

GENERAL CONTRACTORS LICENSE AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Mike Schultz

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends the requirements for licensure of a general contractor and an architect.

Highlighted Provisions:

This bill:

- ▶ amends the definition of a contractor;
- ▶ amends requirements for licensure as a general contractor; and
- ▶ amends exemptions from licensure as an architect.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

58-3a-304, as enacted by Laws of Utah 1996, Chapter 260

58-55-102, as last amended by Laws of Utah 2014, Chapter 81

58-55-302, as last amended by Laws of Utah 2015, Chapter 258

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

Section 1. Section **58-3a-304** is amended to read:

58-3a-304. Exemptions from licensure.



28 (1) In addition to the exemptions from licensure in Section 58-1-307, the following
29 may engage in the stated limited acts or practices without being licensed under this chapter:

30 (a) a person offering to render architectural services in this state when not licensed
31 under this chapter if the person:

32 (i) holds a current and valid architect license issued by a licensing authority recognized
33 by rule by the division in collaboration with the board;

34 (ii) discloses in writing to the potential client the fact that the architect:

35 (A) is not licensed in the state;

36 (B) may not provide architectural services in the state until the architect is licensed in
37 the state; and

38 (C) that such condition may cause a delay in the ability of the architect to provide
39 architectural services in the state;

40 (iii) notifies the division in writing of his intent to offer to render architectural services
41 in the state; and

42 (iv) does not provide architectural services or engage in the practice of architecture in
43 this state until licensed to do so;

44 (b) a person preparing a plan and specification for [a] one, two, three, or four-family
45 [residence] residences, or town houses, not exceeding two stories in height, exclusive of
46 basement;

47 (c) a person licensed to practice professional engineering under Title 58, Chapter 22,
48 Professional Engineers and Professional Land Surveyors Licensing Act, performing
49 engineering or incidental architectural acts or practices that do not exceed the scope of the
50 education and training of the person performing architecture;

51 (d) unlicensed employees, subordinates, associates, or drafters of a person licensed
52 under this chapter while preparing plans and specifications under the supervision of an
53 architect;

54 (e) a person preparing a plan or specification for, or supervising the alteration of or
55 repair to, an existing building affecting an area not exceeding 3,000 square feet when structural
56 elements of a building are not changed, such as foundations, beams, columns, and structural
57 slabs, joists, bearing walls, and trusses; and

58 (f) an organization engaged in the practice of architecture, provided that:

- 59 (i) the organization employs a principal; and
- 60 (ii) all individuals employed by the organization, who are engaged in the practice of
- 61 architecture, are licensed or exempt from licensure under this chapter.

62 (2) Nothing in this section shall be construed to restrict a draftsman from preparing
63 plans for a client under the exemption provided in Subsection (1)(b) or taking those plans to a
64 licensed architect for his review, approval, and subsequent fixing of the architect's seal to that
65 set of plans if they meet the building code standards.

66 Section 2. Section **58-55-102** is amended to read:

67 **58-55-102. Definitions.**

68 In addition to the definitions in Section **58-1-102**, as used in this chapter:

69 (1) (a) "Alarm business or company" means a person engaged in the sale, installation,
70 maintenance, alteration, repair, replacement, servicing, or monitoring of an alarm system,
71 except as provided in Subsection (1)(b).

72 (b) "Alarm business or company" does not include:

73 (i) a person engaged in the manufacture or sale of alarm systems unless:

74 (A) that person is also engaged in the installation, maintenance, alteration, repair,
75 replacement, servicing, or monitoring of alarm systems;

76 (B) the manufacture or sale occurs at a location other than a place of business
77 established by the person engaged in the manufacture or sale; or

78 (C) the manufacture or sale involves site visits at the place or intended place of
79 installation of an alarm system; or

80 (ii) an owner of an alarm system, or an employee of the owner of an alarm system who
81 is engaged in installation, maintenance, alteration, repair, replacement, servicing, or monitoring
82 of the alarm system owned by that owner.

83 (2) "Alarm company agent":

84 (a) except as provided in Subsection (2)(b), means any individual employed within this
85 state by an alarm business; and

86 (b) does not include an individual who:

87 (i) is not engaged in the sale, installation, maintenance, alteration, repair, replacement,
88 servicing, or monitoring of an alarm system; and

89 (ii) does not, during the normal course of the individual's employment with an alarm

90 business, use or have access to sensitive alarm system information.

91 (3) "Alarm system" means equipment and devices assembled for the purpose of:

92 (a) detecting and signaling unauthorized intrusion or entry into or onto certain
93 premises; or

94 (b) signaling a robbery or attempted robbery on protected premises.

95 (4) "Apprentice electrician" means a person licensed under this chapter as an
96 apprentice electrician who is learning the electrical trade under the immediate supervision of a
97 master electrician, residential master electrician, a journeyman electrician, or a residential
98 journeyman electrician.

99 (5) "Apprentice plumber" means a person licensed under this chapter as an apprentice
100 plumber who is learning the plumbing trade under the immediate supervision of a master
101 plumber, residential master plumber, journeyman plumber, or a residential journeyman
102 plumber.

103 (6) "Approved continuing education" means instruction provided through courses
104 under a program established under Subsection [58-55-302.5\(2\)](#).

105 (7) "Board" means the Electrician Licensing Board, Alarm System Security and
106 Licensing Board, or Plumbers Licensing Board created in Section [58-55-201](#).

107 (8) "Combustion system" means an assembly consisting of:

108 (a) piping and components with a means for conveying, either continuously or
109 intermittently, natural gas from the outlet of the natural gas provider's meter to the burner of the
110 appliance;

111 (b) the electric control and combustion air supply and venting systems, including air
112 ducts; and

113 (c) components intended to achieve control of quantity, flow, and pressure.

114 (9) "Commission" means the Construction Services Commission created under Section
115 [58-55-103](#).

116 (10) "Construction trade" means any trade or occupation involving:

117 (a) (i) construction, alteration, remodeling, repairing, wrecking or demolition, addition
118 to, or improvement of any building, highway, road, railroad, dam, bridge, structure, excavation
119 or other project, development, or improvement to other than personal property; and

120 (ii) constructing, remodeling, or repairing a manufactured home or mobile home as

121 defined in Section 15A-1-302; or

122 (b) installation or repair of a residential or commercial natural gas appliance or
123 combustion system.

124 (11) "Construction trades instructor" means a person licensed under this chapter to
125 teach one or more construction trades in both a classroom and project environment, where a
126 project is intended for sale to or use by the public and is completed under the direction of the
127 instructor, who has no economic interest in the project.

128 (12) (a) "Contractor" means any person who for compensation other than wages as an
129 employee undertakes any work in the construction, plumbing, or electrical trade for which
130 licensure is required under this chapter and includes:

131 (i) a person who builds any structure on the person's own property for the purpose of
132 sale or who builds any structure intended for public use on the person's own property;

133 (ii) any person who represents that the person is a contractor, or will perform a service
134 described in this Subsection (12), by advertising on a website or social media, or any other
135 means;

136 (iii) any person engaged as a maintenance person, other than an employee, who
137 regularly engages in activities set forth under the definition of "construction trade";

138 (iv) any person engaged in, or offering to engage in, any construction trade for which
139 licensure is required under this chapter; or

140 (v) a construction manager [~~who performs~~], construction consultant, construction
141 assistant, or any other person who, for a fee:

142 (A) performs or offers to perform construction consulting;

143 (B) performs or offers to perform management of construction subcontractors;

144 (C) provides or offers to provide a list of subcontractors or suppliers; or

145 (D) provides or offers to provide management [and] or counseling services on a
146 construction project [for a fee].

147 (b) "Contractor" does not include an alarm company or alarm company agent.

148 (13) (a) "Electrical trade" means the performance of any electrical work involved in the
149 installation, construction, alteration, change, repair, removal, or maintenance of facilities,
150 buildings, or appendages or appurtenances.

151 (b) "Electrical trade" does not include:

152 (i) transporting or handling electrical materials;
153 (ii) preparing clearance for raceways for wiring; or
154 (iii) work commonly done by unskilled labor on any installations under the exclusive
155 control of electrical utilities.

156 (c) For purposes of Subsection (13)(b):

157 (i) no more than one unlicensed person may be so employed unless more than five
158 licensed electricians are employed by the shop; and

159 (ii) a shop may not employ unlicensed persons in excess of the five-to-one ratio
160 permitted by this Subsection (13)(c).

161 (14) "Elevator" [~~has~~] means the same [~~meaning as~~] as that term is defined in Section
162 [34A-7-202](#), except that for purposes of this chapter it does not mean a stair chair, a vertical
163 platform lift, or an incline platform lift.

164 (15) "Elevator contractor" means a sole proprietor, firm, or corporation licensed under
165 this chapter that is engaged in the business of erecting, constructing, installing, altering,
166 servicing, repairing, or maintaining an elevator.

167 (16) "Elevator mechanic" means an individual who is licensed under this chapter as an
168 elevator mechanic and who is engaged in erecting, constructing, installing, altering, servicing,
169 repairing, or maintaining an elevator under the immediate supervision of an elevator contractor.

170 (17) "Employee" means an individual as defined by the division by rule giving
171 consideration to the definition adopted by the Internal Revenue Service and the Department of
172 Workforce Services.

173 (18) "Engage in a construction trade" means to:

174 (a) engage in, represent oneself to be engaged in, or advertise oneself as being engaged
175 in a construction trade; or

176 (b) use the name "contractor" or "builder" or in any other way lead a reasonable person
177 to believe one is or will act as a contractor.

178 (19) (a) "Financial responsibility" means a demonstration of a current and expected
179 future condition of financial solvency evidencing a reasonable expectation to the division and
180 the board that an applicant or licensee can successfully engage in business as a contractor
181 without jeopardy to the public health, safety, and welfare.

182 (b) Financial responsibility may be determined by an evaluation of the total history

183 concerning the licensee or applicant including past, present, and expected condition and record
184 of financial solvency and business conduct.

185 (20) "Gas appliance" means any device that uses natural gas to produce light, heat,
186 power, steam, hot water, refrigeration, or air conditioning.

187 (21) (a) "General building contractor" means a person licensed under this chapter as a
188 general building contractor qualified by education, training, experience, and knowledge to
189 perform or superintend construction of structures for the support, shelter, and enclosure of
190 persons, animals, chattels, or movable property of any kind or any of the components of that
191 construction except plumbing, electrical work, mechanical work, work related to the operating
192 integrity of an elevator, and manufactured housing installation, for which the general building
193 contractor shall employ the services of a contractor licensed in the particular specialty, except
194 that a general building contractor engaged in the construction of single-family and multifamily
195 residences up to four units may perform the mechanical work and hire a licensed plumber or
196 electrician as an employee.

197 (b) The division may by rule exclude general building contractors from engaging in the
198 performance of other construction specialties in which there is represented a substantial risk to
199 the public health, safety, and welfare, and for which a license is required unless that general
200 building contractor holds a valid license in that specialty classification.

201 (22) (a) "General engineering contractor" means a person licensed under this chapter as
202 a general engineering contractor qualified by education, training, experience, and knowledge to
203 perform construction of fixed works in any of the following: irrigation, drainage, water, power,
204 water supply, flood control, inland waterways, harbors, railroads, highways, tunnels, airports
205 and runways, sewers and bridges, refineries, pipelines, chemical and industrial plants requiring
206 specialized engineering knowledge and skill, piers, and foundations, or any of the components
207 of those works.

208 (b) A general engineering contractor may not perform construction of structures built
209 primarily for the support, shelter, and enclosure of persons, animals, and chattels.

210 (23) "Immediate supervision" means reasonable direction, oversight, inspection, and
211 evaluation of the work of a person:

212 (a) as the division specifies in rule;

213 (b) by, as applicable, a qualified electrician or plumber;

214 (c) as part of a planned program of training; and

215 (d) to ensure that the end result complies with applicable standards.

216 (24) "Individual" means a natural person.

217 (25) "Journeyman electrician" means a person licensed under this chapter as a
218 journeyman electrician having the qualifications, training, experience, and knowledge to wire,
219 install, and repair electrical apparatus and equipment for light, heat, power, and other purposes.

220 (26) "Journeyman plumber" means a person licensed under this chapter as a
221 journeyman plumber having the qualifications, training, experience, and technical knowledge
222 to engage in the plumbing trade.

223 (27) "Master electrician" means a person licensed under this chapter as a master
224 electrician having the qualifications, training, experience, and knowledge to properly plan,
225 layout, and supervise the wiring, installation, and repair of electrical apparatus and equipment
226 for light, heat, power, and other purposes.

227 (28) "Master plumber" means a person licensed under this chapter as a master plumber
228 having the qualifications, training, experience, and knowledge to properly plan and layout
229 projects and supervise persons in the plumbing trade.

230 (29) "Person" means a natural person, sole proprietorship, joint venture, corporation,
231 limited liability company, association, or organization of any type.

232 (30) (a) "Plumbing trade" means the performance of any mechanical work pertaining to
233 the installation, alteration, change, repair, removal, maintenance, or use in buildings, or within
234 three feet beyond the outside walls of buildings of pipes, fixtures, and fittings for:

235 (i) delivery of the water supply;

236 (ii) discharge of liquid and water carried waste; or

237 (iii) the building drainage system within the walls of the building.

238 (b) "Plumbing trade" includes work pertaining to the water supply, distribution pipes,
239 fixtures and fixture traps, soil, waste and vent pipes, and the building drain and roof drains
240 together with their devices, appurtenances, and connections where installed within the outside
241 walls of the building.

242 (31) (a) "Ratio of apprentices" means, for the purpose of determining compliance with
243 the requirements for planned programs of training and electrician apprentice licensing
244 applications, the shop ratio of apprentice electricians to journeyman or master electricians shall

245 be one journeyman or master electrician to one apprentice on industrial and commercial work,
246 and one journeyman or master electrician to three apprentices on residential work.

247 (b) On-the-job training shall be under circumstances in which the ratio of apprentices
248 to supervisors is in accordance with a ratio of one-to-one on nonresidential work and up to
249 three apprentices to one supervisor on residential projects.

250 (32) "Residential and small commercial contractor" means a person licensed under this
251 chapter as a residential and small commercial contractor qualified by education, training,
252 experience, and knowledge to perform or superintend the construction of single-family
253 residences, multifamily residences up to four units, and commercial construction of not more
254 than three stories above ground and not more than 20,000 square feet, or any of the components
255 of that construction except plumbing, electrical work, mechanical work, and manufactured
256 housing installation, for which the residential and small commercial contractor shall employ
257 the services of a contractor licensed in the particular specialty, except that a residential and
258 small commercial contractor engaged in the construction of single-family and multifamily
259 residences up to four units may perform the mechanical work and hire a licensed plumber or
260 electrician as an employee.

261 (33) "Residential building," as it relates to the license classification of residential
262 journeyman plumber and residential master plumber, means a single or multiple family
263 dwelling of up to four units.

264 (34) "Residential journeyman electrician" means a person licensed under this chapter
265 as a residential journeyman electrician having the qualifications, training, experience, and
266 knowledge to wire, install, and repair electrical apparatus and equipment for light, heat, power,
267 and other purposes on buildings using primarily nonmetallic sheath cable.

268 (35) "Residential journeyman plumber" means a person licensed under this chapter as a
269 residential journeyman plumber having the qualifications, training, experience, and knowledge
270 to engage in the plumbing trade as limited to the plumbing of residential buildings.

271 (36) "Residential master electrician" means a person licensed under this chapter as a
272 residential master electrician having the qualifications, training, experience, and knowledge to
273 properly plan, layout, and supervise the wiring, installation, and repair of electrical apparatus
274 and equipment for light, heat, power, and other purposes on residential projects.

275 (37) "Residential master plumber" means a person licensed under this chapter as a

276 residential master plumber having the qualifications, training, experience, and knowledge to
277 properly plan and layout projects and supervise persons in the plumbing trade as limited to the
278 plumbing of residential buildings.

279 (38) "Residential project," as it relates to an electrician or electrical contractor, means
280 buildings primarily wired with nonmetallic sheathed cable, in accordance with standard rules
281 and regulations governing this work, including the National Electrical Code, and in which the
282 voltage does not exceed 250 volts line to line and 125 volts to ground.

283 (39) "Sensitive alarm system information" means:

284 (a) a pass code or other code used in the operation of an alarm system;

285 (b) information on the location of alarm system components at the premises of a
286 customer of the alarm business providing the alarm system;

287 (c) information that would allow the circumvention, bypass, deactivation, or other
288 compromise of an alarm system of a customer of the alarm business providing the alarm
289 system; and

290 (d) any other similar information that the division by rule determines to be information
291 that an individual employed by an alarm business should use or have access to only if the
292 individual is licensed as provided in this chapter.

293 (40) (a) "Specialty contractor" means a person licensed under this chapter under a
294 specialty contractor classification established by rule, who is qualified by education, training,
295 experience, and knowledge to perform those construction trades and crafts requiring
296 specialized skill, the regulation of which are determined by the division to be in the best
297 interest of the public health, safety, and welfare.

298 (b) A specialty contractor may perform work in crafts or trades other than those in
299 which the specialty contractor is licensed if they are incidental to the performance of the
300 specialty contractor's licensed craft or trade.

301 (41) "Unincorporated entity" means an entity that is not:

302 (a) an individual;

303 (b) a corporation; or

304 (c) publicly traded.

305 (42) "Unlawful conduct" [~~is as~~] means the same as that term is defined in Sections
306 58-1-501 and 58-55-501.

307 (43) "Unprofessional conduct" [~~is as~~] means the same as that term is defined in
308 Sections 58-1-501 and 58-55-502 and as may be further defined by rule.

309 (44) "Wages" means amounts due to an employee for labor or services whether the
310 amount is fixed or ascertained on a time, task, piece, commission, or other basis for calculating
311 the amount.

312 Section 3. Section 58-55-302 is amended to read:

313 **58-55-302. Qualifications for licensure.**

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

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

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

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

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

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

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

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

326 (ii) produce satisfactory evidence of:

327 (A) except as provided in Subsection (2)(a), two years full-time paid employment
328 experience in the construction industry, which experience, unless more specifically described
329 in this section, may be related to any contracting classification; and

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

332 (iii) except as otherwise provided by rule by the commission with the concurrence of
333 the director, complete a 20-hour course established by rule by the commission with the
334 concurrence of the director, which course may include:

335 (A) construction business practices;

336 (B) bookkeeping fundamentals;

337 (C) mechanics lien fundamentals; and

338 (D) other aspects of business and construction principles considered important by the
339 commission with the concurrence of the director;

340 (iv) (A) be a licensed master electrician if an applicant for an electrical contractor's
341 license or a licensed master residential electrician if an applicant for a residential electrical
342 contractor's license;

343 (B) be a licensed master plumber if an applicant for a plumbing contractor's license or
344 a licensed master residential plumber if an applicant for a residential plumbing contractor's
345 license; or

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

348 (v) when the applicant is an unincorporated entity, provide a list of the one or more
349 individuals who hold an ownership interest in the applicant as of the day on which the
350 application is filed that includes for each individual:

351 (A) the individual's name, address, birth date, and social security number; and

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

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

355 (2) (a) If the applicant for a contractors' license described in Subsection (1) is a
356 building inspector, the applicant may satisfy Subsection (1)(e)(ii)(A) by producing satisfactory
357 evidence of two years full-time paid employment experience as a building inspector, which
358 shall include at least one year full-time experience as a licensed combination inspector.

359 (b) After approval of an applicant for a contractor's license by the applicable board and
360 the division, the applicant shall file the following with the division before the division issues
361 the license:

362 [~~(a)~~] (i) proof of workers' compensation insurance which covers employees of the
363 applicant in accordance with applicable Utah law;

364 [~~(b)~~] (ii) proof of public liability insurance in coverage amounts and form established
365 by rule except for a construction trades instructor for whom public liability insurance is not
366 required; and

367 [~~(c)~~] (iii) proof of registration as required by applicable law with the:

368 [~~(i) Utah~~] (A) Department of Commerce;

369 ~~[(ii)]~~ (B) Division of Corporations and Commercial Code;

370 ~~[(iii)]~~ (C) Unemployment Insurance Division in the Department of Workforce

371 Services, for purposes of Title 35A, Chapter 4, Employment Security Act;

372 ~~[(iv)]~~ (D) State Tax Commission; and

373 ~~[(v)]~~ (E) Internal Revenue Service.

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

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

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

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

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

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

391 (iii) An individual holding a valid plumbing contractor's license or residential
392 plumbing contractor's license, in effect immediately prior to May 5, 2008, is on or after May 5,
393 2008:

394 (A) considered to hold a current master plumber license under this chapter if licensed
395 as a plumbing contractor and a journeyman plumber, and satisfies the requirements of this
396 Subsection (3)(a) for purposes of renewal or reinstatement of that license under Section
397 58-55-303; and

398 (B) considered to hold a current residential master plumber license under this chapter if
399 licensed as a residential plumbing contractor and a residential journeyman plumber, and

400 satisfies the requirements of this Subsection (3)(a) for purposes of renewal or reinstatement of
401 that license under Section 58-55-303.

402 (b) A master residential plumber applicant shall produce satisfactory evidence that the
403 applicant:

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

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

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

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

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

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

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

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

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

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

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

429 (i) while engaging in the trade of plumbing, a licensed apprentice plumber shall be
430 under the immediate supervision of a licensed master plumber, licensed residential master

431 plumber, licensed journeyman plumber, or a licensed residential journeyman plumber; and

432 (ii) a licensed apprentice plumber in the fourth through tenth year of training may work
433 without supervision for a period not to exceed eight hours in any 24-hour period, but if the
434 apprentice does not become a licensed journeyman plumber or licensed residential journeyman
435 plumber by the end of the tenth year of apprenticeship, this nonsupervision provision no longer
436 applies.

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

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

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

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

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

447 (g) A master residential electrician applicant shall produce satisfactory evidence that
448 the applicant:

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

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

453 (h) A journeyman electrician applicant shall produce satisfactory evidence that the
454 applicant:

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

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

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

462 (i) A residential journeyman electrician applicant shall produce satisfactory evidence
463 that the applicant:

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

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

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

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

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

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

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

482 (k) An alarm company applicant shall:

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

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

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

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

490 (ii) if a corporation, provide:

491 (A) the names, addresses, dates of birth, social security numbers, and fingerprint cards
492 of all corporate officers, directors, and those responsible management personnel employed

493 within the state or having direct responsibility for managing operations of the applicant within
494 the state; and

495 (B) the names, addresses, dates of birth, social security numbers, and fingerprint cards
496 of all shareholders owning 5% or more of the outstanding shares of the corporation, except this
497 shall not be required if the stock is publicly listed and traded;

498 (iii) if a limited liability company, provide:

499 (A) the names, addresses, dates of birth, social security numbers, and fingerprint cards
500 of all company officers, and those responsible management personnel employed within the
501 state or having direct responsibility for managing operations of the applicant within the state;
502 and

503 (B) the names, addresses, dates of birth, social security numbers, and fingerprint cards
504 of all individuals owning 5% or more of the equity of the company;

505 (iv) if a partnership, provide the names, addresses, dates of birth, social security
506 numbers, and fingerprint cards of all general partners, and those responsible management
507 personnel employed within the state or having direct responsibility for managing operations of
508 the applicant within the state;

509 (v) if a proprietorship, provide the names, addresses, dates of birth, social security
510 numbers, and fingerprint cards of the proprietor, and those responsible management personnel
511 employed within the state or having direct responsibility for managing operations of the
512 applicant within the state;

513 (vi) if a trust, provide the names, addresses, dates of birth, social security numbers, and
514 fingerprint cards of the trustee, and those responsible management personnel employed within
515 the state or having direct responsibility for managing operations of the applicant within the
516 state;

517 (vii) be of good moral character in that officers, directors, shareholders described in
518 Subsection (3)(k)(ii)(B), partners, proprietors, trustees, and responsible management personnel
519 have not been convicted of a felony, a misdemeanor involving moral turpitude, or any other
520 crime that when considered with the duties and responsibilities of an alarm company is
521 considered by the board to indicate that the best interests of the public are served by granting
522 the applicant a license;

523 (viii) document that none of the applicant's officers, directors, shareholders described

524 in Subsection (3)(k)(ii)(B), partners, proprietors, trustees, and responsible management
525 personnel have been declared by any court of competent jurisdiction incompetent by reason of
526 mental defect or disease and not been restored;

527 (ix) document that none of the applicant's officers, directors, shareholders described in
528 Subsection (3)(k)(ii)(B), partners, proprietors, and responsible management personnel are
529 currently suffering from habitual drunkenness or from drug addiction or dependence;

530 (x) file and maintain with the division evidence of:

531 (A) comprehensive general liability insurance in form and in amounts to be established
532 by rule by the commission with the concurrence of the director;

533 (B) workers' compensation insurance that covers employees of the applicant in
534 accordance with applicable Utah law; and

535 (C) registration as is required by applicable law with the:

536 (I) Division of Corporations and Commercial Code;

537 (II) Unemployment Insurance Division in the Department of Workforce Services, for
538 purposes of Title 35A, Chapter 4, Employment Security Act;

539 (III) State Tax Commission; and

540 (IV) Internal Revenue Service; and

541 (xi) meet with the division and board.

542 (l) Each applicant for licensure as an alarm company agent shall:

543 (i) submit an application in a form prescribed by the division accompanied by
544 fingerprint cards;

545 (ii) pay a fee determined by the department under Section [63J-1-504](#);

546 (iii) be of good moral character in that the applicant has not been convicted of a felony,
547 a misdemeanor involving moral turpitude, or any other crime that when considered with the
548 duties and responsibilities of an alarm company agent is considered by the board to indicate
549 that the best interests of the public are served by granting the applicant a license;

550 (iv) not have been declared by any court of competent jurisdiction incompetent by
551 reason of mental defect or disease and not been restored;

552 (v) not be currently suffering from habitual drunkenness or from drug addiction or
553 dependence; and

554 (vi) meet with the division and board if requested by the division or the board.

555 (m) (i) Each applicant for licensure as an elevator mechanic shall:

556 (A) provide documentation of experience and education credits of not less than three
557 years work experience in the elevator industry, in construction, maintenance, or service and
558 repair; and

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

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

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

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

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

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

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

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

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

584 (a) conduct a search of records of the Department of Public Safety for criminal history
585 information relating to each applicant for licensure as an alarm company or alarm company

586 agent and each applicant's officers, directors, shareholders described in Subsection
587 (3)(k)(ii)(B), partners, proprietors, and responsible management personnel; and

588 (b) forward to the Federal Bureau of Investigation a fingerprint card of each applicant
589 requiring a check of records of the Federal Bureau of Investigation for criminal history
590 information under this section.

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

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

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

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

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

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

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

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

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

612 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the
613 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar
614 status, performing similar functions, or directly or indirectly controlling the applicant has
615 served in any similar capacity with any person or entity which has had a previous license,
616 which was issued under this chapter, suspended or revoked within one year prior to the date of

617 the applicant's application;

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

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

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

621 this chapter, suspended or revoked within one year prior to the date of the applicant's

622 application; or

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

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

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

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

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

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

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

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

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

641 this chapter, suspended or revoked more than one year prior to the date of the applicant's

642 application.

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

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

647 (B) own, directly or indirectly, less than an 8% interest, as defined by rule made by the

648 division in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, in the
649 unincorporated entity; and

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

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

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

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

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

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

660 (ii) be in a format prescribed by the division that includes for each owner, regardless of
661 the owner's percentage ownership in the unincorporated entity, the information described in
662 Subsection(1)(e)(v);

663 (iii) list the name of:

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

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

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

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

671 (i) to determine if financial responsibility has been demonstrated or maintained as
672 required under Section [58-55-306](#); and

673 (ii) to determine compliance with Subsection [58-55-501](#)(24), (25), or (27) or
674 Subsection [58-55-502](#)(8) or (9).

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

678 (i) before the individual who owns an interest in the unincorporated entity engages in a

679 construction trade in Utah, a current list of the one or more individuals who hold an ownership
680 interest in the unincorporated entity that includes for each individual:

681 (A) the individual's name, address, birth date, and social security number; and

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

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

687 (b) When filing an ownership list described in Subsection (11)(a)(i) or an ownership
688 status report described in Subsection (11)(a)(ii), an unincorporated entity shall pay a fee set by
689 the division in accordance with Section [63J-1-504](#).

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

694 (13) A social security number provided under Subsection (1)(e)(v) is a private record
695 under Subsection [63G-2-302\(1\)\(i\)](#).

Legislative Review Note
Office of Legislative Research and General Counsel