

Joint public hearing of House Labor Relations and the House
Professional Licensure Committees on Licensure of Construction Trades
& Consumer Protection

University of Pittsburgh, Kurtzman Room
William Pitt Building
3959 Fifth Avenue, Pittsburgh, PA 15213

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Presented by:
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Good afternoon Chairman Sturla, Adolph and members of the House Labor Relations and Professional Licensure Committees. My name is Martin J. Flaherty. I am a registered Master Plumber in Allegheny County owning a plumbing shop in the South Hills of Pittsburgh. I am a first generation Master Plumber and proud that I have two sons in the trade to carry on our family tradition.

In the last 49 ½ years I have been in the plumbing industry, I have served in many positions of our association and as president of the Associated Master Plumbers of Allegheny County and I am former president of the Pennsylvania Plumbing, Heating & Cooling Contractors.

Thank you for the opportunity to present PA-PHCC views on the licensing and continuing education of the construction trades and specifically for plumbing contractors

PA-PHCC is made up of many small and large plumbing shops in the commonwealth as well as union signatory contractors all working in concert to support the state licensing of plumbing contractors. We feel this is necessary to protect the health, safety and welfare of the consumers and residents of Pennsylvania.

It may be of interest to point out that the PA-PHCC has spent more than 20 years advocating for the passage of a state wide plumbing contractors licensing and continuing education program. Most people we talk to around the state believe that there are already licensing apprentice training, testing and continuing education. In the larger municipalities, such as Philadelphia and Pittsburgh, and some other areas which are more densely populated, there are testing, schooling and licensing procedures in place. Smaller townships and boroughs that exist close to these municipalities usually accept licenses issued in these municipalities. Unfortunately, the vast majority of small townships and boroughs throughout the Commonwealth have no guidelines or procedures in place for the training and testing of a person to prove knowledge of the code or proficiency in performing plumbing work.

Pennsylvania is one of the dozen or so states that do not have a statewide procedure for the licensing of plumbers.

The perception of the PHCC industry as unprofessional, unsophisticated or not vigorous is the result of an industry unwilling to voluntarily and adequately regulate itself, while lobbying successfully to forestall any minimum uniform statutory regulation in the areas of licensing and continuing education.

If the PHCC industry is to hope to meet its coming manpower needs for both trades persons and managers it must set out to create a more positive and professional image for itself. If the industry is to attract young people to fill the roles of PPHCC managers and owners of the future, it must take the steps necessary to professionalize itself. Some of the ways to do this include embracing mandatory statewide licensing of contracts, mandatory continuing education requirements for plumbers, and professional certification programs.

States vary greatly on the expectations of the plumbing contractors who perform work within their borders. States with a history of natural disasters and those with a high rate of population growth have tended to recognize the need for plumbing licensing and continuing education in recent years.

The issue of licensing of plumbers today is characterized best as a political football bandied about by special interest groups in the PHCC

industry. Those arguing in favor of licensing, cite public safety, quality control, and industry integrity as primary reasons to institute statewide licensing.

Those arguing against licensing vilify the process as a barrier to free enterprise and a further imposition on the small-business person.

At first blush, it may seem that the argument against mandatory statewide licensing may be particularly credible.

So why then have licensing at all? What real factors control the quality and safety of the PHCC process? Should the state be involved or should the industry be self-governing? What role does licensing have in protecting public welfare and promoting professionalism and ethics in construction?

Problems created by poorly trained plumbers unlicensed can prove harmful to our interests as PHCC professionals for more than the obvious reasons.

First, unlicensed plumbers hurt our image in an industry severely challenged to provide adequate manpower at both the trades person and management levels in the coming decades. It seems imprudent to ignore the need to professionalize and legitimize the industry.

Further, each year thousands of consumer complaints are received about the quality and performance of PHCC services, which are mostly the

result of the work of unlicensed individuals or firms unaccountable for their abusers.

Second, unlicensed plumbers represent unfair competition in the PHCC marketplace by avoiding paying taxes and state benefits such as unemployment and workman's compensation.

Illegal plumbers can and do undercut legitimate plumbers on price. As one of the largest industries in each of the fifty states, the activities of unlicensed plumbers account for a significant underground economy. Potentially millions of annual revenue dollars are changing hands without taxation, resulting in the loss of many millions of dollars of annual revenue to the state.

PA-PHC is advocating for the passage of SB660, which addresses these issues by creating a State Board of Plumbing Contractors. The Senate Consumer Protection and Professional Licensure Committee has passed this bill earlier in this session. Senate Bill 660 is presently in the State Appropriations Committee. The primary function of the Board would be the licensing of all Master Plumbers (i.e. plumbing contractors), Journeyman plumbers and Apprentice Plumbers. This governing body would also necessitate the mandatory continuing education for all Master and Journeyman Plumbers and require participation in accredited programs for the initial testing and registration of all plumbers. In addition, the Board would also have the power to investigate and

administer the suspension and or revocation of Master and Journeyman licenses.

How to Gain More Respect as a Professional (The Importance of Licensure and Continuing Education)

Each of us, whether we admit it or not, would like to gain and maintain the respect of others both as a person and a professional. What follows is, in my opinion, a way to achieve this.

The stated goal of licensing is to “raise the standards of our practices thus benefiting all parties involved in the PHCC business, including society at large.” This statement closely mimics the widely accepted and recognized definition of certification. Now let us explore how this can be achieved.

In any business, professional management standards are essential to allow for ongoing success. There is no exception to this rule for our industry and the most effective way to establish and maintain these standards is through a certification program. Here are some of the most important reasons for following this course of action:

- Increase in the complexity of PHCC projects.
- Increase in specialization of PHCC processes and organization.
- The need for coordination and cooperation among all parties involved in the PHCC process.

- Owners placing more emphasis on management skills, service delivery and the execution of projects by demanding better performance, productivity and quality in the PHC process.
- Increase in governmental regulation with regard to working conditions, hiring practices and safety.
- A more diverse work force.
- Decline in the 80's and 90's of plumbing training programs.
- Declining image of PH work and workers leading to a decrease in the attractiveness of plumbing as a career.
- Need for implementation of new technologies in the PHCC process.
- Increased litigation affecting the entire industry.
- Increase international competition.

Most of the factors listed above are the same as those for proposing mandatory statewide licensing and continuing education but are aimed at individuals rather than a business. While the intent is sound, raising the standard for the individual, and the industry will surely benefit over time if enough individuals voluntarily go through the process, lack of regulatory mandate will more than likely render this certification process as more of a professional necessity than an expected standard.

None of us would consider selecting a family doctor or specialist who is not certified by the AMA, a dentist who is not certified by the ADA or an attorney not certified by the ABA. As consumers, we are comfortable knowing that these professionals are regulated by mandatory state licensing and by ongoing professional educational statutes. Why then would consumers not expect those same reassurances from the plumbing industry? PHCC professionals suffer from a perpetual negative reputation with the general public, other professional groups and even within itself. If all plumbers were required to demonstrate their competency in the areas of business management, trade skills, safety, quality control and customer service as well as demonstrating a minimum level of competence, a large step would be taken toward establishing industry credibility. Mandatory state wide licensing as an outcome of trade business management exams, proof of trade experience and competency and demonstration of financial solvency would satisfy this requirement but licensing alone is not enough. There are some states with mandatory licensing that includes testing but their PHCC professionals still suffer from a credibility problem. The best way to remedy this negative perception is to ensure that any licensure system includes requirements for continued education.

The State Legislature recognizes that, unfortunately, there are some plumbing contractors that may pose a danger of significant harm to the public when they provide unsafe or short-lived products or services. It is

necessary, in the interest of public health, safety, and welfare to regulate the industry. Continuing education can help with these concerns as well as educate plumbing contractors on changing legislation and how it affects our industry.

No matter what our level of skill or experience, continuing education courses can only prove to be beneficial. We can meet new ideas or concepts or refresh our memory on a variety of PHCC related subjects.

Pennsylvania was the leader of the pack in the plumbing industry and here is why:

At the second National Convention in Baltimore in 1884 John Weaver announced that the Philadelphia Association had established a trade school for the plumbing apprentice. It was the first plumbing trade school in the nation and it foreshadowed the new association's role in fostering classroom apprentice training.

In 1934 the Plumbing, Heating & Cooling Contractors Auxiliary made their first pledge of \$12,000 to a scholarship fund under which sons of Master plumbers could take courses and receive a proper education in the plumbing trade at Carnegie Tech just down the street. Also, pledged was \$32,000 to the National Scholarship Fund Endowment of the National Association of Master Plumbers. In the cooperative spirit of the era, manufacturers also participated. Standard Sanitary Manufacturing Company, now American Standard gave \$100,000 to Carnegie Tech to

endow a professorship in plumbing, heating and ventilating through its President Theodore Ahrens who himself made a donation of \$10,000. Additionally, Kohler and Crane Company each donated \$12,000 to the program.

The torch of continuing education was ignited in Pennsylvania. Let's hope the Professional Licensure Committee does not extinguish it.

In closing, I want to commend you, Chairman Sturla, members of the House Labor Relations and Professional Licensure Committees, and your committee for seeking input on this very important issue.

Thank you,

Martin J. Flaherty

Master Plumber