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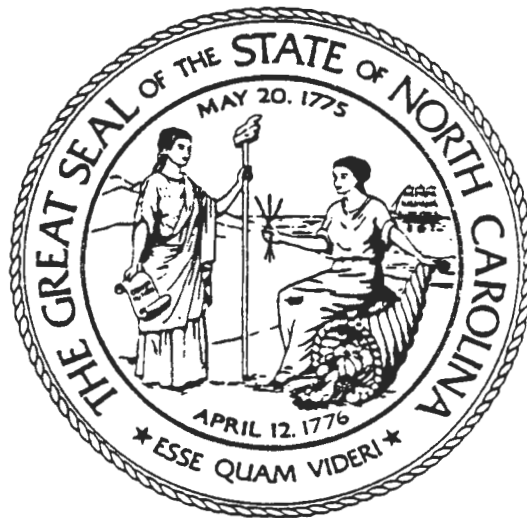
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## NEW LICENSING BOARDS

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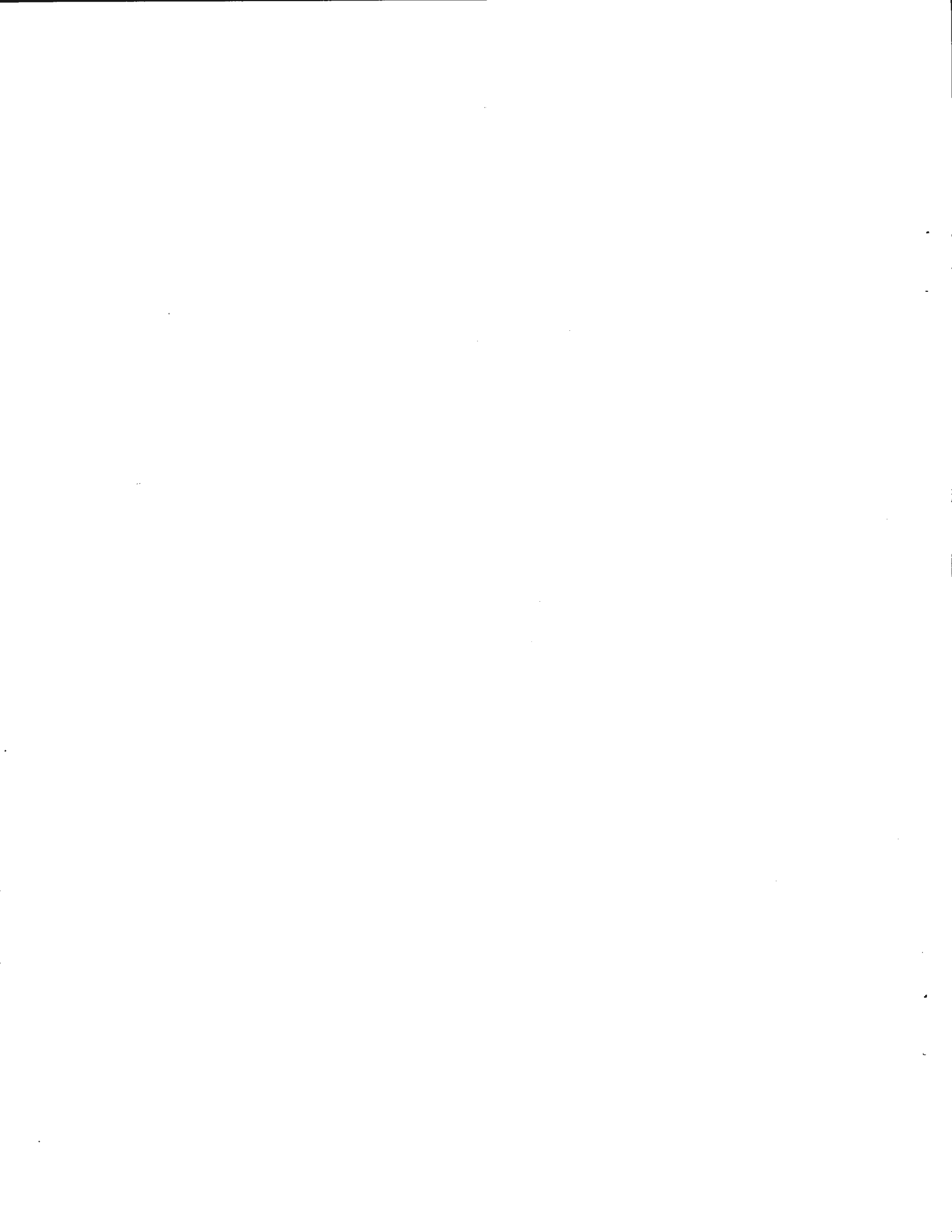
# WASTEWATER SYSTEM CONTRACTORS



ASSESSMENT REPORT

1993

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NORTH CAROLINA GENERAL ASSEMBLY  
LEGISLATIVE COMMITTEE ON NEW LICENSING BOARDS  
STATE LEGISLATIVE BUILDING  
RALEIGH, NC 27611



May 18, 1993

**TO THE MEMBERS OF THE GENERAL ASSEMBLY:**

The Legislative Committee on New Licensing Boards is pleased to present its assessment report on the licensing of wastewater system contractors. This report serves as both the preliminary and final assessment reports.

A handwritten signature in cursive script, appearing to read "Mary L. Jarrell".

Representative Mary Jarrell, Chair  
Legislative Committee on New Licensing Boards

KFN 7729 . W272 A25 1993



## PREFACE

The Legislative Committee on New Licensing Boards was created by the General Assembly in 1984 to screen bills creating new licensing boards. In 1987, the Committee's jurisdiction was broadened to include reviews of bills that would give existing boards licensing authority over previously unregulated professions or occupations.

The purpose of the review is to determine whether there is a justifiable need for licensure. The criteria under which these bills are evaluated by the Committee are set out in the statutes and include factors such as whether the occupation requires special skills, whether the public on its own can evaluate the competence of the practitioner, and whether the occupation can be effectively regulated by other means.

The Committee's findings and recommendations are released through a preliminary assessment report and a final assessment report. Until the final assessment report is released by the Committee, the bill cannot be debated in any other committee or on the floor of either house. The preliminary report gives the sponsor an opportunity to review and comment on an unfavorable recommendation before the Committee makes a final recommendation. The sponsor has up to 7 days to review the report but can waive this review period. When the preliminary assessment report is favorable, the review period is routinely waived so that the final report can be issued immediately.

The Committee has no jurisdiction over proposals to create voluntary certification boards -- i.e., those boards that require certification as a prerequisite to using a certain title but do not otherwise prohibit practice of the profession. The reason these proposals are not reviewed is that they do not prevent persons from practicing a profession: they merely provide a mechanism whereby members of the profession who want to distinguish themselves as "certified" can do so voluntarily.

**MEMBERSHIP (1993-94)**

**LEGISLATIVE COMMITTEE ON NEW LICENSING BOARDS**

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## WASTEWATER SYSTEM CONTRACTORS

Wastewater system contractors construct, install, or repair septic tanks and other types of on-site wastewater systems for which permits are issued pursuant to Article 11 of Chapter 130A of the General Statutes. Currently, the local health departments issue permits for the construction of wastewater facilities and must inspect the wastewater system before it is put into use (G.S. 130A-337) to ensure that it was installed or repaired in accordance with the terms of the permit. However, the qualifications of the wastewater system contractor are not subject to State regulation. Currently, any person who registers with the local health department can install, construct, or repair a wastewater system.

The sponsor notes that unqualified contractors threaten the public health and welfare through potential contamination of the groundwater where the wastewater systems are installed, exposure of humans to wastewater effluent on the ground surface, sewage back-up, and economic hardship on persons whose systems are improperly installed and are rendered useless.

The proposal to license wastewater system contractors would require each contractor to obtain a license from the proposed Board of On-site Wastewater Contractors. Licensure requires the successful completion of the Board-administered examination. Renewal requires the completion of continuing education requirements.

An estimated 600 to 800 contractors in North Carolina would be affected by the licensure proposal. These contractors install approximately 30,000 to 40,000 new conventional septic tank systems annually.

The Committee finds that the requirements of G.S. 120-149.1 have been met by the proposal to license wastewater system contractors and therefore recommends licensure of wastewater system contractors:

(1) The unregulated practice of wastewater system contracting can substantially harm or endanger the public health.

(2) Wastewater system contracting possesses qualities that distinguishes it from ordinary labor.

(3) Wastewater system contracting requires specialized skill or training.

(4) A substantial majority of the public does not have the knowledge or experience to evaluate whether a person practicing as a wastewater system contractor is competent.

(5) The public cannot be protected by means other than licensure.

(6) Licensure of wastewater system contracting would not appear to have a substantial adverse economic impact upon consumers.

\*This report serves as both the preliminary and final assessment report on the licensing of wastewater system contracting. The report is based on information provided in the response to the Committee's questionnaire, testimony received before the Committee at its May 11, 1993 meeting, and the proposed legislation before the Committee (House Bill 953 and Senate Bill 978).

The response to the questionnaire is provided in this report.







REPORT TO THE LEGISLATIVE COMMITTEE  
ON NEW LICENSING BOARDS

1993 NORTH CAROLINA GENERAL ASSEMBLY

AN ACT TO ESTABLISH THE NORTH CAROLINA LICENSING  
BOARD OF ON-SITE WASTEWATER SYSTEM CONTRACTORS

SENATE BILL 978

HOUSE BILL 953

## SUMMARY OF PURPOSE

Wastewater systems installers are a group of men and women who are presently engaged in installing septic tanks or special wastewater treatment systems in North Carolina.

There are approximately 600 to 800 of these small business men and women engaged in installing these systems throughout the state.

Everyone from an electrical contractor to a plumber or builder have some form of license or certification in North Carolina. It is the desire of the installers of wastewater treatment systems to have the same degree of professionalism as anyone else who is a part of the construction and building trade in North Carolina.

The industry leaders believe this Bill will establish a system which will begin to regulate the industry and to set up a system of compulsory continual education so as to protect the environmental interest of all the citizens of North Carolina.

This Bill, as drafted, is quite similar to the Electrical Contractors Board of Licensing.

REPORT TO THE GENERAL ASSEMBLY

- I. A. In what ways has the marketplace failed to regulate adequately the profession or occupation?

The Contractors who install on-site wastewater systems (septic tank/ground absorption) are the only trade related to the construction industry that is not regulated. Currently, anyone with a backhoe can notify (register) with a local health department and can be an installer of septic systems. The public has incorrectly assumed that this occupation is regulated by some entity only to find out after their septic system fails it is the owner's responsibility to correct the problem with little or no recourse against unscrupulous installers.

- B. Have there been any complaints about the unregulated profession or occupation? Please give specific examples including complainant's names and addresses.

Every local health department in North Carolina routinely receives complaints about installers or contractors using poor practices, methods of construction that may impact the public's health, environmental quality, or economic well being.

Each reviewer should independently contact their local health department regarding this serious problem.

Also contact:

- Steve Steinbeck - Head, On-Site Wastewater Sewer Branch, Raleigh, N.C.
- Steve Berkowitz - Engineering Branch, On-Site Sewage Raleigh, N.C.
- Tom Konslar - Onslow Co. Health Department, Hillsborough, N.C.
- Jim Balus - Pamlico Co. Health Department, Bayboro, N.C.

II. A. In what ways has the public health, safety, or welfare sustained harm or is imminent danger of harm because of the lack of state regulation?

Unqualified, poorly trained and educated installers have constructed systems that have: 1) contaminated ground waters of the disposal site; 2) exposed humans to wastewater effluent on the surface of the ground; 3) caused sewage to back up in the residence or business; 4) created economic hardships on owners of systems that cannot be repaired.

B. Please give specific examples including names and addresses.

Mr. David Crist, a septic tank installer from Lewisville, North Carolina, was killed in late 1992 due to a trench cave-in he was excavating.

This is an example of the danger that exist when adequate caution is not observed.

III. A. Is there potential for substantial harm or danger by the profession or occupation to the public health safety or welfare? How can this potential for substantial harm or danger be recognized?

Absolutely yes.

Improperly installed on-site wastewater systems can bring substantial havoc to the public and the environment by:

- 1) exposure to pathogenic organisms
- 2) contamination of drinking waters - both surface and ground water
- 3) closure of shellfishing waters
- 4) causing large expenditures of public or private monies to correct problems of failing on-site wastewater systems.

B. Has this potential harm or danger to the public been recognized by other states or the federal government through the licensing or certification process? Please list the other states and give the relevant statutory citations.

Yes, nine other states have set up a certification and licensing program for septic tanks and wastewater treatment installations. The states who require certification or registering are:

Arkansas	Delaware
Florida	Idahoe
New Jersey	Ohio
Tennessee	Washington
Illinois	

IV. A. What will be the economic advantage of licensing to the public?

The public will benefit economically by having licensed contractors constructing systems that will have reduced risk of premature malfunctioning. The cost of correcting failures in septic systems exceeds the ability of some individuals, or in some cases, the towns/cities to pay.

Licensed contractors will be able to install systems for the public with the special skills and knowledge required without costly errors or mistakes and in a more timely or cost efficient manner.

B. What will be the economic disadvantages of licensing to the public?

None

C. What will be the economic advantages of licensing to the practitioners?

The economic advantages to licensed on-site wastewater contractors includes: 1) the Board will be able to provide less costly adjudication through arbitration, 2) through training, both prior to licensing and continuing education after licensing will be able to provide more efficient service to the public.

D. What will be the economic disadvantages of licensing to the practitioners?

None, except the cost of the license and some costs to attend continuing education workshops.

E. Please give other potential benefits to the public of licensing that would outweigh the potential harmful effects of licensure such as a decrease in the availability of practitioners and higher cost to the public.

The benefits of licensing on-site wastewater contractors will far out weigh the potential drop in the number of practitioners slightly higher initial costs of systems because a better system will be installed at the outset.

The public health will be better protected and the impact on our ground water will be minimized and long-term costs of systems will be reduced.



V. A. Please detail the specific specialized skills of training that distinguish the occupation or profession from ordinary labor. How is each justified?

Contractors who install conventional septic tank systems must have the following minimum skills or training:

- Ability to read, understand, and translate a plan or specifications to construct systems in order to comply with permit requirements;
- Ability to use special equipment for the layout and actual installation, again to comply with the various laws, rules and permit conditions.

Contractors who install alternative or non-conventional systems, such as tertiary wastewater treatment plants with low-pressure pipe disposal systems must have the skills listed above and the following additional skills or training:

- Ability to read and understand blueprints and specifications prepared by engineers.
- Ability to assemble various system components, such as tanks, pumps, electrical controls, alarm systems, hydraulic valves, fittings, and numerous complex system components.
- Ability to interpret the potential effects of engineer's specifications upon environmental health.

B. What are other qualities of the profession or occupation that distinguish it from ordinary labor?

The unique ability to visualize the construction techniques and implement the system.

- VI. A. Will licensing requirements cover all practicing members of the occupation or profession? If any practitioners of the profession or occupation will be exempt, what is the rationale for the exemption?

Yes, all contractors will be governed except those individuals who elect to install a conventional septic tank system on property to serve facilities they own and will occupy.

- B. What is the approximate number of persons who will be regulated and the number of persons who are likely to utilize the services of the occupation or profession?

Approximately six to eight hundred system contractors will be regulated affecting the installation of approximately 30,000 to 40,000 new conventional septic systems annually.

Approximately 10,000 to 15,000 repair systems will be affected, and an estimated 2,000 to 5,000 alternative or non-conventional septic tank systems.

- VII. What kind of knowledge or experience does the public need to have to be able to evaluate the services offered by the occupation or profession?

The public is generally unaware of the special skills and expertise required for wastewater system construction. In fact, the public is often shocked to learn there are currently no requirements for licensing, when all other construction trades are licensed.

- VIII. Does the occupational group have an established code or ethics, a voluntary certification program, or other measures to ensure a minimum quality of service? Please document.

None exist.

IX. Please cite and document the extent to which any other licensing board in North Carolina regulates similar or parallel functions to the profession or occupation.

None exist in North Carolina; however, if you are constructing a home a licensed general contractor, a licensed electrician, a licensed plumber, and a licensed refrigeration mechanic are required but the on-site wastewater system can be installed by anyone who calls (registers) with the local health department and says they are in the business.

