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File Date: 09/14/2010

# Notice of Rulemaking Hearing

*Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, Tennessee Code Annotated, Section 4-5-204. For questions and copies of the notice, contact the person listed below.*

<b>Agency/Board/Commission:</b>	Tennessee Board for Licensing Contractors
<b>Division:</b>	
<b>Contact Person:</b>	Jenny Gray
<b>Address:</b>	500 James Robertson Parkway, 12 <sup>th</sup> Floor, Nashville, Tennessee 37243
<b>Phone:</b>	(615) 532-6308
<b>Email:</b>	<a href="mailto:Jenny.Gray@tn.gov">Jenny.Gray@tn.gov</a>

*Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:*

<b>ADA Contact:</b>	Don Coleman, ADA Coordinator
<b>Address:</b>	500 James Robertson Parkway, 12 <sup>th</sup> Floor, Nashville, Tennessee 37243
<b>Phone:</b>	(615) 741-0481
<b>Email:</b>	<a href="mailto:Don.Coleman@tn.gov">Don.Coleman@tn.gov</a>

**Hearing Location(s)** (for additional locations, copy and paste table)

Address 1:	710 James Robertson Parkway		
Address 2:	3rd Floor Conference Room		
City:	Nashville, Tennessee		
Zip:	37243		
Hearing Date :	11/17/2010		
Hearing Time:	1:00 p.m.	<input checked="" type="checkbox"/> X_CST	<input type="checkbox"/> EST

**Additional Hearing Information:**

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**Revision Type (check all that apply):**

- Amendment  
 New  
 Repeal

**Rule(s)** (ALL chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. 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

<b>Chapter Number</b>	<b>Chapter Title</b>
0680-04	Limited Licensed Plumbers
<b>Rule Number</b>	<b>Rule Title</b>
0680-04-01	Definitions
0680-04-07	Inspections

(Place substance of rules and other info here. Statutory authority must be given for each rule change. For information on formatting rules go to <http://state.tn.us/sos/rules/1360/1360.htm>)

Chapter 0680-01  
Licensing

Amendments

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. §§ 62-6-108, 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 \$100,000, materials and labor

Authority: T.C.A. §§ 62-6-108, 62-6-111, and Acts 2010, ch. 950, effective January 1, 2011.

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. §§ 62-6-108, 62-6-111, and Acts 2010, ch. 950, effective May 6, 2010.

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. §§ 62-6-108, 56-1-308, and 62-6-118(e).

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:

Rule 0680-01-.24 Bidding Procedures

- (1) Pursuant to T.C.A. § 62-6-119(b), electrical, plumbing, heating ventilation and air conditioning subcontractors, and masonry contractors where the total cost of the masonry portion of the construction project exceeds one hundred thousand dollars (\$100,000) bidding to a prime contractor shall furnish evidence of a license with appropriate classification and monetary limit, 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 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 where the total cost of the masonry portion of the construction project exceeds one hundred thousand dollars (\$100,000) 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 is a violation of T.C.A. § 62-6-119 and will be subject to review and disciplinary action by the Board.

Authority: T.C.A. §§ 62-6-108, 62-6-111, and Acts 2010, ch. 801, effective April 5, 2010.

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 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 (90) ninety 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. §§62-6-108(a) 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 (\$25,000) 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 as amended by the Tennessee Clean Energy Future Act of 2009 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

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.



My Commission Expires September 25, 2011

Date: 9-13-10

Signature: Jenny Gray

Name of Officer: Jenny Gray

Title of Officer: Assistant General Counsel

Subscribed and sworn to before me on: 9/13/10

Notary Public Signature: Nicole Granger

My commission expires on: 9/25/10

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Filed with the Department of State on: 9/14/10

Tre Hargett by D/Ann Hunt, POA  
Tre Hargett  
Secretary of State

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