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Testimony from Sean Cleary Field Manager, International Association of Plumbing and Mechanical Officials (IAPMO)

Joint Public Hearing, Labor Relations and Professional Licensure Committees

University of Pittsburgh, Monday August 4, 2008

I would like to thank the committee for the opportunity to speak to you today on these important topics. My name is Sean Cleary; I am a field manager for the International Association of Plumbing and Mechanical Officials. This organization was found in 1926 to develop and maintain plumbing and mechanical codes and to promote the licensing and education of both inspectors and tradesman working in the construction industry. I am also a licensed master plumber in the City of Scranton where I sit on the City's Plumbing Advisory Board. In addition to that I am a graduate of The United Association of Plumbers and Pipefitters Instructor Training Program from Michigan State University and hold instructor certifications in Medical Gas Installation, Cross Connection Control Training, Plumbing Code, and Industrial Valve Repair. For the last ten years I have been teaching both apprentice and journeyman training classes for the United Association of Plumbers and Pipefitters Local 524 in Scranton Pa. The reason I am relating this information to you is that I want you to know that my opinions are based on thirty years of experience in the construction industry. I have been working in the field from my start as an apprentice in 1978, through these many years. I have been employed on projects ranging from single family housing to nuclear power plants, hospitals, hotels and prisons.

I would like to talk to you today about the importance of licensing within the construction industry. If we look at the States that surround Pennsylvania almost everyone in our region and in truth across the entire country require contractor licensing. Although it is not a uniform system it does show that Pennsylvania is behind the curve with regards to this important part of consumer protection. To some it may appear that the purpose of licensing and certification is nothing more than a way to create revenue for a City or State Agency. In reality when licensing

is administered by a state or government agency, it provides an unbiased, unquestionable foundation based on health and safety for all. Licensing and certification are important pieces of consumer protection. By licensing contractors and the tradesmen who work for them the general public will know that these employers and their employees are trained and well qualified under the codes and standards of the community in which they work. Licenses assure the community that the tradesmen or contractor is experienced in and accountable for the work they perform. Consider for a moment that in the State of Pennsylvania the people who cut your hair are required to take an exam and be licensed by the state, but a worker installing an oxygen line to the intensive care unit within the trauma center of a large hospital has no such requirement.

Protecting the integrity of the construction industry is a goal that we all have in common. When the Pennsylvania Assembly passed ACT 45, the Uniform Construction Code it took a very large step in the right direction. Putting the code into place, and in a large part of Pennsylvania requiring inspections for the first time moved the State forward, but the journey is not over. It is also essential that in addition to adopting the code we ensure proper construction of buildings and the mechanical and electrical systems within them, which results in a healthier and safer environment for us all. This requires that the people doing the work have the appropriate training. This training must be based not only on theory but on proven industry standards. Those who have received this kind of training should be acknowledged for their achievements. Testing and licensing is an excellent way to accomplish this. It is a way to separate knowledgeable and skilled professionals from the poorly trained, or in some cases completely untrained people working in the construction industry today.

The Pennsylvania Department of Labor's most recent estimate of the number of people working in the construction industry in Pennsylvania as of the first of June was 258,700. Opponents of State licensing will make the argument that a number of jurisdictions across Pennsylvania already require contractor licensing. How many of these workers hold city licenses is unknown. The state maintains no records of which cities require licenses, or how many have been issued. There is also no data base available on the requirements that individual cities have in

place. Some require that individuals pass an examination and document proof of work experience or of a completed apprenticeship in order to sit for an exam. Others simply collect a fee and issue a license. The time has come for the State Assembly to pass and the Governor to sign a state licensing law for contractors and their employees in the construction industry. This law should create a level playing field for qualified tradesman, and at the same time ensure that the consumer will be protected by including provisions that the trades people be required to complete an approved apprenticeship training program. An approved program should include both on the job experience and classroom study. Upon successful completion of the program, the individual should pass an exam before being allowed to become licensed in their field of expertise. The law should also include provisions for continuing education requirements for both contractors and their employees, along with a system for approval of these update classes.

Model Building Codes are updated on a three year cycle. Material types and construction installation practices are also continually changing. It is important that trades people even after becoming licensed, continue to remain current with code changes and new installation requirements and methods.

I have no doubt that a number of groups will oppose the concept of state contractor licensing of any kind. They will tell you that new regulations are not needed. They will tell you that the construction industry can police itself; that the free market will insure that the public will be protected. Most of these groups will be the same ones that voiced their opposition to ACT 45. They were wrong then, and they are wrong now. The State of Pennsylvania regulates and licenses hairdressers and nail technicians it is well past time that they license construction contractors, electricians, plumbers, and the rest of the construction industry to make sure that the people of Pennsylvania are provided with the protection that they deserve.

There are a number of approved apprenticeship programs already in place throughout the State. The building trades councils across Pennsylvania are working to provide the industry with the best trained apprentices and journeymen available. Each year they spend millions of dollars on both apprentice

training and update training for all their members. Adopting reasonable standards for training, along with a statewide license program will ensure that quality workmanship standards are adhered to within the Commonwealth and that the community and the consumer are protected.

We live in a State that has established statewide requirements for the training, testing and licensing of Nail Technicians, Natural Hair Braiders, Cosmetologists, and even Auctioneers. The people who sell real estate have to meet state requirements and be tested and licensed. Does it make sense that the people who build our homes, hospitals, schools, bridges, public water system, and everything else that we travel on, work in, live in and depend on have no such requirements? The time to act is now.

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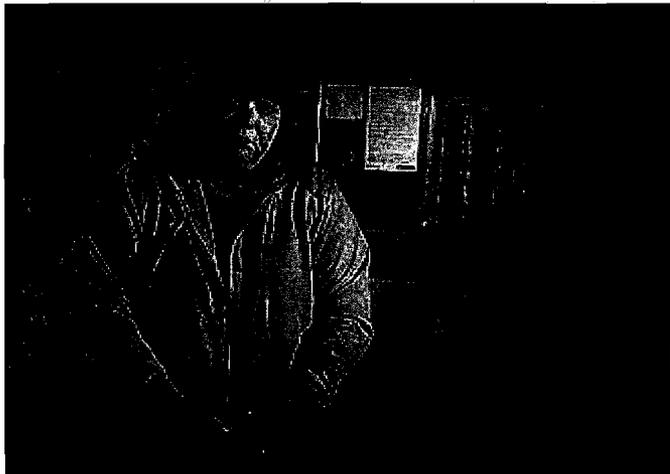
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Electrician zapped for overcharging

Friday, March 21, 2008



Steve Mellon/Post-Gazette

Robin Wilson of Emsworth stands next to the electric panel box in her basement. She said Speedy Electric, a company owned by Thomas J. Waldron, charged her \$5,894 for work that should have cost a fraction of that amount. A district judge and then an arbitration panel ruled in her favor, but Mr. Waldron has appealed those decisions to Common Pleas Court.

Robin Wilson walked into her Emsworth home last July and found the lights flickering.

Mrs. Wilson, 45, a registered nurse and widow with four children, got a flashlight and went to the electric panel box in the basement. Then the lights went out. When she flipped the circuit breaker, the lights came on and then went off again. Then the breaker became hot to the touch.

"I panicked," she told an arbitration panel of three lawyers in the Civil Division of Allegheny County Common Pleas Court. "I was scared to death."

She found a full-page color ad for Speedy Electric in the Yellow Pages. She called and spoke to a guy named Mike. Mrs. Wilson said he arrived shortly before 8 p.m. on July 10. She said he had her sign and initial some paperwork and went down to the panel box.

"When he came back upstairs, he said my main went bad and that my house could burn to the ground in minutes. He put the fear of God in me. He took advantage of me because I'm a woman and I was scared. When he gave me the price, I nearly fell off my chair -- \$5,894.

"I said I didn't have that kind of money in the house. I put \$3,100 on one credit card and \$1,000 on another card and gave him a check for \$1,794. He said the company doesn't take checks but

that he would hold it overnight and be back in the morning for \$1,794 in cash. He was waiting for me when I came back from the bank the next day."

Mrs. Wilson testified that it wasn't until the following day, "when people told me I had been ripped off real bad, that I discovered his prices were way out of line. He charged me \$426 for an Emsworth inspector to inspect the work, but the inspector said the charge was only \$60.

"And Mike didn't do the repair correctly. I had to call another electrician to do it properly and he only charged me \$90."

Mrs. Wilson sued Speedy Electric. The case was heard by District Judge Tara Smith. That's when Mrs. Wilson learned the company was owned by Thomas J. Waldron.

In 2002, the state attorney general's office sued Mr. Waldron for violating the Consumer Protection Law by failing to disclose trip and diagnostic fees, requiring consumers to sign a waiver of their right to cancel even when an emergency didn't exist and performing services in an unworkmanlike manner.

The case was settled last April when Mr. Waldron and three of his electric companies -- Waldron Electric Co., WEC Electric Co. and Electric USA Inc. -- agreed to pay \$41,376 in restitution to 94 consumers, \$2,500 in civil penalties and \$1,124 in costs.

Judge Smith ruled in Mrs. Wilson's favor and ordered Mr. Waldron to pay her \$4,618. He appealed.

When the arbitration panel heard the appeal on Feb. 25, Chris Arndt, an electrician from Ellwood City, testified on behalf of Mrs. Wilson. He said she was overcharged, adding that she could have had "a whole new service upgrade for about \$2,000."

Attorney Gregory A. Castelli of Carrick, who represented Mr. Waldron, reviewed the contract Mrs. Wilson signed. She said she had signed or initialed it in various places for such things as a \$466 diagnostic fee, a \$215 repair fee and \$4,913 to rebuild the panel box.

He told her -- and reminded the panel -- that "there are no pricing laws in Pennsylvania." He said companies can charge what they want to, and consumers can shop around for the best price.

The panel ruled in Mrs. Wilson's favor. It said Speedy Electric Heating and Cooling owed her \$4,778. Attorney David Humphreys, who chaired the panel, said it was a compromise verdict.

"That was the worst case I've ever heard," he said. "They used terroristic threats and an unfair contract to take advantage of this woman."

The Better Business Bureau said consumers have filed 55 complaints about Mr. Waldron's companies since 2005, most of which deal with over-pricing. Neither Mr. Waldron nor his companies are members. The bureau can be contacted at www.pittsburgh.bbb.org or 412-456-

2700.

Senior Deputy Attorney General Jesse Harvey, who prosecuted the case against Mr. Waldron that was settled last year, said the office "continues to receive complaints about him, especially the ridiculous prices he charges." He encouraged consumers to contact the office at www.attorneygeneral.gov or call 1-800-441-2555.

Mr. Waldron has appealed the arbitration panel's decision. His appeal may be heard later this year.

I'll be there so I can keep you posted.

Lawrence Walsh can be reached at pyp@post-gazette.com and 412-263-1895.

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