regulatory Reform	<b>Date:</b> May 10, 2017
<b>Introduced by:</b> Sen. Tucker	<b>Prepared by:</b> Jeremy Ray
<b>Analysis of:</b> Third Edition	Committee Co-Counsel

**OVERVIEW:** Senate Bill 156 would authorize the State Board of Examiners of Plumbing, Heating, and Fire Sprinkler Contractors (Board) to regulate the inspection, evaluation, and testing of heating and plumbing systems as well as their installation and would reauthorize the Board to issue licenses for certain restricted classifications.

**CURRENT LAW:** Article 2 of Chapter 87 governs plumbing, heating, and fire sprinkler contractors and provides authority for the Board to regulate the industry. A person who engages in the business of plumbing, heating, or fire sprinkler contracting, or any combination thereof, must be licensed by the Board.

**BILL ANALYSIS:** Senate Bill 156 would do three things with regard to the authority of the Board to regulate the plumbing, heating, and fire sprinkler contracting industry:

- It would add the activities of *verifying, inspecting, evaluating, and testing* plumbing, heating, and fire sprinkler systems to the definition of "being engaged in the business of plumbing, heating, or fire sprinkler contracting." This change arises out of a North Carolina Court of Appeals case, *Winkler v. State Board of Examiners of Plumbing, Heating, and Fire Sprinklers Contractors* (September 2016) that involved three carbon monoxide deaths at a hotel in Boone. The issue was whether the Board had authority to impose disciplinary action upon Winkler for the work he performed at the hotel. The work did not involve the installation of equipment but was more along the lines of an inspection, evaluation, or equipment check. The Court reversed the order of the Board revoking Dale Winkler's heating contractor license. In reaching its decision, the Court held that "inspections and evaluations are simply not covered by North Carolina General Statute [Chapter 87,] Article 2."
- It would restore language that was inadvertently repealed by S.L. 2016-105 (HB 742), which authorized the Board to issue licenses for certain restricted classifications. This language provides the Board with statutory authority to issue limited licensing authority for fire sprinkler contractors, fire sprinkler inspection contractors, fire sprinkler technicians, propane gas dealers, and plumbing and heating technicians.
- It would clarify that despite the fact that home inspectors or Code-enforcement officials engage in the inspection of plumbing or heating systems, they are not subject to the licensing provisions of the Board to the extent they do not hold themselves out as being engaged in the heating or plumbing business.

**EFFECTIVE DATE:** The act would become effective when it becomes law.

*\*Trina Griffin, counsel to Senate Commerce and Insurance, substantially contributed to this summary.*

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