

**Department of State
Division of Publications**

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Sequence Number: 07-12-11
Rule ID(s): 4966-4967
File Date: 07/25/2011
Effective Date: 10/23/2011

Rulemaking Hearing Rule(s) Filing Form

Rulemaking Hearing Rules are rules filed after and as a result of a rulemaking hearing. TCA Section 4-5-205

Agency/Board/Commission:	Tennessee Board for Licensing Contractors
Division:	
Contact Person:	Jenny Gray
Address:	500 James Robertson Parkway, 12 th Floor, Nashville, Tennessee
Zip:	37243
Phone:	(615) 532-6308
Email:	Jenny.Gray@tn.gov

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please enter only ONE Rule Number/Rule Title per row)

Chapter Number	Chapter Title
0680-01	Licensing
Rule Number	Rule Title
0680-01-.09	Change in Mode of Operation
0680-01-.16	Appendix A of Rule 0680-01-.12 (Classification System)
0680-01-.19	Civil Penalties
0680-01-.24	Bidding Procedures
0680-01-.25	Contracting in Correct Name; Change of Name

Chapter Number	Chapter Title
0680-04	Limited Licensed Plumbers
Rule Number	Rule Title
0680-04-.01	Definitions
0680-04-.07	Inspections

Rule 0680-01-.09 Change in Mode of Operation is amended by deleting the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read as follows:

0680-01-.09 Change in Mode of Operation

- (1) Whenever a partnership licensed as a contractor dissolves, no former member of the partnership shall further undertake contracting before filing a new application with the board and receiving a license.
- (2) In the case of a merger, purchase by non-stockholders of the majority interest, reorganization pursuant to a bankruptcy proceeding, or any other type of change in mode of operation of an entity engaged in contracting, the entity shall make written application to the Board and obtain a new license before further undertaking contracting.
- (3) Individuals or entities seeking a new license pursuant to T.C.A. § 62-6-111(f) or (g) shall submit a letter which addresses the requirements of that section. In addition, the applicant shall submit an affidavit that all liabilities of the entity were satisfied or will be satisfied by the individual or entity.
- (4) In the event of a change in mode of operation as outlined in T.C.A. § 62-6-111(e), the qualified agent or majority stockholder must appear before the Board unless specifically waived by the Board.
- (5) In the event of any change in mode of operation, the licensed entity in question shall have ninety (90) days from the date of the change in mode of operation to submit either an application for a mode change, if there are no changes in ownership or officers, or a new application if there are such changes. The entity may not bid on or enter into new contracts until a new or revised license has been issued; however, the entity may continue to work on already existing contracts that were entered into prior to the change in mode of operation, provided the application is made within the ninety (90) day period.

Authority: T.C.A. §§ 62-6-103, 62-6-108, 62-6-111, and 62-6-115.

Rule 0680-01-.16 Appendix A of Rule 0680-01-.12 (Classifications System) is amended by placing a notation beside No. 9 Masonry as listed under Building Categories. The section shall read as follows:

9. Masonry-under one hundred thousand dollars (\$100,000.00), materials and labor

Authority: T.C.A. §§ 62-6-102, 62-6-108, 62-6-111.

Rule 0680-01-.16 Appendix A of Rule 0680-01-.12 (Classifications System) is amended by adding a new classification to the rule. The classification shall be placed after J. Fuel Gas Piping and Systems as listed under the MC-Mechanical Contracting classification and before the E-Electrical Contracting classification. The new classification shall read as follows:

LMC—Licensed Masonry Contractor

Authority: T.C.A. §§ 62-6-102, 62-6-108, 62-6-111.

0680-01-.19 Civil Penalties is amended by deleting the reference to T.C.A. § 62-6-118(e) and substituting instead T.C.A. § 62-6-120(d).

Authority: T.C.A. §§ 62-6-103, 62-6-108, 56-1-308, and 62-6-120.

Rule 0680-01-.24 Bidding Procedures is amended by deleting the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read as follows:

- (1) Pursuant to T.C.A. § 62-6-102, a subcontractor is required to be licensed in order to perform electrical, plumbing, heating ventilation and air conditioning work when the amount is twenty-five thousand dollars (\$25,000.00) or more; and masonry work when the amount is one hundred thousand dollars (\$100,000.00) or more, including materials and labor. It is the subcontractor's responsibility to furnish evidence to the prime contractor of an active license with the appropriate name, classification, monetary limit, and expiration date, regardless of how the bid is transmitted. Failure to comply with this rule shall not require nonconsideration of the subcontractor's bid, if appropriately licensed, but said subcontractor may be subject to discipline by the Board.
- (2) Any prime contractor submitting a bid pursuant to T.C.A. § 62-6-119(b) shall list on the outside of the bid envelope or in the submission of an electronic bid only one electrical contractor, one plumbing contractor, one heating ventilation and air conditioning contractor, and one masonry contractor with appropriate classification and monetary limit or the bid shall not be considered. Award of the subcontract to one not listed on the base bid envelope or in the submission of an electronic bid in violation of T.C.A. § 62-6-119 will be subject to review and disciplinary action by the Board.

Authority: T.C.A. §§ 62-6-102, 62-6-103, 62-6-108, 62-6-111, 62-6-119.

Rule 0680-01-.25 Contracting in Correct Name is amended by deleting the rule in its entirety and substituting the following language so that, as amended, the rule shall read as follows:

Rule 0680-01-.25 Contracting in Correct Name; Change of Name

- (1) Upon receiving a certificate of licensure from this Board, the licensee has an affirmative responsibility to enter into contracts and operate its related contracting business under the name in which it is licensed in order to notify and prevent confusion on the part of the public at large of an entity's licensure status. Contracting in a name different than that in which an individual or entity is licensed by this Board is considered a violation of this chapter, and will be cause for appropriate disciplinary action.
- (2) In the event of a name change of a licensee, the licensee must complete an application request for a name change and be approved prior to contracting in the new name. The licensee shall have ninety (90) days from the date that the new entity is formed to apply for a license in the new entity name. The licensee cannot bid on or enter into contracts in the new name until it has been issued a revised license; however, the entity may continue to work on already existing contracts that were entered into prior to the name change, provided the application is made within the ninety (90) day period.

Authority: T.C.A. §§ 62-6-103, 62-6-108 and 62-6-115.

Chapter 0680-04 Limited Licensed Plumbers

Amendment

Rule 0680-04-.01 Definitions is amended by deleting subsection (1) in its entirety and substituting instead the following language so that, as amended, the subsection shall read as follows:

- (1) For the purposes of Rules 0680-04-.01 through 0680-04-.07, the following definitions are applicable:
 - (a) "Limited licensed plumber" means any person who performs any plumbing work that has a total cost of less than twenty-five thousand dollars (\$25,000.00) and who is required to be registered under the provisions of the Limited Licensed Plumbers' Act of 2004.
 - (b) "Limited licensed plumbing work" means the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down or furnishing of labor to install material or equipment within any residential or commercial building of all piping, fixtures and appliances for the supply of gas, water, liquids or disposal of waste water or sewage; provided, that the total cost of the work performed is

less than twenty-five thousand dollars (\$25,000.00) and the work is not otherwise exempt under T.C.A. Title 62, Chapter 6, Part 4.

(c) "Board" means the state board for licensing contractors pursuant to T.C.A. § 62-6-104.

Authority: T.C.A. §§ 62-6-108, 62-6-402, 62-6-403, and 62-6-405.

Chapter 0680-04

Limited Licensed Plumbers

New Rule

Rule 0680-04-.07 Limited Licensed Plumber Inspections

- (1) The work performed by limited licensed plumbers shall comply with the applicable provisions of T.C.A. § 68-120-101 and the rules promulgated thereunder.
- (2) All inspections and permit fees associated with the work performed by limited licensed plumbers shall be governed by Rule 0780-02-23 One and Two Family Dwellings and Townhouses. Compliance with the inspection provisions of Chapter 0780-02-23 One and Two Family Dwellings and Townhouses by a limited licensed plumber shall be sufficient to satisfy the requirements of T.C.A. § 62-6-406.

Authority: T.C.A. §§ 62-6-108, 62-6-406, and 62-6-409

* If a roll-call vote was necessary, the vote by the Agency on these rulemaking hearing rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)
Keith Whittington	X				
Mark Brodd	X				
Reese Smith	X				
Cindi DeBusk				X	
Jerry Hayes	X				
William (Bill) Mason			X		
Ernest M. Owens				X	
Marvin Sandrell				X	
Jack Ronnie Tickle	X				

I certify that this is an accurate and complete copy of rulemaking hearing rules, lawfully promulgated and adopted by the Tennessee Board for Licensing Contractors on 11/17/2010, and is in compliance with the provisions of TCA 4-5-222.

I further certify the following:

Notice of Rulemaking Hearing filed with the Department of State on: 09/14/10

Rulemaking Hearing(s) Conducted on: (add more dates). 11/17/10



Date: 5-13-11

Signature: Jenny Gray

Name of Officer: Jenny Gray

Title of Officer: Assistant General Counsel

Subscribed and sworn to before me on: 5/13/11

Notary Public Signature: Linda L. Black

My commission expires on: 5/6/12

All rulemaking hearing rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

Robert E. Cooper, Jr.

Robert E. Cooper, Jr.
Attorney General and Reporter

7-19-11
Date

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Filed with the Department of State on: 7/25/11

Effective on: 10/23/11



Tre Hargett
Secretary of State

0680-01-.09 Change in Mode of Operation

Roger Tudor of AGC of East Tennessee emailed the Executive Director of the Tennessee Board for Licensing Contractors with the following comment. Mr. Tudor stated that the name change provision appears confusing to me. Why allow ninety (90) days to submit a name change application, but refuse to allow the contractor to bid until a revised name certificate is issued? This causes a hardship. The rule should allow a contractor to bid on, and work on, projects under the new name as long as the application is submitted within ninety (90) days of the name change.

In response to this comment, the Board voted not to make any changes to the rule including the prohibition against a licensee bidding or working on projects in a new company name until the new name is approved by the Board.

Rule 0680-01-.24 Bidding Procedures

Roger Tudor of AGC of East Tennessee emailed the Executive Director of the Tennessee Board for Licensing Contractors with the following comment. If someone reads the rule literally it would imply that no one would need to be listed on the outside of the envelope if the masonry is not over one hundred thousand dollars (\$100,000.00). You have to read it a couple of times to get it to sink in but one could reach that conclusion. Knowing full well that is not the intent of the law. May want to take a look at that.

In response to this comment, the Board voted to make changes to Rule 0680-01-.24 as published in the Notice of Rulemaking. These changes are not substantive and only re-word the draft of the rule in order to clarify the rule's requirements for licensees.

Regulatory Flexibility Addendum

Pursuant to T.C.A. § 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

Regulatory Flexibility Analysis - Methods of Reducing Impact of Rules on Small Businesses:

1. Overlap, duplicate, or conflict with other federal, state, and local governmental rules:

There will be no overlap, duplication, or conflict with other federal, state or local governmental rules.

2. Clarity, conciseness, and lack of ambiguity in the rules:

The rules are clear in purpose and intended execution. The rules are not open to different interpretations.

3. Flexible compliance and/or reporting requirements for small businesses:

Regarding the amendments to rules 0680-01-.09 Change in Mode of Operation and 0680-01-.25 Contracting in Correct Name, it is imperative to the health, safety and welfare of the citizens of Tennessee that licensees conduct business in the same name as they are licensed. It is also necessary that the licensee make revisions to their license as the need arises due to changes to the licensee's business operation. The ninety (90) day deadline for license revision upon name changes or changes in mode of operation applies to both sole proprietorships and corporate entities and does not appear to create a heavy burden for small businesses to comply with.

Regarding the amendment to rule 0680-01-.24 Bidding Procedures, it is imperative to the health, safety and welfare of the citizens of Tennessee, that small businesses are held to the same standards as larger businesses regarding compliance with proper bidding procedures.

Regarding the amendment to rule 0680-04-.04 and new rule 0680-04-.07, it is imperative to the health, safety and welfare of the citizens of Tennessee, that limited licensed plumbers be regulated appropriately. The regulations shall apply to all persons who are licensed as limited licensed plumbers.

4. Friendly schedules or deadlines for compliance and/or reporting requirements:

Regarding the amendment to 0680-01-.16 Appendix A of Rule 0680-01-.12 (Classifications System), the requirement for licensure as a masonry contractor performing over one hundred thousand dollars (\$100,000.00), materials and labor, does not take effect until January 1, 2011. This is reasonable notification to current licensees and non-licensees that a new license should be acquired for such work.

5. Consolidation or simplification of compliance or reporting requirements:

The Department is working to clarify the rules which should reduce conflicts and possibilities for confusion, especially for licensed masonry contractors and limited licensed plumbers. All compliance or reporting requirements are mandated by statute.

6. Performance standards for small businesses:

The Tennessee Board for Licensing Contractors expects all businesses, regardless of size, to follow the new requirements.

7. Barriers or other effects that stifle entrepreneurial activity, curb innovation, or increase costs:

The amendments to rules 0680-01-.09 Change in Mode of Operation and 0680-01-.25 Contracting in Correct Name require a licensee to pay in the event of a name change.

The amendment to 0680-01-.16 Appendix A of Rule 0680-01-.12 (Classifications System) will require businesses and individuals who once were permitted to perform masonry jobs over twenty-five thousand dollars (\$25,000.00) while only possessing a general contractor's license to apply for the new classification if working in excess of one hundred thousand dollars (\$100,000.00), materials and labor. The application fee will also include an examination fee. This requirement is mandated by statute.

Economic Impact Statement:

1. Types of small businesses directly affected:

All small businesses who have been issued a contractor's license and subsequently change the mode of operation or the name in which they do business will be affected. The requirement for license revision existed before the rules were proposed but there was no distinguishable deadline for the reporting requirement.

All small businesses who wish to bid on or perform masonry jobs in excess of one hundred thousand dollars (\$100,000.00), materials and labor must apply for the new license classification. All small business who act as the masonry subcontractor must provide this license information when bidding to a prime contractor. All small businesses who act as a prime contractor must list this license information on the outside of the bid envelope.

2. Projected reporting, recordkeeping, and other administrative costs:

There is no foreseeable alteration in small business reporting or recordkeeping that will result from the promulgation of these rules.

3. Probable effect on small businesses:

There is no foreseeable substantial effect on small businesses by the imposition of the rules.

4. Less burdensome, intrusive, or costly alternative methods:

The proposed changes to the existing rules are minimally burdensome/intrusive to small businesses. The necessary costs to small businesses to implement the changes required by the proposed changes and additions to the rules are offset by the protections provided to citizens of Tennessee.

5. Comparison with federal and state counterparts:

There are no federal counterparts to the issues addressed by these rules.

6. Effect of possible exemption of small businesses:

In order to ensure the health, safety and welfare of the citizens of Tennessee, it is imperative that small businesses are held to the same standards as larger businesses regarding conducting business in the same name as they are licensed and making appropriate license revisions as the need arises due to

changes to the licensee's business operation; small businesses are held to the same standards as larger businesses regarding licensure in the appropriate classification; and, it is imperative that small businesses are held to the same standards as larger businesses regarding compliance with proper bidding procedures. An exemption of small businesses from the aforementioned requirements could be a detriment to health, safety and welfare of the citizens of Tennessee

Impact on Local Governments

Pursuant to T.C.A. 4-5-220 and 4-5-228 “any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments.” (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

The rules are not expected to have a financial impact on local governments.

Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to TCA 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

Rule 0680-01-.09 Change in Mode of Operation has been amended to allow for a 90 day period for licensees to submit an application for a new license when a change in mode of operation occurs.

Rule 0680-01-.16 Appendix A of Rule 0680-01-.12 (Classification System) is amended by adding a new classification to the rule. The new classification shall be listed as LMC-Licensed Masonry Contractor and new licensees will be required to take an additional examination. The rule is also amended by adding a notation to Building Category No. 9 Masonry found in Appendix A of Rule 0680-01-.12. The notation clarifies that this category refers to masonry projects valued under one hundred thousand dollars (\$100,000.00), included materials and labor.

Rule 0680-01-.19 Civil Penalties is amended by deleting the reference to T.C.A. § 62-6-118(e) and substituting instead T.C.A. § 62-6-120(d).

Rule 0680-01-.24 Bidding Procedures, as amended, requires masonry contractors to furnish evidence of a license with appropriate classification and monetary limit when bidding to a prime contractor when the total cost of the masonry portion of the contract exceeds one hundred thousand dollars (\$100,000.00), materials and labor. The amendment also requires that the masonry contractor be included on the outside of the bid envelope or in the submission of the electronic bid when the total cost of the masonry portion of the contract exceeds one hundred thousand dollars (\$100,000), materials and labor.

Rule 0680-01-.25 Contracting in Correct Name is amended to require a licensee to submit an application for a license name change within ninety (90) days from the date that the licensee changes the company name. The licensee may not bid or enter into contracts in the new name until the application has been approved and a revised license is issued. The licensee may continue to work on already existing contracts entered into prior to the name change provided that the application is made within the ninety (90) day period.

Rule 0680-04-.01 Definitions is amended to include the definition of "limited licensed plumber" and "limited licensed plumbing work."

New rule 0680-04-.07 Limited Licensed Plumber Inspections was created to implement the requirements of T.C.A. § 62-6-406.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

Tennessee Code Annotated § 62-6-108 provides that the Tennessee Board for Licensing Contractors "has the power to make bylaws, rules and regulations not inconsistent with the laws of this state that it deems best, subject to the final approval of the commissioner of commerce and insurance."

Tennessee Code Annotated 62-6-406(g)(1) provides that the Tennessee Board for Licensing Contractors "shall formulate a system for inspectors when the plumbing inspection services are not provided by a municipality or county to report any problems they may encounter with the workmanship or conduct of a limited licensed plumber."

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Persons who are licensed as contractors pursuant to Title 62, Chapter 6, Sections 1, 4, and 5 will be most directly affected by these rules.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000.00), whichever is less;

The rules are expected to have no impact on state and local government revenues and expenditures.

- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Jenny Gray, Assistant General Counsel, Department of Commerce and Insurance
Carolyn Lazenby, Executive Director for the Tennessee Board for Licensing Contractors

- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Jenny Gray, Assistant General Counsel, Department of Commerce and Insurance
Carolyn Lazenby, Executive Director for the Tennessee Board for Licensing Contractors

- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

500 James Robertson Parkway
Nashville, Tennessee 37243
(615) 741-3072

- (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

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0680-01	Licensing
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0680-01-.09	Change in Mode of Operation
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Chapter Number	Chapter Title
0680-04	Limited Licensed Plumbers
Rule Number	Rule Title
0680-04-.01	Definitions
0680-04-.07	Inspections

Rule 0680-01-.09 Change in Mode of Operation is amended by deleting the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read as follows:

0680-01-.09 Change in Mode of Operation

- (1) Whenever a partnership licensed as a contractor dissolves, no former member of the partnership shall further undertake contracting before filing a new application with the Board and receiving a license.
- (2) In the case of a merger, purchase by non-stockholders of the majority interest, or reorganization pursuant to a bankruptcy proceeding, ~~of any corporation or any other type of change in mode of operation of an~~ entity engaged in contracting, the ~~corporation~~ entity shall make written application to the Board and obtain a new license before further undertaking contracting.
- (3) Individuals or ~~Corporations~~ entities seeking a new license pursuant to T.C.A. § 62-6-111(f) or and(g) shall submit a letter which addresses the requirements of ~~§§ 62-6-111(f) and (g) that section.~~ In addition, the applicant shall submit an affidavit that all liabilities of the ~~partnership or proprietorship~~ entity were satisfied or will be satisfied by the individual or ~~corporation~~ entity.
- (4) In the event of a change in mode of operation as outlined in T.C.A. § 62-6-111(e), ~~appearance the~~ qualified agent or majority stockholder must appear before the Board ~~will be necessary~~ unless specifically waived by the Board.
- (5) In the event of any change in mode of operation, the licensed entity in question shall have ninety (90) days from the date of the change in mode of operation to submit either an application for a mode change if there are no changes in ownership or officers, or a new application if there are such changes. The entity may not bid on or enter into new contracts until a new or revised license has been issued; however, the entity may continue to work on already existing contracts that were entered into prior to the change in mode of operation, provided the application is made within the ninety (90) day period.

Authority: T.C.A. §§ 62-6-103, 62-6-108, 62-6-111, and 62-6-115

Rule 0680-01-.16 Appendix A of Rule 0680-01-.12 (Classifications System) is amended by placing a notation beside No. 9 Masonry as listed under Building Categories. The section shall read as follows:

9. Masonry-under one hundred thousand dollars (\$100,000.00), materials and labor

Authority: T.C.A. §§ 62-6-102, 62-6-108, 62-6-111.

Rule 0680-01-.16 Appendix A of Rule 0680-01-.12 (Classifications System) is amended by adding a new classification to the rule. The classification shall be placed after J. Fuel Gas Piping and Systems as listed under the MC-Mechanical Contracting classification and before the E-Electrical Contracting classification. The new classification shall read as follows:

LMC—Licensed Masonry Contractor

Authority: T.C.A. §§ 62-6-102, 62-6-108, 62-6-111.

0680-01-.19 Civil Penalties is amended by deleting the reference to T.C.A. § 62-6-118(e) and substituting instead T.C.A. § 62-6-120(d).

Authority: T.C.A. §§ 62-6-103, 62-6-108, 56-1-308, and 62-6-120.

Rule 0680-01-.24 Bidding Procedures is amended by deleting the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read as follows:

0680-01-.24 Bidding Procedures

- (1) Pursuant to ~~T.C.A. §§ 62-6-119(b)~~ T.C.A. § 62-6-102, a subcontractor is required to be licensed in order to perform electrical, plumbing, heating ventilation and air conditioning subcontractors bidding to a prime contractor shall furnish evidence of a license with appropriate classification and monetary limit work when the amount is twenty-five thousand dollars (\$25,000.00) or more; and masonry work when the amount is one hundred thousand dollars (\$100,000.00) or more, including materials and labor. It is the subcontractor's responsibility to furnish evidence to the prime contractor of an active license with the appropriate name, classification, monetary limit, and expiration date, regardless of how the bid is transmitted. ~~Provided however,~~ Failure to comply with this rule shall not require nonconsideration of the subcontractor's bid if appropriately licensed, but said subcontractor shall may be subject to discipline by the Board.
- (2) Any prime contractor submitting a bid pursuant to T.C.A. § 62-6-119(b) shall list on the outside of the bid envelope or in the submission of an electronic bid only one electrical contractor, one plumbing contractor, one heating ventilation and air conditioning contractor, and one masonry contractor with appropriate classification and monetary limit or the bid shall not be considered. Award of the subcontract to one not listed on the base bid envelope or in the submission of an electronic bid in violation of T.C.A. § 62-6-119 will be subject to review and disciplinary action by the Board.

Authority: T.C.A. §§ 62-6-102, 62-6-103, 62-6-108, 62-6-111, 62-6-119.

Rule 0680-01-.25 Contracting in Correct Name is amended by deleting the rule in its entirety and substituting the following language so that, as amended, the rule shall read as follows:

Rule 0680-01-.25 Contracting in Correct Name; Change of Name

- (1) Upon receiving a certificate of licensure from this Board, the licensee has an affirmative responsibility to enter into contracts and operate its related contracting business under the name in which it is licensed in order to notify and prevent confusion on the part of the public at large of an entity's licensure status. Contracting in a name different than that in which an individual or entity is licensed by this Board is considered a violation of this chapter, and will be subject to discipline accordingly cause for appropriate disciplinary action.
- (2) In the event of a name change of a licensee, the licensee must complete an application request for a name change and be approved prior to contracting in the new name. The licensee shall have ninety (90) days from the date that the new entity is formed to apply for a license in the new entity name. The licensee cannot bid on or enter into contracts in the new name until it has been issued a revised license; however, the entity may continue to work on already existing contracts that were entered into prior to the name change, provided the application is made within the ninety (90) day period.

Authority: T.C.A. §§ 62-6-103, 62-6-108, 62-6-115.

Chapter 0680-04 Limited Licensed Plumbers

Amendment

Rule 0680-04-.01 Definitions is amended by deleting subsection (1) in its entirety and substituting instead the following language so that, as amended, the subsection shall read as follows:

- (1) For the purposes of Rules 0680-04-.01 through 0680-04-.06.07, the following definitions are applicable:

- (a) "Limited licensed plumber" means any person who performs any plumbing work that has a total cost of less than twenty-five thousand dollars (\$25,000.00) and who is required to be registered under the provisions of the Limited Licensed Plumbers' Act of 2004.
- (b) "Limited licensed plumbing work" means the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down or furnishing of labor to install material or equipment within any residential or commercial building of all piping, fixtures and appliances for the supply of gas, water, liquids or disposal of waste water or sewage; provided, that the total cost of the work performed is less than twenty-five thousand dollars (\$25,000.00) and the work is not otherwise exempt under T.C.A. Title 62, Chapter 6, Part 4.
- (c) "Board" means the state board for licensing contractors pursuant to T.C.A. § 62-6-104.

Authority: T.C.A. §§ 62-6-108, 62-6-402, 62-6-403, and 62-6-405.

Chapter 0680-04
Limited Licensed Plumbers

New Rule

Rule 0680-04-.07 Limited Licensed Plumber Inspections

- (1) The work performed by limited licensed plumbers shall comply with the applicable provisions of T.C.A. § 68-120-101 and the rules promulgated thereunder.
- (2) All inspections and permit fees associated with the work performed by limited licensed plumbers shall be governed by Rule 0780-02-23 One and Two Family Dwellings and Townhouses. Compliance with the inspection provisions of Chapter 0780-02-23 One and Two Family Dwellings and Townhouses by a limited licensed plumber shall be sufficient to satisfy the requirements of T.C.A. § 62-6-406.

Authority: T.C.A. §§ 62-6-108, 62-6-406, and 62-6-409