BEFORE THE DEPARTMENT OF LABOR AND INDUSTRY STATE OF MONTANA

In the matter of the amendment of) NOTICE OF PUBLIC HEARING ON
ARM 24.144.301 definitions,) PROPOSED AMENDMENT AND
24.144.402 duty to report changes,) REPEAL
24.144.403 proof of insurance,)
24.144.411 fees, 24.144.501 who must)
obtain an endorsement, 24.144.502)
endorsement examinations,)
24.144.701 fireworks wholesaler permit)
applications, and 24.144.2101)
continuing education, and the repeal of)
24.144.404 duplicate license or)
endorsement, 24.144.415)
apprenticeship programs, 24.144.503)
application procedure, 24.144.702)
fireworks wholesale permits, and)
24.144.2102 renewals, all pertaining to)
the Fire Protection License Program)

TO: All Concerned Persons

- 1. On February 11, 2021, at 10:00 a.m., a public hearing will be held via remote conferencing to consider the proposed amendment and repeal of the above-stated rules. Because there currently exists a state of emergency in Montana due to the public health crisis caused by the coronavirus, there will be no in-person hearing. Interested parties may access the remote conferencing platform in the following ways:
 - a. Join Zoom Meeting, https://mt-gov.zoom.us/j/92728672482,

Meeting ID: 927 2867 2482, Passcode: 051763; or

b. Dial by telephone, +1 406 444 9999 or +1 646 558 8656,

Meeting ID: 927 2867 2482, Passcode: 051763.

The hearing will begin with a brief introduction by department staff to explain the use of the videoconference and telephonic platform. All participants will be muted except when it is their time to speak.

2. The Department of Labor and Industry (department) will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing or need an alternative accessible format of this notice. If you require an accommodation, contact the department no later than 5:00 p.m., on February 4, 2021, to advise us of the nature of the accommodation that you need. Please contact Carrie Baker, Fire Protection License Program, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; telephone (406) 841-2004; Montana Relay 1 (800) 253-4091; TDD (406) 444-2978; facsimile (406) 841-2305; or e-mail cbaker@mt.gov.

3. <u>GENERAL REASON</u>: Following a January 2020 internal transfer of the Fire Protection License Program (program) from the Building Codes Program to the Professional Licensing Bureau, department staff performed an in-depth review of the program's statutes and administrative rules. The department determined it is reasonably necessary to amend several program rules at this time to align with and gain efficiencies from standardized department procedures, remove conflicts between statutes and the implemented rules, and streamline the rules for better organization and ease of use for the reader. Additionally, staff discovered a large number of rules are out-of-date with industry standards and the licensure pathway via the National Institute for Certification in Engineering Technologies (NICET) requires updating. Where a more specific reason for a proposed amendment exists, the department will identify those reasons immediately following that rule.

Authority and implementation citations are being amended to accurately reflect all statutes implemented through the rule, provide the complete sources of the department's rulemaking authority, and delete references to repealed statutes.

- 4. The rules proposed to be amended are as follows, stricken matter interlined, new matter underlined:
- <u>24.144.301 DEFINITIONS</u> The following definitions apply to the use of the listed terms in Title 50, chapter 39, part 1, MCA, and in these rules:
 - (1) remains the same.
- (2) "ESA/NTS" means the Electronic Security Association/National Training School.
 - (2) and (3) remain the same but are renumbered (3) and (4).
- (5) "National testing agency" means a certifying organization that has been approved by the department as having qualifications that are at least substantially equivalent to the requirements of this state for licensing.
 - (4) remains the same but is renumbered (6).

AUTH: 50-39-107, MCA

IMP: 50-39-101, 50-39-102, 50-39-103, 50-39-104, 50-39-105, 50-39-106,

50-39-108, MCA

<u>REASON</u>: The department determined it is reasonably necessary to add the definitions of Electronic Security Association/National Training School (ESA/NTS) and national testing agency to align with changes proposed to ARM 24.144.502.

- 24.144.402 DUTY TO REPORT NAME, OR ADDRESS, AND OWNERSHIP CHANGES (1) An entity licensed or person individual endorsed shall report a change of name or address to the department within 15 days of the change. The entity or person shall also record the new name or address on the reverse side of the license and endorsement.
- (2) An entity licensed shall report a change of ownership to the department within 15 days of the change.

AUTH: 50-3-102, <u>50-39-107,</u> MCA

IMP: 50-3-102, 50-39-101, 50-39-102, MCA

<u>REASON</u>: It is reasonably necessary to change "person" to "individual" in (1) to address questions by clarifying that business entities may be licensed, and individuals may obtain endorsements.

The department is adding (2) to require notification of ownership changes within 15 days of the change. The public and local fire marshals rely on the accuracy of the department's records in determining which fire protection entities are licensed and competent to service, sell, or install fire protection equipment. Additionally, failure to promptly notify the department of ownership changes can result in confusion and delays at renewal. This requirement is consistent with ownership change reporting for other division boards and programs and will help the department maintain accurate records and ensure more timely follow-up if an ownership change seems suspect.

24.144.403 PROOF OF INSURANCE (1) through (5) remain the same.

AUTH: 50-3-102, <u>50-39-107,</u> MCA IMP: 50-3-102, 50-39-102, MCA

<u>24.144.411 FEES</u> (1) through (4) remain the same.

(5) Fireworks wholesaler permit	45
(5) One-time processing fee in year of first	
application for endorsement	25
(6) One-time processing fee in year of first	
application for license	100
(7) (6) Renewal of endorsement (per endorsement) endorsement(s),	
regardless of the number of endorsements held by an individual	100
(8) (7) Renewal of <u>business entity</u> license	200

AUTH: <u>50-37-104</u>, 50-39-107, MCA IMP: <u>50-37-104</u>, 50-39-102, MCA

<u>REASON</u>: The department is relocating the fireworks wholesaler permit fee from ARM 24.144.701 to (5) so all program fees are in a single rule.

Following the internal transfer, department staff analyzed the program's budget over the past five years. It was determined that the fees are not commensurate with the costs of administering the program as the program is nearing the statutory cash limit of twice the program's annual appropriation at 17-3-302, MCA.

Staff also found that no other licensing program has "one-time processing fees" and could not determine a need for the Fire Protection License Program to retain these fees. Further, the method of charging renewal fees per endorsement is consistently confusing to licensees and causes additional work for staff to collect the correct fees. The department determined it is reasonable to amend (6) to change to a flat renewal fee, regardless of the number of endorsements an individual holds.

The department determined it is reasonably necessary to amend and eliminate certain fees to comply with 50-37-104, MCA, which requires that program fees are commensurate with costs of administering the licensure program. In analyzing the program's budget, the department concluded that unless the fees are decreased as proposed, the program will violate the statutory cash limit in 17-3-302, MCA. The department estimates that the proposed fee changes will affect approximately 100 applicants and license/permit holders and reduce annual revenue by \$3,655.

The department is amending (8) to align with terminology used in (4) regarding the business entity license.

- <u>24.144.501 WHO MUST OBTAIN AN ENDORSEMENT</u> (1) and (2) remain the same.
- (3) An apprenticeship program must assure that the person completes the program in no longer than:
 - (a) four years for the service or installation of fire alarm systems;
- (b) two years for the service or installation of special agent fire suppression systems;
 - (c) five years for the service or installation of fire extinguishing systems.
- (4) An apprentice will be registered and issued a card each year while in good standing that indicates the individual is in a training position and shall not install, inspect, recharge, repair, service or test fire protection equipment without the direct and immediate supervision of a person endorsed by the department.
- (5) An apprentice shall obtain an endorsement within 90 days after completion of the apprentice program.
- (6) The following persons or entities are exempt from the licensing requirements imposed by these rules:
 - (a) remains the same but is renumbered (3).
- (b) A licensed electrician who installs smoke detection and fire alarm equipment pursuant to building specifications is exempt from obtaining a license or endorsement under this chapter, provided the installation is inspected and approved by a person endorsed to service or install the fire protection equipment.
- (c) An owner or occupant of a single family residence performing installation of fire protection equipment, as long as the authority having jurisdiction approves the installation.

AUTH: 50-3-102, 50-3-103, 50-39-107, MCA IMP: 50-3-102, 50-39-101, 50-39-102, 50-39-103, 50-39-104, 50-39-105, 50-39-106, 50-39-107, MCA

<u>REASON</u>: The department is amending this rule to remove the provisions regarding registered apprentices since the program no longer administers apprenticeship standards and individual apprenticeship agreements. The department's Workforce Services Division, Registered Apprenticeship Program, is the registration agency approved by the U.S. Department of Labor, Office of Apprenticeship, to develop and administer apprenticeship standards for all apprenticeable occupations, sponsor qualifications, and individual apprentice agreements.

The department is striking (6)(b) because it unnecessarily duplicates 50-39-101(4), MCA, providing that licensed electricians may install fire protection equipment if the work is inspected and approved by someone endorsed to sell, service, or install the fire protection equipment.

The department is striking (6)(c) following staff advice that the provision may exceed the scope of the program's statutes at Title 50, chapter 39, part 1, MCA, which contain no licensing exceptions for owner/occupants of single-family residences.

- <u>24.144.502 EXAMINATION FOR ENDORSEMENT</u> (1) The department shall issue an endorsement for both non-pre-engineered and pre-engineered fire alarm systems, special fire agent suppression systems, or fire extinguishing systems to an individual who pays the required fee and submits satisfactory documentation that the applicant satisfies one of the following:
 - (a) remains the same.
- (b) has been issued a letter of certification, specific to the endorsement being sought,:
- (i) of NICET Level II or higher; or is a candidate for certification from NICET Level II or higher. The letter of certification must be sent directly to the program office from NICET.;
- (ii) from ESA/NTS as a certified alarm technician level II or higher for a fire alarm systems endorsement; or
- (iii) from any national testing agency approved by the department per ARM 24.144.301; or
- (c) has passed the following NICET examination elements, for the system(s) for which endorsement is sought, as specified below:
- (i) automatic sprinkler fire extinguishing system (NICET) examination requirements:
 - 13001 construction plans
 - 13002 fire protection plans and symbols
 - 13003 specifications and cost estimates
 - 13005 basics of system layout
 - 13006 classification of occupancies
 - 13007 water supply requirements
 - 13008 system connections
 - 13009 system piping configurations, schedules and sizes
 - 13010 requirements of spacing
 - 13011 sprinkler location and position
 - 13012 pipe joining techniques and fittings
 - 13013 pipe hangers and hanging
 - 13014 wet and dry systems
 - 13016 underground piping
 - 13017 building codes
 - 13020 common material specifications
 - 13021 system components and limitations
 - 13023 special sprinklers
 - 13024 water flow test

```
13026 dwelling sprinklers
      14002 selection of fire pumps
      14004 pump flow test
      14005 high piled storage
      14006 rack storage
      14007 sprinkler system maintenance
      14009 standpipe systems
      14010 fire pumps and systems
      14011 storage tanks
      14012 alarms and system supervision
      14013 fundamentals of fire extinguishment
      14015 seismic bracing:
      (ii) fire alarm system endorsement (NICET) examination requirements:
      33001 fire protection plans and symbols
      33002 basics of system layout
      33003 electrical installation standards
      33004 basic fire alarm signaling systems
      33005 supervision and supervisory service
      33006 detection methods
      33007 detector spacing
      33008 power supplies
      33009 system acceptance and periodic tests
      33010 construction plans
      33011 specifications and cost estimates
      33013 building codes
      33016 local protective signaling systems
      33017 auxiliary protective signaling systems
      33018 remote station protective signaling systems
      33019 proprietary protective signaling systems
      33020 central station signaling systems
      33021 manual fire alarm systems and guard's tour service
      33022 heat-sensing fire detectors
      33023 smoke-sensing fire detectors
      33024 flame-sensing fire detectors
      33025 sprinkler waterflow and supervisory devices
      33026 alarm indicating appliances
      33027 basics of signal transmission
      34001 emergency voice/alarm communication systems
      34002 signal processing
      34003 surveys for fire alarm and detection systems
      34004 fire alarm system maintenance
      34005 fire alarm system wiring
      34006 emergency evacuation signals;
      (iii) special agent fire suppression system endorsement (NICET) examination
requirements:
```

23101 materials and components

23102 standard symbols

23103 specifications and cost estimates

23104 hazard analysis

23105 detection methods

23106 fundamentals of fire extinguishment

23107 extinguishing agents

23108 heat-sensing detectors

23109 smoke-sensing detectors

23110 flame detectors

23111 fire gas detectors

23112 foam water systems

23113 halon 1301 systems

23114 carbon dioxide systems

23115 dry chemical systems

23116 halon 1211 systems

23117 electrical installation standards

23118 area, volume and weight calculations

24101 explosion prevention and venting;

- (c) has successfully completed an apprenticeship program approved by the department; or
 - (d) remains the same but is renumbered (c).
 - (2) remains the same.

AUTH: 50-3-102, 50-39-107, MCA

IMP: 37-1-131, 50-39-101, 50-39-102, MCA

<u>REASON</u>: In reviewing current licensure examinations, department staff concluded that the Electronic Security Association/National Training School (ESA/NTS) examination for a Certified Alarm Technician Level II (CAT II) effectively measures an applicant's knowledge of fire alarm systems and passage of the examination demonstrates licensure competency. It is reasonably necessary to clarify in (1)(b)(ii) that this certification is acceptable for a fire alarm systems endorsement.

It is reasonably necessary to add (1)(b)(iii) to clarify the acceptance of endorsement certification from national testing agencies. Section 50-39-102, MCA, requires the department to issue endorsements to applicants certified in the area of the endorsement by any department-approved national testing agency. With more testing agencies becoming available, the department is defining "national testing agency" in ARM 24.144.301 and amending this rule to allow the department to consider applicants' certification from any qualified testing agency and without having to maintain a list of agencies in rule.

The department is amending this rule to remove the list of specific elements in the NICET (National Institute for Certification in Engineering Technologies) examination. NICET has changed the examination numbers and titles for many of these examination elements and therefore the list is not current or accurate. Because the approved NICET credentials are set forth in (1)(b), it is not necessary to list the specific examination elements.

The department is striking (1)(c) to align with the repeal of ARM 24.144.415 in this notice as the program no longer administers apprenticeship standards and individual apprenticeship agreements.

The department will continue to review ESA/NTS, national testing agencies, and NICET credentials for continued acceptance and other national testing entities for possible acceptance.

24.144.701 APPLICATION FOR FIREWORKS WHOLESALER PERMIT

- (1) Applicants for fireworks wholesaler permits must submit an application form, prescribed by the department, along with a \$55.00 application pay the appropriate fee, and meet the qualifications of 50-37-104, MCA.
- (2) The application form must contain the applicant's name, permanent address, business name, if any, principal place of business and a statement that the applicant has not been convicted of a crime involving the use, possession or sale of fireworks. The application must be notarized and accompanied by a certified copy of the applicant's birth certificate and three notarized letters attesting to the applicant's good moral character.

AUTH: 50-37-104, MCA IMP: 50-37-104, MCA

<u>REASON</u>: The board is amending this rule to align with the requirement of 2-4-305, MCA, that administrative rules may not unnecessarily repeat statutory language. Following amendment, the rule will simply reference the statute containing the qualifications for fireworks wholesaler permits.

The board is striking (2) because the department administers standardized application procedures for all professional and occupational licensing boards and programs, and it is not necessary to repeat procedural provisions in program rule. These standardized procedures use consistent means of proving qualifications to streamline and expedite application processing time, such as attestations and questions on prior discipline.

- <u>24.144.2101 CONTINUING EDUCATION</u> (1) Continuing education <u>(CE)</u> is that education obtained which is required in addition to the educational requirements for endorsement.
- (2) The department will not pre-approve CE programs or sponsors. It is the responsibility of the endorsee to select quality programs that are Continuing education must be related to the practice of installing or servicing fire protection equipment.
- (2) (3) An endorsee Endorsees shall obtain a minimum of eight four hours (60 minutes per hour) annually and affirm an understanding of their recurring duty to comply with CE requirements as a part of license renewal. submit copies of continuing education certificates with the application for renewal. Up to eight hours earned in excess of the eight hours required in a licensing year may be carried over into the succeeding year. All applicants for renewal of endorsements shall have completed continuing education as provided in this rule as a condition to establish

eligibility for renewal. The continuing education <u>CE</u> requirement <u>will does</u> not apply until the an endorsee's first full year of endorsement.

- (4) The department may randomly audit up to 50 percent of renewed endorsees.
- (5) Endorsees shall retain documentation of CE completion for three years from the date of completion and provide such documentation to the department upon request.
- (6) Continuing education hours or credits may not be carried over to any subsequent reporting period.
- (7) Endorsees found to be in noncompliance with CE requirements may be subject to administrative suspension.
- (3) (8) The <u>department accepts the</u> following continuing education <u>CE</u> programs may be approved by the department for continuing education <u>CE</u> credit:
 - (a) remains the same.
 - (b) courses in specialized programs approved by the department;
 - (c) correspondence course work approved by the department;
- (d) videotaped electronic or online instruction or course work approved by the department;
- (e) any continuing education <u>CE</u> which has been obtained in another state that meets the continuing education requirements of Montana;
- (f) college or vocational school course work, approved by the department, which is germane to the profession and contributes directly to the professional competence of the endorsed individual, subject to the following limitations:
 - (i) remains the same.
 - (ii) one semester credit shall equal 15 hours of continuing education CE; and
 - (iii) one quarter credit shall equal 10 hours of continuing education CE.
- (g) teaching courses that are germane to the profession. Credit units may be applied in this category based on a report by the endorsed individual. For a one-hour presentation, the presenter will be awarded two hours of continuing education CE. The following limitations shall apply to requests for credit under this section:
- (i) documentation must be submitted showing the <u>licensee</u> as the instructor of the course;
- (ii) the course must be addressed to endorsed individuals or apprentices in order to qualify for credit;
 - (iii) remains the same.
- (iv) instruction of any course may be submitted for continuing education <u>CE</u> only once.

AUTH: 50-3-102, 50-39-107, MCA

IMP: <u>37-1-141, 37-1-321, 37-1-420,</u> 50-39-102, MCA

<u>REASON</u>: The department is amending this rule to align with and further facilitate the department's standardized renewal, administrative suspension, and audit procedures, and streamline the rule for better organization and ease of use for the reader. As part of the standardization, the department is placing the responsibility on endorsees to select quality continuing education (CE) programs that contribute to their knowledge and competence. Following amendment, the department will no

longer approve sponsors or courses as endorsees must choose CE that meets the education objectives described in this rule.

Following a recommendation by legal staff, the department is amending (3) to align the affirmation of CE requirements at renewal with the provisions of 37-1-420, MCA. The amendments fall within standardized department procedures that endorsees with mandatory CE affirm an understanding of their CE requirements as part of a complete renewal application, instead of affirming CE completion.

The department is reducing the annual CE requirement from eight hours to four hours. There have been only been two disciplinary actions against endorsees in the last five years, demonstrating that endorsee noncompliance and unprofessional conduct have been very minimal. Additionally, several other neighboring states do not require CE for fire alarm and fire extinguishing or suppression system professionals. Therefore, the department determined it is reasonably necessary to reduce the number of CE hours to be more consistent with these states while still ensuring continued competency of endorsees.

The department is eliminating the ability for endorsees to carry over CE credits to a subsequent reporting period. Because the required hours are being reduced from eight to four, it is not necessary to allow CE carryover.

The department is adding (4) to allow flexibility in conducting random CE audits. This amendment will allow the department to respond to staffing and budget issues by adjusting the number of endorsees audited, while remaining consistent with the statutory maximum of 50 percent in 37-1-420, MCA.

To facilitate the standardized audit procedures, the department is specifying at (5) that endorsees must maintain their CE records for three years and provide them upon department request.

The department is clarifying in (7) that endorsees not in compliance with CE may be subject to administrative suspension per 37-1-321, MCA, and in accordance with standardized department audit processes.

5. The rules proposed to be repealed are as follows:

24.144.404 DUPLICATE LICENSE OR ENDORSEMENT

AUTH: 50-3-102, MCA

IMP: 37-1-134, 50-3-102, MCA

<u>REASON</u>: It is reasonably necessary to repeal this rule since licensees/endorsees are able to access licenses/endorsements online and print them at any time. Very few requests for duplicate licenses/endorsements are received and there is no standard fee for duplicates.

24.144.415 APPRENTICES-APPROVED PROGRAMS

AUTH: 50-39-107, MCA IMP: 50-39-101, MCA

<u>REASON</u>: The department proposes to repeal this rule because the Fire Protection License Program no longer administers apprenticeship standards and individual apprenticeship agreements. The department's Workforce Services Division, Registered Apprenticeship Program, is the registration agency approved by the U.S. Department of Labor, Office of Apprenticeship, to develop and administer apprenticeship standards for all apprenticeable occupations, sponsor qualifications, and individual apprentice agreements.

24.144.503 APPLICATION PROCEDURE

AUTH: 50-39-107, MCA

IMP: 50-39-102, 50-39-103, 50-39-105, MCA

<u>REASON</u>: The department administers standardized application procedures for all professional and occupational licensing boards and programs to streamline and expedite application processing. It is reasonably necessary to repeal this rule as it is not necessary to duplicate these procedures in program rule.

24.144.702 CONTENTS OF FIREWORKS WHOLESALE PERMIT

AUTH: 50-37-104, MCA IMP: 50-37-104, MCA

<u>REASON</u>: The department is repealing this rule as unnecessary. There is no requirement to post fireworks wholesale permits and the content of a department-issued permit is at the department's discretion.

24.144.2102 RENEWALS

AUTH: 37-1-141, 50-39-107, MCA IMP: 37-1-141, 50-39-102, MCA

<u>REASON</u>: The department is repealing this rule because the department administers a standardized renewal process for all professional and occupational licensure boards and programs, and it is not necessary to repeat the procedural provisions in this program rule.

- 6. Concerned persons may present their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to the Fire Protection License Program, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513, by facsimile to (406) 841-2305, or e-mail to cbaker@mt.gov, and must be received no later than 5:00 p.m., February 12, 2021.
- 7. An electronic copy of this notice of public hearing is available at http://boards.bsd.dli.mt.gov/fpl (department and program's web site). Although the department strives to keep its web sites accessible at all times, concerned persons should be aware that web sites may be unavailable during some periods, due to

system maintenance or technical problems, and that technical difficulties in accessing a web site do not excuse late submission of comments.

- 8. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this program. Persons who wish to have their name added to the list shall make a written request that includes the name, email, and mailing address of the person to receive notices and specifies that the person wishes to receive notices regarding all program administrative rulemaking proceedings or other administrative proceedings. The request must indicate whether e-mail or standard mail is preferred. Such written request may be sent or delivered to the Fire Protection License Program, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; faxed to the office at (406) 841-2305; e-mailed to cbaker@mt.gov; or made by completing a request form at any rules hearing held by the agency.
 - 9. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.
- 10. Regarding the requirements of 2-4-111, MCA, the department has determined that the amendment of ARM 24.144.301, 24.144.402, 24.144.403, 24.144.411, 24.144.501, 24.144.502, 24.144.701, and 24.144.2101 will not significantly and directly impact small businesses.

Regarding the requirements of 2-4-111, MCA, the department has determined that the repeal of ARM 24.144.404, 24.144.415, 24.144.503, 24.144.702, and 24.144.2102 will not significantly and directly impact small businesses.

Documentation of the department's above-stated determinations is available upon request to the Fire Protection License Program, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; telephone (406) 841-2004; facsimile (406) 841-2305; or to cbaker@mt.gov.

11. Carrie Baker, Program Manager, has been designated to preside over and conduct this hearing.

/s/ DARCEE L. MOE
Darcee L. Moe
Rule Reviewer

/s/ BRENDA NORDLUND
Brenda Nordlund, Acting Commissioner
DEPARTMENT OF LABOR AND INDUSTRY

Certified to the Secretary of State December 30, 2020.