

Representative Mike Schultz proposes the following substitute bill:

PROFESSIONAL LICENSING AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Mike Schultz

Senate Sponsor: Daniel Hemmert

LONG TITLE

General Description:

This bill modifies provisions of the Division of Occupational and Professional Licensing Act (the act).

Highlighted Provisions:

This bill:

- ▶ modifies licensing by endorsement provisions of the act;
- ▶ modifies testing, course work, experience, and continuing education requirements for certain contractor licenses;
- ▶ modifies direct supervision requirements and other licensing requirements for apprentice plumbers and electricians; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

58-1-302, as last amended by Laws of Utah 2018, Chapter 198



- 26 [58-55-102](#), as last amended by Laws of Utah 2018, Chapter 281
- 27 [58-55-201](#), as last amended by Laws of Utah 2008, Chapter 215
- 28 [58-55-302](#), as last amended by Laws of Utah 2017, Chapter 411
- 29 [58-55-302.5](#), as last amended by Laws of Utah 2017, Chapters 363 and 411
- 30 [58-55-305](#), as last amended by Laws of Utah 2018, Chapter 318

31

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

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

34 **58-1-302. License by endorsement.**

35 [~~(1) As used in this section:~~]

36 [~~(a) "Domicile" means the place where an individual has a fixed permanent home.;~~]

37 [~~(b) "Resident" means an individual who:~~]

38 [~~(i) has established a domicile in this state;]~~

39 [~~(ii) engages in a trade, profession, or occupation in this state, or who accepts~~
40 ~~employment in other than seasonal work in this state, and who does not commute into the state;~~
41 ~~and]~~

42 [~~(iii) holds an unexpired Utah driver license issued under Title 53, Chapter 3, Part 2,~~
43 ~~Driver Licensing Act, or an unexpired Utah identification card issued under Title 53, Chapter~~
44 ~~3, Part 8, Identification Card Act.]~~

45 [~~(2)~~] (1) Subject to Subsections [~~(3), (4), and (5)~~] (2), (3), and (4), the division may
46 issue a license without examination to a [~~resident~~] person who has been licensed in a state,
47 district, or territory of the United States or in a foreign country if:

48 (a) the division determines the education, experience, and examination requirements of
49 the state, district, or territory of the United States or the foreign country, at the time the license
50 was issued, were substantially equal to the current requirements of this state; or

51 (b) after being licensed outside of this state, the [~~resident~~] person has at least one year
52 of experience in the state, district, or territory of the United States where the license was issued,
53 and the division determines the [~~resident~~] person has the education, experience, and skills
54 necessary to demonstrate competency in the occupation or profession for which licensure is
55 sought.

56 [~~(3)~~] (2) The division, in consultation with the applicable licensing board, may make

57 rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
58 prescribing the requirements of Subsection [~~(2)~~] (1).

59 [~~(4)~~] (3) Before a resident may be issued a license under this section, the resident shall:

60 (a) pay a fee determined by the department under Section 63J-1-504; and

61 (b) produce satisfactory evidence of the resident's identity, qualifications, and good
62 standing in the occupation or profession for which licensure is sought.

63 [~~(5)~~] (4) In accordance with Section 58-1-107, licensure endorsement provisions in this
64 section may be supplemented or altered by licensure endorsement provisions or multistate
65 licensure compacts in specific chapters of this title.

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) (a) "Approved prelicensure course provider" means a provider that is approved by
106 the commission with the concurrence of the director, and that meets the requirements
107 established by rule by the commission with the concurrence of the director, to teach the
108 25-hour course described in Subsection 58-55-302(1)(e)(iii).

109 (b) "Approved prelicensure course provider" may only include a provider that, in
110 addition to any other locations, offers the 25-hour course described in Subsection
111 58-55-302(1)(e)(iii) at least six times each year in one or more counties other than Salt Lake
112 County, Utah County, Davis County, or Weber County.

113 (8) "Board" means the Electrician Licensing Board, Alarm System Security and
114 Licensing Board, or Plumbers Licensing Board created in Section 58-55-201.

115 (9) "Combustion system" means an assembly consisting of:

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

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

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

122 (10) "Commission" means the Construction Services Commission created under
123 Section [58-55-103](#).

124 (11) "Construction trade" means any trade or occupation involving:

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

128 (ii) constructing, remodeling, or repairing a manufactured home or mobile home as
129 defined in Section [15A-1-302](#); or

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

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

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

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

141 (ii) any person who represents that the person is a contractor, or will perform a service
142 described in this Subsection (13), by advertising on a website or social media, or any other
143 means;

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

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

148 (v) a construction manager, construction consultant, construction assistant, or any other
149 person who, for a fee:

- 150 (A) performs or offers to perform construction consulting;
- 151 (B) performs or offers to perform management of construction subcontractors;
- 152 (C) provides or offers to provide a list of subcontractors or suppliers; or
- 153 (D) provides or offers to provide management or counseling services on a construction
- 154 project.

155 (b) "Contractor" does not include:

- 156 (i) an alarm company or alarm company agent; or
- 157 (ii) a material supplier who provides consulting to customers regarding the design and
- 158 installation of the material supplier's products.

159 (14) (a) "Electrical trade" means the performance of any electrical work involved in the

160 installation, construction, alteration, change, repair, removal, or maintenance of facilities,

161 buildings, or appendages or appurtenances.

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

- 163 (i) transporting or handling electrical materials;
- 164 (ii) preparing clearance for raceways for wiring; or
- 165 (iii) work commonly done by unskilled labor on any installations under the exclusive
- 166 control of electrical utilities.

167 (c) For purposes of Subsection (14)(b):

- 168 (i) no more than one unlicensed person may be so employed unless more than five
- 169 licensed electricians are employed by the shop; and
- 170 (ii) a shop may not employ unlicensed persons in excess of the five-to-one ratio
- 171 permitted by this Subsection (14)(c).

172 (15) "Elevator" means the same as that term is defined in Section [34A-7-202](#), except

173 that for purposes of this chapter it does not mean a stair chair, a vertical platform lift, or an

174 incline platform lift.

175 (16) "Elevator contractor" means a sole proprietor, firm, or corporation licensed under

176 this chapter that is engaged in the business of erecting, constructing, installing, altering,

177 servicing, repairing, or maintaining an elevator.

178 (17) "Elevator mechanic" means an individual who is licensed under this chapter as an

179 elevator mechanic and who is engaged in erecting, constructing, installing, altering, servicing,

180 repairing, or maintaining an elevator under the immediate supervision of an elevator contractor.

181 (18) "Employee" means an individual as defined by the division by rule giving
182 consideration to the definition adopted by the Internal Revenue Service and the Department of
183 Workforce Services.

184 (19) "Engage in a construction trade" means to:

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

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

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

193 (b) Financial responsibility may be determined by an evaluation of the total history
194 concerning the licensee or applicant including past, present, and expected condition and record
195 of financial solvency and business conduct.

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

198 (22) (a) "General building contractor" means a person licensed under this chapter as a
199 general building contractor qualified by education, training, experience, and knowledge to
200 perform or superintend construction of structures for the support, shelter, and enclosure of
201 persons, animals, chattels, or movable property of any kind or any of the components of that
202 construction except plumbing, electrical work, mechanical work, work related to the operating
203 integrity of an elevator, and manufactured housing installation, for which the general building
204 contractor shall employ the services of a contractor licensed in the particular specialty, except
205 that a general building contractor engaged in the construction of single-family and multifamily
206 residences up to four units may perform the mechanical work and hire a licensed plumber or
207 electrician as an employee.

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

212 (23) (a) "General electrical contractor" means a person licensed under this chapter as a
213 general electrical contractor qualified by education, training, experience, and knowledge to
214 perform the fabrication, construction, and installation of generators, transformers, conduits,
215 raceways, panels, switch gear, electrical wires, fixtures, appliances, or apparatus that uses
216 electrical energy.

217 (b) The scope of work of a general electrical contractor may be further defined by rules
218 made by the commission, with the concurrence of the director, in accordance with Title 63G,
219 Chapter 3, Utah Administrative Rulemaking Act.

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

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

229 (25) (a) "General plumbing contractor" means a person licensed under this chapter as a
230 general plumbing contractor qualified by education, training, experience, and knowledge to
231 perform the fabrication or installation of material and fixtures to create and maintain sanitary
232 conditions in a building by providing permanent means for a supply of safe and pure water, a
233 means for the timely and complete removal from the premises of all used or contaminated
234 water, fluid and semi-fluid organic wastes and other impurities incidental to life and the
235 occupation of such premises, and a safe and adequate supply of gases for lighting, heating, and
236 industrial purposes.

237 (b) The scope of work of a general plumbing contractor may be further defined by rules
238 made by the commission, with the concurrence of the director, in accordance with Title 63G,
239 Chapter 3, Utah Administrative Rulemaking Act.

240 (26) "Immediate supervision" means reasonable direction, oversight, inspection, and
241 evaluation of the work of a person:

242 (a) as the division specifies in rule;

- 243 (b) by, as applicable, a qualified electrician or plumber;
- 244 (c) as part of a planned program of training; and
- 245 (d) to ensure that the end result complies with applicable standards.
- 246 (27) "Individual" means a natural person.
- 247 (28) "Journeyman electrician" means a person licensed under this chapter as a
- 248 journeyman electrician having the qualifications, training, experience, and knowledge to wire,
- 249 install, and repair electrical apparatus and equipment for light, heat, power, and other purposes.
- 250 (29) "Journeyman plumber" means a person licensed under this chapter as a
- 251 journeyman plumber having the qualifications, training, experience, and technical knowledge
- 252 to engage in the plumbing trade.
- 253 (30) "Master electrician" means a person licensed under this chapter as a master
- 254 electrician having the qualifications, training, experience, and knowledge to properly plan,
- 255 layout, and supervise the wiring, installation, and repair of electrical apparatus and equipment
- 256 for light, heat, power, and other purposes.
- 257 (31) "Master plumber" means a person licensed under this chapter as a master plumber
- 258 having the qualifications, training, experience, and knowledge to properly plan and layout
- 259 projects and supervise persons in the plumbing trade.
- 260 (32) "Person" means a natural person, sole proprietorship, joint venture, corporation,
- 261 limited liability company, association, or organization of any type.
- 262 (33) (a) "Plumbing trade" means the performance of any mechanical work pertaining to
- 263 the installation, alteration, change, repair, removal, maintenance, or use in buildings, or within
- 264 three feet beyond the outside walls of buildings, of pipes, fixtures, and fittings for the:
- 265 (i) delivery of the water supply;
- 266 (ii) discharge of liquid and water carried waste;
- 267 (iii) building drainage system within the walls of the building; and
- 268 (iv) delivery of gases for lighting, heating, and industrial purposes.
- 269 (b) "Plumbing trade" includes work pertaining to the water supply, distribution pipes,
- 270 fixtures and fixture traps, soil, waste and vent pipes, the building drain and roof drains, and the
- 271 safe and adequate supply of gases, together with their devices, appurtenances, and connections
- 272 where installed within the outside walls of the building.
- 273 (34) [~~a~~] "Ratio of apprentices" means~~[-, for the purpose of determining compliance~~

274 ~~with the requirements for planned programs of training and electrician apprentice licensing~~
275 ~~applications, the shop ratio of apprentice electricians to journeyman or master electricians shall~~
276 ~~be one journeyman or master electrician to one apprentice on industrial and commercial work,~~
277 ~~and one journeyman or master electrician to three apprentices on residential work. (b)~~
278 ~~On-the-job training shall be under circumstances in which the ratio of apprentices to~~
279 ~~supervisors is in accordance with a ratio of one-to-one on nonresidential work and up to three~~
280 ~~apprentices to one supervisor on residential projects.] the number of licensed plumber~~
281 ~~apprentices or licensed electrician apprentices that are allowed to be under the immediate~~
282 ~~supervision of a licensed supervisor as established by the provisions of this chapter and by~~
283 ~~rules made by the commission, with the concurrence of the director, in accordance with Title~~
284 ~~63G, Chapter 3, Utah Administrative Rulemaking Act.~~

285 (35) "Residential and small commercial contractor" means a person licensed under this
286 chapter as a residential and small commercial contractor qualified by education, training,
287 experience, and knowledge to perform or superintend the construction of single-family
288 residences, multifamily residences up to four units, and commercial construction of not more
289 than three stories above ground and not more than 20,000 square feet, or any of the components
290 of that construction except plumbing, electrical work, mechanical work, and manufactured
291 housing installation, for which the residential and small commercial contractor shall employ
292 the services of a contractor licensed in the particular specialty, except that a residential and
293 small commercial contractor engaged in the construction of single-family and multifamily
294 residences up to four units may perform the mechanical work and hire a licensed plumber or
295 electrician as an employee.

296 (36) "Residential building," as it relates to the license classification of residential
297 journeyman plumber and residential master plumber, means a single or multiple family
298 dwelling of up to four units.

299 (37) (a) "Residential electrical contractor" means a person licensed under this chapter
300 as a residential electrical contractor qualified by education, training, experience, and
301 knowledge to perform the fabrication, construction, and installation of services, disconnecting
302 means, grounding devices, panels, conductors, load centers, lighting and plug circuits,
303 appliances, and fixtures in a residential unit.

304 (b) The scope of work of a residential electrical contractor may be further defined by

305 rules made by the commission, with the concurrence of the director, in accordance with Title
306 63G, Chapter 3, Utah Administrative Rulemaking Act.

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

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

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

318 (41) "Residential master plumber" means a person licensed under this chapter as a
319 residential master plumber having the qualifications, training, experience, and knowledge to
320 properly plan and layout projects and supervise persons in the plumbing trade as limited to the
321 plumbing of residential buildings.

322 (42) (a) "Residential plumbing contractor" means a person licensed under this chapter
323 as a residential plumbing contractor qualified by education, training, experience, and
324 knowledge to perform the fabrication or installation of material and fixtures to create and
325 maintain sanitary conditions in residential buildings by providing permanent means for a
326 supply of safe and pure water, a means for the timely and complete removal from the premises
327 of all used or contaminated water, fluid and semi-fluid organic wastes and other impurities
328 incidental to life and the occupation of such premises, and a safe and adequate supply of gases
329 for lighting, heating, and industrial purposes.

330 (b) The scope of work of a residential plumbing contractor may be further defined by
331 rules made by the commission, with the concurrence of the director, in accordance with Title
332 63G, Chapter 3, Utah Administrative Rulemaking Act.

333 (43) "Residential project," as it relates to an electrician or electrical contractor, means
334 buildings primarily wired with nonmetallic sheathed cable, in accordance with standard rules
335 and regulations governing this work, including the National Electrical Code, and in which the

336 voltage does not exceed 250 volts line to line and 125 volts to ground.

337 (44) "Sensitive alarm system information" means:

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

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

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

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

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

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

355 (46) "Unincorporated entity" means an entity that is not:

356 (a) an individual;

357 (b) a corporation; or

358 (c) publicly traded.

359 (47) "Unlawful conduct" means the same as that term is defined in Sections [58-1-501](#)
360 and [58-55-501](#).

361 (48) "Unprofessional conduct" means the same as that term is defined in Sections
362 [58-1-501](#) and [58-55-502](#) and as may be further defined by rule.

363 (49) "Wages" means amounts due to an employee for labor or services whether the
364 amount is fixed or ascertained on a time, task, piece, commission, or other basis for calculating
365 the amount.

366 Section 3. Section [58-55-201](#) is amended to read:

367 **58-55-201. Boards created -- Duties.**

368 (1) There is created a Plumbers Licensing Board, an Alarm System Security and
369 Licensing Board, and an Electricians Licensing Board. Members of the boards shall be
370 selected to provide representation as follows:

371 (a) The Plumbers Licensing Board consists of five members as follows:

372 (i) two members shall be licensed from among the license classifications of master or
373 journeyman plumber;

374 (ii) two members shall be licensed plumbing contractors; and

375 (iii) one member shall be from the public at large with no history of involvement in the
376 construction trades.

377 (b) (i) The Alarm System Security and Licensing Board consists of five members as
378 follows:

379 (A) three individuals who are officers or owners of a licensed alarm business;

380 (B) one individual from among nominees of the Utah Peace Officers Association; and

381 (C) one individual representing the general public.

382 (ii) The Alarm System Security and Licensing Board shall designate one of its
383 members on a permanent or rotating basis to:

384 (A) assist the division in reviewing complaints concerning the unlawful or
385 unprofessional conduct of a licensee; and

386 (B) advise the division in its investigation of these complaints.

387 (iii) A board member who has, under this Subsection (1)(b)(iii), reviewed a complaint
388 or advised in its investigation is disqualified from participating with the board when the board
389 serves as a presiding officer in an adjudicative proceeding concerning the complaint.

390 (c) The Electricians Licensing Board consists of five members as follows:

391 (i) two members shall be licensed from among the license classifications of master or
392 journeyman electrician, of whom one shall represent a union organization and one shall be
393 selected having no union affiliation;

394 (ii) two shall be licensed electrical contractors of whom one shall represent a union
395 organization and one shall be selected having no union affiliation; and

396 (iii) one member shall be from the public at large with no history of involvement in the
397 construction trades or union affiliation.

398 (2) The duties, functions, and responsibilities of each board include the following:

399 (a) recommending to the commission appropriate rules;

400 (b) recommending to the commission policy and budgetary matters;

401 (c) approving and establishing a passing score for applicant examinations;

402 (d) overseeing the screening of applicants for licensing, renewal, reinstatement, and
403 relicensure;

404 (e) assisting the commission in establishing standards of supervision for students or
405 persons in training to become qualified to obtain a license in the occupation or profession it
406 represents; and

407 (f) acting as presiding officer in conducting hearings associated with the adjudicative
408 proceedings and in issuing recommended orders when so authorized by the commission.

409 (3) The division in collaboration with the Plumbers Licensing Board and the
410 Electricians Licensing Board shall provide a preliminary report on or before October 1, 2019,
411 and a final written report on or before June 1, 2020, to the Business and Labor Interim
412 Committee and the Occupational and Professional Licensure Review Committee that provides
413 recommendations for consistent educational and training standards for plumber and electrician
414 apprentice programs in the state, including recommendations for education and training
415 provided by all providers, including institutions of higher education and technical colleges.

416 Section 4. Section **58-55-302** is amended to read:

417 **58-55-302. Qualifications for licensure.**

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

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

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

421 (c) ~~[(f)]~~ meet the examination requirements established by this section and by rule by
422 the commission with the concurrence of the director, [except that no examination, other than an
423 examination as part of a 25-hour course described in Subsection (1)(c)(iii), is required for
424 licensure as an apprentice electrician, apprentice plumber, or specialty contractor; or] which
425 requirements include:

426 (i) for licensure as an apprentice electrician, apprentice plumber, or specialty
427 contractor, no division-administered examination is required;

428 (ii) for licensure as a general building contractor, general engineering contractor,

429 residential and small commercial contractor, general plumbing contractor, residential plumbing
430 contractor, general electrical contractor, or residential electrical contractor, the only required
431 division-administered examination is a division-administered examination that covers
432 information from the 25-hour course described in Subsection (1)(e)(iii), which course may
433 have been previously completed as part of applying for any other license under this chapter,
434 and the five-hour business law course described in Subsection (1)(e)(iv); and

435 [(ii)] (iii) if required in Section 58-55-304, [the] an individual qualifier must pass the
436 required division-administered examination if the applicant is a business entity;

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

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

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

441 (ii) produce satisfactory evidence of:

442 (A) except as provided in Subsection (2)(a), and except that no employment experience
443 is required for licensure as a specialty contractor, two years full-time paid employment
444 experience in the construction industry, which employment experience [~~may be related to any~~
445 ~~contracting classification unless more specifically described in this section~~], unless more
446 specifically described in this section, may be related to any contracting classification and does
447 not have to include supervisory experience; and

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

450 (iii) except as otherwise provided by rule by the commission with the concurrence of
451 the director, complete a 25-hour course established by rule by the commission with the
452 concurrence of the director, which is taught by an approved prelicensure course provider, and
453 which course may include:

454 (A) construction business practices;

455 (B) bookkeeping fundamentals;

456 (C) mechanics lien fundamentals;

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

459 (E) for no additional fee, [an] a provider-administered examination at the end of the

460 25-hour course;

461 (iv) complete a five-hour business and law course established by rule by the
462 commission with the concurrence of the director, which is taught by an approved prelicensure
463 course provider, if an applicant for licensure as a general building contractor, general
464 engineering contractor, residential and small commercial contractor, general plumbing
465 contractor, residential plumbing contractor, general electrical contractor, or residential
466 electrical contractor;

467 ~~(iv)~~ (v) (A) be a licensed master electrician if an applicant for an electrical
468 contractor's license or a licensed master residential electrician if an applicant for a residential
469 electrical contractor's license;

470 (B) be a licensed master plumber if an applicant for a plumbing contractor's license or
471 a licensed master residential plumber if an applicant for a residential plumbing contractor's
472 license; or

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

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

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

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

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

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

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

489 (i) proof of workers' compensation insurance which covers employees of the applicant
490 in accordance with applicable Utah law;

491 (ii) proof of public liability insurance in coverage amounts and form established by rule
492 except for a construction trades instructor for whom public liability insurance is not required;
493 and

494 (iii) proof of registration as required by applicable law with the:

495 (A) Department of Commerce;

496 (B) Division of Corporations and Commercial Code;

497 (C) Unemployment Insurance Division in the Department of Workforce Services, for
498 purposes of Title 35A, Chapter 4, Employment Security Act;

499 (D) State Tax Commission; and

500 (E) Internal Revenue Service.

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

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

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

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

510 (C) meets the qualifications [~~determined by the division in collaboration with the board~~
511 ~~to be equivalent to Subsection (3)(a)(i)(A) or (B).~~] for expedited licensure as established by
512 rules made by the commission, with the concurrence of the director, in accordance with Title
513 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate the applicant
514 has the knowledge and skills to be a licensed master plumber.

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

521 (iii) An individual holding a valid plumbing contractor's license or residential

522 plumbing contractor's license, in effect immediately prior to May 5, 2008, is on or after May 5,
523 2008:

524 (A) considered to hold a current master plumber license under this chapter if licensed
525 as a plumbing contractor and a journeyman plumber, and satisfies the requirements of this
526 Subsection (3)(a) for purposes of renewal or reinstatement of that license under Section
527 [58-55-303](#); and

528 (B) considered to hold a current residential master plumber license under this chapter if
529 licensed as a residential plumbing contractor and a residential journeyman plumber, and
530 satisfies the requirements of this Subsection (3)(a) for purposes of renewal or reinstatement of
531 that license under Section [58-55-303](#).

532 (b) A master residential plumber applicant shall produce satisfactory evidence that the
533 applicant:

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

537 (ii) ~~[meets the qualifications determined by the division in collaboration with the board~~
538 ~~to be equivalent to Subsection (3)(b)(i).]~~ meets the qualifications for expedited licensure as
539 established by rules made by the commission, with the concurrence of the director, in
540 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly
541 demonstrate the applicant has the knowledge and skills to be a licensed master residential
542 plumber.

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

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

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

550 (iii) ~~[satisfactory evidence of meeting the qualifications determined by the board to be~~
551 ~~equivalent to Subsection (3)(c)(i) or (c)(ii).]~~ meeting the qualifications for expedited licensure
552 as established by rules made by the commission, with the concurrence of the director, in

553 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly
554 demonstrate the applicant has the knowledge and skills to be a licensed journeyman plumber.

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

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

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

562 (iii) ~~[meeting the qualifications determined by the board to be equivalent to Subsection~~
563 ~~(3)(d)(i) or (d)(ii).]~~ meeting the qualifications for expedited licensure as established by rules
564 made by the commission, with the concurrence of the director, in accordance with Title 63G,
565 Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate the applicant has the
566 knowledge and skills to be a licensed residential journeyman plumber.

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

569 (i) while engaging in the trade of plumbing, a licensed apprentice plumber shall be
570 under the immediate supervision of a licensed master plumber, licensed residential master
571 plumber, licensed journeyman plumber, or [a] licensed residential journeyman plumber; [and]

572 (ii) beginning in a licensed apprentice plumber's fourth year of training, a licensed
573 apprentice plumber ~~[in the fourth through tenth year of training]~~ may work without supervision
574 for a period not to exceed eight hours in any 24-hour period~~[-but if the apprentice does not~~
575 ~~become a licensed journeyman plumber or licensed residential journeyman plumber by the end~~
576 ~~of the tenth year of apprenticeship, this nonsupervision provision no longer applies.]; and~~

577 (iii) rules made by the commission, with the concurrence of the director, in accordance
578 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, regarding the ratio of
579 apprentices allowed under the immediate supervision of a licensed supervisor, including the
580 ratio of apprentices in their fourth year of training or later that are allowed to be under the
581 immediate supervision of a licensed supervisor.

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

583 (i) is a graduate electrical engineer of an accredited college or university approved by

584 the division and has one year of practical electrical experience as a licensed apprentice
585 electrician;

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

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

590 (iv) ~~[meets the qualifications determined by the board to be equivalent to Subsection~~
591 ~~(3)(f)(i), (ii), or (iii).]~~ meets the qualifications for expedited licensure as established by rules
592 made by the commission, with the concurrence of the director, in accordance with Title 63G,
593 Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate the applicant has the
594 knowledge and skills to be a licensed master electrician.

595 (g) A master residential electrician applicant shall produce satisfactory evidence that
596 the applicant:

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

599 (ii) ~~[meets the qualifications determined by the board to be equivalent to this practical~~
600 ~~experience.]~~ meets the qualifications for expedited licensure as established by rules made by
601 the commission, with the concurrence of the director, in accordance with Title 63G, Chapter 3,
602 Utah Administrative Rulemaking Act, that clearly demonstrate the applicant has the knowledge
603 and skills to be a master residential electrician.

604 (h) A journeyman electrician applicant shall produce satisfactory evidence that the
605 applicant:

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

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

611 (iii) ~~[meets the qualifications determined by the board to be equivalent to Subsection~~
612 ~~(3)(h)(i) or (ii).]~~ meets the qualifications for expedited licensure as established by rules made
613 by the commission, with the concurrence of the director, in accordance with Title 63G, Chapter
614 3, Utah Administrative Rulemaking Act, that clearly demonstrate the applicant has the

615 knowledge and skills to be a licensed journeyman electrician.

616 (i) A residential journeyman electrician applicant shall produce satisfactory evidence
617 that the applicant:

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

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

623 (iii) ~~[meets the qualifications determined by the division and applicable board to be~~
624 ~~equivalent to Subsection (3)(i)(i) or (ii).]~~ meets the qualifications for expedited licensure as
625 established by rules made by the commission, with the concurrence of the director, in
626 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly
627 demonstrate the applicant has the knowledge and skills to be a licensed residential journeyman
628 electrician.

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

631 (i) A licensed apprentice electrician shall be under the immediate supervision of a
632 licensed master, journeyman, residential master, or residential journeyman electrician~~[-An~~
633 ~~apprentice in the fourth year of training];~~

634 (ii) beginning in a licensed apprentice electrician's fourth year of training, a licensed
635 apprentice electrician may work without supervision for a period not to exceed eight hours in
636 any 24-hour period[-];

637 ~~[(ii) A licensed master, journeyman, residential master, or residential journeyman~~
638 ~~electrician may have under immediate supervision on a residential project up to three licensed~~
639 ~~apprentice electricians.]~~

640 ~~[(iii) A licensed master or journeyman electrician may have under immediate~~
641 ~~supervision on nonresidential projects only one licensed apprentice electrician.]~~

642 (iii) rules made by the commission, with the concurrence of the director, in accordance
643 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, regarding the ratio of
644 apprentices allowed under the immediate supervision of a licensed supervisor, including the
645 ratio of apprentices in their fourth year of training or later that are allowed to be under the

646 immediate supervision of a licensed supervisor; and

647 (iv) a licensed supervisor may have up to three licensed apprentice electricians on a
648 residential project, or more if established by rules made by the commission, in concurrence
649 with the director, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
650 Act.

651 (k) An alarm company applicant shall:

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

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

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

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

659 (ii) if a corporation, provide:

660 (A) the names, addresses, dates of birth, social security numbers, and fingerprint cards
661 of all corporate officers, directors, and those responsible management personnel employed
662 within the state or having direct responsibility for managing operations of the applicant within
663 the state; and

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

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

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

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

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

677 the applicant within the state;

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

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

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

692 (viii) document that none of the applicant's officers, directors, shareholders described
693 in Subsection (3)(k)(ii)(B), partners, proprietors, trustees, and responsible management
694 personnel have been declared by any court of competent jurisdiction incompetent by reason of
695 mental defect or disease and not been restored;

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

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

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

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

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

705 (I) Division of Corporations and Commercial Code;

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

- 708 (III) State Tax Commission; and
- 709 (IV) Internal Revenue Service; and
- 710 (xi) meet with the division and board.
- 711 (l) Each applicant for licensure as an alarm company agent shall:
- 712 (i) submit an application in a form prescribed by the division accompanied by
- 713 fingerprint cards;
- 714 (ii) pay a fee determined by the department under Section 63J-1-504;
- 715 (iii) be of good moral character in that the applicant has not been convicted of a felony,
- 716 a misdemeanor involving moral turpitude, or any other crime that when considered with the
- 717 duties and responsibilities of an alarm company agent is considered by the board to indicate
- 718 that the best interests of the public are served by granting the applicant a license;
- 719 (iv) not have been declared by any court of competent jurisdiction incompetent by
- 720 reason of mental defect or disease and not been restored;
- 721 (v) not be currently suffering from habitual drunkenness or from drug addiction or
- 722 dependence; and
- 723 (vi) meet with the division and board if requested by the division or the board.
- 724 (m) (i) Each applicant for licensure as an elevator mechanic shall:
- 725 (A) provide documentation of experience and education credits of not less than three
- 726 years work experience in the elevator industry, in construction, maintenance, or service and
- 727 repair; and
- 728 (B) satisfactorily complete a written examination administered by the division
- 729 established by rule under Section 58-1-203; or
- 730 (C) provide certificates of completion of an apprenticeship program for elevator
- 731 mechanics, having standards substantially equal to those of this chapter and registered with the
- 732 United States Department of Labor Bureau Apprenticeship and Training or a state
- 733 apprenticeship council.
- 734 (ii) (A) If an elevator contractor licensed under this chapter cannot find a licensed
- 735 elevator mechanic to perform the work of erecting, constructing, installing, altering, servicing,
- 736 repairing, or maintaining an elevator, the contractor may:
- 737 (I) notify the division of the unavailability of licensed personnel; and
- 738 (II) request the division issue a temporary elevator mechanic license to an individual

739 certified by the contractor as having an acceptable combination of documented experience and
740 education to perform the work described in this Subsection (3)(m)(ii)(A).

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

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

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

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

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

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

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

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

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

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

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

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

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

778 (i) the applicant has had a previous license, which was issued under this chapter,
779 suspended or revoked within two years before the date of the applicant's application;

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

781 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the
782 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar
783 status, performing similar functions, or directly or indirectly controlling the applicant has
784 served in any similar capacity with any person or entity which has had a previous license,
785 which was issued under this chapter, suspended or revoked within two years before the date of
786 the applicant's application;

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

788 (B) any owner or agent acting as a qualifier has served in any capacity listed in
789 Subsection (9)(a)(ii)(B) in any entity which has had a previous license, which was issued under
790 this chapter, suspended or revoked within two years before the date of the applicant's
791 application; or

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

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

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

798 (i) the applicant has had a previous license, which was issued under this chapter,
799 suspended or revoked more than two years before the date of the applicant's application;

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

801 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the
802 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar
803 status, performing similar functions, or directly or indirectly controlling the applicant has
804 served in any similar capacity with any person or entity which has had a previous license,
805 which was issued under this chapter, suspended or revoked more than two years before the date
806 of the applicant's application; or

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

808 (B) any owner or agent acting as a qualifier has served in any capacity listed in
809 Subsection (9)(b)(ii)(B) in any entity which has had a previous license, which was issued under
810 this chapter, suspended or revoked more than two years before the date of the applicant's
811 application.

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

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

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

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

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

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

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

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

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

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

832 (iii) list the name of:
833 (A) each officer or manager of the unincorporated entity; and
834 (B) each other individual involved in the operation, supervision, or management of the
835 unincorporated entity; and
836 (iv) be accompanied by a fee set by the division in accordance with Section 63J-1-504
837 if the ownership status report indicates there is a change described in Subsection (10)(b)(i).
838 (c) The division may, at any time, audit an ownership status report under this
839 Subsection (10):
840 (i) to determine if financial responsibility has been demonstrated or maintained as
841 required under Section 58-55-306; and
842 (ii) to determine compliance with Subsection 58-55-501(24), (25), or (27) or
843 Subsection 58-55-502(8) or (9).
844 (11) (a) An unincorporated entity that provides labor to an entity licensed under this
845 chapter by providing an individual who owns an interest in the unincorporated entity to engage
846 in a construction trade in Utah shall file with the division:
847 (i) before the individual who owns an interest in the unincorporated entity engages in a
848 construction trade in Utah, a current list of the one or more individuals who hold an ownership
849 interest in the unincorporated entity that includes for each individual:
850 (A) the individual's name, address, birth date, and social security number; and
851 (B) whether the individual will engage in a construction trade; and
852 (ii) every 30 days after the day on which the unincorporated entity provides the list
853 described in Subsection (11)(a)(i), an ownership status report containing the information that
854 would be required under Subsection (10) if the unincorporated entity were a licensed
855 contractor.
856 (b) When filing an ownership list described in Subsection (11)(a)(i) or an ownership
857 status report described in Subsection (11)(a)(ii), an unincorporated entity shall pay a fee set by
858 the division in accordance with Section 63J-1-504.
859 (12) This chapter may not be interpreted to create or support an express or implied
860 independent contractor relationship between an unincorporated entity described in Subsection
861 (10) or (11) and the owners of the unincorporated entity for any purpose, including income tax
862 withholding.

863 (13) A social security number provided under Subsection (1)(e)[(v)](vi) is a private
864 record under Subsection 63G-2-302(1)(i).

865 Section 5. Section 58-55-302.5 is amended to read:

866 **58-55-302.5. Continuing education requirements for contractor licensees --**
867 **Continuing education courses.**

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

871 (b) Each contractor licensee who has a renewal cycle that ends on or after January 1,
872 2020, shall complete one hour of approved continuing education on energy conservation as part
873 of the six required hours ~~H~~→ **during each two-year renewal cycle** ←~~H~~ .

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

876 (b) Except as provided in Subsection (2)(e), beginning on or after June 1, 2015, only
877 courses offered by any of the following may be included in the program of approved continuing
878 education for contractor licensees:

- 879 (i) the Associated General Contractors of Utah;
- 880 (ii) Associated Builders and Contractors, Utah Chapter;
- 881 (iii) the Home Builders Association of Utah;
- 882 (iv) the National Electrical Contractors Association Intermountain Chapter;
- 883 (v) the Utah Plumbing & Heating Contractors Association;
- 884 (vi) the Independent Electrical Contractors of Utah;
- 885 (vii) the Rocky Mountain Gas Association;
- 886 (viii) the Utah Mechanical Contractors Association;
- 887 (ix) the Sheet Metal Contractors Association;
- 888 (x) the Intermountain Electrical Association;
- 889 (xi) the Builders Bid Service of Utah; or
- 890 (xii) Utah Roofing Contractors Association.

891 (c) An approved continuing education program for a contractor licensee may include a
892 course approved by an entity described in Subsections (2)(b)(i) through (2)(b)(iii).

893 (d) (i) Except as provided in Subsections (2)(d)(ii) and (iii), an entity listed in

894 Subsections (2)(b)(iv) through (2)(b)(xii) may only offer and market continuing education
895 courses to a licensee who is a member of the entity.

896 (ii) An entity described in Subsection (2)(b)(iv), (vi), or (x) may offer and market a
897 continuing education course that the entity offers to satisfy the continuing education
898 requirement described in Subsection 58-55-302.7(2)(a) to a contractor in the electrical trade.

899 (iii) An entity described in Subsection (2)(b)(v) or (viii) may offer and market a
900 continuing education course that the entity offers to satisfy the continuing education
901 requirement described in Subsection 58-55-302.7(2)(b) to a contractor in the plumbing trade.

902 (e) On or after June 1, 2015, an approved continuing education program for a
903 contractor licensee may include a course offered and taught by:

904 (i) a state executive branch agency;

905 (ii) the workers' compensation insurance carrier that provides workers' compensation
906 insurance under Section 31A-22-1001; or

907 (iii) a nationally or regionally accredited college or university that has a physical
908 campus in the state.

909 (f) On or after June 1, 2017, for a contractor licensee that is licensed in the specialty
910 contractor classification of HVAC contractor, at least three of the six hours described in
911 Subsection (1) shall include continuing education directly related to the installation, repair, or
912 replacement of a heating, ventilation, or air conditioning system.

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

915 (a) a list of courses that the division has approved for inclusion in the program of
916 approved continuing education; and

917 (b) a list of courses that:

918 (i) a contractor licensee has completed under the program of approved continuing
919 education; and

920 (ii) the licensee may access to monitor the licensee's compliance with the continuing
921 education requirement established under Subsection (1).

922 (4) The division may charge a fee, as established by the division under Section
923 63J-1-504, to administer the requirements of this section.

924 Section 6. Section 58-55-305 is amended to read:

925 **58-55-305. Exemptions from licensure.**

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

929 (a) an authorized representative of the United States government or an authorized
930 employee of the state or any of its political subdivisions when working on construction work of
931 the state or the subdivision, and when acting within the terms of the person's trust, office, or
932 employment;

933 (b) a person engaged in construction or operation incidental to the construction and
934 repair of irrigation and drainage ditches of regularly constituted irrigation districts, reclamation
935 districts, and drainage districts or construction and repair relating to farming, dairying,
936 agriculture, livestock or poultry raising, metal and coal mining, quarries, sand and gravel
937 excavations, well drilling, as defined in Section 73-3-25, hauling to and from construction
938 sites, and lumbering;

939 (c) public utilities operating under the rules of the Public Service Commission on work
940 incidental to their own business;

941 (d) sole owners of property engaged in building:

942 (i) no more than one residential structure per year and no more than three residential
943 structures per five years on their property for their own noncommercial, nonpublic use; except,
944 a person other than the property owner or individuals described in Subsection (1)(e), who
945 engages in building the structure must be licensed under this chapter if the person is otherwise
946 required to be licensed under this chapter; or

947 (ii) structures on their property for their own noncommercial, nonpublic use which are
948 incidental to a residential structure on the property, including sheds, carports, or detached
949 garages;

950 (e) (i) a person engaged in construction or renovation of a residential building for
951 noncommercial, nonpublic use if that person:

952 (A) works without compensation other than token compensation that is not considered
953 salary or wages; and

954 (B) works under the direction of the property owner who engages in building the
955 structure; and

956 (ii) as used in this Subsection (1)(e), "token compensation" means compensation paid
957 by a sole owner of property exempted from licensure under Subsection (1)(d) to a person
958 exempted from licensure under this Subsection (1)(e), that is:

959 (A) minimal in value when compared with the fair market value of the services
960 provided by the person;

961 (B) not related to the fair market value of the services provided by the person; and

962 (C) is incidental to the providing of services by the person including paying for or
963 providing meals or refreshment while services are being provided, or paying reasonable
964 transportation costs incurred by the person in travel to the site of construction;

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

969 (g) a contractor submitting a bid on a federal aid highway project, if, before
970 undertaking construction under that bid, the contractor is licensed under this chapter;

971 (h) (i) subject to Subsection 58-1-401(2) and Sections 58-55-501 and 58-55-502, a
972 person engaged in the alteration, repair, remodeling, or addition to or improvement of a
973 building with a contracted or agreed value of less than \$3,000, including both labor and
974 materials, and including all changes or additions to the contracted or agreed upon work; and

975 (ii) notwithstanding Subsection (1)(h)(i) and except as otherwise provided in this
976 section:

977 (A) work in the plumbing and electrical trades on a Subsection (1)(h)(i) project within
978 any six month period of time:

979 (I) must be performed by a licensed electrical or plumbing contractor, if the project
980 involves an electrical or plumbing system; and

981 (II) may be performed by a licensed journeyman electrician or plumber or an individual
982 referred to in Subsection (1)(h)(ii)(A)(I), if the project involves a component of the system
983 such as a faucet, toilet, fixture, device, outlet, or electrical switch;

984 (B) installation, repair, or replacement of a residential or commercial gas appliance or a
985 combustion system on a Subsection (1)(h)(i) project must be performed by a person who has
986 received certification under Subsection 58-55-308(2) except as otherwise provided in

987 Subsection 58-55-308(2)(d) or 58-55-308(3);

988 (C) installation, repair, or replacement of water-based fire protection systems on a
989 Subsection (1)(h)(i) project must be performed by a licensed fire suppression systems
990 contractor or a licensed journeyman plumber;

991 (D) work as an alarm business or company or as an alarm company agent shall be
992 performed by a licensed alarm business or company or a licensed alarm company agent, except
993 as otherwise provided in this chapter;

994 (E) installation, repair, or replacement of an alarm system on a Subsection (1)(h)(i)
995 project must be performed by a licensed alarm business or company or a licensed alarm
996 company agent;

997 (F) installation, repair, or replacement of a heating, ventilation, or air conditioning
998 system (HVAC) on a Subsection (1)(h)(i) project must be performed by an HVAC contractor
999 licensed by the division;

1000 (G) installation, repair, or replacement of a radon mitigation system or a soil
1001 depressurization system must be performed by a licensed contractor; and

1002 (H) if the total value of the project is greater than \$1,000, the person shall file with the
1003 division a one-time affirmation, subject to periodic reaffirmation as established by division
1004 rule, that the person has:

1005 (I) public liability insurance in coverage amounts and form established by division
1006 rule; and

1007 (II) if applicable, workers compensation insurance which would cover an employee of
1008 the person if that employee worked on the construction project;

1009 (i) a person practicing a specialty contractor classification or construction trade which
1010 the director does not classify by administrative rule as significantly impacting the public's
1011 health, safety, and welfare;

1012 (j) owners and lessees of property and persons regularly employed for wages by owners
1013 or lessees of property or their agents for the purpose of maintaining the property, are exempt
1014 from this chapter when doing work upon the property;

1015 (k) (i) a person engaged in minor plumbing work that is incidental, as defined by the
1016 division by rule, to the replacement or repair of a fixture or an appliance in a residential or
1017 small commercial building, or structure used for agricultural use, as defined in Section

- 1018 15A-1-202, provided that no modification is made to:
- 1019 (A) existing culinary water, soil, waste, or vent piping; or
- 1020 (B) a gas appliance or combustion system; and
- 1021 (ii) except as provided in Subsection (1)(e), installation for the first time of a fixture or
- 1022 an appliance is not included in the exemption provided under Subsection (1)(k)(i);
- 1023 (l) a person who ordinarily would be subject to the plumber licensure requirements
- 1024 under this chapter when installing or repairing a water conditioner or other water treatment
- 1025 apparatus if the conditioner or apparatus:
- 1026 (i) meets the appropriate state construction codes or local plumbing standards; and
- 1027 (ii) is installed or repaired under the direction of a person authorized to do the work
- 1028 under an appropriate specialty contractor license;
- 1029 (m) a person who ordinarily would be subject to the electrician licensure requirements
- 1030 under this chapter when employed by:
- 1031 (i) railroad corporations, telephone corporations or their corporate affiliates, elevator
- 1032 contractors or constructors, or street railway systems; or
- 1033 (ii) public service corporations, rural electrification associations, or municipal utilities
- 1034 who generate, distribute, or sell electrical energy for light, heat, or power;
- 1035 (n) a person involved in minor electrical work incidental to a mechanical or service
- 1036 installation, including the outdoor installation of an above-ground, prebuilt hot tub;
- 1037 (o) a person who ordinarily would be subject to the electrician licensure requirements
- 1038 under this chapter but who during calendar years 2009, 2010, or 2011 was issued a specialty
- 1039 contractor license for the electrical work associated with the installation, repair, or maintenance
- 1040 of solar energy panels, may continue the limited electrical work for solar energy panels under a
- 1041 specialty contractor license;
- 1042 (p) a student participating in construction trade education and training programs
- 1043 approved by the commission with the concurrence of the director under the condition that:
- 1044 (i) all work intended as a part of a finished product on which there would normally be
- 1045 an inspection by a building inspector is, in fact, inspected and found acceptable by a licensed
- 1046 building inspector; and
- 1047 (ii) a licensed contractor obtains the necessary building permits;
- 1048 (q) a delivery person when replacing any of the following existing equipment with a

1049 new gas appliance, provided there is an existing gas shutoff valve at the appliance:
1050 (i) gas range;
1051 (ii) gas dryer;
1052 (iii) outdoor gas barbeque; or
1053 (iv) outdoor gas patio heater;
1054 (r) a person performing maintenance on an elevator as defined in Subsection
1055 [58-55-102](#)~~(14)~~(15), if the maintenance is not related to the operating integrity of the elevator;
1056 and
1057 (s) an apprentice or helper of an elevator mechanic licensed under this chapter when
1058 working under the general direction of the licensed elevator mechanic.
1059 (2) A compliance agency as defined in Section [15A-1-202](#) that issues a building permit
1060 to a person requesting a permit as a sole owner of property referred to in Subsection (1)(d) shall
1061 notify the division, in writing or through electronic transmission, of the issuance of the permit.