CURRENT LEGISLATION

PREVAILING WAGE BILL

BUY AMERICAN-TEXAN

RECENT UPDATES

May 17, 2013

From: Mike Cunningham - Tx Building Trades

Just wanted to give you another update on the infamous thermostat bill CSHB2294.

Yesterday, Leonard Aguilar, T.J. Dodd, Chad Tomlin & I went to all 31 Senate offices asking them not to vote to "Suspend the 2/3 Rule" to hear the bill on the floor.

I have attached a copy of the documents we distributed and talked to the Senators staff members. We also presented to Kelsey at Senator Carona's office, Vice-Chair Kuempel's (House Bill Author) office and Rep Eddie Lucio, III's (House Co-Author) office.

Also attached is a copy of the Committee Substitute being pushed by ACCA & PHCC for a floor
amendment next week, if the bill actually gets debated.

One of the problems I found is the differences of minimum insurance requirements in Chapters 1702 (Licensed Burglar Alarm Contractors) & 1302 (Licensed A/C Contractors). You can see the comparisons in the attachment. Another conflict I see is with the insurance requirements is that Chapter 1302 limits are created by rule and for Chapter 1702 are created in statute. Statute will always prevail over a conflicting rule.

In a conversation I had with the ACCA lobbyist this morning, she didn't think a homeowner or small business would be at risk when their insurance carrier would have to cover their losses and subrogate their claim if there was not full coverage. What she forgets is that deductibles come out the consumers' pockets and premiums go up also come out of the consumers' pockets.

AT&T in testimony also misrepresented the facts. You will see that they currently have a Class A TAC License for one of their employees. They made it sound in the hearings it was like a hardship to use a licensed a/c contractor that slows the time to activate their systems while waiting on a AC Technician to install these smart thermostats. They forgot to mention they have a Licensed Contractor on staff for the entire State. I don't believe they have been calling in any outside Licensed A/C Contractors.

We have done as much as we can from our end. Any calls you make to the Senate Members may still help. I also recommend that your contractors call their Senators also.

Below is a copy of the email sent by Shannon Noble, Lobbyist for ACCA, that went to ALL senators and a staff person in each office, plus the Lt. Gov staff person who covers this committee, plus Kuempel and Thompson:

____________________________________________________________________________

Attached is an alternative substitute for HB 2294 that protects your constituents' air conditioners
AND allows burglar/fire alarm companies, INCLUDING AT & T, to advertise, offer to sell, and to install thermostats in residential and small commercial buildings, IF THEY HAVE AT LEAST ONE PERSON ON STAFF STATEWIDE WITH A HEATING, VENTILATION AND AIR CONDITIONING (HVAC) LICENSE.

AT & T ALREADY HAS AT LEAST ONE HVAC LICENSEE ON STAFF!!

Name and Location  Other Information

COLLINS, BOBBY J

AT&T

800 Venture Dr

Allen TX 75013

County: COLLIN

________________________________________DBA: A T & T Air Conditioning/Refrigeration Contractor

License #: TACLA00012197C
Expiration Date: 05/25/2013

Type: AC

Phone: (214) 547-2168

No Public Contracting

This substitute has been approved by the Burglar and Fire Alarm Association and the Air Conditioning Contractors Association, both of whom originally brought this issue to Sen. Carona.

It incorporates some language from SB 407, which the Senate and the House Licensing and Administrative Procedures Committee already passed, and the permissive language described above. It does delete the installation of a "temperature control interface," which is what runs big commercial systems like the one that cools the Capitol. AT&T told my client, the Texas Air Conditioning Contractors Association, that they are primarily interested in working on residential and small commercial buildings, which the 10 ton unit in the substitute covers.

A residential thermostat is not a simple on/off switch! A leader in the burglar/fire alarm association told me yesterday that according to his own HVAC person, the thermostat on the system in his home has 26 settings that must be properly installed and adjusted in order for the thermostat to communicate with the air conditioner FOR OPTIMUM EFFICIENCY OF OPERATION.