

1 **EMPLOYMENT OF OUT-OF-STATE**
2 **CONTRACTORS AND EMPLOYEES**

3 1999 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Ed P. Mayne**

6 AN ACT RELATING TO OCCUPATIONS AND PROFESSIONS; ELIMINATING CERTAIN
7 EXEMPTIONS FROM LICENSURE FOR CONSTRUCTION TRADES; AND MAKING
8 TECHNICAL CHANGES.

9 This act affects sections of Utah Code Annotated 1953 as follows:

10 AMENDS:

11 **58-55-305**, as last amended by Chapter 120, Laws of Utah 1997

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

13 Section 1. Section **58-55-305** is amended to read:

14 **58-55-305. Exemptions from licensure.**

15 In addition to the exemptions from licensure in Section 58-1-307, the following persons
16 may engage in acts or practices included within the practice of construction trades subject to the
17 stated circumstances and limitations without being licensed under this chapter:

18 (1) an authorized representative of the United States government or an authorized
19 employee of the state or any of its political subdivisions when working on construction work of
20 the state or the subdivision, and when acting within the terms of his trust, office, or employment;

21 (2) a person engaged in construction or operation incidental to the construction and repair
22 of irrigation and drainage ditches of regularly constituted irrigation districts, reclamation districts,
23 and drainage districts or construction and repair relating to farming, dairying, agriculture, livestock
24 or poultry raising, metal and coal mining within a 1/2 mile radius of a portal or entrance to the
25 mine, [~~quarries, sand and gravel excavations,~~] well drilling, [~~hauling to and from construction~~
26 ~~sites,~~] and lumbering;

27 (3) public utilities operating under the rules of the Public Service Commission on

28 construction work incidental to their own business;

29 (4) sole owners of property engaged in building structures on their property for their own
30 noncommercial, nonpublic use; except, any person other than the property owner or individuals
31 described in Subsection (5) who engages in building the structure must be licensed under this
32 chapter if he is otherwise required to be licensed under this chapter;

33 (5) (a) an individual engaged in construction or renovation of a residential building for
34 noncommercial, nonpublic use if that person:

35 (i) works without compensation other than token compensation that is not considered
36 salary or wages; and

37 (ii) works under the direction of the property owner who engages in building the structure;

38 and

39 (b) for purposes of Subsection (5), "token compensation" means compensation paid by a
40 sole owner of property exempted from licensure under Subsection (4) to an individual exempted
41 from licensure under Subsection (5), that is:

42 (i) minimal in value when compared with the fair market value of the services provided
43 by the individual;

44 (ii) not related to the fair market value of the services provided by the individual; and

45 (iii) is incidental to providing of services by the individual including paying for or
46 providing meals or refreshment while services are being provided, or paying reasonable
47 transportation costs incurred by the individual in travel to the site of construction;

48 (6) a person engaged in the sale or merchandising of personal property that by its design
49 or manufacture may be attached, installed, or otherwise affixed to real property who has contracted
50 with a person, firm, or corporation licensed under this chapter to install, affix, or attach that
51 property;

52 (7) a contractor submitting a bid on a federal aid highway project, if, before undertaking
53 any construction under that bid, the contractor is licensed under this chapter;

54 (8) (a) a person engaged in the alteration, repair, remodeling, or addition to or
55 improvement of any building with a contracted or agreed value of less than \$1,000, including both
56 labor and materials, and including all changes or additions to the contracted or agreed upon work;
57 and

58 (b) notwithstanding Subsection (8)(a), work in the plumbing and electrical trades must be

59 performed by a licensed electrician or plumber except as otherwise provided in this section;

60 (9) a person practicing a specialty contractor classification or construction trade which is
61 not classified by rule by the director as significantly impacting the public's health, safety, and
62 welfare;

63 (10) owners and lessees of property and persons regularly employed for wages by owners
64 or lessees of property or their agents for the purpose of maintaining the property, are exempt from
65 this chapter when doing work upon the property;

66 (11) (a) a person engaged in minor plumbing work incidental to the replacement or repair
67 of a fixture or an appliance in a residential or small commercial building, or structure used for
68 agricultural use, as defined in Section 58-56-4, provided that no modification is made to existing
69 culinary water, soil, waste, or vent piping; and

70 (b) except as provided in Subsection (5), installation for the first time of a fixture or an
71 appliance is not included in the exemption provided under Subsection (11)(a);

72 (12) a person who ordinarily would be subject to the plumber licensure requirements set
73 forth in this chapter when installing or repairing a water conditioner or other water treatment
74 apparatus if the conditioner or apparatus:

75 (a) meets the appropriate state construction codes or local plumbing standards; and

76 (b) is installed or repaired under the direction of a person authorized to do such work under
77 an appropriate specialty contractor license;

78 (13) a person who ordinarily would be subject to the electrician licensure requirements set
79 forth in this chapter when employed by or under contract with:

80 (a) railroad corporations, telephone corporations or their corporate affiliates, elevator
81 contractors or constructors, or street railway systems; or

82 (b) public service corporations, rural electrification associations, or municipal utilities who
83 generate, distribute, or sell electrical energy for light, heat, or power;

84 (14) a person involved in minor electrical work incidental to a mechanical or service
85 installation; and

86 (15) a student participating in construction trade education and training programs approved
87 by the division in collaboration with the board under the condition that:

88 (a) all work intended as a part of a finished product on which there would normally be an
89 inspection by a building inspector is, in fact, inspected and found acceptable by a licensed building

90 inspector; and

91 (b) a licensed contractor obtains the necessary building permits.

Legislative Review Note
as of 1-26-99 8:26 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel