

LICENSING DIVISION

Air Conditioning and Refrigeration Contractors Advisory Board

September 7, 2021

Personnel Updates

New Licensing Analysts

7/15/21 – Megan Tucei was promoted from an Administrative Assistant III to a Licensing Analyst II from working on the Licensing Support Team. She was responsible for processing all incoming and outgoing mail, supply requests, preparing imaging documents, inventory and processed parent taught driver education applications. Her previous employment consisted of being a household manager and caretaker, working on the junior league, and was the president of the Alpha Chi Omega Society.

7/15/21 – Linda Williams was hired full time after being a temporary employee working on the elevator licensing team where she reviewed and processed elevator certificates of compliance. Her previous experience consists of being an accounts specialist, a resume fraud analyst, and an office manager. She is also a veteran with the military service.

Statistics

AIR CONDITIONING CONTRACTOR

	TOTAL FY 20	August 2020 – July 2021 FY 21
New Licenses Issued	928	1,028
Renewed Licenses Issued	16,268	15,008
Online Renewals	14,975	14,914
% Renewed Online	92%	99%
Total Population	17,119	17,386

REGISTERED TECHNICIANS

	TOTAL FY 20	August 2020 – July 2021 FY 21
New Registrations Issued	7,235	7,198
New Registrations Issued Online	7,011	7,036
Renewed Registrations Issued	18,108	17,272
Online Renewals	18,028	17,172
% Renewed Online	99%	99%
Total Population	26,307	28,224

CERTIFIED TECHNICIANS

	TOTAL FY 20	August 2020 – July 2021 FY 21
New Certifications Issued	9	13
New Certifications Issued Online	0	0
Renewed Certifications Issued	4,691	3,955
Online Renewals	4,675	3,941
% Renewed Online	99%	99%
Total Population	4,839	4,597

TOTAL OF ALL TYPES COMBINED

	TOTAL FY 20	August 2020 – July 2021 FY 21
New Licenses, Registrations, Certifications Issued	8,172	8,239
New Licenses, Registrations, Certifications Issued Online	7,011	7,036
Renewed Licenses, Registrations, Certifications Issued	39,067	36,235
Online Renewals	37,678	36,027
% Renewed Online	96%	99%
*Total Population	48,265	50,207

*The population number is a snapshot of the number of active licenses on the first day of and the month. The number of licenses issued and renewed is the total activity performed during the fiscal year.

Current Projects

*Emergency extension update:

For the emergency extension we are making sure our licensees are aware of the following:

- Under this emergency authorization, if your license expired between August 1, 2020 and September 18, 2021, you will still be able to work for up to 120 days after your expiration date while your renewal is being processed. If TDLR makes a final determination that your renewal application is denied, you will no longer be able to work under the emergency license.
- Due to COVID-19, TDLR is facing an unprecedented challenge with processing paper renewals and applications. **We strongly encourage everyone who can renew online to take advantage of this option.** TDLR's online renewal portal accepts all major credit cards, including MasterCard and Visa branded gift cards.
- We are working as quickly as possible to process all payments that are included with your application. Please be advised that stopping payment through your financial institution will delay and/or stop your application from processing.

We are referring customers to the website for their extension information and to check for any updates.

Customer Service Division

Staff Report for the Air Conditioning and Refrigeration Contractors Advisory Board

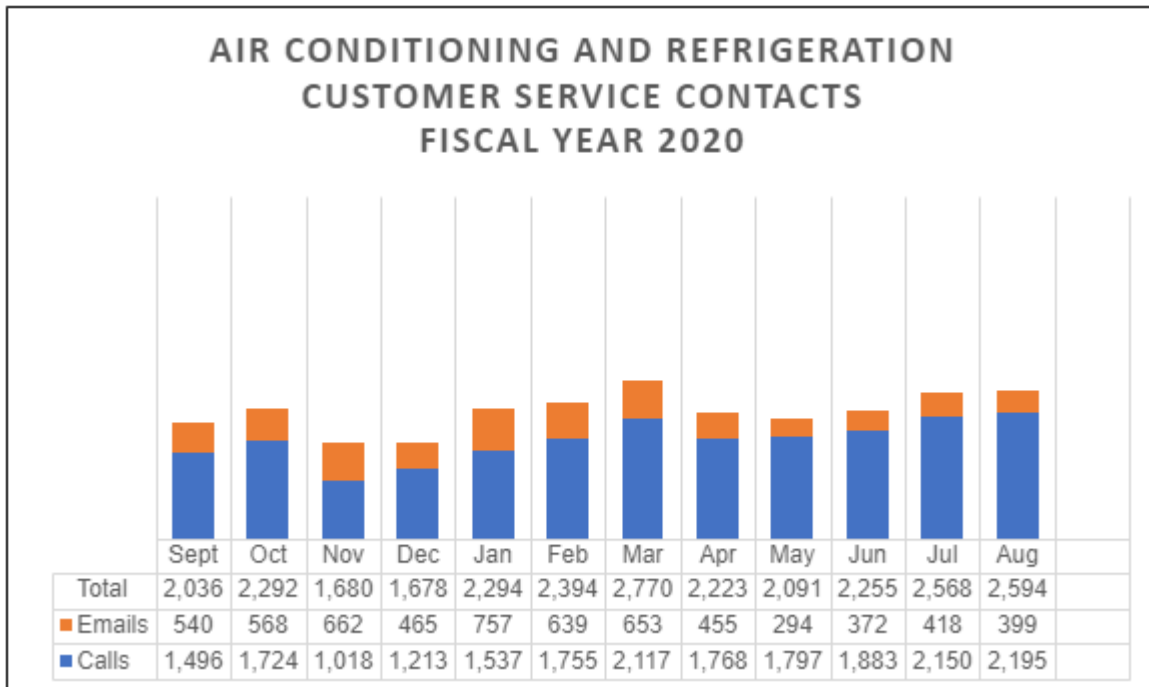
September 7, 2021

Personnel Updates

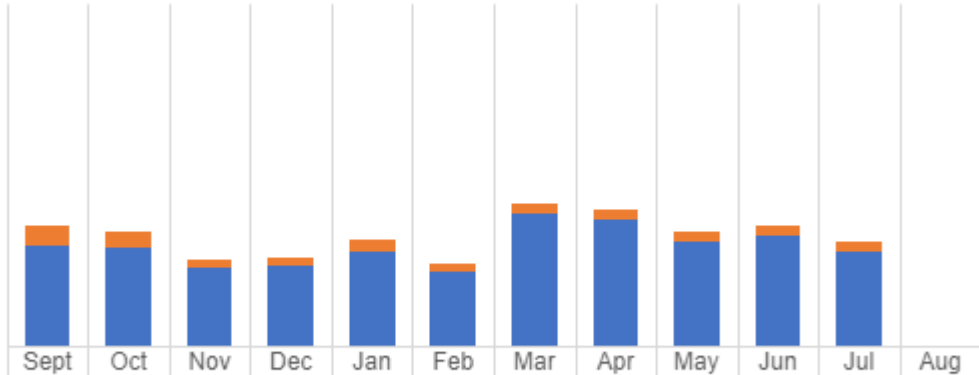
After 20 years of state service, 15 of those at TDLR, our Director of Customer Service Trey Seals has moved on to pursue other endeavors and we wish him the best of luck in his pursuits. The impact that he has had on the division and the agency cannot be overstated and we will miss him.

The new Director of Customer service is Tuan Nguyen. Tuan has been with TDLR for almost seven years, previously Tuan was one of the Managers in the Customer Service Division. Tuan has a very strong analytical background, and we are very excited to see where he will take the Division in the future.

Statistics



**AIR CONDITIONING AND REFRIGERATION
CUSTOMER SERVICE CONTACTS
FISCAL YEAR 2021**



Total	2,455	2,344	1,751	1,805	2,169	1,668	2,927	2,795	2,326	2,468	2,131	0
■ Emails	412	353	134	170	232	137	219	219	193	206	202	
■ Calls	2,043	1,991	1,617	1,635	1,937	1,531	2,708	2,576	2,133	2,262	1,929	

Enforcement Division

Staff Report for the Air Conditioning and Refrigeration Contractors Advisory Board

September 7, 2021

Personnel Updates:

- On August 1, 2021, Cynthia Marple was hired as an Attorney III. She joins TDLR from the Department of Public Safety’s office of Regulatory Counsel Division where she prosecuted compliance and enforcement cases. Cynthia is a member of the Transportation Team, which focuses on cases related to Tow, Vehicle Storage Facilities, Driver’s Education and Motor Fuels.

Statistics:

Shown below are the Enforcement Performance Measures and key statistics for the Air Conditioning and Refrigeration (ACR) program and for all TDLR programs combined **through July of Fiscal Year 2021**

Key Statistic	ACR	TDLR
Cases opened	796	9,133
Cases closed	798	8,423
Average time to close (days)	290.40	209.56
% of cases resolved within 6 months	54.26%	59.74%
% of cases resulting in disciplinary action	10.53%	14.35%
Cases pending at end of July	738	6,560

Source of Cases Opened for Fiscal Year 2021 through July

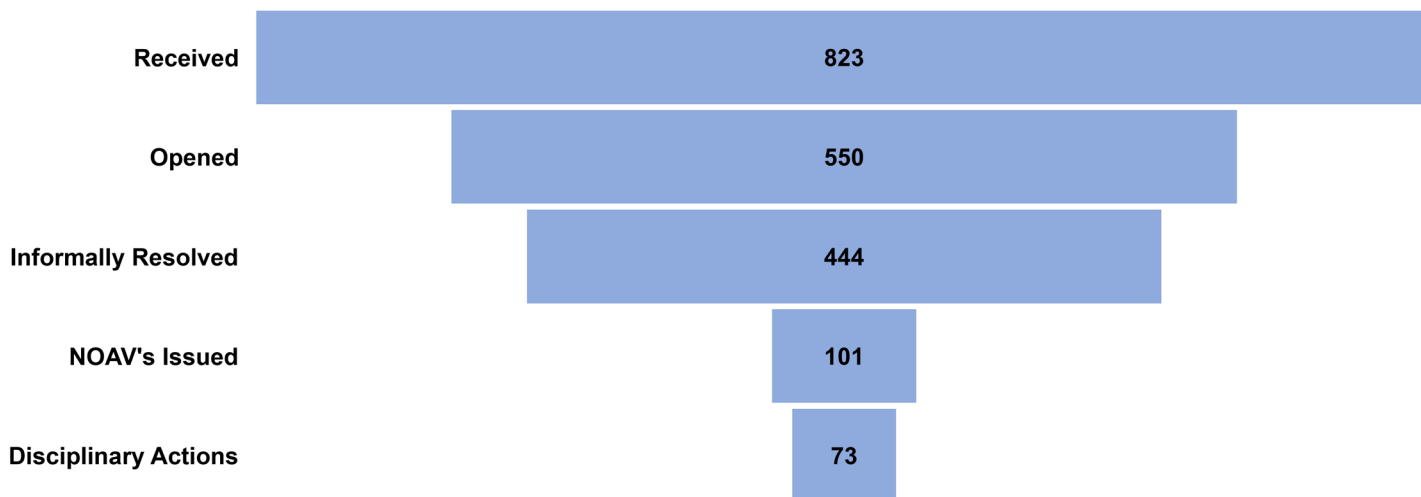


Case Outcomes

	ACR	TDLR
Commission Orders	*2	40
Default Orders	*58	445
Agreed Orders	33	689
Penalties Assessed	\$358,125.00	\$2,518,566.00
Penalties Collected	\$59,550.00	\$1,098,228.95
Licenses Revoked (Disciplinary)	7*	88
Licenses Suspended	2*	8
Licenses Denied/Revoked (Criminal History)	17	228
Cease & Desist Orders	1	19
Informally Resolved	697*	7,107
Consumer restitution through negotiated settlement	\$51,137.73	\$165,621.10

**Includes complaints received from all sources*

Statistics on ACR Consumer Complaints through July of Fiscal Year 2021



Top 10 ACR Alleged Violations at Opening through July of Fiscal Year 2021

Violation:	Count
Criminal History	225
Mechanical integrity code issue	187
Contracting without a license	174
Misrepresentation of service	51
Advertising without a license	49
Fraudulent statement	28
Required information not on proposal or invoice	27
No license number in ad	23
No license number on invoice	13
Failed to provide invoice to consumer	12

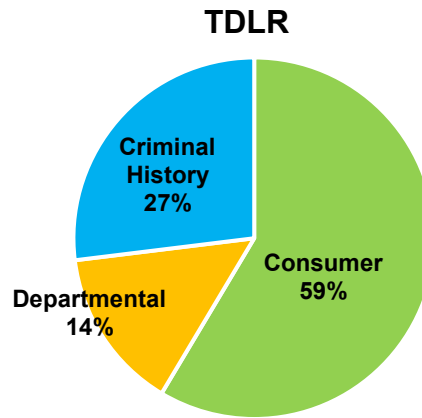
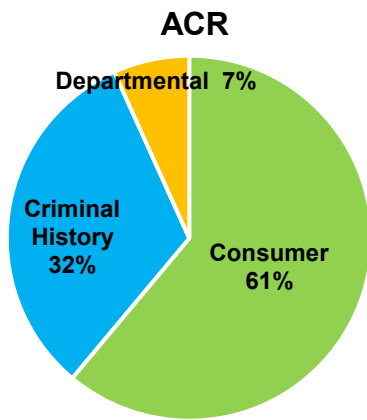
Top ACR Violations Resulting in Disciplinary Action through July of Fiscal Year 2021

Violation:	Count
Contracting without a license	37
Criminal History	15
Mechanical integrity code issue	8
Failed to obtain permit	5
Performed work outside endorsement	5
Allowed another to use license	5
Used a license not assigned to Company	3
Failed to comply with an order	3
Misrepresentation of service	2
Contracted outside scope of license	1
No license number on invoice	1
Advertising without a license	1
Fraudulent statement	1

Shown below are the Enforcement Performance Measures and key statistics for the Air Conditioning and Refrigeration (ACR) program and for all TDLR programs combined for **Fiscal Year 2020:**

Performance Measure	ACR	TDLR
Cases opened	771	10,465
Cases closed	713	9,763
Average time to close (days)	242.60	157.58
% of cases resolved within 6 months	53.72%	68.64%
% of cases resulting in disciplinary action	10.24%	13.48%
Cases Pending at end of Fiscal Year 2020	740	5,850

Source of Cases Opened Fiscal Year 2020

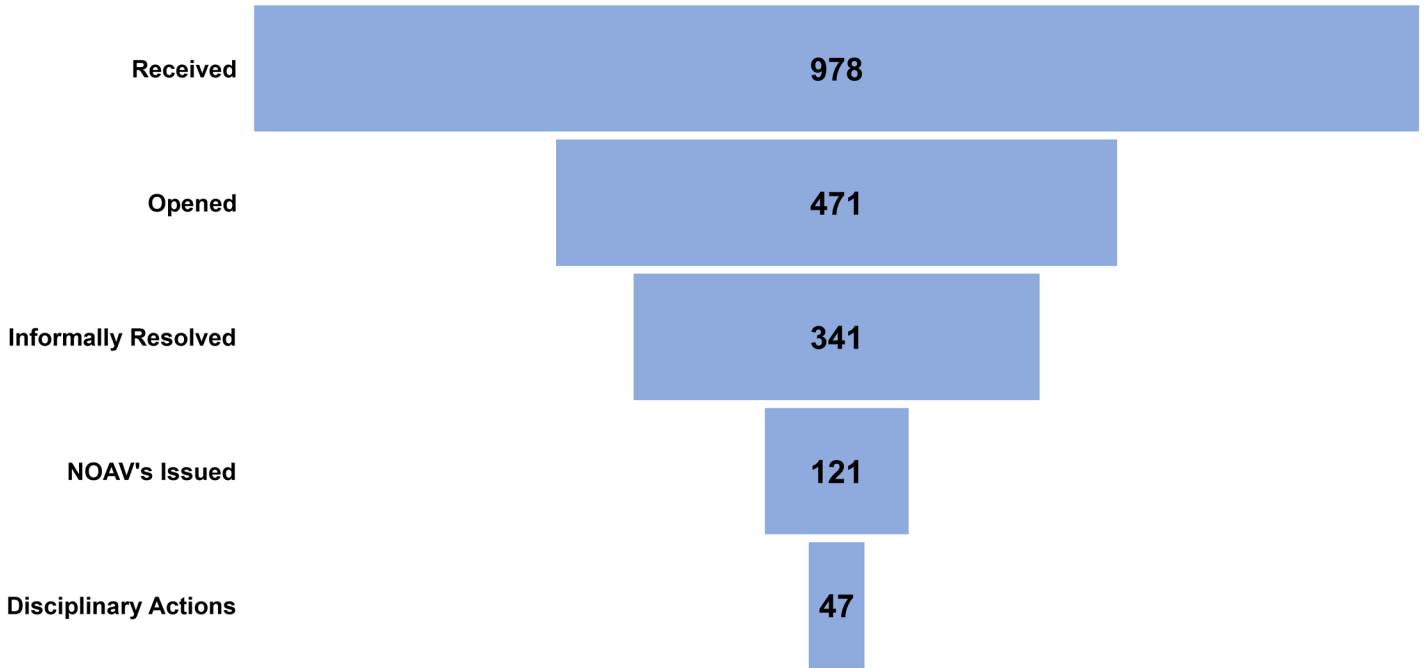


Case Outcomes

	ACR	TDLR
Commission Orders	1*	28
Default Orders	45*	339
Agreed Orders	27*	853
Penalties Assessed	\$254,875.00	\$2,360,451.00
Penalties Collected	\$69,450.00	\$1,296,792.16
Licenses Revoked (Disciplinary)	4*	62
Licenses Suspended	0	4
Licenses Denied/Revoked (Criminal History)	11	240
Cease & Desist Orders	6	46
Informally Resolved	630*	8,365
Consumer restitution through negotiated settlement	\$21,804.19	\$183,910.04

**Includes complaints received from all sources*

Statistics on ACR Consumer Complaints for FY2020



Top 10 ACR Alleged Violations at Opening for Fiscal Year 2020

Violation:	Count
Criminal History	240
Mechanical integrity code issue	197
Contracting without a license	155
Misrepresentation of service	64
Advertising without a license	31
No license number on invoice	26
No license number in ad	25
Required information not on proposal or invoice	20
Failed to obtain permit	17
Fraudulent statement	13

Top 10 ACR Violations Resulting in Disciplinary Action for Fiscal Year 2020

Violation:	Count
Contracting without a license	57
Criminal History	12
Mechanical integrity code issue	12
Failed to obtain permit	4
Used a license not assigned to Company	3
Failed to comply with an order	3
Misrepresentation of service	3
Electrician Contracting without license	2
Hired unlicensed technician	1
Performed work outside endorsement	1

Sting:

Between June 7th and June 10th, 2021, Enforcement Investigators Debra Hicks, LaChasity Cloud, Lindsay Tenorio, Henry Maldonado, Robert Nino, Haregeweyn Demoz, Don Vara and Investigation Manager, Art Arevalo conducted a weeklong undercover sting operation in Houston. During the sting, TDLR enforcement investigators contacted people who advertised electrical and air conditioning services in local newspapers or on social media and did not include license information in the ads as required by state law. Investigators filed 22 enforcement cases against unlicensed air conditioning contractors who offered to perform unlicensed work during the sting. The National Association of State Contractors Licensing Agencies (NASCLA) did a national press release that included information on our sting operation.

Case Highlights

Case No. ACR20210008211 – Jesus Vijil Cardona Jr.

On April 12, 2019, Mr. Cardona's registration was revoked by operation of law. Mr. Cardona was issued a Registered Air Conditioning and Refrigeration Technician registration on January 13, 2011. On February 18, 2021, Mr. Cardona sought to renew that registration. However, during his criminal history review of his renewal application, it was discovered that Mr. Cardona was imprisoned on April 12, 2019. Because Mr. Cardona was imprisoned, his registration was revoked by operation of law, pursuant to Tex. Occ. Code § 53.021(b) which provides that a license holder's license shall be revoked on the license holder's imprisonment

following a felony conviction, felony community supervision revocation, revocation of parole, or revocation of mandatory supervision. Due to Mr. Cardona's imprisonment, his registration was automatically revoked on April 12, 2019, and not subject to renewal.

Case No. ACR20210000556- Juan Carlos Robles-Garcia

On June 8, 2021, the Executive Director signed an Agreed Order that finalized the settlement agreement between the Department and Respondent Juan Carlos Robles-Garcia. As part of this negotiated settlement, Mr. Robles-Garcia accepted liability for performing air conditioning and refrigeration contracting without holding the appropriate contractor license when he installed an HVAC unit at Complainant's residence. Mr. Robles-Garcia was assessed an administrative penalty of \$2,000 for this violation, and he is currently on a payment plan and has paid \$1,000 of the penalty.

Case No. ACR20200014650– Ruben Gaytan

On June 1, 2021, a Default Order against Respondent Ruben Gaytan was signed and issued by Deputy Executive Director David Gonzales for the Executive Director. The Order found Mr. Gaytan engaged in air conditioning and refrigeration contracting without holding the appropriate contractor license when he entered into a contract to replace all Complainant's ducts and grills. Mr. Gaytan was paid \$1,500 for the agreed upon work. Additionally, the order found Mr. Gaytan used a license that was not assigned to his company when he listed another contractor's license number on his invoice. Mr. Gaytan failed to timely sign and return the settlement agreement sent to him as part of the Notice of Alleged Violation and as a result, a Default Order in the amount of \$6,000 was entered against him.

Case No. ACR20190004810– Christopher Joseph Barone

On October 9, 2020, the Executive Director signed an Agreed Order that finalized the settlement agreement between the Department and Respondent Christopher Joseph Barone. As part of this negotiated settlement, Mr. Barone accepted liability for failing to provide supervision of all work performed at the jobsite, causing the mini-splits to be improperly installed. Mr. Barone was assessed an administrative penalty of \$1,500 for this violation, which has paid in full.

Case No. ACR20200013173– Christopher G Maree

On February 1, 2021, a Default Order against Respondent Christopher G Maree was signed and issued by Deputy Executive Director David Gonzales for the Executive Director. The Order found Mr. Maree failed to provide proper installation, service or mechanical integrity when the company serviced an air conditioning unit and damaged the drain pan. Mr. Maree failed to timely sign and return the settlement agreement sent to him as part of the Notice of Alleged Violation and as a result, a Default Order in the amount of \$3,000 was entered against Respondent.

Education and Examination Division

Staff Report for Air Conditioning & Refrigeration – September 7, 2021

Statistics

Air Conditioning & Refrigeration Contractors Examination Statistics
(As of July 31st, 2021)

FY 2021	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	Total
Pass	98	92	103	293	124	69	53	246	79	82	88	249	98	78	0	176	964
Fail	137	135	139	411	140	126	83	349	139	143	135	417	143	101	0	244	1,421
Total	235	227	242	704	264	195	136	595	218	225	223	666	241	179	0	420	2,385
Rate	41.7%	40.5%	42.6%	41.6%	47.0%	35.4%	39.0%	41.3%	36.2%	36.4%	39.5%	37.4%	40.7%	43.6%	0.0%	41.9%	40.4%

FY 2020	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	Total
Pass	86	100	68	254	105	106	112	323	80	0	6	86	105	99	81	285	948
Fail	126	132	133	391	143	119	185	447	76	0	12	88	109	119	129	357	1,283
Total	212	232	201	645	248	225	297	770	156	0	18	174	214	218	210	642	2,231
Rate	40.6%	43.1%	33.8%	39.4%	42.3%	47.1%	37.7%	41.9%	51.3%	0.0%	33.3%	49.4%	49.1%	45.4%	38.6%	44.4%	42.5%

Air Conditioning & Refrigeration Contractors Examination Statistics
By License Type
(As of July 31st, 2021)

SEPT – OCT – NOV 1 ST QUARTER FY2020					SEPT – OCT – NOV 1 ST QUARTER FY2021				
LICENSE TYPE	PASS	FAIL	TOTAL	RATE	LICENSE TYPE	PASS	FAIL	TOTAL	RATE
Environmental A	117	126	243	48.15%	Environmental A	112	175	287	39.02%
Environmental B	57	157	214	26.64%	Environmental B	90	126	216	41.67%
Commercial Refrigeration A	62	76	138	44.93%	Commercial Refrigeration A	68	69	137	49.64%
Commercial Refrigeration B	15	26	41	36.59%	Commercial Refrigeration B	19	37	56	33.93%
Certified ACR Technician	3	6	9	33.33%	Certified ACR Technician	4	4	8	50.00%
TOTAL	254	391	645	39.38%	TOTAL	293	411	704	41.62%
DEC – JAN – FEB 2 ND QUARTER FY2020					DEC – JAN – FEB 2 ND QUARTER FY2021				
LICENSE TYPE	PASS	FAIL	TOTAL	RATE	LICENSE TYPE	PASS	FAIL	TOTAL	RATE
Environmental A	119	137	256	46.48%	Environmental A	102	141	243	41.98%
Environmental B	99	203	302	32.78%	Environmental B	65	136	201	32.34%
Commercial Refrigeration A	88	67	155	56.77%	Commercial Refrigeration A	56	47	103	54.37%
Commercial Refrigeration B	15	33	48	31.25%	Commercial Refrigeration B	21	15	36	58.33%
Certified ACR Technician	2	7	9	22.22%	Certified ACR Technician	2	10	12	16.67%
TOTAL	323	447	770	41.95%	TOTAL	246	349	595	41.34%
MAR – APR – MAY 3 RD QUARTER FY2020					MAR – APR – MAY 3 RD QUARTER FY2021				
LICENSE TYPE	PASS	FAIL	TOTAL	RATE	LICENSE TYPE	PASS	FAIL	TOTAL	RATE
Environmental A	37	32	69	53.62%	Environmental A	104	170	274	37.96%
Environmental B	26	32	58	44.83%	Environmental B	63	163	226	27.88%
Commercial Refrigeration A	18	9	27	66.67%	Commercial Refrigeration A	63	53	116	54.31%
Commercial Refrigeration B	3	10	13	23.08%	Commercial Refrigeration B	14	24	38	36.84%
Certified ACR Technician	2	5	7	28.57%	Certified ACR Technician	5	7	12	41.67%
TOTAL	86	88	174	49.43%	TOTAL	249	417	666	37.39%
JUN – JUL – AUG 4 TH QUARTER FY2020					JUN – JUL – AUG 4 TH QUARTER FY2021				
LICENSE TYPE	PASS	FAIL	TOTAL	RATE	LICENSE TYPE	PASS	FAIL	TOTAL	RATE
Environmental A	102	148	250	40.80%	Environmental A	72	99	171	42.11%
Environmental B	91	121	212	42.92%	Environmental B	46	104	150	30.67%
Commercial Refrigeration A	70	66	136	51.47%	Commercial Refrigeration A	47	25	72	65.28%
Commercial Refrigeration B	20	19	39	51.28%	Commercial Refrigeration B	9	10	19	47.37%
Certified ACR Technician	2	3	5	40.00%	Certified ACR Technician	3	8	11	27.27%
TOTAL	285	357	642	44.39%	TOTAL	177	246	423	41.84%

Air Conditioning & Refrigeration Contractors - Continuing Education Statistics
 (As of July 31st, 2021)

FY 2021	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
Total New Course Approvals Issued	6	3	1	10	0	18	13	31	27	7	2	36	2	6		8	85
Total Course Count (end of month)	98	98	70	70	69	96	103	103	104	96	83	83	84	86		86	86

FY 2020	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
Total New Course Approvals Issued	17	3	0	20	4	17	5	26	26	8	12	46	1	7	7	15	107
Total Course Count (end of month)	127	120	117	117	113	117	116	116	125	116	109	109	102	106	105	105	105

Regulatory Program Management

Staff Report for the Air Conditioning & Refrigeration Contractors Advisory Board (September 7, 2021)

Personnel Update

William (Bill) Weatherly, ACR Chief Inspector-Program Specialist

- Approval had been received to post a Program Specialist IV position that will assist the ACR Chief Inspector. This position will perform many of the same duties as the Chief Inspector, and will provide some much needed assistance with subject matter expertise for industry inquiries and enforcement cases. We hope to have this position posted on the Department's website soon.

Current Projects / Activity

- Public Outreach (contingent on any new travel restrictions)
 - ACL "Air Conditioning Live" <https://www.tacca.org/mpage/Sessions>
TACCA 2021 Annual Conference: Thursday, October 28 and Friday, October 29, 2021
 - Program Chief Bill Weatherly will be speaking and leading a session entitled, **Texas ACR Laws and Rules**
 - The Bluebonnet Chapter of International Code Council (ICC) has inquired about speaking at their monthly meeting in Harker Heights, TX. Tentatively 1st week in October.
- Normal Duties:
 - Public inquires concerning the ACR Program sent from Customer Service Dept. - average 4-5 per week.
 - ACR License Application reviews; mostly concerning out of state applicants.

- Review of ACR Exam Questions that score outside of set parameters.
- Review/Inspect Enforcement cases with mechanical integrity issues. Onsite inspections are now possible on a case by case evaluation.

Industry Updates

- 2020 National Electrical Code (NEC), Section 210.8(F)
 - Open for any questions that were not answered in the June meeting.
- Department of Agriculture's perspective regulation of HVAC/R Refrigerant Scales.
 - Dept of Ag's Initial rollout was a regional discussion limited to the Rio Grande Valley (Region 5) and came with the following directive.:

It came to our attention that A/C Repair companies sell freon buy the pound. That being the case every scale used commercially, to buy and sell a commodity, must be registered through The Texas Department of Agriculture. Also, if you are using a scale to sell by the pound, the scale must meet the markings set forth by NIST's Handbook 44. In other words, your scale must have the marking (III) – this being a Class III scale. All Class III scales are Legal for Trade, meaning you can buy or sell the weight from these types of scales.

- I was contacted by several RGV contractors worried about this as it came out of the blue. TDLR made contact with Department of Agriculture HQ to discuss, and they have pulled back any enforcement until the total issue is reviewed and all impacts are considered.
 - Per Dept of Agriculture: "No actions will be taken against (ACR) licensees, and we are going to step back and evaluate our procedures going forward and what that path will look like with outreach and education."