First Regular Session Seventieth General Assembly STATE OF COLORADO

REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House SENATE BILL 15-202

LLS NO. 15-0824.01 Thomas Morris x4218

SENATE SPONSORSHIP

Balmer,

Pabon, Moreno

HOUSE SPONSORSHIP

Senate Committees Business, Labor, & Technology House Committees Local Government

A BILL FOR AN ACT

101 **CONCERNING THE REGULATION OF WATER CONDITIONING APPLIANCES**

102 PURSUANT TO THE PLUMBING CODE.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

The bill limits the inclusion of water conditioning appliances in the definition of "plumbing" to only the installation of such systems that are connected to potable water systems with a pipe that is greater than 2 inches nominal diameter and specifically excludes from that definition the design, installation, and repair of such systems with a pipe that is 2 inches or less nominal diameter. The bill also clarifies that a person does not





have to be registered as a plumbing contractor to subcontract with a plumber if all plumbing performed pursuant to the person's contract is performed by a licensed plumber.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, 12-58-102, amend 3 (7); and **add** (10), (11), and (12) as follows: 4 **12-58-102. Definitions.** As used in this article, unless the context 5 otherwise requires: (7) "Plumbing contractor" means any person, firm, partnership, 6 7 corporation, association, or other organization who THAT undertakes or 8 offers to undertake for another the planning, laying out, supervising, 9 installing, or making of additions, alterations, and repairs in the 10 installation of plumbing. In order to act as a plumbing contractor, the 11 person, firm, partnership, corporation, association, or other organization 12 must either be or employ full-time a master plumber. "PLUMBING CONTRACTOR" DOES NOT INCLUDE A WATER CONDITIONING CONTRACTOR, 13 14 A WATER CONDITIONING INSTALLER, OR A WATER CONDITIONING 15 PRINCIPAL. (10) (a) "WATER CONDITIONING CONTRACTOR" MEANS A PERSON 16 17 THAT: 18 (I) UNDERTAKES OR OFFERS TO UNDERTAKE FOR ANOTHER THE 19 PLANNING, LAYING OUT, SUPERVISING, INSTALLING, OR MAKING OF 20 ADDITIONS, ALTERATIONS, OR REPAIRS IN THE INSTALLATION OF WATER 21 CONDITIONING APPLIANCES IN ONE-, TWO-, THREE-, OR FOUR-FAMILY 22 DWELLINGS, WHICH MUST NOT EXTEND MORE THAN TWO STORIES 23 ABOVEGROUND; AND

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(II) IS REQUIRED TO BE REGISTERED PURSUANT TO SECTION

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1 12-58-105 (4).

2 (b) "WATER CONDITIONING CONTRACTOR" DOES NOT INCLUDE A 3 PLUMBING CONTRACTOR. 4 (11) (a) "WATER CONDITIONING INSTALLER" MEANS A PERSON 5 THAT: 6 (I) HAS THE NECESSARY QUALIFICATIONS, TRAINING, EXPERIENCE, 7 AND TECHNICAL KNOWLEDGE TO PROPERLY PLAN, LAY OUT, AND INSTALL 8 WATER CONDITIONING APPLIANCES IN ONE-, TWO-, THREE-, AND 9 FOUR-FAMILY DWELLINGS, WHICH MUST NOT EXTEND MORE THAN TWO 10 STORIES ABOVEGROUND, IN ACCORDANCE WITH THE STANDARDS AND 11 RULES ESTABLISHED BY THE BOARD; 12 (II)IS CERTIFIED BY A NATIONAL WATER CONDITIONING 13 ASSOCIATION RECOGNIZED BY THE BOARD, WITH THE TYPE OF 14 CERTIFICATION SPECIFIED BY THE BOARD; AND 15 (III) IS REQUIRED TO BE REGISTERED PURSUANT TO SECTION 16 12-58-105 (5). (b) "WATER CONDITIONING INSTALLER" DOES NOT INCLUDE A 17 18 LICENSED PLUMBER. (12) (a) "WATER CONDITIONING PRINCIPAL" MEANS A PERSON 19 20 THAT: 21 (I) HAS THE NECESSARY QUALIFICATIONS, TRAINING, EXPERIENCE, 22 AND TECHNICAL KNOWLEDGE TO PROPERLY PLAN, LAY OUT, AND INSTALL 23 WATER CONDITIONING APPLIANCES IN ONE-, TWO-, THREE-, AND 24 FOUR-FAMILY DWELLINGS, WHICH MUST NOT EXTEND MORE THAN TWO 25 STORIES ABOVEGROUND, INCLUDING THE SUPERVISION OF SUCH WORK IN

ACCORDANCE WITH THE STANDARDS AND RULES ESTABLISHED BY THE
BOARD;

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1	(II) IS CERTIFIED BY A NATIONAL WATER CONDITIONING
2	ASSOCIATION RECOGNIZED BY THE BOARD, WITH THE TYPE OF
3	CERTIFICATION SPECIFIED BY THE BOARD; AND
4	(III) IS REQUIRED TO BE REGISTERED PURSUANT TO SECTION
5	12-58-105 (6).
6	(b) "WATER CONDITIONING PRINCIPAL" DOES NOT INCLUDE A
7	LICENSED PLUMBER.
8	SECTION 2. In Colorado Revised Statutes, 12-58-105, amend
9	(1); and add (4), (5), and (6) as follows:
10	12-58-105. Plumber must have license - registration - control
11	and supervision. (1) (a) No A person shall NOT engage in or work at the
12	business, trade, or calling of a residential, journeyman, or master plumber
13	in this state until he OR SHE has received a license from the division of
14	professions and occupations, upon written notice from the board or its
15	authorized agent, or a temporary permit from the board or its authorized
16	agent; EXCEPT THAT A PERSON MAY PRACTICE AS A WATER CONDITIONING
17	CONTRACTOR IF THE PERSON IS REGISTERED PURSUANT TO SUBSECTION (4)
18	OF THIS SECTION, AS A WATER CONDITIONING INSTALLER IF THE PERSON IS
19	REGISTERED PURSUANT TO SUBSECTION (5) OF THIS SECTION, OR AS A
20	WATER CONDITIONING PRINCIPAL IF THE PERSON IS REGISTERED PURSUANT
21	TO SUBSECTION (6) OF THIS SECTION.
22	(b) NOTHING IN THIS SECTION LIMITS THE ABILITY OF A LICENSED
23	RESIDENTIAL, JOURNEYMAN, OR MASTER PLUMBER, A PLUMBING
24	APPRENTICE, OR A REGISTERED PLUMBING CONTRACTOR TO PRACTICE
25	WITHIN HIS OR HER RESPECTIVE AREA AS AUTHORIZED BY THIS ARTICLE
26	WITH REGARD TO WATER CONDITIONING APPLIANCES.
27	(4) EXCEPT AS SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (1) OF

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THIS SECTION, EFFECTIVE APRIL 1, 2016, A PERSON SHALL NOT OPERATE
 AS A WATER CONDITIONING CONTRACTOR UNLESS THE PERSON:

3 (a) IS CURRENTLY REGISTERED WITH THE BOARD PURSUANT TO 4 THIS SUBSECTION (4) AS SPECIFIED IN RULES PROMULGATED AND FORMS 5 ADOPTED BY THE BOARD. THE BOARD SHALL REGISTER A WATER 6 CONDITIONING CONTRACTOR UPON PAYMENT OF THE FEE AS PROVIDED IN 7 SECTION 12-58-104 AND PRESENTATION OF EVIDENCE THAT THE 8 APPLICANT HAS COMPLIED WITH THE APPLICABLE WORKERS' 9 COMPENSATION AND UNEMPLOYMENT COMPENSATION LAWS OF THIS 10 STATE; AND

(b) IS, OR EMPLOYS FULL-TIME, A WATER CONDITIONING
PRINCIPAL, WHO SHALL BE RESPONSIBLE FOR ALL WATER CONDITIONING
APPLIANCE WORK PERFORMED BY THE CONTRACTOR.

14 (5) EXCEPT AS SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (1) OF 15 THIS SECTION, EFFECTIVE APRIL 1, 2016, A PERSON SHALL NOT ENGAGE IN 16 OR WORK AT THE BUSINESS, TRADE, OR CALLING OF A WATER 17 CONDITIONING INSTALLER UNLESS THE PERSON IS CURRENTLY REGISTERED 18 WITH THE BOARD PURSUANT TO THIS SUBSECTION (5) AS SPECIFIED IN 19 RULES PROMULGATED AND FORMS ADOPTED BY THE BOARD. THE BOARD 20 SHALL REGISTER A WATER CONDITIONING INSTALLER UPON PAYMENT OF 21 THE FEE AS PROVIDED IN SECTION 12-58-104 AND SUBMISSION OF PROOF 22 THAT THE APPLICANT IS CERTIFIED BY A NATIONAL WATER CONDITIONING 23 ASSOCIATION RECOGNIZED BY THE BOARD, WITH THE TYPE OF 24 CERTIFICATION AS SPECIFIED BY THE BOARD.

(6) (a) EXCEPT AS SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (1)
OF THIS SECTION, EFFECTIVE APRIL 1, 2016, A PERSON SHALL NOT ENGAGE
IN OR WORK AT THE BUSINESS, TRADE, OR CALLING OF A WATER

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1 CONDITIONING PRINCIPAL UNLESS THE PERSON IS CURRENTLY REGISTERED 2 WITH THE BOARD PURSUANT TO THIS SUBSECTION (6) AS SPECIFIED IN 3 RULES PROMULGATED AND FORMS ADOPTED BY THE BOARD. THE BOARD 4 SHALL REGISTER A WATER CONDITIONING PRINCIPAL UPON PAYMENT OF 5 THE FEE AS PROVIDED IN SECTION 12-58-104 AND SUBMISSION OF PROOF 6 THAT THE APPLICANT IS CERTIFIED BY A NATIONAL WATER CONDITIONING 7 ASSOCIATION RECOGNIZED BY THE BOARD, WITH THE TYPE OF 8 CERTIFICATION AS SPECIFIED BY THE BOARD.

9 (b) A WATER CONDITIONING PRINCIPAL SHALL BE RESPONSIBLE 10 FOR NO MORE THAN ONE WATER CONDITIONING CONTRACTOR AT A TIME. 11 THE WATER CONDITIONING PRINCIPAL SHALL NOTIFY THE BOARD WITHIN 12 FIFTEEN DAYS AFTER HIS OR HER TERMINATION AS A WATER CONDITIONING 13 PRINCIPAL FOR A WATER CONDITIONING CONTRACTOR. FAILURE TO 14 PROVIDE THE NOTICE MAY LEAD TO SUSPENSION OR REVOCATION OF THE 15 WATER CONDITIONING PRINCIPAL'S REGISTRATION AS PROVIDED IN 16 SECTION 12-58-110.

17 **SECTION 3.** In Colorado Revised Statutes, **amend** 12-58-106 as 18 follows:

19 12-58-106. Unauthorized advertising - use of title of plumber. 20 (1) No A person shall NOT advertise in any manner or use the title or 21 designation of master plumber, journeyman plumber, or residential 22 plumber unless he THE PERSON is qualified and licensed under this article. 23 (2) A PERSON SHALL NOT ADVERTISE IN ANY MANNER THAT THE 24 PERSON IS A WATER CONDITIONING CONTRACTOR, WATER CONDITIONING 25 INSTALLER, OR A WATER CONDITIONING PRINCIPAL UNLESS THE PERSON IS 26 REGISTERED AS SUCH PURSUANT TO THIS ARTICLE. 27

SECTION 4. In Colorado Revised Statutes, amend 12-58-108 as

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1 follows:

12-58-108. License renewal - reinstatement. (1) All license and
contractor registration renewal and renewal fees shall be in accordance
with the provisions of sections 24-34-102 and 24-34-105, C.R.S.

5 (2) Any license or contractor registration that has lapsed shall be 6 IS deemed to have expired. Prior to reinstatement, the board is authorized 7 to require the licensee to demonstrate competency. Licenses AND 8 REGISTRATIONS shall be renewed or reinstated pursuant to a schedule 9 established by the director of the division of professions and occupations 10 within the department of regulatory agencies and pursuant to section 11 24-34-102 (8), C.R.S. The director of the division of professions and 12 occupations within the department of regulatory agencies may establish 13 renewal fees and delinquency fees for reinstatement pursuant to section 14 24-34-105, C.R.S. If a person fails to renew his or her license OR 15 REGISTRATION pursuant to the schedule established by the director of the 16 division of professions and occupations, such THE license or contractor 17 registration shall expire. Any person whose license or contractor 18 registration has expired shall be IS subject to the penalties provided in this 19 article or section 24-34-102 (8), C.R.S.

20 SECTION 5. In Colorado Revised Statutes, 12-58-110, amend
 21 (1) (n), (1) (o), and (1) (p) as follows:

12-58-110. Disciplinary action by board - licenses or
registrations denied, suspended, or revoked - cease-and-desist orders.
(1) The board may deny, suspend, revoke, or refuse to renew any license
or registration issued or applied for under the provisions of this article or
place a licensee or a registrant on probation for any of the following
reasons:

(n) Disciplinary action against a plumber's license OR
 REGISTRATION in another jurisdiction. Evidence of such disciplinary
 action shall be IS prima facie evidence for denial of licensure OR
 REGISTRATION or other disciplinary action if the violation would be
 grounds for such disciplinary action in this state.

6 (o) Practicing as a WATER CONDITIONING CONTRACTOR, WATER
7 CONDITIONING INSTALLER, WATER CONDITIONING PRINCIPAL, OR A
8 residential, journeyman, or master plumber during a period when the
9 person's license OR REGISTRATION has been suspended or revoked;

(p) Selling or fraudulently obtaining or furnishing a license or
registration to practice as a residential, journeyman, or master plumber,
or WATER CONDITIONING CONTRACTOR, WATER CONDITIONING INSTALLER,
WATER CONDITIONING PRINCIPAL, OR plumbing contractor or aiding or
abetting in such activity;

15 SECTION 6. In Colorado Revised Statutes, amend 12-58-110.1
16 as follows:

17 12-58-110.1. Reapplication after revocation of licensure or
 registration. No A person whose license OR REGISTRATION has been
 revoked shall be IS NOT allowed to reapply for licensure OR REGISTRATION
 earlier than two years from the effective date of the revocation.

21 SECTION 7. In Colorado Revised Statutes, 12-58-113, amend
22 (6) (a) introductory portion as follows:

12-58-113. Exemptions. (6) (a) Nothing in this article requires
 a plumbing license, contractor registration, or permit to perform:
 SECTION 8. In Colorado Revised Statutes, amend 12-58-115 as
 follows:

27 **12-58-115. Municipal and county regulations.** (1) Any city,

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town, county, or city and county of this state may provide for the
 licensing of plumbing contractors OR WATER CONDITIONING
 CONTRACTORS. Plumbing Contractors who obtain local licensing must
 also register with the board in accordance with section 12-58-105. (3).

(2) No A local government agency may SHALL NOT promulgate
rules or regulations or provide for licenses which THAT would preclude
the holder of a valid license OR REGISTRATION issued under this article
from practicing his THE HOLDER'S trade.

9 SECTION 9. In Colorado Revised Statutes, 12-58-116, add (3)
10 as follows:

11 **12-58-116. Unauthorized practice - penalties.** (3) EFFECTIVE 12 APRIL 1, 2016, A PERSON WHO ENGAGES IN OR WORKS AT OR OFFERS OR 13 ATTEMPTS TO ENGAGE IN OR WORK AT THE BUSINESS, TRADE, OR CALLING 14 OF A WATER CONDITIONING CONTRACTOR, WATER CONDITIONING 15 INSTALLER, OR WATER CONDITIONING PRINCIPAL WITHOUT AN ACTIVE 16 REGISTRATION ISSUED UNDER THIS ARTICLE COMMITS A CLASS 2 17 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION 18 18-1.3-501, C.R.S., FOR THE FIRST OFFENSE, AND FOR THE SECOND OR ANY 19 SUBSEQUENT OFFENSE, THE PERSON COMMITS A CLASS 6 FELONY AND 20 SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-401, C.R.S.; EXCEPT 21 THAT NOTHING IN THIS SUBSECTION (3) LIMITS THE ABILITY OF A LICENSED 22 RESIDENTIAL, JOURNEYMAN, OR MASTER PLUMBER, A PLUMBING 23 APPRENTICE, OR A REGISTERED PLUMBING CONTRACTOR TO PRACTICE 24 WITHIN HIS OR HER RESPECTIVE AREA AS AUTHORIZED BY THIS ARTICLE 25 WITH REGARD TO WATER CONDITIONING APPLIANCES.

26 SECTION 10. Applicability. This act applies to conduct
27 occurring on or after the effective date of this act.

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SECTION 11. Safety clause. The general assembly hereby finds,
 determines, and declares that this act is necessary for the immediate
 preservation of the public peace, health, and safety.