

# STATE OF NEW YORK

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4008--A

2021-2022 Regular Sessions

## IN SENATE

February 1, 2021

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Introduced by Sen. BRESLIN -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general business law, in relation to establishment of the water-based fire protection licensure act, and providing for the repeal of certain provisions upon expiration thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "water-  
2 based fire protection licensure act".  
3 § 2. Legislative intent. It is declared that there exists and may in  
4 the future exist within the state of New York locations where water-  
5 based fire protection systems are installed and improper installation  
6 and improper inspection, testing, and maintenance of existing fire  
7 protection systems may adversely affect the public health, safety and  
8 general welfare. It is further acknowledged that fire protection systems  
9 are critical life and property safety systems and such systems whose  
10 layout, installing, repairing, inspecting, testing, or maintenance  
11 require specialized knowledge and experience. Therefore the purpose of  
12 this act is to protect, promote and preserve the public health, safety  
13 and general welfare by providing for the establishment of minimum stand-  
14 ards for licensure of water-based fire protection system installation  
15 and inspecting contractors as well as designating and utilization of  
16 responsible managing employees as qualifiers of said license with estab-  
17 lishment of penalties for improper layout, installing, repairing,  
18 inspecting, testing, or maintaining of water-based fire protection  
19 systems and prohibit unlicensed activities. Furnishing and installing  
20 underground water-supply and one-family and two-family residential  
21 systems, unless a residential system in a "group home" are exempt from  
22 this act.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

LBD07013-02-1

§ 3. The general business law is amended by adding a new article 35-G to read as follows:

ARTICLE 35-G  
WATER-BASED FIRE PROTECTION  
LICENSURE ACT

Section 759-g. Definitions.

759-h. License and RME requirements; scope of practice; penalties for non-compliance.

759-i. Powers of the department and board.

759-j. New licensure requirements.

759-k. Licensure for existing contractors.

759-l. Licensure: application; insurance; display; duplicates.

759-m. License renewals and RMEs.

759-n. Inspection of water-based fire protection systems.

759-o. Fees.

759-p. Suspension and revocation of licenses.

759-q. Hearing on charges; decision.

759-r. Judicial review.

759-s. Violations and penalties.

759-t. Official acts used as evidence.

759-u. Disposition of moneys derived from operation of this article.

759-v. Severability.

759-w. Applicability.

759-x. Contractual agreements.

§ 759-g. Definitions. As used in this article, unless the context requires otherwise:

1. "AFSA" means the American fire sprinkler association.

2. "Board" means the state fire protection advisory board under the department. Such board shall be the advising body for all rules, requirements, regulations, and future modifications affecting licensure, certificates and certification, exams, training, and other topics covered under this act.

3. "Business entity" means a firm, company, partnership, limited liability company, or corporation.

4. "Department" means the department of state division of licensing services.

5. "Engineer of record" means an education department-licensed professional engineer, qualified by experience and training to provide design criteria for fire protection systems including:

(a) selection of system types and components;

(b) classification of potential hazards and commodities to be protected;

(c) density, water flow, and pressure requirements for system designs;

(d) confirmation of available water supply data;

(e) preliminary hydraulic calculations verifying the adequacy of proposed water supply arrangements;

(f) ability to identify water supplies that could lead to microbiologically influenced corrosion; and

(g) familiarity with seismic information and other items identified by law or the uniform fire and building codes of the state.

6. "Fee" means any examination fee, license fee, registration fee, or renewal fee accompanying an application or issuance of any license, certification, or registration, including any temporaries or renewals, pursuant to this article. Such fee shall be non-refundable.

7. "Fire control" or "fire suppression" means:

1 (a) the practices, or materials and equipment in or adjacent to a  
2 building or premises, used in the installation, maintenance, extension,  
3 or alteration of all piping materials and equipment, as defined by the  
4 state uniform fire prevention and building code, in connection with the  
5 discharge of water and backflow prevention for the express purpose of  
6 extinguishing and controlling fire; and

7 (b) the practice of installing, repairing, inspecting, testing, and  
8 maintaining water-based fire protection systems as defined by the state  
9 uniform fire prevention and building code.

10 8. "Fire sprinkler system" means any water-based fire protection  
11 system, fire suppression system, or fire control system employing fire  
12 sprinklers and consisting of underground and overhead piping, including  
13 fire pumps and associated piping, fire standpipes that convey water with  
14 or without other agents to dispersal openings or devices for the purpose  
15 of extinguishing, controlling, suppressing, or containing fire, and  
16 which provide protection from fire exposure or exposure to the products  
17 of combustion, and are installed in accordance with the state uniform  
18 fire prevention and building code and referenced standards and state-ap-  
19 proved local standards.

20 9. "Full-time employee" means an employee of a business entity who is  
21 expected to work at least one thousand five hundred sixty hours per  
22 year. Earned, paid time for leave such as vacation, sick, or personal  
23 days shall be inclusive within the one thousand five hundred sixty  
24 hours.

25 10. "Inspection" means the visual examination of a building's water-  
26 based fire protection system, or a portion thereof, to verify that such  
27 system appears to be in operating condition and is free of physical  
28 damage.

29 11. "Inspection, testing, and maintenance" means a program provided by  
30 a state-licensed water-based fire protection contractor who has  
31 contracted with a property or building owner, or such property or build-  
32 ing owner's representative, in which all components unique to such prop-  
33 erty or buildings' systems are inspected and tested at required frequen-  
34 cies and in which necessary maintenance is provided. Such programs shall  
35 include logging and retention of relevant records and reporting of defi-  
36 ciencies and malfunctions to the property or building owner or his or  
37 her authorized representative, and the appropriate authorities as  
38 required.

39 12. "Inspector" means a person who is employed by a state-licensed  
40 water-based fire protection contractor, who performs inspection and  
41 testing on a water-based fire protection system, as per the state  
42 uniform fire prevention and building code, and a program provided by a  
43 state-licensed water-based fire protection contractor.

44 13. "Install" or "installation" means the initial placement of a  
45 water-based fire protection system, or its extension or alteration after  
46 the initial placement.

47 14. "Layout" means the placement of risers, cross mains, branch lines,  
48 fire sprinklers, and hanger locations, and sizing of pipe and supple-  
49 mental hydraulic calculations in accordance with the provisions of  
50 water-based fire protection design standards and design criteria as  
51 provided by the engineer of record.

52 15. "License holder" means a business entity as defined by this  
53 section and as licensed by the department to engage in the business of  
54 the layout, installing, repairing, inspecting, testing, or maintaining  
55 of water-based fire protection systems. A single license may name no  
56 more than one business entity.

1 16. "Limited maintenance" means adjustment of or replacement of system  
2 components like and kind, inclusive of maintenance requirements per NFPA  
3 25, as defined in this section.

4 17. "Maintenance" means work performed by a licensed water-based fire  
5 protection contractor to keep water-based fire protection equipment  
6 operable including repairs.

7 18. "NCCI" means the national council on compensation insurance.

8 19. "NFPA" means the national fire protection association, inc.

9 20. "NFPA 25" means the NFPA's most recent state referenced publica-  
10 tion, which establishes the minimum requirements for the periodic  
11 inspection, testing, and maintenance of water-based fire protection  
12 systems and the actions to undertake when changes in occupancy, use,  
13 process, materials, hazard, or water supply that potentially impact the  
14 performance of such water-based system are planned or identified.

15 21. "NFSA" means the national fire sprinkler association, inc.

16 22. "NICET" means the national institute for certification in engi-  
17 neering technologies or other entities recognized as being equal to or  
18 better than NICET, as determined by the department.

19 23. "OFPC" means the state office of fire prevention and control.

20 24. "Repair" means any work on a system after the initial installation  
21 to replace, correct or maintain such system.

22 25. "Responsible managing employee" or "RME" means an individual with  
23 appropriate NICET certification or state-approved equivalent who is a  
24 full-time employee of a water-based fire protection contractor, and who  
25 is designated as such water-based fire protection contractor's qualifier  
26 to do business as a water-based fire protection contractor. A RME may  
27 serve to qualify no more than two water-based fire protection contractor  
28 under this article in the state. Where an RME qualifies multiple busi-  
29 ness entities, the entities must be shown to have common ownership or  
30 controlling interest and the RME must be a full-time employee.

31 26. "Supervise" or "supervision" means the direction, management, and  
32 oversight by the RME named on a contractor's business license of the  
33 activities of personnel in the layout, installing, repairing, inspect-  
34 ing, testing, or maintaining repair of any water-based fire protection  
35 system. Notwithstanding this subdivision, supervision shall not require  
36 such RME to be at the site of each layout, install, repair, inspection,  
37 test, or maintenance of water-based fire protection systems at all  
38 times.

39 27. "Testing" means testing water-based fire protection systems as  
40 defined by the state uniform fire prevention and building code.

41 28. "Water-based fire protection contractor" or "contractor" means any  
42 of the following classes:

43 (a) "Contractor I" or "water-based fire protection contractor" means a  
44 business entity that offers to undertake, represents itself as being  
45 able to undertake, or does undertake the layout, installing, repairing,  
46 inspecting, testing, or maintaining of all types of water-based fire  
47 protection systems and components.

48 (b) "Contractor II" or "water-based fire protection systems inspection  
49 contractor" means a business entity that is limited to the execution of  
50 contracts requiring the inspection and testing along with limited main-  
51 tenance of fire protection systems. Contractor II businesses shall have  
52 an RME certified NICET II or better or state equivalent in inspection  
53 and testing of water-based systems.

54 29. "Water-based fire protection contractor business license" or  
55 "license" means a license issued by the department to a business entity  
56 to operate as a water-based fire protection contractor.

30. "Water-based fire protection system" means a commercial or residential system individually designed to protect the interior or exterior of a specific building, structure, or other potential hazard from fire, or to promote life safety. Such systems include, but are not limited to, water fire-sprinkler systems, water spray systems, foam-water sprinkler systems, foam-water spray systems, and foam extinguishing systems used for fire protection.

§ 759-h. License and RME requirements; scope of practice; penalties for non-compliance. 1. (a) It is unlawful for any organization, business entity, or individual to engage in the business of layout, installing, repairing, inspecting, testing, or maintaining water-based fire protection systems, to act in the capacity of a water-based fire protection contractor, or to advertise itself as being a water-based fire protection contractor without having been duly licensed and without holding a valid license, except as otherwise provided in this section. The RME named to qualify an organization or business entity under this article must be a full-time employee of such organization or business entity.

(b) The department shall revoke, for a period of time determined by the department, the RME as a qualifier for all water-based fire protection contractors if such RME makes use of or allows the use of NICET or equivalent certification to qualify a contractor of which such RME is not a full-time employee.

(c) All entities performing layout of drawings, installing, repairing, inspecting, testing, or maintaining water-based fire protection systems within the state (exempting systems within the jurisdictions of the five boroughs of New York city, Nassau county, and Suffolk county) must have in their employ one or more RMEs with appropriate certification for the layout of water-based fire protection system shop drawings to be performed, or for the practice of inspection, testing, and maintenance of water-based fire protection systems. This includes contractors based in other states, New York city, Nassau county, and Suffolk county, or any other location work covered under this article is to be performed.

(d) Nothing in this subdivision shall prohibit an employee acting on behalf of any government entity or insurance provider from inspecting and enforcing the state uniform fire prevention and building code and local laws, provided such employee is acting solely on behalf of such government entity or insurance provider. All fire protection cards, registrations, certificates, and licenses required by this article and issued by the department shall have statewide application (exempting the jurisdictions of the five boroughs of New York city, Nassau county, and Suffolk county). Local governments (exempting the jurisdictions of the five boroughs of New York city, Nassau county, and Suffolk county) shall not establish or impose any further standards, licensing, certification, or registration upon state-licensed water-based fire protection contractors or their employees.

(e) Local governments (exempting the jurisdictions of the five boroughs of New York city, Nassau county, and Suffolk county) shall not require any type of additional licensing, certification, or registration of a water-based fire protection contractor, its RME, or its employees that are licensed, certified, or registered by the department of state unless such contractor maintains a physical office within such local government's jurisdiction.

2. As of eighteen months after the effective date of this article, no person or business entity shall engage in the business of layout, installing, repairing, inspecting, testing, or maintaining water-based



1 fire protection systems beginning at the point of fire protection  
 2 service to the most remote parts of the system, or hold himself or  
 3 herself out as being able so to do unless he or she is licensed pursuant  
 4 to this article.

5 3. Retrofitting of a backflow prevention device: It is the responsi-  
 6 bility of the building or property owner, commercial or residential to  
 7 obtain a state licensed professional engineer to become engineer of  
 8 record to evaluate any water-based fire protection system, supply docu-  
 9 mented findings to the water-based fire protection contractor, and  
 10 approve the installation of any backflow prevention device, in order to  
 11 avoid the introduction or addition of a backflow prevention device to an  
 12 existing water-based fire protection system, that causes a reduction in  
 13 available water pressure and may create a system malfunction.

14 4. A water-based fire protection contractor licensed under this arti-  
 15 cle shall not:

16 (a) enter into a written or oral agreement to authorize, subcontract,  
 17 or otherwise knowingly allow any individual or entity who is not  
 18 licensed under this article to engage in the business of, or act in the  
 19 capacity of, a water-based fire protection contractor; or

20 (b) apply for or obtain a construction permit for water-based fire  
 21 protection work unless such water-based fire protection contractor or a  
 22 business entity qualified by such contractor has contracted to conduct  
 23 the work specified in his or her application for the required permit.

24 5. Any person who violates any provision of this article or commits  
 25 any of the acts constituting a cause for disciplinary action as set  
 26 forth by this article shall be guilty of a class B misdemeanor, punisha-  
 27 ble as provided by this article, and the laws of the state.

28 6. In addition to the penalties provided in subdivision five of this  
 29 section, a water-based fire protection contractor licensed under this  
 30 article who violates any provision of this section or who commits any  
 31 act constituting cause for disciplinary action is subject to the suspen-  
 32 sion or revocation of his or her license and such administrative fines  
 33 as prescribed by this article.

34 7. A license holder has an affirmative duty to provide supervision of  
 35 employees and all business activities. Such supervision shall consist of  
 36 regular, frequent personal guidance, instruction, oversight, and super-  
 37 intendence by the qualifying RME or RMEs with respect to the general  
 38 business conducted by a firm, and all matters relating thereto.

39 8. Nothing in this article shall prohibit a principal of a given busi-  
 40 ness entity from qualifying as such business entity's RME as long as  
 41 such principal meets the qualifications of this article.

42 9. Licenses issued to contractors shall clearly identify the level of  
 43 such license for ease of identification by field staff of the department  
 44 and OFPC, local code enforcement officials, the public, and any other  
 45 interested parties.

46 10. License applicability shall be in accordance with the following  
 47 table:

<u>FUNCTION</u>	<u>CLASS I</u>	<u>CLASS II</u>
<u>Inspect</u>	<u>All</u>	<u>All</u>
<u>Test</u>	<u>All</u>	<u>All</u>
<u>Maintain</u>	<u>All</u>	<u>Limited</u>
<u>Install</u>	<u>All</u>	<u>N/A</u>
<u>Repair</u>	<u>All</u>	<u>N/A</u>

54 § 759-i. Powers of the department and board. 1. In addition to the  
 55 powers and duties elsewhere prescribed in this article, the department  
 56 and board shall have the following powers:

1 (a) To prescribe the duties of, fix the compensation of, and appoint  
2 an adequate number of assistants, field inspectors, and other employees  
3 as may be necessary to carry out the provisions of this article.

4 (b) To examine the qualifications of applicants for licenses or regis-  
5 trations under this article.

6 (c) To keep records of all licenses, certifications, and registrations  
7 issued, suspended, or revoked, and to publish such information on a  
8 website accessible to the public.

9 (d) To prepare a manual of rules and regulations for the licensure  
10 process of water-based fire protection contractors and to publish such  
11 information on a website accessible to the public.

12 (e) To promulgate such rules and regulations as may be necessary  
13 prescribing the form, content, and reception of applications for  
14 licenses and registrations, the manner of investigation and examination  
15 of applicants and their qualifications, and any other matters incidental  
16 or appropriate to the powers and duties as prescribed by this article  
17 and for the proper administration and enforcement of the provisions of  
18 this article, and to make recommendations to add, amend, or repeal any  
19 of such rules and regulations.

20 2. The secretary of state shall create a state fire protection advi-  
21 sory board and have the first meeting within ninety days of the effec-  
22 tive date of this article. Such board shall be composed of the following  
23 members:

24 (a) one position for the secretary of state or his or her designee;

25 (b) one position for the state fire administrator or his or her desig-  
26 nee;

27 (c) one position for the state department of state division of build-  
28 ing standards and codes or his or her designee;

29 (d) two persons appointed by the president of the NFSA who shall be of  
30 New York state, and whose businesses must have been actively engaged in  
31 the business of layout, installing, inspecting, testing, altering, or  
32 maintaining water-based fire protection systems for at least five years  
33 immediately prior to their appointment;

34 (e) two persons appointed by the president of AFSA who shall be of New  
35 York state and whose businesses must have been actively engaged in the  
36 business of layout, installing, inspecting, testing, altering or main-  
37 taining water-based fire protection systems for at least five years  
38 immediately prior to their appointment;

39 (f) one position for the NFSA staff person or designee; and

40 (g) one position for the AFSA staff person or designee.

41 3. The chair of the board shall be the secretary of state or his or  
42 her designee. The state fire administrator or his or her designee, or  
43 the director of building standards and codes division or his or her  
44 designee, may serve as chair in the chair's absence so as to conduct  
45 business. The chair of the board shall serve as the deciding vote where  
46 there are tie votes.

47 4. The board shall advise the department in the administration of the  
48 requirements established by this article and all other future fire  
49 protection system licensing.

50 5. The board shall be the author of water-based fire protection  
51 certification exams for RMEs in the state of New York.

52 6. The board shall meet at least once quarterly. The board shall have  
53 the authority to review complaints and disputed administrative action  
54 and to make non-binding recommendations for disciplinary action to the  
55 department at the request of a certificate holder, license holder, or  
56 the department. The board shall make decisions and supply in writing to

1 the department rules, codes, standards, interpretations, and training.  
2 The board members' terms shall expire on the thirtieth day of June  
3 following the effective date of this article and biennially thereafter.  
4 Term limits shall be limited to four consecutive terms. No member of the  
5 board shall be paid a salary as such member, but each shall receive  
6 necessary expenses for attending board meetings and reimbursement,  
7 including travel for performance of his or her board duties.

8 7. The board shall review and advise the department regarding all new  
9 applications and the department shall administer new licenses following  
10 board approval and renewals with proper documentation.

11 8. Members of the board shall exercise due diligence to participate in  
12 all scheduled and special meetings as required. The department shall  
13 take minutes and make minutes available as soon as reasonably possible  
14 to board members that are absent.

15 9. The majority of the board with at least one fire protection  
16 contractor board member must be present to constitute a quorum.

17 10. Motions shall not move forward without a minimum of two fire  
18 protection contractor board members in support of the motion.

19 11. Proxy votes shall be allowed.

20 12. Remote electronic audio or audio and visual participation shall be  
21 allowed.

22 § 759-j. New licensure requirements. 1. As a prerequisite for licen-  
23 sure as a contractor I, a RME qualifier must be at least twenty-three  
24 years of age, be of good moral character so as not to adversely impact  
25 his or her ability to perform the duties and responsibilities of a  
26 licensed contractor, and shall possess five years of proven experience  
27 and progressive training in the employment of a water-based fire  
28 protection system contractor I or a combination of equivalent education  
29 and experience. It is the intent that the contractor I RME meet the  
30 criteria of NICET III certification requirements or state equivalent set  
31 forth by the advisory board in the specific technical discipline of  
32 water-based layout, or equivalent criteria accepted by the board and the  
33 department as a prerequisite, along with NICET special hazards  
34 suppression systems or equivalent criteria accepted by the board and  
35 department. Two RMEs are permitted, with one in each discipline. More  
36 than one RME may be permitted per company.

37 2. As a prerequisite for licensure as a contractor II, a RME qualifier  
38 must be at least eighteen years of age and shall be certified NICET II  
39 for inspection and testing of water-based systems or equivalent certif-  
40 ication accepted by the board and the department.

41 3. A state professional engineer license along with education and  
42 documented experience in water-based fire protection system engineering  
43 may be substituted for the RME requirements in this section.

44 § 759-k. Licensure for existing contractors. Each existing contractor  
45 shall file for a license as an existing contractor by presenting to the  
46 department satisfactory evidence that such contractor has been actively  
47 engaged in the proper class of contracting in the scope of the license  
48 applied for in layout, installing, repairing, inspecting, testing, or  
49 maintaining of water-based fire protection systems, as a contractor I or  
50 contractor II and shall show proof of proper insurance as a water-based  
51 fire protection contractor. Such evidence shall include proof of insur-  
52 ance which includes the latest NCCI rating sheet for workers compen-  
53 sation showing the appropriate code for fire sprinkler fitters. All  
54 existing contractors shall file for a license pursuant to this section  
55 within eighteen months of the effective date of this article.



1     § 759-1. Licensure: application; insurance; display; duplicates. 1.  
2     Once a representative RME meets the provisions of this act to be a qual-  
3     ifier, any business entity desiring a license to engage in the business  
4     of layout, installing, inspecting, altering, or maintaining of water-  
5     based fire protection systems under this article, may make an applica-  
6     tion to the department. The RME shall be subscribed by the license  
7     applicant and affirmed by him or her as true under the penalties of  
8     perjury. The license application shall be in such form and shall contain  
9     the RME's NICET certification number, category of discipline, and level  
10    of discipline. Each license application shall be accompanied by a copy  
11    of required certifications as established in this article, proving the  
12    level of certification for inspection by the department.

13    2. All licenses shall be valid for a period of two years and shall not  
14    be based on certification obligations.

15    3. No license shall be assignable or transferable except as otherwise  
16    provided by this section.

17    4. If a RME, who has met the requirements of this article, ceases to  
18    act in the capacity of RME, the license holder shall notify the depart-  
19    ment in writing within thirty business days from such termination or  
20    cessation. The license holder may continue to conduct the business of  
21    layout, installing, repairing, inspecting, testing, or maintaining  
22    water-based fire protection systems for a period not to exceed one  
23    hundred eighty days from the date of such termination or cessation,  
24    except that such period may be extended upon an application to the  
25    department with good cause for an additional period not to exceed one  
26    hundred twenty days. By the end of such period a new RME must be desig-  
27    nated who has met the certification requirements of this article.

28    5. (a) As a prerequisite to issuance of a license, the department  
29    shall require a business entity to submit satisfactory evidence that  
30    such business entity has obtained appropriate water-based fire  
31    protection contracting commercial general liability insurance, showing  
32    proof of appropriate coverage amounts for the appropriate contractor  
33    level being applied for, with a minimum of one million dollars for  
34    contractor I or, contractor II. Said evidence shall show appropriate  
35    coverage for comprehensive general liability for bodily injury and prop-  
36    erty damages, products liability, completed operations, contractual  
37    liability, and workers' compensation. The board may adopt rules provid-  
38    ing for the minimal amount of insurance for all contractor classes.

39    (b) Water-based fire protection contractor certificates of insurance  
40    shall provide that such insurance shall not be modified, that there  
41    shall be no material changes in coverage or any termination, non-rene-  
42    wal, or cancellation unless thirty days' notice is given to the depart-  
43    ment.

44    (c) Water-based fire protection contractor certificates of insurance  
45    must include the policy number, date of expiration, and physical address  
46    of each contractor location. Each contractor's operation of business  
47    must be noted in the description part of such contractor's certificate.

48    (d) The "State of New York" shall be named as the certificate holder.

49    (e) An insurer who fails to so notify the department shall be subject  
50    to the penalties provided within this article.

51    6. A license shall be issued upon satisfaction of the requirements of  
52    this section. No license shall remain in effect if, after issuance, the  
53    license holder fails to maintain insurance coverage required by this  
54    article.

55    7. The department may, at any time subsequent to the issuance of a  
56    license or renewal, require, upon demand and within thirty days of

1 notice of such demand, the license holder to provide proof of insurance  
2 coverage on a form provided by the department, containing confirmation  
3 of insurance coverage as required by this article. Failure to provide  
4 proof of insurance coverage as required, for any length of time, shall  
5 result in the immediate suspension of the license until proof of insur-  
6 ance is provided to, and accepted by, the department.

7 8. A license issued to conduct the business of layout, installing,  
8 repairing, inspecting, testing, or maintaining of water-based fire  
9 protection systems shall be conspicuously posted upon the premises where  
10 the license holder is engaged in such business of layout, installing,  
11 repairing, inspecting, testing, or maintaining of water-based fire  
12 protection systems.

13 9. Upon obtaining a license, all documents or receipts issued by or on  
14 behalf of a contractor licensed pursuant to this article shall contain  
15 the license identification number issued to such contractor.

16 10. A duplicate license may be issued for one lost, destroyed, or  
17 mutilated upon an application for such duplicate license on a form  
18 prescribed by the department and upon payment of the fee prescribed by  
19 this article. Each such duplicate license shall have the word "dupli-  
20 cate" clearly stamped or watermarked across its face and shall bear the  
21 same number as the original license. All information from the original  
22 license shall be transposed identically.

23 11. Notice in writing shall be given to the department by a license  
24 holder of any change in address of such license holder together with the  
25 return of such holder's license, whereupon a properly signed endorsement  
26 shall be made on the face of such license as to such change, and such  
27 license shall then be returned to the license holder.

28 12. Each license to conduct the business of layout, installing,  
29 repairing, inspecting, testing, or maintaining of water-based fire  
30 protection systems issued to a business entity may be used after the  
31 death of the RME for a period of not more than one hundred eighty days  
32 from the date of such RME's death. Such one hundred eighty-day period  
33 may be extended upon an application to the department and for good cause  
34 shown for an additional period not to exceed one hundred twenty days  
35 total.

36 § 759-m. License renewals and RMEs. The contractor shall submit an  
37 application and fees for license renewal along with all required  
38 documentation including RME qualifications to the department.

39 § 759-n. Inspection of water-based fire protection systems. 1. The  
40 department and OFPC shall have the right to inspect any water-based fire  
41 protection system during and after construction to determine whether  
42 such system meets the standards set forth in the laws and rules of the  
43 state. This does not diminish the capacity and duties of the local code  
44 enforcement office having jurisdiction.

45 2. A building owner who has water-based fire protection systems  
46 installed in public or private properties, including group homes, but  
47 not including private one-family or two-family dwellings or manufactured  
48 housing, shall cause such building to be inspected in compliance with  
49 the procedures set forth in NFPA 25 by a state licensed water-based fire  
50 protection contractor. This section does not prohibit governmental enti-  
51 ties and code enforcement officials in the performance of their duties  
52 from inspecting and enforcing state uniform fire prevention and building  
53 code and local laws.

54 3. A building owner shall cause to be corrected all deficiencies  
55 discovered during inspection.

1     4. A building owner or building owner's authorized representative  
2 shall contract with a state-licensed contractor for scheduled inspection  
3 and testing before any certificate of occupancy is issued and does not  
4 detract liability of the building owner and the building owner's respon-  
5 sibilities. The inspecting contractor shall provide to such building  
6 owner a copy of the inspection report detailing applicable state code  
7 requirements and NFPA 25 standard inspection, testing, and maintenance  
8 criteria. The maintenance of water-based fire protection systems as well  
9 as corrective actions on deficient systems is the responsibility of the  
10 owner of the water-based fire protection system connected thereto. It is  
11 recognized that the inspecting contractor and the installing contractor  
12 may or may not be one and the same. The limit of liability of inspecting  
13 contractors shall be that of the dollar value of the inspection, test-  
14 ing, and maintenance contract. The installing water-based fire  
15 protection contractor shall be reposed and may not be sued for latent  
16 construction defects, more than ten years after substantial completion  
17 of a project.

18     5. A building owner shall ensure that inspections, testing, and main-  
19 tenance of water-based fire protection systems for detached one-family  
20  dwellings, detached two-family dwellings, and manufactured housing, meet  
21 the standards set forth in NFPA 13D. Group homes shall be subject to the  
22 standards set forth in NFPA 25 and shall be governed by this article.

23     6. Maintenance of water-based fire protection systems as well as  
24 corrective actions on deficient systems is the responsibility of the  
25 owner of the system. Notwithstanding inspection contracts with  
26 conflicting language, the owner of the water-based fire protection  
27 system shall indemnify and hold harmless the other party to the  
28 contract, and their officers and employees, from liabilities, damages,  
29 losses and costs, including, but not limited to, reasonable attorney's  
30 fees, to the extent caused by the negligence, recklessness, or inten-  
31 tional failure of the system owner to maintain or take corrective action  
32 to maintain a water-based fire protection system.

33     7. Effective thirty-six months from the effective date of this arti-  
34 cle, the department shall require NICET III inspection and testing of  
35 water-based fire protection systems or equivalent training and education  
36 as determined by the department for the RME or RMEs qualifying a  
37 contractor II as proof that they are knowledgeable in nationally  
38 accepted standards for the inspection of water-based fire protection  
39 systems.

40     8. It is the responsibility of the contractor II RME to maintain NICET  
41 III inspection and testing of water-based fire protection systems  
42 certification or equivalent state certification as a condition of  
43 license renewal after thirty-six months of the effective date of this  
44 article.

45     9. No jurisdiction through local law or code enforcement office policy  
46 shall require any forms or documents for water-based fire protection  
47 system inspections, testing, or maintenance beyond what is in the scope  
48 of the fire code of the state and NFPA 25. All inspection, testing, and  
49 maintenance reporting forms and documentation required shall come from  
50 the building owner or such owner's legal representative unless local law  
51 requires otherwise.

52     § 759-o. Fees. 1. The fee for a license to engage in the business of  
53 layout, installing, repairing, inspecting, testing, or maintaining of  
54 water-based fire protection systems shall be two hundred dollars. For  
55 each renewal thereof, the fee shall be one hundred dollars.

2. The fee for issuing a duplicate certificate or license in substitution for one lost, destroyed, or mutilated shall be twenty-five dollars.

3. The fee for changing a name or address on a license shall be ten dollars.

4. The fees set forth in this section shall be for registrations, certificates, and licenses issued for the period of two years or a fraction of such period.

5. Fees collected shall be deposited for the department's administration of this article. Excess fees shall assist in providing education for state certified code enforcement officials, building safety inspectors, and firefighters.

§ 759-p. Suspension and revocation of licenses. 1. A license to engage in the business of layout, installing, repairing, inspecting, testing, or maintaining of water-based fire protection systems may be suspended or revoked, or in lieu thereof a fine not exceeding one thousand dollars per violation payable to the department may be imposed, or a penalty may be issued by the department or board, for any of the following causes:

(a) fraud or bribery in securing a license;

(b) making any false statement as to a material matter in an application or other statement or certificate required by or pursuant to this article;

(c) incompetence;

(d) failure to display the license as provided in this article;

(e) violation of any provision of this article, or of any rule or regulation adopted pursuant to this article;

(f) conviction of a felony involving fraud, theft, perjury or bribery or any other cause which would permit disqualifications from receiving a license upon the original application;

(g) failure to supervise the installation of a fire protection system covered by a building permit signed by a RME;

(h) a RME or license holder's violation of any provision of this article or any rule or regulation adopted and promulgated pursuant to this article or the failure or refusal to comply with any notice or order to correct a violation or any cease and desist order;

(i) improper layout, installing, repairing, inspecting, testing, or maintaining a water-based fire protection system;

(j) having rendered inoperative a water-based fire protection system except during such time as the system is being inspected, tested, repaired, altered, or maintained, using impairment procedures as per state uniformed code, or except pursuant to a court order;

(k) while holding a certificate or license allowing another person to use such certificate or license number, or using a certificate or license number other than the valid certificate or license number;

(l) failure to provide proof of insurance to the department or failure to maintain insurance coverage required by this article; or

(m) loss of a RME for more than one hundred twenty consecutive days.

2. An order of suspension shall state the length of such suspension, which may not exceed two years from the date of such order. Such orders shall affect suspension or revocation of a RME qualifier or licenses held by a contractor and during such period of time no license shall be issued to such contractor. During the period of suspension or revocation of any license, the former license holder shall not engage in or attempt or profess to engage in any transaction or business for which a license is required under this chapter, or directly or indirectly own, control, or be employed in any manner by any business entity for which a license

1 under this chapter is required. If, during the period between the  
2 beginning of proceedings and the entry of an order of suspension or  
3 revocation by the department, a new license has been issued to the busi-  
4 ness entity so charged, the order of suspension or revocation shall  
5 operate to suspend or revoke such new license held by such business  
6 entity.

7 3. So long as a revocation or suspension remains in effect, the  
8 department shall not grant any new license for the establishment of any  
9 new business entity to any person, business entity, or qualifier that  
10 has or will have the same or similar management, ownership, control,  
11 employees, or license holders, or will use the same or similar name as  
12 such previously revoked or suspended business entity, person, or qual-  
13 ifier. In addition, the department shall not issue a new license if it  
14 finds that the circumstances for which such license was previously  
15 revoked or suspended still exist or are likely to recur.

16 4. Whenever a license to engage in the business of layout, installing,  
17 inspecting, testing, repairing, or maintaining of water-based fire  
18 protection systems is revoked, such license shall not be reinstated or  
19 reissued until five years from the date of such revocation.

20 5. The filing of a petition in bankruptcy, either voluntary or invol-  
21 untary, or the making of a composition of creditors or the appointment  
22 of a receiver for a business entity's license may be considered by the  
23 department as just cause for suspension of such license.

24 6. The lapse or suspension of a license by operation of law or by  
25 order of the department or a court or the voluntary surrender of such  
26 license by its license holder does not deprive the department of its  
27 authority to investigate or act in disciplinary proceedings against the  
28 license holder.

29 7. A contractor filing an application for a water-based fire  
30 protection license following the revocation of a previous license in any  
31 category shall follow all procedures for obtaining a new license.

32 § 759-q. Hearing on charges; decision. No certificate or license shall  
33 be suspended or revoked nor shall any fine or penalty be imposed until  
34 after a hearing is held before an officer or employee of the department  
35 designated for such purpose by the department, upon notice to the  
36 certificate or license holder of at least ten days. The department  
37 shall consider the recommendations of the board. The notice shall be  
38 served either personally or by registered mail and shall state the date  
39 and place of the hearing and set forth the ground or grounds constitut-  
40 ing the charges against the certificate or license holder. Such certif-  
41 icate or license holder shall have the opportunity to be heard either in  
42 person or by counsel and may produce witnesses and testify on his or her  
43 own behalf. A stenographic record of the hearing shall be taken and  
44 preserved. The hearing may be adjourned from time to time. The person  
45 conducting the hearing shall make a written report including his or her  
46 findings and a recommendation to the department for decision. The  
47 department shall review such findings and recommendation and, after due  
48 deliberation, shall issue an order accepting, modifying, or rejecting  
49 such recommendation and dismissing the charges or suspending or revoking  
50 the certificate or license, or in lieu thereof, imposing a fine or  
51 penalty upon the certificate or license holder. For the purposes of this  
52 article, the department or any officer or employee of the department  
53 designated by the secretary of state, may administer oaths, take testi-  
54 mony, subpoena witnesses, and compel the production of books, papers,  
55 records, photographs, and documents deemed pertinent to the subject of  
56 investigation.



1     § 759-r. Judicial review. The action of the department in suspending,  
2 revoking or refusing to issue or renew a certificate or license, or  
3 imposing a fine or penalty upon the holder of such license may be  
4 reviewed in a proceeding brought under and pursuant to article seventy-  
5 eight of the civil practice law and rules.

6     § 759-s. Violations and penalties. Any person or business entity who  
7 directly or indirectly engages in the business of layout, installing,  
8 repairing, inspecting, testing, or maintaining water-based fire  
9 protection systems or holds oneself out to the public as being able to  
10 perform such work and is without a license, or who shall violate any of  
11 the provisions of this article, or having had a license suspended or  
12 revoked, continues to engage in the business of layout, installing,  
13 repairing, inspecting, testing, or maintaining water-based fire  
14 protection systems or who, without a license to engage in the business  
15 of layout, installing, repairing, inspecting, testing, or maintaining  
16 water-based fire protection systems, directly or indirectly employs,  
17 permits or authorizes an uncertified person to engage in the business of  
18 layout, installing, repairing, inspecting, testing, or maintaining  
19 water-based fire protection systems, shall be guilty of a misdemeanor  
20 and, upon conviction, shall be punishable by imprisonment of not more  
21 than six months, or by a fine of not more than one thousand dollars or  
22 both upon the first conviction, and by imprisonment of not more than one  
23 year or by a fine of not less than one thousand dollars or more than  
24 five thousand dollars or both upon a subsequent conviction. Each  
25 violation of this article shall be deemed a separate offense.

26     § 759-t. Official acts used as evidence. The official acts of the  
27 secretary of state and the department shall be prima facie evidence of  
28 the facts therein and shall be entitled to be received in evidence in  
29 all actions at law and other legal proceedings in any court or before  
30 any board, body, or officer.

31     § 759-u. Disposition of moneys derived from operation of this article.  
32 Fees collected pursuant to this article shall be paid into the appropri-  
33 ate account for the department pursuant to the state finance law, for  
34 administration of this article. All remaining moneys derived from the  
35 operation of this article shall on or before the tenth day of each month  
36 be paid into a fund of the state treasury to the credit of the depart-  
37 ment's account to assist in providing education for state certificated  
38 code enforcement officials, building safety inspectors, and firefight-  
39 ers.

40     § 759-v. Severability. If any part or provision of this article or the  
41 application thereof to any person or circumstance be adjudged invalid by  
42 any court of competent jurisdiction, such judgment shall be confined in  
43 its operation to the part, provision or application directly involved in  
44 the controversy in which such judgment shall have been rendered and  
45 shall not affect or impair the validity of the remainder of this article  
46 or the application thereof to other persons or circumstances, and the  
47 legislature hereby declares that it would have enacted this article or  
48 the remainder thereof had the invalidity of such provision or applica-  
49 tion thereof been apparent.

50     § 759-w. Applicability. 1. This article shall not apply to water-based  
51 fire protection work performed under the jurisdiction of the five  
52 boroughs of New York city, Nassau county, or Suffolk county. Any munici-  
53 pality or local government agency located in New York city, Nassau coun-  
54 ty, or Suffolk county may require other licenses or evidence of a  
55 person's competence to layout, install, repair, inspect, test, or main-  
56 tain all types of water-based fire protection systems and components.

1 Nothing in this section shall be construed to imply that a holder of a  
2 New York city, Nassau county, or Suffolk county license shall have any  
3 standing outside the boundaries of the jurisdiction issuing such  
4 license.

5 2. This article shall not apply to:

6 (a) a person who performs water-based fire protection work with  
7 respect to any one-family or two-family dwelling owned or leased by such  
8 person unless otherwise specified;

9 (b) a person who, while employed by a public utility or its affiliate,  
10 performs water-based fire protection work in connection with the  
11 furnishing of such public utility service;

12 (c) any work covered by any national, state, or municipal electrical  
13 code including but not limited to pull stations, strobes, heat detec-  
14 tors, smoke detectors, fire alarms or bells, and any electrical wiring  
15 including conduit connected to raceway control cabinets; or

16 (d) underground water supply for fire protection up to the floor  
17 flange where the water-based fire protection system above ground begins.

18 3. This act shall not be held to invalidate any provision of the laws  
19 of this state or any subdivision thereof unless there is a direct  
20 conflict between the provision of this article and the provision of such  
21 law or unless such law is duplicative of this article, in which case  
22 this article shall prevail. No local law shall require any fee, license,  
23 or certificate for the layout, installing, repairing, inspecting, test-  
24 ing, or maintaining of water-based fire protection systems, except when  
25 the water-based fire protection contractor business is located within a  
26 political jurisdiction. Any jurisdiction may apply business licensure  
27 criteria and fees consistent with other businesses in such jurisdiction.

28 4. Nothing in this article shall limit the power of a municipality or  
29 county to regulate the quality and character of work performed by  
30 water-based fire protection contractors through a system of permits,  
31 fees, and inspections which are designed to secure compliance with, and  
32 aid in the implementation of, state and local laws or to enforce other  
33 local laws for the protection of the public health and safety.

34 5. Nothing in this article shall limit the power of a municipality or  
35 county to adopt any system of permits requiring submission to and  
36 approval by such municipality or county of plans and specifications for  
37 work to be performed by contractors before commencement of such work,  
38 except that no municipality or county shall require a water-based fire  
39 protection contractor's shop drawings to be stamped or sealed by a  
40 professional engineer or registered architect.

41 6. Any elected or appointed official authorized to issue a building,  
42 fire protection, or other related permit for a project that includes  
43 water-based fire protection shall ascertain that the applicant contrac-  
44 tor or subcontractor is appropriately licensed before issuing such  
45 permit. The evidence shall consist only of the presentation to the offi-  
46 cial of evidence of the current contractor license I. If the water-based  
47 fire protection contractor is not known at time of permit request by a  
48 general contractor or other party applying for permit, the required  
49 information above shall be supplied before any water-based fire  
50 protection work commences. Any permits for the layout, installing,  
51 repairing, inspecting, testing, or maintaining of a water-based fire  
52 protection system may only be issued to a licensed water-based fire  
53 protection contractor of the appropriate classification to conduct the  
54 work.

55 § 759-x. Contractual agreements. 1. Any portion of any agreement or  
56 contract for or in connection with, or any guarantee of or in connection

1 with any layout, installing, repairing, inspecting, testing, maintain-  
2 ing, or demolition of a water-based fire protection system between an  
3 owner of real property or general contractor and the water-based fire  
4 protection contractor wherein any party promises to indemnify or hold  
5 harmless the other party to the agreement, contract, or guarantee for  
6 liability for damages to persons or property caused in part by any act,  
7 omission, or default of the indemnitee arising from the contract or its  
8 performance, shall be void and unenforceable unless the contract  
9 contains a monetary limitation on the extent of the indemnification that  
10 bears a reasonable commercial relationship to the contract and is part  
11 of the project specifications or bid documents, if any. Notwithstanding  
12 the foregoing, the monetary limitation on the extent of the indemnifica-  
13 tion provided to the owner of real property by any party in privity of  
14 contract with such owner shall not be less than one million dollars per  
15 occurrence, unless otherwise agreed by the parties. Indemnification  
16 provisions in any such agreements, contracts, or guarantees may not  
17 require that the indemnitor indemnify the indemnitee for damages to  
18 persons or property caused by the sole negligence of another party, or  
19 in whole or in part by any act, omission, or default of a party other  
20 than:

21 (a) the indemnitor;

22 (b) any of the indemnitor's contractors, subcontractors, sub-subcon-  
23 tractors, materialsperson, or agents of any tier or their respective  
24 employees; or

25 (c) the indemnitee or its officers, directors, agents, or employees.  
26 However, such indemnification shall not include claims of, or damages  
27 resulting from gross negligence, or willful, wanton or intentional  
28 misconduct of the indemnitee or its officers, directors, agents or  
29 employees, or for statutory violation or punitive damages except and to  
30 the extent the statutory violation or punitive damages are caused by or  
31 result from the acts or omissions of the indemnitor or any of the  
32 indemnitor's contractors, subcontractors, sub-subcontractors, material-  
33 spersons, or agents of any tier or their respective employees.

34 2. A construction contract for a public agency or in connection with a  
35 public agency's project may not require one party to indemnify, defend,  
36 or hold harmless the other party, its employees, officers, directors, or  
37 agents from any liability, damage, loss, claim, action, or proceeding,  
38 and any such contract provision is void as against public policy of this  
39 state.

40 3. This section does not affect any contracts, agreements, or guaran-  
41 tees entered into before the effective date of this article but affects  
42 renewals thereof when such renewal takes place after the effective date  
43 of this article.

44 4. Water-based fire protection contractors shall be granted sufficient  
45 time to inspect any perceived construction defect in a building that  
46 they may disprove or accept as in their purview before any legal actions  
47 or suits are brought forth. If such contractor takes responsibility for  
48 such defect, reasonable time shall be allowed for such contractor or his  
49 or her representative to correct such defect without fear of any legal  
50 actions or suit. A water-based fire protection contractor shall not be  
51 held liable for economic damages caused by others.

52 5. An owner has an obligation to install fire protection systems in  
53 compliance with adopted fire protection system standards.

54 § 4. This act shall take effect one year after it shall have become a  
55 law, provided, however that the provisions of section 759-k of the  
56 general business law as added by section three of this act shall expire

1 eighteen months after the effective date of this act when upon such date  
2 the provisions of such section shall be deemed repealed. Effective imme-  
3 diately, the addition, amendment and/or repeal of any rule or regulation  
4 necessary for the implementation of this act on its effective date are  
5 authorized to be made and completed on or before such effective date.