House Judiciary Committee

27:27 Putting in code you have to have at least 2 years of full time paid employment.

28:19 No current opposition to the substitute.

28:40 We have barriers that constitute barriers to entry into the field. Are you satisfied we have reach right balance of licensing requirements for contractors . . . to protect public but to allow individuals to have a contractor's license. We are talking about the minimum time of full time employment before you can go through and apply.

32:50 Currently it is not in the code but DOPL says it must be four years. Talking with trade industry, there is the feeling that depending on individual that may be too long. So we are trying to get that down to 2 years.

34:30 We need to explore the value of 2 years. If a person is a foreman on the job for 2 years then that makes since. If we are picking up nails for 2 years, then that 2 year requirement adds absolutely no value. An arbitrary time period is just that . . . arbitrary. I would rather inform DOPL that we don't favor any specific time period.

36:10 Brother in law that is in business. 4 years is definitely too long. 2 years is more appropriate and I'm glad that we are putting it there. Senator has worked with contractors and contractors group to come up with this time period of 2 years.

37:20 I would like to see it more clearly delineated. If there is a rule that is at 4 and we can statutorily move it down to 2 (not as far as I'd like to go), I think we are making a move in the right direction and I will certainly support that. My guess is that we will say 2 years and DOPL will add 2 more years.

38:30 We have another section on rulemaking authority. When an individual applies for a license, they have to take a test and there is other criterion. I am clarifying; we are taking that 4 years down to 2 years before they can take that test.

39:40 I voted for this because it is better than the 4 years we currently have. I feel if we are going to make changes we need to make the best change possible (cutting out altogether the year requirement).

Senate Business and Labor Committee

11:58 I have email from DOPL about 45 minutes or an hour ago stating that they are comfortable with this going through.

Floor Debate – Senate – Day 35 2013 Part 1

1:31:50 Clarifies you must have at least 2 years of full time paid experience before becoming a contractor.

1:40:11 In changing the experience level for a general contractor to 2 years aren't you in fact dropping that from 4 years to 2 years? Yes, by rule it is 4 years. There has been discussion that this is too long and that it needs to be a 2 year minimum.

Floor Debate – House – Day 45 Part 4

47:14 Before code said that an applicant for a license needed to produced satisfactory evidence of knowledge and experience. All this does is clarify how much that is . . . and it says 2 years of full time paid employment.

51:21 This is better than no bill at all. One of the main reasons, we heard this in committee, and this is my concern. Currently there is no statutory requirement but DOPL has adopted a 4 year rule. The concern was that there is no definition as to what that 4 year requirement of work experience needs to be. We are cutting that in half with this bill, but there is still no definition of what that work experience requires. It is marginally better because it cuts the bill from 4 years to 2.

Enrolled Copy **S.B. 102**

CONTRACTOR LICENSING AMENDMENTS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Kay J. Christofferson

LONG TITLE

General Description:

This bill modifies the Utah Construction Trades Licensing Act.

Highlighted Provisions:

This bill:

- establishes that the experience requirement for a contractor license includes two years of full-time paid employment;
- requires that before a course may be included in the program of approved continuing education for contractors, the Construction Services Commission shall invite and consider written input regarding the proposed course from:
  - the Associated General Contractors of Utah;
  - the Home Builders Association of Utah;
  - the Utah Subcontractors Council;
  - the Utah Plumbing & Heating Contractors Association;
  - the Independent Electrical Contractors of Utah; and
  - the Rocky Mountain Gas Association;
- exempts a person from licensure who is installing an outdoor, prebuilt hot tub; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

30 AMENDS:

31 **58-55-302**, as last amended by Laws of Utah 2012, Chapter 192

32 **58-55-302.5**, as enacted by Laws of Utah 2010, Chapter 53

33 **58-55-305**, as last amended by Laws of Utah 2011, Chapter 14

34

35 *Be it enacted by the Legislature of the state of Utah:*

36 Section 1. Section **58-55-302** is amended to read:

37 **58-55-302. Qualifications for licensure.**

38 (1) Each applicant for a license under this chapter shall:

39 (a) submit an application prescribed by the division;

40 (b) pay a fee as determined by the department under Section 63J-1-504;

41 (c) (i) meet the examination requirements established by rule by the commission with
42 the concurrence of the director, except for the classifications of apprentice plumber and
43 apprentice electrician for whom no examination is required; or

44 (ii) if required in Section 58-55-304, the individual qualifier must pass the required
45 examination if the applicant is a business entity;

46 (d) if an apprentice, identify the proposed supervisor of the apprenticeship;

47 (e) if an applicant for a contractor's license:

48 (i) produce satisfactory evidence of financial responsibility, except for a construction
49 trades instructor for whom evidence of financial responsibility is not required;

50 (ii) produce satisfactory evidence of knowledge and <u>at least two years full-time paid</u>
51 <u>employment</u> experience in the construction industry and knowledge of the principles of the
52 conduct of business as a contractor, reasonably necessary for the protection of the public
53 health, safety, and welfare;

54 (iii) (A) be a licensed master electrician if an applicant for an electrical contractor's
55 license or a licensed master residential electrician if an applicant for a residential electrical
56 contractor's license;

57 (B) be a licensed master plumber if an applicant for a plumbing contractor's license or

58 a licensed master residential plumber if an applicant for a residential plumbing contractor's
59 license; or
60 (C) be a licensed elevator mechanic and produce satisfactory evidence of three years
61 experience as an elevator mechanic if an applicant for an elevator contractor's license; and
62 (iv) when the applicant is an unincorporated entity, provide a list of the one or more
63 individuals who hold an ownership interest in the applicant as of the day on which the
64 application is filed that includes for each individual:
65 (A) the individual's name, address, birthdate, and Social Security number; and
66 (B) whether the individual will engage in a construction trade; and
67 (f) if an applicant for a construction trades instructor license, satisfy any additional
68 requirements established by rule.
69 (2) After approval of an applicant for a contractor's license by the applicable board and
70 the division, the applicant shall file the following with the division before the division issues
71 the license:
72 (a) proof of workers' compensation insurance which covers employees of the applicant
73 in accordance with applicable Utah law;
74 (b) proof of public liability insurance in coverage amounts and form established by rule
75 except for a construction trades instructor for whom public liability insurance is not required;
76 and
77 (c) proof of registration as required by applicable law with the:
78 (i) Utah Department of Commerce;
79 (ii) Division of Corporations and Commercial Code;
80 (iii) Unemployment Insurance Division in the Department of Workforce Services, for
81 purposes of Title 35A, Chapter 4, Employment Security Act;
82 (iv) State Tax Commission; and
83 (v) Internal Revenue Service.
84 (3) In addition to the general requirements for each applicant in Subsection (1),
85 applicants shall comply with the following requirements to be licensed in the following

86 classifications:
87 (a) (i) A master plumber shall produce satisfactory evidence that the applicant:
88 (A) has been a licensed journeyman plumber for at least two years and had two years of
89 supervisory experience as a licensed journeyman plumber in accordance with division rule;
90 (B) has received at least an associate of applied science degree or similar degree
91 following the completion of a course of study approved by the division and had one year of
92 supervisory experience as a licensed journeyman plumber in accordance with division rule; or
93 (C) meets the qualifications determined by the division in collaboration with the board
94 to be equivalent to Subsection (3)(a)(i)(A) or (B).
95 (ii) An individual holding a valid Utah license as a journeyman plumber, based on at
96 least four years of practical experience as a licensed apprentice under the supervision of a
97 licensed journeyman plumber and four years as a licensed journeyman plumber, in effect
98 immediately prior to May 5, 2008, is on and after May 5, 2008, considered to hold a current
99 master plumber license under this chapter, and satisfies the requirements of this Subsection
100 (3)(a) for the purpose of renewal or reinstatement of that license under Section 58-55-303.
101 (iii) An individual holding a valid plumbing contractor's license or residential
102 plumbing contractor's license, in effect immediately prior to May 5, 2008, is on or after May 5,
103 2008:
104 (A) considered to hold a current master plumber license under this chapter if licensed
105 as a plumbing contractor and a journeyman plumber, and satisfies the requirements of this
106 Subsection (3)(a) for purposes of renewal or reinstatement of that license under Section
107 58-55-303; and
108 (B) considered to hold a current residential master plumber license under this chapter if
109 licensed as a residential plumbing contractor and a residential journeyman plumber, and
110 satisfies the requirements of this Subsection (3)(a) for purposes of renewal or reinstatement of
111 that license under Section 58-55-303.
112 (b) A master residential plumber applicant shall produce satisfactory evidence that the
113 applicant:

114 (i) has been a licensed residential journeyman plumber for at least two years and had
115 two years of supervisory experience as a licensed residential journeyman plumber in
116 accordance with division rule; or
117 (ii) meets the qualifications determined by the division in collaboration with the board
118 to be equivalent to Subsection (3)(b)(i).
119 (c) A journeyman plumber applicant shall produce satisfactory evidence of:
120 (i) successful completion of the equivalent of at least four years of full-time training
121 and instruction as a licensed apprentice plumber under supervision of a licensed master
122 plumber or journeyman plumber and in accordance with a planned program of training
123 approved by the division;
124 (ii) at least eight years of full-time experience approved by the division in collaboration
125 with the Plumbers Licensing Board; or
126 (iii) satisfactory evidence of meeting the qualifications determined by the board to be
127 equivalent to Subsection (3)(c)(i) or (c)(ii).
128 (d) A residential journeyman plumber shall produce satisfactory evidence of:
129 (i) completion of the equivalent of at least three years of full-time training and
130 instruction as a licensed apprentice plumber under the supervision of a licensed residential
131 master plumber, licensed residential journeyman plumber, or licensed journeyman plumber in
132 accordance with a planned program of training approved by the division;
133 (ii) completion of at least six years of full-time experience in a maintenance or repair
134 trade involving substantial plumbing work; or
135 (iii) meeting the qualifications determined by the board to be equivalent to Subsection
136 (3)(d)(i) or (d)(ii).
137 (e) The conduct of licensed apprentice plumbers and their licensed supervisors shall be
138 in accordance with the following:
139 (i) while engaging in the trade of plumbing, a licensed apprentice plumber shall be
140 under the immediate supervision of a licensed master plumber, licensed residential master
141 plumber, licensed journeyman plumber, or a licensed residential journeyman plumber; and

142 (ii) a licensed apprentice plumber in the fourth through tenth year of training may work
143 without supervision for a period not to exceed eight hours in any 24-hour period, but if the
144 apprentice does not become a licensed journeyman plumber or licensed residential journeyman
145 plumber by the end of the tenth year of apprenticeship, this nonsupervision provision no longer
146 applies.
147 (f) A master electrician applicant shall produce satisfactory evidence that the applicant:
148 (i) is a graduate electrical engineer of an accredited college or university approved by
149 the division and has one year of practical electrical experience as a licensed apprentice
150 electrician;
151 (ii) is a graduate of an electrical trade school, having received an associate of applied
152 sciences degree following successful completion of a course of study approved by the division,
153 and has two years of practical experience as a licensed journeyman electrician;
154 (iii) has four years of practical experience as a journeyman electrician; or
155 (iv) meets the qualifications determined by the board to be equivalent to Subsection
156 (3)(f)(i), (ii), or (iii).
157 (g) A master residential electrician applicant shall produce satisfactory evidence that
158 the applicant:
159 (i) has at least two years of practical experience as a residential journeyman electrician;
160 or
161 (ii) meets the qualifications determined by the board to be equivalent to this practical
162 experience.
163 (h) A journeyman electrician applicant shall produce satisfactory evidence that the
164 applicant:
165 (i) has successfully completed at least four years of full-time training and instruction as
166 a licensed apprentice electrician under the supervision of a master electrician or journeyman
167 electrician and in accordance with a planned training program approved by the division;
168 (ii) has at least eight years of full-time experience approved by the division in
169 collaboration with the Electricians Licensing Board; or

170 (iii) meets the qualifications determined by the board to be equivalent to Subsection
171 (3)(h)(i) or (ii).
172 (i) A residential journeyman electrician applicant shall produce satisfactory evidence
173 that the applicant:
174 (i) has successfully completed two years of training in an electrical training program
175 approved by the division;
176 (ii) has four years of practical experience in wiring, installing, and repairing electrical
177 apparatus and equipment for light, heat, and power under the supervision of a licensed master,
178 journeyman, residential master, or residential journeyman electrician; or
179 (iii) meets the qualifications determined by the division and applicable board to be
180 equivalent to Subsection (3)(i)(i) or (ii).
181 (j) The conduct of licensed apprentice electricians and their licensed supervisors shall
182 be in accordance with the following:
183 (i) A licensed apprentice electrician shall be under the immediate supervision of a
184 licensed master, journeyman, residential master, or residential journeyman electrician. An
185 apprentice in the fourth year of training may work without supervision for a period not to
186 exceed eight hours in any 24-hour period.
187 (ii) A licensed master, journeyman, residential master, or residential journeyman
188 electrician may have under immediate supervision on a residential project up to three licensed
189 apprentice electricians.
190 (iii) A licensed master or journeyman electrician may have under immediate
191 supervision on nonresidential projects only one licensed apprentice electrician.
192 (k) An alarm company applicant shall:
193 (i) have a qualifying agent who is an officer, director, partner, proprietor, or manager of
194 the applicant who:
195 (A) demonstrates 6,000 hours of experience in the alarm company business;
196 (B) demonstrates 2,000 hours of experience as a manager or administrator in the alarm
197 company business or in a construction business; and

198 (C) passes an examination component established by rule by the commission with the
199 concurrence of the director;
200 (ii) if a corporation, provide:
201 (A) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards
202 of all corporate officers, directors, and those responsible management personnel employed
203 within the state or having direct responsibility for managing operations of the applicant within
204 the state; and
205 (B) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards
206 of all shareholders owning 5% or more of the outstanding shares of the corporation, except this
207 shall not be required if the stock is publicly listed and traded;
208 (iii) if a limited liability company, provide:
209 (A) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards
210 of all company officers, and those responsible management personnel employed within the
211 state or having direct responsibility for managing operations of the applicant within the state;
212 and
213 (B) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards
214 of all individuals owning 5% or more of the equity of the company;
215 (iv) if a partnership, provide the names, addresses, dates of birth, Social Security
216 numbers, and fingerprint cards of all general partners, and those responsible management
217 personnel employed within the state or having direct responsibility for managing operations of
218 the applicant within the state;
219 (v) if a proprietorship, provide the names, addresses, dates of birth, Social Security
220 numbers, and fingerprint cards of the proprietor, and those responsible management personnel
221 employed within the state or having direct responsibility for managing operations of the
222 applicant within the state;
223 (vi) if a trust, provide the names, addresses, dates of birth, Social Security numbers,
224 and fingerprint cards of the trustee, and those responsible management personnel employed
225 within the state or having direct responsibility for managing operations of the applicant within

226 the state;
227 (vii) be of good moral character in that officers, directors, shareholders described in
228 Subsection (3)(k)(ii)(B), partners, proprietors, trustees, and responsible management personnel
229 have not been convicted of a felony, a misdemeanor involving moral turpitude, or any other
230 crime that when considered with the duties and responsibilities of an alarm company is
231 considered by the board to indicate that the best interests of the public are served by granting
232 the applicant a license;
233 (viii) document that none of the applicant's officers, directors, shareholders described
234 in Subsection (3)(k)(ii)(B), partners, proprietors, trustees, and responsible management
235 personnel have been declared by any court of competent jurisdiction incompetent by reason of
236 mental defect or disease and not been restored;
237 (ix) document that none of the applicant's officers, directors, shareholders described in
238 Subsection (3)(k)(ii)(B), partners, proprietors, and responsible management personnel are
239 currently suffering from habitual drunkenness or from drug addiction or dependence;
240 (x) file and maintain with the division evidence of:
241 (A) comprehensive general liability insurance in form and in amounts to be established
242 by rule by the commission with the concurrence of the director;
243 (B) workers' compensation insurance that covers employees of the applicant in
244 accordance with applicable Utah law; and
245 (C) registration as is required by applicable law with the:
246 (I) Division of Corporations and Commercial Code;
247 (II) Unemployment Insurance Division in the Department of Workforce Services, for
248 purposes of Title 35A, Chapter 4, Employment Security Act;
249 (III) State Tax Commission; and
250 (IV) Internal Revenue Service; and
251 (xi) meet with the division and board.
252 (l) Each applicant for licensure as an alarm company agent shall:
253 (i) submit an application in a form prescribed by the division accompanied by

254 fingerprint cards;
255 (ii) pay a fee determined by the department under Section 63J-1-504;
256 (iii) be of good moral character in that the applicant has not been convicted of a felony,
257 a misdemeanor involving moral turpitude, or any other crime that when considered with the
258 duties and responsibilities of an alarm company agent is considered by the board to indicate
259 that the best interests of the public are served by granting the applicant a license;
260 (iv) not have been declared by any court of competent jurisdiction incompetent by
261 reason of mental defect or disease and not been restored;
262 (v) not be currently suffering from habitual drunkenness or from drug addiction or
263 dependence; and
264 (vi) meet with the division and board if requested by the division or the board.
265 (m) (i) Each applicant for licensure as an elevator mechanic shall:
266 (A) provide documentation of experience and education credits of not less than three
267 years work experience in the elevator industry, in construction, maintenance, or service and
268 repair; and
269 (B) satisfactorily complete a written examination administered by the division
270 established by rule under Section 58-1-203; or
271 (C) provide certificates of completion of an apprenticeship program for elevator
272 mechanics, having standards substantially equal to those of this chapter and registered with the
273 United States Department of Labor Bureau Apprenticeship and Training or a state
274 apprenticeship council.
275 (ii) (A) If an elevator contractor licensed under this chapter cannot find a licensed
276 elevator mechanic to perform the work of erecting, constructing, installing, altering, servicing,
277 repairing, or maintaining an elevator, the contractor may:
278 (I) notify the division of the unavailability of licensed personnel; and
279 (II) request the division issue a temporary elevator mechanic license to an individual
280 certified by the contractor as having an acceptable combination of documented experience and
281 education to perform the work described in this Subsection (3)(m)(ii)(A).

282 (B) (I) The division may issue a temporary elevator mechanic license to an individual
283 certified under Subsection (3)(m)(ii)(A)(II) upon application by the individual, accompanied by
284 the appropriate fee as determined by the department under Section 63J-1-504.
285 (II) The division shall specify the time period for which the license is valid and may
286 renew the license for an additional time period upon its determination that a shortage of
287 licensed elevator mechanics continues to exist.
288 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
289 division may make rules establishing when Federal Bureau of Investigation records shall be
290 checked for applicants as an alarm company or alarm company agent.
291 (5) To determine if an applicant meets the qualifications of Subsections (3)(k)(vii) and
292 (3)(l)(iii), the division shall provide an appropriate number of copies of fingerprint cards to the
293 Department of Public Safety with the division's request to:
294 (a) conduct a search of records of the Department of Public Safety for criminal history
295 information relating to each applicant for licensure as an alarm company or alarm company
296 agent and each applicant's officers, directors, shareholders described in Subsection
297 (3)(k)(ii)(B), partners, proprietors, and responsible management personnel; and
298 (b) forward to the Federal Bureau of Investigation a fingerprint card of each applicant
299 requiring a check of records of the Federal Bureau of Investigation for criminal history
300 information under this section.
301 (6) The Department of Public Safety shall send to the division:
302 (a) a written record of criminal history, or certification of no criminal history record, as
303 contained in the records of the Department of Public Safety in a timely manner after receipt of
304 a fingerprint card from the division and a request for review of Department of Public Safety
305 records; and
306 (b) the results of the Federal Bureau of Investigation review concerning an applicant in
307 a timely manner after receipt of information from the Federal Bureau of Investigation.
308 (7) (a) The division shall charge each applicant for licensure as an alarm company or
309 alarm company agent a fee, in accordance with Section 63J-1-504, equal to the cost of

310 performing the records reviews under this section.
311 (b) The division shall pay the Department of Public Safety the costs of all records
312 reviews, and the Department of Public Safety shall pay the Federal Bureau of Investigation the
313 costs of records reviews under this section.
314 (8) Information obtained by the division from the reviews of criminal history records of
315 the Department of Public Safety and the Federal Bureau of Investigation shall be used or
316 disseminated by the division only for the purpose of determining if an applicant for licensure as
317 an alarm company or alarm company agent is qualified for licensure.
318 (9) (a) An application for licensure under this chapter shall be denied if:
319 (i) the applicant has had a previous license, which was issued under this chapter,
320 suspended or revoked within one year prior to the date of the applicant's application;
321 (ii) (A) the applicant is a partnership, corporation, or limited liability company; and
322 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the
323 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar
324 status, performing similar functions, or directly or indirectly controlling the applicant has
325 served in any similar capacity with any person or entity which has had a previous license,
326 which was issued under this chapter, suspended or revoked within one year prior to the date of
327 the applicant's application; or
328 (iii) (A) the applicant is an individual or sole proprietorship; and
329 (B) any owner or agent acting as a qualifier has served in any capacity listed in
330 Subsection (9)(a)(ii)(B) in any entity which has had a previous license, which was issued under
331 this chapter, suspended or revoked within one year prior to the date of the applicant's
332 application.
333 (b) An application for licensure under this chapter shall be reviewed by the appropriate
334 licensing board prior to approval if:
335 (i) the applicant has had a previous license, which was issued under this chapter,
336 suspended or revoked more than one year prior to the date of the applicant's application;
337 (ii) (A) the applicant is a partnership, corporation, or limited liability company; and

338 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the
339 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar
340 status, performing similar functions, or directly or indirectly controlling the applicant has
341 served in any similar capacity with any person or entity which has had a previous license,
342 which was issued under this chapter, suspended or revoked more than one year prior to the date
343 of the applicant's application; or
344 (iii) (A) the applicant is an individual or sole proprietorship; and
345 (B) any owner or agent acting as a qualifier has served in any capacity listed in
346 Subsection (9)(b)(ii)(B) in any entity which has had a previous license, which was issued under
347 this chapter, suspended or revoked more than one year prior to the date of the applicant's
348 application.
349 (10) (a) (i) A licensee that is an unincorporated entity shall file an ownership status
350 report with the division every 90 days after the day on which the license is issued if the licensee
351 has more than five owners who are individuals who:
352 (A) own an interest in the contractor that is an unincorporated entity;
353 (B) own, directly or indirectly, less than an 8% interest in the unincorporated entity, as
354 defined by rule made by the division in accordance with Title 63G, Chapter 3, Utah
355 Administrative Rulemaking Act; and
356 (C) engage, or will engage, in a construction trade in Utah as an owner of the
357 contractor described in Subsection (10)(a)(i)(A).
358 (ii) If the licensee has five or fewer owners described in Subsection (10)(a)(i), the
359 licensee shall provide the ownership status report with an application for renewal of licensure.
360 (b) An ownership status report required under this Subsection (10) shall:
361 (i) list each addition or deletion of an owner:
362 (A) for the first ownership status report, after the day on which the unincorporated
363 entity is licensed under this chapter; and
364 (B) for a subsequent ownership status report, after the day on which the previous
365 ownership status report is filed;

366 (ii) be in a format prescribed by the division that includes the items on the list provided
367 under Subsection(1)(e)(iv); and
368 (iii) be accompanied by a fee set by the division in accordance with Section 63J-1-504
369 if the ownership status report indicates there is a change described in Subsection (10)(b)(i).
370 (c) The division may, at any time, audit an ownership status report under this
371 Subsection (10):
372 (i) to determine if financial responsibility has been demonstrated or maintained as
373 required under Section 58-55-306; and
374 (ii) to determine compliance with Subsection 58-55-501(24) or (25) or Subsection
375 58-55-502(8) or (9).
376 (11) (a) An unincorporated entity that provides labor to an entity licensed under this
377 chapter by providing an individual who owns an interest in the unincorporated entity to engage
378 in a construction trade in Utah shall file with the division:
379 (i) before the individual who owns an interest in the unincorporated entity engages in a
380 construction trade in Utah, a current list of the one or more individuals who hold an ownership
381 interest in the unincorporated entity that includes for each individual:
382 (A) the individual's name, address, birthdate, and Social Security number; and
383 (B) whether the individual will engage in a construction trade; and
384 (ii) every 90 days after the day on which the unincorporated entity provides the list
385 described in Subsection (11)(a)(i), an ownership status report containing the information that
386 would be required under Subsection (10) if the unincorporated entity were a licensed
387 contractor.
388 (b) When filing an ownership list described in Subsection (11)(a)(i) or an ownership
389 status report described in Subsection (11)(a)(ii) an unincorporated entity shall pay a fee set by
390 the division in accordance with Section 63J-1-504.
391 (12) This chapter may not be interpreted to create or support an express or implied
392 independent contractor relationship between an unincorporated entity described in Subsection
393 (10) or (11) and the owners of the unincorporated entity for any purpose, including income tax

394 withholding.

395 (13) A Social Security number provided under Subsection (1)(e)(iv) is a private record
396 under Subsection 63G-2-302(1)(h).

397 Section 2. Section **58-55-302.5** is amended to read:

398 **58-55-302.5. Continuing education requirements of contractor licensees --**
399 **Continuing education courses.**

400 (1) Each contractor licensee under a license issued under this chapter shall complete
401 six hours of approved continuing education during each two-year renewal cycle established by
402 rule under Subsection 58-55-303(1).

403 (2) (a) The commission shall, with the concurrence of the division, establish by rule a
404 program of approved continuing education for contractor licensees.

405 (b) Before a new course or a course being considered for reapproval may be included
406 in the program of approved continuing education for contractor licensees, the commission and
407 the division shall invite and consider written input, received within 30 days of the invitation,
408 regarding the course from:

409 (i) the Associated General Contractors of Utah;

410 (ii) the Home Builders Association of Utah;

411 (iii) the Utah Subcontractors Council;

412 (iv) the Utah Plumbing & Heating Contractors Association;

413 (v) the Independent Electrical Contractors of Utah; and

414 (vi) the Rocky Mountain Gas Association.

415 (3) The division may contract with a person to establish and maintain a continuing
416 education registry to include:

417 (a) an online application for a continuing education course provider to apply to the
418 division for approval of the course for inclusion in the program of approved continuing
419 education;

420 (b) a list of courses that the division has approved for inclusion in the program of
421 approved continuing education; and

422 (c) a list of courses that:
423 (i) a contractor licensee has completed under the program of approved continuing
424 education; and
425 (ii) the licensee may access to monitor the licensee's compliance with the continuing
426 education requirement established under Subsection (1).
427 (4) The division may charge a fee, as established by the division under Section
428 63J-1-504, to administer the requirements of this section.
429 Section 3. Section **58-55-305** is amended to read:
430 **58-55-305. Exemptions from licensure.**
431 (1) In addition to the exemptions from licensure in Section 58-1-307, the following
432 persons may engage in acts or practices included within the practice of construction trades,
433 subject to the stated circumstances and limitations, without being licensed under this chapter:
434 (a) an authorized representative of the United States government or an authorized
435 employee of the state or any of its political subdivisions when working on construction work of
436 the state or the subdivision, and when acting within the terms of the person's trust, office, or
437 employment;
438 (b) a person engaged in construction or operation incidental to the construction and
439 repair of irrigation and drainage ditches of regularly constituted irrigation districts, reclamation
440 districts, and drainage districts or construction and repair relating to farming, dairying,
441 agriculture, livestock or poultry raising, metal and coal mining, quarries, sand and gravel
442 excavations, well drilling, as defined in Section 73-3-25, hauling to and from construction
443 sites, and lumbering;
444 (c) public utilities operating under the rules of the Public Service Commission on work
445 incidental to their own business;
446 (d) sole owners of property engaged in building:
447 (i) no more than one residential structure per year and no more than three residential
448 structures per five years on their property for their own noncommercial, nonpublic use; except,
449 a person other than the property owner or individuals described in Subsection (1)(e), who

450 engages in building the structure must be licensed under this chapter if the person is otherwise
451 required to be licensed under this chapter; or
452 (ii) structures on their property for their own noncommercial, nonpublic use which are
453 incidental to a residential structure on the property, including sheds, carports, or detached
454 garages;
455 (e) (i) a person engaged in construction or renovation of a residential building for
456 noncommercial, nonpublic use if that person:
457 (A) works without compensation other than token compensation that is not considered
458 salary or wages; and
459 (B) works under the direction of the property owner who engages in building the
460 structure; and
461 (ii) as used in this Subsection (1)(e), "token compensation" means compensation paid
462 by a sole owner of property exempted from licensure under Subsection (1)(d) to a person
463 exempted from licensure under this Subsection (1)(e), that is:
464 (A) minimal in value when compared with the fair market value of the services
465 provided by the person;
466 (B) not related to the fair market value of the services provided by the person; and
467 (C) is incidental to the providing of services by the person including paying for or
468 providing meals or refreshment while services are being provided, or paying reasonable
469 transportation costs incurred by the person in travel to the site of construction;
470 (f) a person engaged in the sale or merchandising of personal property that by its design
471 or manufacture may be attached, installed, or otherwise affixed to real property who has
472 contracted with a person, firm, or corporation licensed under this chapter to install, affix, or
473 attach that property;
474 (g) a contractor submitting a bid on a federal aid highway project, if, before
475 undertaking construction under that bid, the contractor is licensed under this chapter;
476 (h) (i) a person engaged in the alteration, repair, remodeling, or addition to or
477 improvement of a building with a contracted or agreed value of less than $3,000, including

478 both labor and materials, and including all changes or additions to the contracted or agreed
479 upon work; and
480 (ii) notwithstanding Subsection (1)(h)(i) and except as otherwise provided in this
481 section:
482 (A) work in the plumbing and electrical trades on a Subsection (1)(h)(i) project within
483 any six month period of time:
484 (I) must be performed by a licensed electrical or plumbing contractor, if the project
485 involves an electrical or plumbing system; and
486 (II) may be performed by a licensed journeyman electrician or plumber or an individual
487 referred to in Subsection (1)(h)(ii)(A)(I), if the project involves a component of the system
488 such as a faucet, toilet, fixture, device, outlet, or electrical switch;
489 (B) installation, repair, or replacement of a residential or commercial gas appliance or a
490 combustion system on a Subsection (1)(h)(i) project must be performed by a person who has
491 received certification under Subsection 58-55-308(2) except as otherwise provided in
492 Subsection 58-55-308(2)(d) or 58-55-308(3);
493 (C) installation, repair, or replacement of water-based fire protection systems on a
494 Subsection (1)(h)(i) project must be performed by a licensed fire suppression systems
495 contractor or a licensed journeyman plumber;
496 (D) work as an alarm business or company or as an alarm company agent shall be
497 performed by a licensed alarm business or company or a licensed alarm company agent, except
498 as otherwise provided in this chapter;
499 (E) installation, repair, or replacement of an alarm system on a Subsection (1)(h)(i)
500 project must be performed by a licensed alarm business or company or a licensed alarm
501 company agent;
502 (F) installation, repair, or replacement of a heating, ventilation, or air conditioning
503 system (HVAC) on a Subsection (1)(h)(i) project must be performed by an HVAC contractor
504 licensed by the division;
505 (G) installation, repair, or replacement of a radon mitigation system or a soil

506 depressurization system must be performed by a licensed contractor; and
507 (H) if the total value of the project is greater than $1,000, the person shall file with the
508 division a one-time affirmation, subject to periodic reaffirmation as established by division
509 rule, that the person has:
510 (I) public liability insurance in coverage amounts and form established by division
511 rule; and
512 (II) if applicable, workers compensation insurance which would cover an employee of
513 the person if that employee worked on the construction project;
514 (i) a person practicing a specialty contractor classification or construction trade which
515 the director does not classify by administrative rule as significantly impacting the public's
516 health, safety, and welfare;
517 (j) owners and lessees of property and persons regularly employed for wages by owners
518 or lessees of property or their agents for the purpose of maintaining the property, are exempt
519 from this chapter when doing work upon the property;
520 (k) (i) a person engaged in minor plumbing work that is incidental, as defined by the
521 division by rule, to the replacement or repair of a fixture or an appliance in a residential or
522 small commercial building, or structure used for agricultural use, as defined in Section
523 15A-1-202, provided that no modification is made to:
524 (A) existing culinary water, soil, waste, or vent piping; or
525 (B) a gas appliance or combustion system; and
526 (ii) except as provided in Subsection (1)(e), installation for the first time of a fixture or
527 an appliance is not included in the exemption provided under Subsection (1)(k)(i);
528 (l) a person who ordinarily would be subject to the plumber licensure requirements
529 under this chapter when installing or repairing a water conditioner or other water treatment
530 apparatus if the conditioner or apparatus:
531 (i) meets the appropriate state construction codes or local plumbing standards; and
532 (ii) is installed or repaired under the direction of a person authorized to do the work
533 under an appropriate specialty contractor license;

534 (m) a person who ordinarily would be subject to the electrician licensure requirements
535 under this chapter when employed by:
536 (i) railroad corporations, telephone corporations or their corporate affiliates, elevator
537 contractors or constructors, or street railway systems; or
538 (ii) public service corporations, rural electrification associations, or municipal utilities
539 who generate, distribute, or sell electrical energy for light, heat, or power;
540 (n) a person involved in minor electrical work incidental to a mechanical or service
541 installation, including the outdoor installation of an above-ground, prebuilt hot tub;
542 (o) a student participating in construction trade education and training programs
543 approved by the commission with the concurrence of the director under the condition that:
544 (i) all work intended as a part of a finished product on which there would normally be
545 an inspection by a building inspector is, in fact, inspected and found acceptable by a licensed
546 building inspector; and
547 (ii) a licensed contractor obtains the necessary building permits;
548 (p) a delivery person when replacing any of the following existing equipment with a
549 new gas appliance, provided there is an existing gas shutoff valve at the appliance:
550 (i) gas range;
551 (ii) gas dryer;
552 (iii) outdoor gas barbeque; or
553 (iv) outdoor gas patio heater;
554 (q) a person performing maintenance on an elevator as defined in Subsection
555 58-55-102(14), if the maintenance is not related to the operating integrity of the elevator; and
556 (r) an apprentice or helper of an elevator mechanic licensed under this chapter when
557 working under the general direction of the licensed elevator mechanic.
558 (2) A compliance agency as defined in Section 15A-1-202 that issues a building permit
559 to a person requesting a permit as a sole owner of property referred to in Subsection (1)(d) shall
560 notify the division, in writing or through electronic transmission, of the issuance of the permit.