



DEPARTMENT OF

**Professional &
Financial Regulation**

STATE OF MAINE

- OFFICE OF SECURITIES
- BUREAU OF INSURANCE
- CONSUMER CREDIT PROTECTION
- BUREAU OF FINANCIAL INSTITUTIONS
- OFFICE OF LICENSING AND REGISTRATION

Request for Information from Interested Parties: Sunrise Review for LD 1241

*“Resolve, Directing the Department of Professional and
Financial Regulation To Conduct a Sunrise Review Regarding
the Proposal To License Certain Mechanical Trades”*

**Department of Professional and Financial Regulation
Office of the Commissioner
June 12, 2009**

Evaluation Criteria (32 M.R.S.A. § 60-J)

1. Data on group proposed for regulation. Please provide a description of the professional or occupational group proposed for regulation, including:

(a) The number of individuals or business entities that you believe would be subject to regulation (if possible, please provide a breakdown or information specific to each trade);

Unknown. A list of ABC members who would certainly be impacted is attached. Other ABC members may be subject to licensing requirements, as well.

(b) The names and addresses of associations, organizations and other groups representing potential licensees (if possible, please provide information specific to each trade); and

Jill Goodwin
Maine Contractors and Builders Alliance
c/o Monroe & Goodwin
Molyneaux Rd
Camden, ME 04843
Bus: (207) 236-4434
E-mail: mongoose@midcoast.com

Sandy Mathieu
Homebuilders and Remodelers Association of Maine
8 Mulliken Court, Suite 3
Augusta, Maine 04330
Bus: (207) 622-7792
Bus Fax: (207) 622-3289
E-mail: sandy@hbrame.org

Robert S. Howe
Maine Association of Building Efficiency Professionals
11 Columbia St.
Augusta, ME 04330
Bus: (207) 622-4466
Bus Fax: (207) 622-4437
E-mail: howe@howeandcompany.com

John O'Dea
Associated General Contractors
188 Whitten Road
PO Box 5519
Augusta, Maine 04330
Bus: (207) 622-4741
Mobile: 4468805
Bus Fax: (207) 622-1625
E-mail: jodea@agcmaine.org

(c) An estimate of the number of potential licensees in each group.

Unknown

- 2. Specialized skill.** Please describe whether the work of these certain mechanical trades requires such a specialized skill that the public is not qualified to select a competent individual without assurances that minimum qualifications have been met (if possible, please address each trade separately).

ABC does not believe the work of these certain mechanical trades requires such a specialized skill that the public is not qualified to select a competent individual without assurances that minimum qualifications have been met because – in most cases – minimum qualifications are already being met through other licensing requirements.

- 3. Threat to public health, safety, or welfare.** Please describe:

- (a) The nature and extent of potential harm to the public, if any or all of these trades continue to be unregulated by the State (please be as specific as possible); and

ABC does not believe there is a threat to public health safety or welfare if pipefitters, refrigeration technicians, sprinkler fitters, sheet metal workers and mechanical contractors are not specifically licensed because workers in these trades are already licensed by one or more of the following licensing authorities: Plumber's Examining Board, Electrician's Examining Board, Oil and Solid Fuel Board, Propane and Natural Gas Board and Boilers and Pressure Vessels Board. Additionally, limited electrician's licenses are required for the following practice areas: water pumps, outdoor signs (including sign lighting), gasoline dispensing, traffic signals (including outdoor lighting of traffic signals), house wiring, refrigeration, low energy electronics (including fire alarms), and cranes.

- (b) The extent to which there is a threat to the public's health, safety or welfare without state regulation (*Please provide evidence of the potential harm, including: a description of any complaints filed with state law enforcement authorities, courts, departmental agencies, other professional or occupational boards and professional and occupational associations that have been lodged against these trades--pipefitters, refrigeration technicians and contractors, fire protection sprinkler fitters and contractors, sheet metal workers and contractors, and mechanical contractors--in this State within the past 5 years*).

ABC knows of no evidence of actual harm to the public in the absence of regulation beyond that provided by existing licensing requirements for the occupations listed.

- 4. Voluntary and past regulatory efforts.** Please provide a description of the voluntary efforts made by these trades to protect the public through self-regulation, private certifications, membership in professional or occupational associations or academic credentials and a statement of why these efforts are inadequate to protect the public (if possible, please address each trade separately).

ABC does not believe public protection is inadequate in any of the trades being considered for additional licensing.

- 5. Costs and benefits of regulation.** Please describe the extent to which regulation of these trades will increase the cost of services provided by them and the overall cost-effectiveness and economic impact of the proposed regulation, including the indirect costs to consumers.

ABC believes imposing additional licensing requirements beyond those already in place for these trades will increase the cost of services for consumers and the cost of doing business for individuals and companies engaged in the proposed trades.

6. Service availability under regulation. Please describe the extent to which regulation of these trades would increase or decrease the availability of services to the public.

ABC believes the reason licensing of mechanical trades is being proposed again is to limit the market of qualified individuals eligible to perform the work. Their interest in recovering market share is apparent from the statements of the proponents of LD 1241.

“Licensing serves a critical function in our economy. It guarantees that those who acquire skills and perform quality work will be rewarded... It says: we value your skills and we are going to make sure you are not undercut by unqualified, cheap labor from some other state.”¹

“Although construction in Maine is very slow and there are hundreds of skilled craftsmen and women out of work we have companies doing work that are from out of state bringing in their own workers in, or Maine companies recruiting help from other states and countries. Having mechanical licensing would help keep Maine people working and give companies a qualified pool of craftsmen and women to pick from.”²

Imposing additional regulation on an already regulated group could result in a decrease in licensee numbers which could reduce the availability of pipefitters, refrigeration technicians and contractors, fire protection sprinkler fitters and contractors, sheet metal workers and contractors, and mechanical contractors.

7. Existing laws and regulations. Please discuss the extent to which existing legal remedies are inadequate to prevent or redress the kinds of harm potentially resulting from continued non-regulation and whether regulation can be provided through an existing state agency or in conjunction with presently regulated practitioners.

ABC believes existing legal remedies are adequate to prevent potential harm because regulation can be provided through existing licensing boards which presently regulate practitioners performing these trades.

8. Method of regulation. Please describe why registration, certification, license to use the title, license to practice or another type of regulation is being proposed, why that regulatory alternative was chosen and whether the proposed method of regulation is appropriate.

ABC does not believe the proposed method of regulation is necessary or appropriate.

9. Other states. Please provide a list of other states that regulate any or all of these trades, the type of regulation, copies of other states' laws and available evidence from those states of the effect of regulation on these trades in terms of a before-and-after analysis.

Unknown.

¹ Testimony of John Napolitano, Business Manager, Local 716, United Association of Plumbers & Pipefitters, April 14, 2009

² Testimony of Joseph R. Champagne, President, Local 716, United Association of Plumbers & Pipefitters, April 14, 2009

10. Previous efforts to regulate. Please provide the details of any previous efforts in this State to implement regulation of these trades.

Unknown.

11. Minimal competence. Please describe whether the proposed requirements for regulation exceed the standards of minimal competence and what those standards are.

N/A

12. Financial analysis. Please describe the method proposed to finance the proposed regulation and financial data pertaining to whether the proposed regulation can be reasonably financed by potential licensees through dedicated revenue mechanisms.

N/A

13. Mandated benefits. Please describe whether the profession or occupation plans to apply for mandated benefits.

N/A