

Thomas W. Peterson proposes the following substitute bill:

**Building Inspector Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Thomas W. Peterson**

Senate Sponsor:

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**LONG TITLE**

**General Description:**

This bill modifies provisions relating to building inspectors.

**Highlighted Provisions:**

This bill:

- defines terms;
- directs the Uniform Building Code Commission to:
  - collect data pertaining to building inspectors;
  - publish gathered data on an annual basis; and
  - report the data annually to the Legislature;
- expands the scope for the Division of Professional Licensing to spend money from surcharges;
- establishes requirements for a private home inspector;
- adds unlawful and unprofessional conduct provisions for licensed building inspectors acting as qualified building officials;
- requires a local regulator to hire or contract with a qualified building official; and
- makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

- 15A-1-105**, as enacted by Laws of Utah 2024, Chapter 375
- 15A-1-202**, as last amended by Laws of Utah 2024, Chapters 375, 431
- 15A-1-203**, as last amended by Laws of Utah 2021, Chapters 199, 344

29 **15A-1-209**, as last amended by Laws of Utah 2024, Chapter 72  
 30 **15A-1-302**, as last amended by Laws of Utah 2024, Chapter 431  
 31 **58-56-9**, as last amended by Laws of Utah 2024, Chapter 375  
 32 **58-56-9.1**, as enacted by Laws of Utah 2007, Chapter 145  
 33 **58-56-9.3**, as last amended by Laws of Utah 2018, Chapter 229

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

36 Section 1. Section **15A-1-105** is amended to read:

37 **15A-1-105 . Third-party inspection firms.**

38 (1) As used in this section:

39 (a) "Building permit applicant" means ~~[a person]~~ an individual who applies to a local  
 40 regulator for a building permit.

41 (b) "Inspection" means a physical examination of all aspects of a structure to ensure  
 42 compliance with the State Construction Code.

43 (c) "Local regulator" means the same as that terms is defined in Section ~~[15A-1-102]~~  
 44 15A-1-202.

45 (d) "Third-party inspection firm" means an entity that~~[-is]~~:

46 ~~[(i) licensed under Title 58, Chapter 56, Building Inspector and Factory Built~~  
 47 ~~Housing Licensing;]~~

48 ~~[(ii)]~~ (i) employs or contracts with certified building inspectors to enforce building  
 49 codes adopted in this title;

50 (ii) is independent, but may include a building inspector for an adjacent city or  
 51 county; and

52 (iii) is included on the local regulator's third-party inspection firm list.

53 (e) "Third-party inspection firm list" means a list of:

54 (i) for a first, second, third, or fourth class county, or a municipality located within a  
 55 first, second, third, or fourth class county, three or more third-party inspection  
 56 firms approved by the local regulator; or

57 (ii) for a fifth or sixth class county, or a municipality located within a fifth or sixth  
 58 class county, one or more third-party inspection firms approved by the local  
 59 regulator.

60 (2)(a) Subject to the provisions of this section and Subsections 10-6-160(2) and 17-36-55

61 (2), after submitting a request for inspection, a building permit applicant may engage  
 62 a third-party inspection firm from the local regulator's third-party inspection firm list

- 63 to conduct or complete an inspection for the scope of work identified under the  
64 original request for inspection.
- 65 (b) If a building permit applicant wishes to engage a third-party inspection firm in  
66 accordance with Subsection (2)(a), the building permit applicant shall first notify the  
67 local regulator of the third-party inspection firm the building permit applicant intends  
68 to engage.
- 69 (c) Upon completing the inspection, the third-party inspection firm shall submit the  
70 inspection report to the local regulator.
- 71 (d)(i) The local regulator shall pay the cost of the inspection to the third-party  
72 inspection firm after the local regulator receives the third-party inspection report  
73 indicating the third-party inspection firm completed the inspection.
- 74 (ii) This section does not require a local regulator to pay for an inspection that  
75 exceeds the scope of work identified under the original request for inspection.
- 76 (3)(a) The local regulator shall issue a certificate of occupancy to the building permit  
77 applicant if the third-party inspection firm:  
78 (i) completes the inspection; and  
79 (ii) submits the inspection report to the local regulator.
- 80 (b) The local regulator shall promptly issue the certificate of occupancy or letter of  
81 completion after the third-party inspection firm submits the final inspection report to  
82 the local regulator as described in Subsection (3)(a)(ii).
- 83 (4) A local regulator is not liable for any inspection performed by a third-party inspection  
84 firm.

85 Section 2. Section **15A-1-202** is amended to read:

86 **15A-1-202 . Definitions.**

87 As used in this chapter:

- 88 (1) "Agricultural use" means a use that relates to the tilling of soil and raising of crops, or  
89 keeping or raising domestic animals.
- 90 (2)(a) "Approved code" means a code, including the standards and specifications  
91 contained in the code, approved by the division under Section 15A-1-204 for use by a  
92 compliance agency.
- 93 (b) "Approved code" does not include the State Construction Code.
- 94 (3) "Building" means a structure used or intended for supporting or sheltering any use or  
95 occupancy and any improvements attached to it.
- 96 (4) "Building permit applicant" means the same as that term is defined in Section 15A-1-105.

- 97 (5) "Code" means:
- 98 (a) the State Construction Code; or
- 99 (b) an approved code.
- 100 (6) "Commission" means the Uniform Building Code Commission created in Section
- 101 15A-1-203.
- 102 (7) "Compliance agency" means:
- 103 (a) an agency of the state or any of its political subdivisions [~~which~~] that issues permits
- 104 for construction regulated under the codes;
- 105 (b) any other agency of the state or its political subdivisions specifically empowered to
- 106 enforce compliance with the codes;
- 107 (c) a third-party inspection firm as defined in Section 15A-1-105; or
- 108 (d) any other state agency [~~which~~] that chooses to enforce codes adopted under this
- 109 chapter by authority given the agency under a title other than this part and Part 3,
- 110 Factory Built Housing and Modular Units Administration Act.
- 111 (8) "Construction code" means standards and specifications published by a nationally
- 112 recognized code authority for use in circumstances described in Subsection 15A-1-204
- 113 (1), including:
- 114 (a) a building code;
- 115 (b) an electrical code;
- 116 (c) a residential one and two family dwelling code;
- 117 (d) a plumbing code;
- 118 (e) a mechanical code;
- 119 (f) a fuel gas code;
- 120 (g) an energy conservation code;
- 121 (h) a swimming pool and spa code;
- 122 (i) a manufactured housing installation standard code; and
- 123 (j) Modular Building Institute Standards 1200 and 1205, issued by the International
- 124 Code Council, except as specifically modified by provisions of this title governing
- 125 modular units.
- 126 (9) "Construction project" means the same as that term is defined in Section 38-1a-102.
- 127 (10) "Executive director" means the executive director of the Department of Commerce.
- 128 (11) "Legislative action" includes legislation that:
- 129 (a) adopts a new State Construction Code;
- 130 (b) amends the State Construction Code; or

- 131 (c) repeals one or more provisions of the State Construction Code.
- 132 (12)(a) "Local regulator" means a political subdivision of the state that employs or  
133 contracts a qualified building official and is empowered to engage in the regulation of  
134 construction, alteration, remodeling, building, repair, installation, inspection, or other  
135 activities subject to the codes.
- 136 (b) "Local regulator" [~~may include~~] includes the local regulator's designee.
- 137 (13) "Membrane-covered frame structure" means a nonpressurized building with a structure  
138 composed of a rigid framework to support a tensioned membrane that provides a  
139 weather barrier.
- 140 (14) "Not for human occupancy" means use of a structure for purposes other than protection  
141 or comfort of human beings, but allows people to enter the structure for:
- 142 (a) maintenance or repair; or  
143 (b) the care of livestock, crops, or equipment intended for agricultural use which are  
144 kept there.
- 145 (15) "Opinion" means a written, nonbinding, and advisory statement issued by the  
146 commission concerning an interpretation of the meaning of the codes or the application  
147 of the codes in a specific circumstance issued in response to a specific request by a party  
148 to the issue.
- 149 (16) "Qualified building official" means an individual who:
- 150 (a) has at least six years of experience as an architect, engineer, inspector, plan  
151 examiner, contractor or superintendent of construction, or any combination of these;  
152 (b) is actively certified as a combination inspector in accordance with Section 58-56-9;  
153 and  
154 (c) has completed 40 hours of management training as the division establishes by rule  
155 made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
156 or is a certified building official.
- 157 [~~(16)~~] (17) "Remote yurt" means a membrane-covered frame structure that:
- 158 (a) is no larger than 710 square feet;  
159 (b) is not used as a permanent residence;  
160 (c) is located in an unincorporated county area that is not zoned for residential,  
161 commercial, industrial, or agricultural use;  
162 (d) does not have plumbing or electricity;  
163 (e) is set back at least 300 feet from any river, stream, lake, or other body of water; and  
164 (f) is registered with the local health department.

165 [(17)] (18) "State regulator" means an agency of the state [which] that is empowered to  
166 engage in the regulation of construction, alteration, remodeling, building, repair, and  
167 other activities subject to the codes adopted pursuant to this chapter.

168 Section 3. Section **15A-1-203** is amended to read:

169 **15A-1-203 . Uniform Building Code Commission -- Unified Code Analysis**  
170 **Council.**

- 171 (1) There is created a Uniform Building Code Commission to advise the division with  
172 respect to the division's responsibilities in administering the codes.
- 173 (2) The commission shall consist of 13 members as follows:
- 174 (a) one member shall be a heating, ventilation, and air conditioning contractor licensed  
175 by the state;
  - 176 (b) one member shall be a [~~licensed~~] certified building inspector nominated by the Utah  
177 League of Cities and Towns;
  - 178 (c) one member shall be a licensed professional engineer;
  - 179 (d) one member shall be a licensed architect;
  - 180 (e) one member shall be:
    - 181 (i) a licensed architect who specializes in residential architecture; or
    - 182 (ii) a residential home designer;
  - 183 (f) one member shall be a member of an association of building owners;
  - 184 (g) one member shall be a fire official;
  - 185 (h) four members shall be contractors licensed by the state, of which:
    - 186 (i) two shall be general contractors, one of which shall specialize in residential  
187 construction;
    - 188 (ii) one shall be an electrical contractor; and
    - 189 (iii) one shall be a plumbing contractor;
  - 190 (i) one member shall be from the general public and have no affiliation with the  
191 construction industry or real estate development industry; and
  - 192 (j) one member shall be from the Division of Facilities Construction and Management of  
193 the Department of Government Operations.
- 194 (3)(a) The executive director shall appoint each commission member after submitting a  
195 nomination to the governor for confirmation or rejection.
- 196 (b)(i) If the governor rejects a nominee, the executive director shall submit an  
197 alternative nominee until the governor confirms the nomination.
  - 198 (ii) An appointment is effective after the governor confirms the nomination.

- 199 (4)(a) Except as required by Subsection (4)(b), as terms of commission members expire,  
200 the executive director shall appoint each new commission member or reappointed  
201 commission member ~~[to] for~~ for a four-year term.
- 202 (b) ~~[Notwithstanding the requirements of Subsection (4)(a), the]~~ The executive director  
203 shall adjust, at the time of appointment or reappointment, ~~[adjust]~~ the length of terms  
204 to ensure that the terms of commission members are staggered so that approximately  
205 half of the commission is appointed every two years.
- 206 (5) When a vacancy occurs in the commission membership for any reason, the executive  
207 director shall appoint a replacement for the unexpired term.
- 208 (6)(a) A commission member may not serve more than two full terms.
- 209 (b) A commission member who ceases to serve may not again serve on the commission  
210 until after the expiration of two years after the day on which service ceased.
- 211 (7) A majority of the commission members constitute a quorum and may act on behalf of  
212 the commission.
- 213 (8) A commission member may not receive compensation or benefits for the commission  
214 member's service, but may receive per diem and travel expenses in accordance with:
- 215 (a) Section 63A-3-106;  
216 (b) Section 63A-3-107; and  
217 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
218 63A-3-107.
- 219 (9)(a) The commission shall ~~[annually designate]~~ designate annually one of the  
220 commission's members to serve as chair of the commission.
- 221 (b) The division shall provide a secretary to facilitate the function of the commission and  
222 to record the commission's actions and recommendations.
- 223 (10) The commission shall:
- 224 (a) in accordance with Section 15A-1-204, report to the Business and Labor Interim  
225 Committee;  
226 (b) act as an appeals board as provided in Section 15A-1-207;  
227 (c) establish advisory peer committees on either a standing or ad hoc basis to advise the  
228 commission with respect to matters related to a code, including a committee to advise  
229 the commission regarding health matters related to a plumbing code;~~[-and]~~  
230 (d) assist the division in overseeing code-related training in accordance with Section  
231 15A-1-209~~[-]~~ ;  
232 (e) collect, with the assistance of the division, data related to the building inspection

- 233 process, including building code interpretation and enforcement, throughout the state  
234 through the following methods:
- 235 (i) surveying and interviewing stakeholders;  
236 (ii) visiting building sites and building departments; and  
237 (iii) any other reasonable data collection method;
- 238 (f) use the data outlined in Subsection (10)(e) to:
- 239 (i) issue guidance to the division for providing education using surcharges described  
240 in Subsection 15A-1-209(5);
- 241 (ii) issue opinions regarding the proper interpretation of commonly disputed code  
242 items;
- 243 (iii) send letters of concern to local regulators, building officials, third-party firms,  
244 and contractors who are found to be incorrectly interpreting, enforcing, or  
245 complying with code; and
- 246 (iv) issue a publicly available report annually, before October 1, on the performance  
247 of local regulators within the state on the following:
- 248 (A) interpreting and enforcing of the building code consistent with this chapter;  
249 (B) interpreting code for all building permit applicants and all inspectors  
250 consistently and equitably;
- 251 (C) following consistent and equitable building inspection processes for all permit  
252 holders and across all inspectors;
- 253 (D) meeting inspection timelines as described in Subsection 10-6-160(2);  
254 (E) responding to building permit applicants in a timely manner;  
255 (F) maintaining adequate training, oversight, and use of employed and contracted  
256 qualified building inspectors; and
- 257 (G) employing or contracting with a qualified building inspector;
- 258 (g) annually make a summary of data collected in accordance with Subsection (10)(f)  
259 publicly available through the Division of Professional Licensing; and
- 260 (h) annually present the report described in Subsection (10)(f)(iv) and the summary  
261 required in Subsection (10)(g), to the Business and Labor Interim Committee before  
262 October 1.
- 263 (11)(a) In a manner consistent with Subsection (10)(c), the commission shall [~~jointly~~  
264 ~~create~~] create jointly with the Utah Fire Prevention Board an advisory peer committee  
265 known as the ["Unified Code Analysis Council"] to review fire prevention and  
266 construction code issues that require definitive and specific analysis.

267 (b) The commission and Utah Fire Prevention Board shall provide jointly, by rule made  
 268 in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, [  
 269 ~~provide~~] for:

- 270 (i) the appointment of members to the Unified Code Analysis Council; and  
 271 (ii) procedures followed by the Unified Code Analysis Council.

272 Section 4. Section **15A-1-209** is amended to read:

273 **15A-1-209 . Building permit requirements -- Geologic, fault hazard, or**  
 274 **geotechnical report.**

275 (1) As used in this section, "project" means a "construction project" as defined in Section  
 276 38-1a-102.

277 (2)(a) The division shall develop a standardized building permit numbering system for  
 278 use by any compliance agency in the state that issues a permit for construction.

279 (b) The standardized building permit numbering system described under Subsection  
 280 (2)(a) shall include a combination of alpha or numeric characters arranged in a format  
 281 acceptable to the compliance agency.

282 (c) A compliance agency issuing a permit for construction shall use the standardized  
 283 building permit numbering system described under Subsection (2)(a).

284 (d) A compliance agency may not use a numbering system other than the system  
 285 described under Subsection (2)(a) to define a building permit number.

286 (3)(a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
 287 the division shall adopt a standardized building permit form by rule.

288 (b) The standardized building permit form created under this Subsection (3) shall  
 289 include fields for indicating the following information:

290 (i) the name and address of the owner of each parcel of property on which the project  
 291 will occur;

292 (ii) the name and address of the contractor for the project;

293 (iii)(A) the address of the project; or

294 (B) a general description of the project;

295 (iv) the county in which the property on which the project will occur is located;

296 (v) the tax parcel identification number of each parcel of the property; and

297 (vi) [~~whether~~]the permit [~~applicant is~~] applicant's role as an original contractor or  
 298 owner-builder.

299 (c) The standardized building permit form created under this Subsection (3) may include  
 300 any other information the division considers useful.

- 301 (d) A compliance agency shall issue a permit for construction only on a standardized  
302 building permit form approved by the division.
- 303 (e) A permit for construction issued by a compliance agency under Subsection (3)(d)  
304 shall print the standardized building permit number assigned under Subsection (2) in  
305 the upper right-hand corner of the building permit form in at least 12-point font.
- 306 (f)(i) Except as provided in Subsection (3)(f)(ii), a compliance agency may not issue  
307 a permit for construction if the information required by Subsection (3)(b) is not  
308 completed on the building permit form.
- 309 (ii) If a compliance agency does not issue a separate permit for different aspects of  
310 the same project, the compliance agency may issue a permit for construction  
311 without the information required by Subsection (3)(b)(vi).
- 312 (g) A compliance agency may require additional information for the issuance of a permit  
313 for construction.
- 314 (4) A local regulator issuing a single-family residential building permit application shall  
315 include in the application or attach to the building permit the following notice  
316 prominently placed in at least 14-point font: "Decisions relative to this application are  
317 subject to review by the chief executive officer of the municipal or county entity issuing  
318 the single-family residential building permit and appeal under the International  
319 Residential Code as adopted by the Legislature."
- 320 (5)(a) A compliance agency shall:
- 321 (i) charge a 1% surcharge on a building permit the compliance agency issues; and  
322 (ii) transmit 85% of the amount collected to the division [~~to be used by the division~~]  
323 for use in accordance with Subsection (5)(c).
- 324 (b) The division shall deposit the portion of the surcharge transmitted to the division [  
325 shall be deposited] as a dedicated credit.
- 326 (c)(i) The division shall use [~~30%~~] 40% of the money received under Subsection  
327 (5)(a)(ii) to:
- 328 (A) provide education to building inspectors, and individuals working to become  
329 building inspectors, regarding the codes and code amendments under Section  
330 15A-1-204 that are adopted, approved, or being considered for adoption or  
331 approval[-] ; and
- 332 (B) collect data as outlined in Subsection 15A-1-203(10)(e).
- 333 (ii) The division shall use 10% of the money received under Subsection (5)(a)(ii) to  
334 provide education to individuals licensed in construction trades or related

- 335 professions through a construction trade association or a related professional  
 336 association.
- 337 (iii) The division shall transmit [~~60%~~] 50% of the money received under Subsection  
 338 (5)(a)(ii) to the Office of the Property Rights Ombudsman created in Title 13,  
 339 Chapter 43, Property Rights Ombudsman Act, to provide education and training  
 340 regarding:
- 341 (A) the drafting and application of land use laws and regulations; and  
 342 (B) land use dispute resolution.
- 343 (6)(a)(i) A compliance agency that receives a geologic report, fault hazard report, or  
 344 geotechnical report as part of a building permitting process or another  
 345 infrastructure permitting process shall submit the final report to the Utah  
 346 Geological Survey within 90 days after the day on which the compliance agency  
 347 receives the report.
- 348 (ii)(A) When submitting a report, the compliance agency shall indicate what  
 349 portion of the report is confidential.
- 350 (B) [~~The~~] In accordance with Subsection 79-3-202(2), the Utah Geological Survey  
 351 shall keep confidential [~~those~~] the portions of the report that the compliance  
 352 agency indicates are confidential[ ~~in accordance with Subsection 79-3-202(2)~~].
- 353 (b)(i) If submitting a physical copy of a report, a compliance agency shall mail or  
 354 deliver the physical copy of the report to the address shown on the Utah  
 355 Geological Survey website.
- 356 (ii) The Utah Geological Survey shall return the physical copy of a report to the  
 357 compliance agency submitting the report after the Utah Geological Survey  
 358 completes digital scanning of the report.
- 359 (c) If submitting a digital copy of a report, a compliance agency shall:
- 360 (i) submit the digital copy in a form [~~approved by~~]the Utah Geological Survey  
 361 approves; and
- 362 (ii)(A) submit the digital copy through an online process [~~approved by~~]the Utah  
 363 Geological Survey approves;
- 364 (B) email the digital copy to an email address provided on the Utah Geological  
 365 Survey's public website; or
- 366 (C) mail or deliver the digital copy to the address described in Subsection (6)(b).
- 367 (d) A compliance agency may include in a contract related to a geologic report, fault  
 368 hazard report, or geotechnical report, a statement that:

- 369 (i) the compliance agency shall share a copy of the report with the Utah Geological  
 370 Survey in accordance with this Subsection (6); and
- 371 (ii) the Utah Geological Survey may use information in the report as provided in  
 372 Section 79-3-202 subject to keeping portions of the report confidential as provided  
 373 in Subsection (6)(a)(ii).
- 374 (e) A compliance agency may not be held liable for the use or reliance on a geologic  
 375 report, fault hazard report, or geotechnical report shared with the Utah Geological  
 376 Survey by:
- 377 (i) the Utah Geological Survey; or
- 378 (ii) a person [~~who~~] that obtains information from the Utah Geological Survey that is  
 379 based on the geologic report, fault hazard report, or geotechnical report.

380 Section 5. Section **15A-1-302** is amended to read:

381 **15A-1-302 . Definitions.**

382 As used in this part:

- 383 (1) "Compliance agency" means the same as that term is defined in Section 15A-1-202.
- 384 (2) "Construction documents" means the same as that term is defined by Modular Building  
 385 Institute Standards 1200.
- 386 (3) "Decal" means a form of certification, created by the Division of Facilities Construction  
 387 and Management and issued by a third party inspection agency, to be permanently  
 388 attached to a module, panelized system, or modular building unit indicating that the  
 389 module, panelized system, or modular building unit has been constructed to meet or  
 390 exceed applicable building code requirements.
- 391 (4) "Factory built housing" means a manufactured home or mobile home.
- 392 (5) "Factory built housing set-up contractor" means an individual licensed by the division to  
 393 set up or install factory built housing on a temporary or permanent basis.
- 394 (6) "HUD Code" means the National Manufactured Housing Construction and Safety  
 395 Standards Act, 42 U.S.C. Sec. 5401 et seq.
- 396 (7) "Local regulator" means the same as that term is defined in Section 15A-1-202.
- 397 (8) "Manufactured home" means a transportable factory built housing unit constructed on or  
 398 after June 15, 1976, according to the HUD Code, in one or more sections, that:
- 399 (a) in the traveling mode, is eight body feet or more in width or 40 body feet or more in  
 400 length, or when erected on site, is 400 or more square feet; and
- 401 (b) is built on a permanent chassis and designed to be used as a dwelling with or without  
 402 a permanent foundation when connected to the required utilities, and includes the

- 403 plumbing, heating, air-conditioning, and electrical systems.
- 404 (9) "Manufacturing plant" means the same as that term is defined by Modular Building  
405 Institute Standards 1200.
- 406 (10) "Mobile home" means a transportable factory built housing unit built before June 15,  
407 1976, in accordance with a state mobile home code which existed prior to the HUD  
408 Code.
- 409 (11) "Modular manufacturer" means the entity responsible for manufacturing a panelized  
410 system or module.
- 411 (12) "Modular unit" or "modular building unit" means a structure:
- 412 (a) constructed from one or more modules or panelized systems that is manufactured in  
413 accordance with the State Construction Code and transported to a location;
- 414 (b) the purpose of which is for human habitation, occupancy, or use; and
- 415 (c) is not a factory-built house, manufactured home, or mobile home.
- 416 (13) "Module" means a three-dimensional, volumetric section of a modular building unit  
417 designed and approved to be transported as a single section, independent of other  
418 sections, to a location for onsite construction.
- 419 (14) "Private home inspector" means an individual who:
- 420 (a) offers services to the public; and
- 421 (b) examines residential dwellings and the components of a residential dwelling to  
422 identify potential issues associated with the sale or purchase of real property.
- 423 [~~14~~] (15) "Offsite construction" means a modular building unit that:
- 424 (a) is designed and constructed in compliance with this part;
- 425 (b) is wholly or in substantial part fabricated in a manufacturing plant for installation at  
426 an onsite location; and
- 427 (c) has been manufactured in such a manner that all parts or processes cannot be  
428 inspected at the end site location without disassembly, potentially resulting in  
429 damage or destruction to the modular building unit.
- 430 [~~15~~] (16) "Onsite construction" means:
- 431 (a) the preparation of a location where a modular building unit will be installed,  
432 including preparation of site foundation, construction of any necessary supporting  
433 structure, and preparation to connect the modular building unit to necessary utilities;  
434 and
- 435 (b) assembly and installation of one or more modules or panelized systems in  
436 accordance with construction documents into a modular building unit, including

437 completion of any site-related construction and connecting the modular building unit  
438 to necessary utilities.

439 [(16)] (17) "Panelized system" means a closed wall, roof, or floor component that is  
440 constructed at a manufacturing plant or by a modular manufacturer in a manner that  
441 prevents the construction from being fully inspected at an onsite location without  
442 disassembly, damage, or destruction.

443 [(17)] (18) "State regulator" means the same as that term is defined in Section 15A-1-202.

444 [(18)] (19) "Third party inspection agency" means an entity approved by the Division of  
445 Facilities Construction and Management to be qualified to inspect a module or panelized  
446 system for compliance with the construction documents, compliance control, and  
447 applicable code.

448 [(19)] (20) "Third party inspector" means a person who:

- 449 (a) is qualified to inspect a modular building unit for compliance with construction  
450 documents, compliance control, and applicable building code;
- 451 (b) works under the direction of a third party inspection agency;
- 452 (c) has been licensed by the division under Section 15A-1-307; and
- 453 (d) is approved by the Division of Facilities Construction and Management to conduct  
454 third party inspections, as described in Section 15A-1-307.

455 [(20)] (21) "Unregistered modular unit" means a modular unit that:

- 456 (a) has not been inspected as required by this title; or
- 457 (b) does not have a required decal.

458 Section 6. Section **58-56-9** is amended to read:

459 **58-56-9 . Qualifications of inspectors -- Contract for inspection services.**

460 (1) [An] A building inspector employed by a local regulator, state regulator, or compliance  
461 agency to enforce the codes shall:

462 [~~(a)(i) meet minimum qualifications as established by the division in collaboration  
463 with the commission;~~]

464 [~~(ii) be certified by a nationally recognized organization which promulgates  
465 construction codes; or~~]

466 [~~(iii) pass an examination developed by the division in collaboration with the  
467 commission;~~]

468 [(b)] (a) be currently [~~licensed~~] certified by the division as meeting [~~those~~] the minimum  
469 qualifications[;] the division establishes in collaboration with the commission, by rule  
470 made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;

- 471 and
- 472 ~~[(e)]~~ (b) be subject to disciplinary or other action if the [licensee] building inspector
- 473 engages in unlawful or unprofessional conduct.
- 474 (2) A local regulator, state regulator, or compliance agency may contract for the services of
- 475 a [licensed] building inspector not regularly employed by the regulator or agency.
- 476 (3) A private home inspector shall:
- 477 (a) be currently certified by the division as meeting the minimum qualifications the
- 478 division establishes in collaboration with the commission, by rule in accordance with
- 479 the provisions of Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and
- 480 (b) be subject to disciplinary or other action if the individual engages in unlawful or
- 481 unprofessional conduct.
- 482 ~~[(3)]~~ (4) In accordance with Section 58-1-401, the division may:
- 483 (a) refuse to issue a [license] certification to an applicant;
- 484 (b) refuse to renew the [license of a licensee] certification of an individual;
- 485 (c) revoke, suspend, restrict, or place on probation the~~[-license of a licensee]~~
- 486 certification of an individual;
- 487 (d) issue a public or private reprimand;
- 488 (e) issue a citation to ~~[a licensee]~~ an individual; and
- 489 (f) issue a cease and desist order.
- 490 Section 7. Section **58-56-9.1** is amended to read:
- 491 **58-56-9.1 . Unlawful conduct.**
- 492 (1) ~~[ Unlawful conduct is as]~~ "Unlawful conduct" means the same as that term is defined
- 493 in [Subsection 58-1-501(1) and includes:] Section 58-1-501.
- 494 (2) "Unlawful conduct" includes:
- 495 ~~[(1)]~~ (a) engaging in the sale of factory built housing without being registered with the
- 496 division as a dealer, unless the sale is exempt under Section 58-56-16;
- 497 ~~[(2)]~~ (b) selling factory built housing within the state as a dealer without collecting and
- 498 remitting to the division the fee required by Section 58-56-17;
- 499 ~~[(3)]~~ (c) acting as a building inspector or representing oneself to be acting as a building
- 500 inspector, unless [licensed] certified or ~~[exempted from licensure]~~ exempt under this
- 501 chapter or using the title building inspector or any other description, words, letters, or
- 502 abbreviation indicating that the person is a building inspector if the person has not
- 503 been [licensed] certified under this chapter;
- 504 ~~[(4)]~~ (d) acting as a building inspector beyond the scope of the [license] certification held

505 under this chapter; ~~and~~  
 506 ~~(5)~~ (e) hiring or employing in any manner an ~~unlicensed person~~ individual who is not  
 507 certified as a building inspector, unless ~~exempted~~ exempt from ~~license~~  
 508 certification under this chapter~~;~~ ; and  
 509 (f) as a building official, directing or knowingly allowing an employed or contracted  
 510 inspector to perform beyond the scope of the inspector's certification held under this  
 511 chapter.

512 Section 8. Section **58-56-9.3** is amended to read:

513 **58-56-9.3 . Unprofessional conduct.**

514 (1) ~~[Unprofessional conduct is as]~~ "Unprofessional conduct" means the same as that term is  
 515 defined in [Subsection 58-1-501(2) and includes:] Section 58-1-501.

517 ~~(1)~~ (2) "Unprofessional conduct" includes:

518 (a) as a building inspector:

519 (i) knowingly failing to inspect or issue correction notices for code violations [which]  
 520 that when left uncorrected would constitute a hazard to the public health and safety;  
 521 and

522 (ii) ~~and~~ knowingly failing to require [that] compliance with correction notices[~~are~~  
 523 complied with as a building inspector];

524 ~~(2)~~ (b) the use of alcohol or the illegal use of drugs while performing duties [as a  
 525 building inspector or at any time]to the extent that the inspector is physically or  
 526 mentally impaired and unable to effectively perform the duties of an inspector;

527 ~~(3)~~ (c) gross negligence in the performance of official duties as [a building] an inspector;

528 ~~(4)~~ (d) the personal use of information or knowingly revealing information to  
 529 unauthorized persons when that information has been obtained by [a building] an  
 530 inspector as a result of the inspector's employment, work, or position as an inspector;

531 ~~(5)~~ (e) unlawful acts or practices [which] that are clearly unethical under generally  
 532 recognized standards of conduct of [a building] an inspector;

533 ~~(6)~~ (f) engaging in fraud or knowingly misrepresenting a fact relating to the  
 534 performance of duties and responsibilities as [a building] an inspector;

535 ~~(7)~~ (g) a building inspector knowingly failing to require that all plans, specifications,  
 536 drawings, documents, and reports be stamped by architects, professional engineers,  
 537 or both as established by law;

538 ~~(8)~~ (h) a building inspector knowingly failing to report to the division an act or  
 539 omission of a [licensee] certified individual under [Title 58, Chapter 55, Utah

540 ~~Construction Trades Licensing Act]~~ Chapter 55, Utah Construction Trades Licensing  
541 Act, which when left uncorrected constitutes a hazard to public health and safety;  
542 [(9)] (i) ~~[a building]~~ an inspector knowingly failing to report to the division unlicensed  
543 practice persons who are required to be licensed under [Title 58, Chapter 55, Utah  
544 Construction Trades Licensing Act] Chapter 55, Utah Construction Trades Licensing  
545 Act;

546 [(10)] (j) a building inspector's approval of work [which] that materially varies from  
547 approved documents that have been stamped by an architect, professional engineer,  
548 or both unless authorized by the licensed architect, professional engineer, or both;

549 [(11)] (k) a building inspector failing to produce verification of current licensure and  
550 current certifications for the codes upon request of the division, a compliance agency,  
551 or a contractor or property owner whose work is being inspected;

552 [(12)] (l) a building inspector requiring work that materially varies from the [building]  
553 codes adopted by the state, including amendments;

554 (m) an inspector failing to make reasonable efforts to maintain a current knowledge of  
555 amendments to code;

556 (n) falsifying inspection reports or purporting to perform an inspection that was not  
557 actually performed as an inspector;

558 (o) an inspector engaging in retaliatory actions against individuals or companies that file  
559 complaints or question the local regulator's decisions;

560 (p) an inspector accepting what would reasonably be viewed as a bribe, including  
561 monetary, goods, materials, or other benefits in the course of duty;

562 (q) any willful, fraudulent, or deceitful act by an inspector, caused by an inspector, or at  
563 an inspector's direction that causes material injury to another;

564 [(13)] (r) nondelivery of goods or services by a registered dealer [which] that constitutes a  
565 breach of contract by the dealer;

566 [(14)] (s) the failure of a registered dealer to pay a subcontractor or supplier any amounts  
567 to which that subcontractor or supplier is legally entitled;[-and]

568 [(15)] (t) any other activity [which] that is defined as unprofessional conduct by division  
569 rule in accordance with the provisions of Title 63G, Chapter 3, Utah Administrative  
570 Rulemaking Act[-] ; and

571 (u) a building official knowingly or willfully allowing an inspector contracted or  
572 employed within the building official's jurisdiction or firm to engage in the actions  
573 listed in Subsections (2)(a) through (2)(t).

574           Section 9. **Effective Date.**

575    This bill takes effect on May 7, 2025.