

PROFESSIONAL LICENSING AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: Mike K. McKell

LONG TITLE

General Description:

This bill modifies the Utah Construction Trades Licensing Act.

Highlighted Provisions:

This bill:

- ▶ amends rulemaking authority related to licensing of certain construction trades;
- ▶ amends required course-work provisions for certain construction trades; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

58-55-302, as last amended by Laws of Utah 2014, Chapter 402

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

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

58-55-302. Qualifications for licensure.

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

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



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

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

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

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

35 (e) if ~~an~~ the applicant is applying for a contractor's license:

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

38 (ii) produce satisfactory evidence of:

39 (A) two years full-time paid employment experience in the construction industry,
40 which experience, unless more specifically described in this section, ~~may~~ shall be related to
41 any license contracting classification; and

42 (B) knowledge of the principles of the conduct of business as a contractor, reasonably
43 necessary for the protection of the public health, safety, and welfare;

44 (iii) except as otherwise provided by rule by the ~~[commission with the concurrence of~~
45 ~~the director]~~ division, complete a 20-hour course established by rule by the ~~[commission with~~
46 ~~the concurrence of the director, which course may include]~~ division, that is taught by:

47 (A) a nationally or regionally recognized accredited college or university that has a
48 physical campus located within the state;

49 (B) a non-profit construction trade association in the state that represents multiple
50 construction trade classifications and has at least 75 members who are licensed in the state; or

51 (C) a commercial continuing education provider that has a physical permanent
52 classroom facility in the state, has at least five years or more experience in teaching continuing
53 education courses for the construction trade industry, and has at least one full-time employee at
54 the provider's Utah location;

55 (iv) complete the course described in Subsection (1)(e)(iii), which course may include:

56 (A) construction business practices;

57 (B) bookkeeping fundamentals;

58 (C) mechanics lien fundamentals; and

59 (D) other aspects of business and construction principles considered important by the
60 [~~commission with the concurrence of the director~~] division;

61 [~~(iv)~~] (v) (A) be a licensed master electrician if an applicant for an electrical
62 contractor's license or a licensed master residential electrician if an applicant for a residential
63 electrical contractor's license;

64 (B) be a licensed master plumber if an applicant for a plumbing contractor's license or
65 a licensed master residential plumber if an applicant for a residential plumbing contractor's
66 license; or

67 (C) be a licensed elevator mechanic and produce satisfactory evidence of three years
68 experience as an elevator mechanic if an applicant for an elevator contractor's license; and

69 [~~(v)~~] (vi) when the applicant is an unincorporated entity, provide a list of the one or
70 more individuals who hold an ownership interest in the applicant as of the day on which the
71 application is filed that includes for each individual:

72 (A) the individual's name, address, birth date, and Social Security number; and

73 (B) whether the individual will engage in a construction trade; and

74 (f) if an applicant for a construction trades instructor license, satisfy any additional
75 requirements established by rule.

76 (2) After approval of an applicant for a contractor's license by the applicable board and
77 the division, the applicant shall file the following with the division before the division issues
78 the license:

79 (a) proof of workers' compensation insurance which covers employees of the applicant
80 in accordance with applicable Utah law;

81 (b) proof of public liability insurance in coverage amounts and form established by rule
82 except for a construction trades instructor for whom public liability insurance is not required;
83 and

84 (c) proof of registration as required by applicable law with the:

85 (i) Utah Department of Commerce;

86 (ii) Division of Corporations and Commercial Code;

87 (iii) Unemployment Insurance Division in the Department of Workforce Services, for
88 purposes of Title 35A, Chapter 4, Employment Security Act;

89 (iv) State Tax Commission; and

90 (v) Internal Revenue Service.

91 (3) In addition to the general requirements for each applicant in Subsection (1),
92 applicants shall comply with the following requirements to be licensed in the following
93 classifications:

94 (a) (i) A master plumber shall produce satisfactory evidence that the applicant:

95 (A) has been a licensed journeyman plumber for at least two years and had two years of
96 supervisory experience as a licensed journeyman plumber in accordance with division rule;

97 (B) has received at least an associate of applied science degree or similar degree
98 following the completion of a course of study approved by the division and had one year of
99 supervisory experience as a licensed journeyman plumber in accordance with division rule; or

100 (C) meets the qualifications determined by the division in collaboration with the board
101 to be equivalent to Subsection (3)(a)(i)(A) or (B).

102 (ii) An individual holding a valid Utah license as a journeyman plumber, based on at
103 least four years of practical experience as a licensed apprentice under the supervision of a
104 licensed journeyman plumber and four years as a licensed journeyman plumber, in effect
105 immediately prior to May 5, 2008, is on and after May 5, 2008, considered to hold a current
106 master plumber license under this chapter, and satisfies the requirements of this Subsection
107 (3)(a) for the purpose of renewal or reinstatement of that license under Section 58-55-303.

108 (iii) An individual holding a valid plumbing contractor's license or residential
109 plumbing contractor's license, in effect immediately prior to May 5, 2008, is on or after May 5,
110 2008:

111 (A) considered to hold a current master plumber license under this chapter if licensed
112 as a plumbing contractor and a journeyman plumber, and satisfies the requirements of this
113 Subsection (3)(a) for purposes of renewal or reinstatement of that license under Section
114 58-55-303; and

115 (B) considered to hold a current residential master plumber license under this chapter if
116 licensed as a residential plumbing contractor and a residential journeyman plumber, and
117 satisfies the requirements of this Subsection (3)(a) for purposes of renewal or reinstatement of
118 that license under Section 58-55-303.

119 (b) A master residential plumber applicant shall produce satisfactory evidence that the
120 applicant:

121 (i) has been a licensed residential journeyman plumber for at least two years and had
122 two years of supervisory experience as a licensed residential journeyman plumber in
123 accordance with division rule; or

124 (ii) meets the qualifications determined by the division in collaboration with the board
125 to be equivalent to Subsection (3)(b)(i).

126 (c) A journeyman plumber applicant shall produce satisfactory evidence of:

127 (i) successful completion of the equivalent of at least four years of full-time training
128 and instruction as a licensed apprentice plumber under supervision of a licensed master
129 plumber or journeyman plumber and in accordance with a planned program of training
130 approved by the division;

131 (ii) at least eight years of full-time experience approved by the division in collaboration
132 with the Plumbers Licensing Board; or

133 (iii) satisfactory evidence of meeting the qualifications determined by the board to be
134 equivalent to Subsection (3)(c)(i) or (c)(ii).

135 (d) A residential journeyman plumber shall produce satisfactory evidence of:

136 (i) completion of the equivalent of at least three years of full-time training and
137 instruction as a licensed apprentice plumber under the supervision of a licensed residential
138 master plumber, licensed residential journeyman plumber, or licensed journeyman plumber in
139 accordance with a planned program of training approved by the division;

140 (ii) completion of at least six years of full-time experience in a maintenance or repair
141 trade involving substantial plumbing work; or

142 (iii) meeting the qualifications determined by the board to be equivalent to Subsection
143 (3)(d)(i) or (d)(ii).

144 (e) The conduct of licensed apprentice plumbers and their licensed supervisors shall be
145 in accordance with the following:

146 (i) while engaging in the trade of plumbing, a licensed apprentice plumber shall be
147 under the immediate supervision of a licensed master plumber, licensed residential master
148 plumber, licensed journeyman plumber, or a licensed residential journeyman plumber; and

149 (ii) a licensed apprentice plumber in the fourth through tenth year of training may work
150 without supervision for a period not to exceed eight hours in any 24-hour period, but if the
151 apprentice does not become a licensed journeyman plumber or licensed residential journeyman

152 plumber by the end of the tenth year of apprenticeship, this nonsupervision provision no longer
153 applies.

154 (f) A master electrician applicant shall produce satisfactory evidence that the applicant:

155 (i) is a graduate electrical engineer of an accredited college or university approved by
156 the division and has one year of practical electrical experience as a licensed apprentice
157 electrician;

158 (ii) is a graduate of an electrical trade school, having received an associate of applied
159 sciences degree following successful completion of a course of study approved by the division,
160 and has two years of practical experience as a licensed journeyman electrician;

161 (iii) has four years of practical experience as a journeyman electrician; or

162 (iv) meets the qualifications determined by the board to be equivalent to Subsection
163 (3)(f)(i), (ii), or (iii).

164 (g) A master residential electrician applicant shall produce satisfactory evidence that
165 the applicant:

166 (i) has at least two years of practical experience as a residential journeyman electrician;
167 or

168 (ii) meets the qualifications determined by the board to be equivalent to this practical
169 experience.

170 (h) A journeyman electrician applicant shall produce satisfactory evidence that the
171 applicant:

172 (i) has successfully completed at least four years of full-time training and instruction as
173 a licensed apprentice electrician under the supervision of a master electrician or journeyman
174 electrician and in accordance with a planned training program approved by the division;

175 (ii) has at least eight years of full-time experience approved by the division in
176 collaboration with the Electricians Licensing Board; or

177 (iii) meets the qualifications determined by the board to be equivalent to Subsection
178 (3)(h)(i) or (ii).

179 (i) A residential journeyman electrician applicant shall produce satisfactory evidence
180 that the applicant:

181 (i) has successfully completed two years of training in an electrical training program
182 approved by the division;

183 (ii) has four years of practical experience in wiring, installing, and repairing electrical
184 apparatus and equipment for light, heat, and power under the supervision of a licensed master,
185 journeyman, residential master, or residential journeyman electrician; or

186 (iii) meets the qualifications determined by the division and applicable board to be
187 equivalent to Subsection (3)(i)(i) or (ii).

188 (j) The conduct of licensed apprentice electricians and their licensed supervisors shall
189 be in accordance with the following:

190 (i) A licensed apprentice electrician shall be under the immediate supervision of a
191 licensed master, journeyman, residential master, or residential journeyman electrician. An
192 apprentice in the fourth year of training may work without supervision for a period not to
193 exceed eight hours in any 24-hour period.

194 (ii) A licensed master, journeyman, residential master, or residential journeyman
195 electrician may have under immediate supervision on a residential project up to three licensed
196 apprentice electricians.

197 (iii) A licensed master or journeyman electrician may have under immediate
198 supervision on nonresidential projects only one licensed apprentice electrician.

199 (k) An alarm company applicant shall:

200 (i) have a qualifying agent who is an officer, director, partner, proprietor, or manager of
201 the applicant who:

202 (A) demonstrates 6,000 hours of experience in the alarm company business;

203 (B) demonstrates 2,000 hours of experience as a manager or administrator in the alarm
204 company business or in a construction business; and

205 (C) passes an examination component established by rule by the commission with the
206 concurrence of the director;

207 (ii) if a corporation, provide:

208 (A) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards
209 of all corporate officers, directors, and those responsible management personnel employed
210 within the state or having direct responsibility for managing operations of the applicant within
211 the state; and

212 (B) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards
213 of all shareholders owning 5% or more of the outstanding shares of the corporation, except this

214 shall not be required if the stock is publicly listed and traded;
215 (iii) if a limited liability company, provide:
216 (A) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards
217 of all company officers, and those responsible management personnel employed within the
218 state or having direct responsibility for managing operations of the applicant within the state;
219 and
220 (B) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards
221 of all individuals owning 5% or more of the equity of the company;
222 (iv) if a partnership, provide the names, addresses, dates of birth, Social Security
223 numbers, and fingerprint cards of all general partners, and those responsible management
224 personnel employed within the state or having direct responsibility for managing operations of
225 the applicant within the state;
226 (v) if a proprietorship, provide the names, addresses, dates of birth, Social Security
227 numbers, and fingerprint cards of the proprietor, and those responsible management personnel
228 employed within the state or having direct responsibility for managing operations of the
229 applicant within the state;
230 (vi) if a trust, provide the names, addresses, dates of birth, Social Security numbers,
231 and fingerprint cards of the trustee, and those responsible management personnel employed
232 within the state or having direct responsibility for managing operations of the applicant within
233 the state;
234 (vii) be of good moral character in that officers, directors, shareholders described in
235 Subsection (3)(k)(ii)(B), partners, proprietors, trustees, and responsible management personnel
236 have not been convicted of a felony, a misdemeanor involving moral turpitude, or any other
237 crime that when considered with the duties and responsibilities of an alarm company is
238 considered by the board to indicate that the best interests of the public are served by granting
239 the applicant a license;
240 (viii) document that none of the applicant's officers, directors, shareholders described
241 in Subsection (3)(k)(ii)(B), partners, proprietors, trustees, and responsible management
242 personnel have been declared by any court of competent jurisdiction incompetent by reason of
243 mental defect or disease and not been restored;
244 (ix) document that none of the applicant's officers, directors, shareholders described in

245 Subsection (3)(k)(ii)(B), partners, proprietors, and responsible management personnel are
246 currently suffering from habitual drunkenness or from drug addiction or dependence;
247 (x) file and maintain with the division evidence of:
248 (A) comprehensive general liability insurance in form and in amounts to be established
249 by rule by the commission with the concurrence of the director;
250 (B) workers' compensation insurance that covers employees of the applicant in
251 accordance with applicable Utah law; and
252 (C) registration as is required by applicable law with the:
253 (I) Division of Corporations and Commercial Code;
254 (II) Unemployment Insurance Division in the Department of Workforce Services, for
255 purposes of Title 35A, Chapter 4, Employment Security Act;
256 (III) State Tax Commission; and
257 (IV) Internal Revenue Service; and
258 (xi) meet with the division and board.
259 (l) Each applicant for licensure as an alarm company agent shall:
260 (i) submit an application in a form prescribed by the division accompanied by
261 fingerprint cards;
262 (ii) pay a fee determined by the department under Section [63J-1-504](#);
263 (iii) be of good moral character in that the applicant has not been convicted of a felony,
264 a misdemeanor involving moral turpitude, or any other crime that when considered with the
265 duties and responsibilities of an alarm company agent is considered by the board to indicate
266 that the best interests of the public are served by granting the applicant a license;
267 (iv) not have been declared by any court of competent jurisdiction incompetent by
268 reason of mental defect or disease and not been restored;
269 (v) not be currently suffering from habitual drunkenness or from drug addiction or
270 dependence; and
271 (vi) meet with the division and board if requested by the division or the board.
272 (m) (i) Each applicant for licensure as an elevator mechanic shall:
273 (A) provide documentation of experience and education credits of not less than three
274 years work experience in the elevator industry, in construction, maintenance, or service and
275 repair; and

276 (B) satisfactorily complete a written examination administered by the division
277 established by rule under Section 58-1-203; or

278 (C) provide certificates of completion of an apprenticeship program for elevator
279 mechanics, having standards substantially equal to those of this chapter and registered with the
280 United States Department of Labor Bureau Apprenticeship and Training or a state
281 apprenticeship council.

282 (ii) (A) If an elevator contractor licensed under this chapter cannot find a licensed
283 elevator mechanic to perform the work of erecting, constructing, installing, altering, servicing,
284 repairing, or maintaining an elevator, the contractor may:

285 (I) notify the division of the unavailability of licensed personnel; and

286 (II) request the division issue a temporary elevator mechanic license to an individual
287 certified by the contractor as having an acceptable combination of documented experience and
288 education to perform the work described in this Subsection (3)(m)(ii)(A).

289 (B) (I) The division may issue a temporary elevator mechanic license to an individual
290 certified under Subsection (3)(m)(ii)(A)(II) upon application by the individual, accompanied by
291 the appropriate fee as determined by the department under Section 63J-1-504.

292 (II) The division shall specify the time period for which the license is valid and may
293 renew the license for an additional time period upon its determination that a shortage of
294 licensed elevator mechanics continues to exist.

295 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
296 division may make rules establishing when Federal Bureau of Investigation records shall be
297 checked for applicants as an alarm company or alarm company agent.

298 (5) To determine if an applicant meets the qualifications of Subsections (3)(k)(vii) and
299 (3)(l)(iii), the division shall provide an appropriate number of copies of fingerprint cards to the
300 Department of Public Safety with the division's request to:

301 (a) conduct a search of records of the Department of Public Safety for criminal history
302 information relating to each applicant for licensure as an alarm company or alarm company
303 agent and each applicant's officers, directors, shareholders described in Subsection
304 (3)(k)(ii)(B), partners, proprietors, and responsible management personnel; and

305 (b) forward to the Federal Bureau of Investigation a fingerprint card of each applicant
306 requiring a check of records of the Federal Bureau of Investigation for criminal history

307 information under this section.

308 (6) The Department of Public Safety shall send to the division:

309 (a) a written record of criminal history, or certification of no criminal history record, as
310 contained in the records of the Department of Public Safety in a timely manner after receipt of
311 a fingerprint card from the division and a request for review of Department of Public Safety
312 records; and

313 (b) the results of the Federal Bureau of Investigation review concerning an applicant in
314 a timely manner after receipt of information from the Federal Bureau of Investigation.

315 (7) (a) The division shall charge each applicant for licensure as an alarm company or
316 alarm company agent a fee, in accordance with Section 63J-1-504, equal to the cost of
317 performing the records reviews under this section.

318 (b) The division shall pay the Department of Public Safety the costs of all records
319 reviews, and the Department of Public Safety shall pay the Federal Bureau of Investigation the
320 costs of records reviews under this section.

321 (8) Information obtained by the division from the reviews of criminal history records of
322 the Department of Public Safety and the Federal Bureau of Investigation shall be used or
323 disseminated by the division only for the purpose of determining if an applicant for licensure as
324 an alarm company or alarm company agent is qualified for licensure.

325 (9) (a) An application for licensure under this chapter shall be denied if:

326 (i) the applicant has had a previous license, which was issued under this chapter,
327 suspended or revoked within one year prior to the date of the applicant's application;

328 (ii) (A) the applicant is a partnership, corporation, or limited liability company; and

329 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the
330 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar
331 status, performing similar functions, or directly or indirectly controlling the applicant has
332 served in any similar capacity with any person or entity which has had a previous license,
333 which was issued under this chapter, suspended or revoked within one year prior to the date of
334 the applicant's application;

335 (iii) (A) the applicant is an individual or sole proprietorship; and

336 (B) any owner or agent acting as a qualifier has served in any capacity listed in

337 Subsection (9)(a)(ii)(B) in any entity which has had a previous license, which was issued under

338 this chapter, suspended or revoked within one year prior to the date of the applicant's
339 application; or

340 (iv) (A) the applicant includes an individual who was an owner, director, or officer of
341 an unincorporated entity at the time the entity's license under this chapter was revoked; and

342 (B) the application for licensure is filed within 60 months after the revocation of the
343 unincorporated entity's license.

344 (b) An application for licensure under this chapter shall be reviewed by the appropriate
345 licensing board prior to approval if:

346 (i) the applicant has had a previous license, which was issued under this chapter,
347 suspended or revoked more than one year prior to the date of the applicant's application;

348 (ii) (A) the applicant is a partnership, corporation, or limited liability company; and

349 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the
350 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar
351 status, performing similar functions, or directly or indirectly controlling the applicant has
352 served in any similar capacity with any person or entity which has had a previous license,
353 which was issued under this chapter, suspended or revoked more than one year prior to the date
354 of the applicant's application; or

355 (iii) (A) the applicant is an individual or sole proprietorship; and

356 (B) any owner or agent acting as a qualifier has served in any capacity listed in
357 Subsection (9)(b)(ii)(B) in any entity which has had a previous license, which was issued under
358 this chapter, suspended or revoked more than one year prior to the date of the applicant's
359 application.

360 (10) (a) (i) A licensee that is an unincorporated entity shall file an ownership status
361 report with the division every 30 days after the day on which the license is issued if the licensee
362 has more than five owners who are individuals who:

363 (A) own an interest in the contractor that is an unincorporated entity;

364 (B) own, directly or indirectly, less than an 8% interest, as defined by rule made by the
365 division in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, in the
366 unincorporated entity; and

367 (C) engage, or will engage, in a construction trade in the state as owners of the
368 contractor described in Subsection (10)(a)(i)(A).

369 (ii) If the licensee has five or fewer owners described in Subsection (10)(a)(i), the
370 licensee shall provide the ownership status report with an application for renewal of licensure.

371 (b) An ownership status report required under this Subsection (10) shall:

372 (i) specify each addition or deletion of an owner:

373 (A) for the first ownership status report, after the day on which the unincorporated
374 entity is licensed under this chapter; and

375 (B) for a subsequent ownership status report, after the day on which the previous
376 ownership status report is filed;

377 (ii) be in a format prescribed by the division that includes for each owner, regardless of
378 the owner's percentage ownership in the unincorporated entity, the information described in
379 Subsection(1)(e)[~~(iv)~~](vi);

380 (iii) list the name of:

381 (A) each officer or manager of the unincorporated entity; and

382 (B) each other individual involved in the operation, supervision, or management of the
383 unincorporated entity; and

384 (iv) be accompanied by a fee set by the division in accordance with Section 63J-1-504
385 if the ownership status report indicates there is a change described in Subsection (10)(b)(i).

386 (c) The division may, at any time, audit an ownership status report under this
387 Subsection (10):

388 (i) to determine if financial responsibility has been demonstrated or maintained as
389 required under Section 58-55-306; and

390 (ii) to determine compliance with Subsection 58-55-501(24), (25), or (27) or
391 Subsection 58-55-502(8) or (9).

392 (11) (a) An unincorporated entity that provides labor to an entity licensed under this
393 chapter by providing an individual who owns an interest in the unincorporated entity to engage
394 in a construction trade in Utah shall file with the division:

395 (i) before the individual who owns an interest in the unincorporated entity engages in a
396 construction trade in Utah, a current list of the one or more individuals who hold an ownership
397 interest in the unincorporated entity that includes for each individual:

398 (A) the individual's name, address, birth date, and Social Security number; and

399 (B) whether the individual will engage in a construction trade; and

400 (ii) every 30 days after the day on which the unincorporated entity provides the list
401 described in Subsection (11)(a)(i), an ownership status report containing the information that
402 would be required under Subsection (10) if the unincorporated entity were a licensed
403 contractor.

404 (b) When filing an ownership list described in Subsection (11)(a)(i) or an ownership
405 status report described in Subsection (11)(a)(ii) or ~~[(iii)]~~ this Subsection (11)(b) an
406 unincorporated entity shall pay a fee set by the division in accordance with Section [63J-1-504](#).

407 (12) This chapter may not be interpreted to create or support an express or implied
408 independent contractor relationship between an unincorporated entity described in Subsection
409 (10) or (11) and the owners of the unincorporated entity for any purpose, including income tax
410 withholding.

411 (13) A Social Security number provided under Subsection (1)(e)~~[(iv)]~~[(vi)] is a private
412 record under Subsection [63G-2-302](#)(1)(i).

Legislative Review Note
as of 2-25-15 8:43 AM

Office of Legislative Research and General Counsel