

Thomas W. Peterson proposes the following substitute bill:

Construction Trades Licensing Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Thomas W. Peterson

Senate Sponsor: Calvin R. Musselman

LONG TITLE

General Description:

This bill modifies requirements for construction trade licenses.

Highlighted Provisions:

This bill:

- provides requirements for a general engineering contractor license for electrical utilities;
- allows an applicant with sufficient experience to obtain a general engineering contractor

license;

- grants rulemaking authority to the division to establish by rule sufficient experience for an applicant with a journeyman lineman license from another jurisdiction; and

- provides the requirements for an HVAC contractor license.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

58-55-102, as last amended by Laws of Utah 2024, Chapter 507

58-55-301, as last amended by Laws of Utah 2017, Chapter 411

58-55-302, as last amended by Laws of Utah 2024, Chapter 507

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

Section 1. Section **58-55-102** is amended to read:

58-55-102 . Definitions.

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

(1)(a) "Alarm business" or "alarm company" means a person engaged in the sale,

29 installation, maintenance, alteration, repair, replacement, servicing, or monitoring of
30 an alarm system, except as provided in Subsection (1)(b).

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

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

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

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

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

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

42 (2) "Alarm company agent":

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

45 (b) does not include an individual who:

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

48 (ii) does not, during the normal course of the individual's employment with an alarm
49 business, use or have access to sensitive alarm system information.

50 (3) "Alarm company officer" means:

51 (a) a governing person, as defined in Section 48-3a-102, of an alarm company;

52 (b) an individual appointed as an officer of an alarm company that is a corporation in
53 accordance with Section 16-10a-830;

54 (c) a general partner, as defined in Section 48-2e-102, of an alarm company; or

55 (d) a partner, as defined in Section 48-1d-102, of an alarm company.

56 (4) "Alarm company owner" means:

57 (a) a shareholder, as defined in Section 16-10a-102, who owns directly, or indirectly
58 through an entity controlled by the individual, 5% or more of the outstanding shares
59 of an alarm company that:

60 (i) is a corporation; and

61 (ii) is not publicly listed or traded; or

62 (b) an individual who owns directly, or indirectly through an entity controlled by the

- 63 individual, 5% or more of the equity of an alarm company that is not a corporation.
- 64 (5) "Alarm company proprietor" means the sole proprietor of an alarm company that is
65 registered as a sole proprietorship with the Division of Corporations and Commercial
66 Code.
- 67 (6) "Alarm company trustee" means an individual with control of or power of
68 administration over property held in trust.
- 69 (7)(a) "Alarm system" means equipment and devices assembled for the purpose of:
70 (i) detecting and signaling unauthorized intrusion or entry into or onto certain
71 premises; or
72 (ii) signaling a robbery or attempted robbery on protected premises.
- 73 (b) "Alarm system" includes a battery-charged suspended-wire system or fence that is
74 part of and interfaces with an alarm system for the purposes of detecting and
75 deterring unauthorized intrusion or entry into or onto certain premises.
- 76 (8) "Apprentice electrician" means a person licensed under this chapter as an apprentice
77 electrician who is learning the electrical trade under the immediate supervision of a
78 master electrician, residential master electrician, a journeyman electrician, or a
79 residential journeyman electrician.
- 80 (9) "Apprentice plumber" means a person licensed under this chapter as an apprentice
81 plumber who is learning the plumbing trade under the immediate supervision of a master
82 plumber, residential master plumber, journeyman plumber, or a residential journeyman
83 plumber.
- 84 (10) "Approved continuing education" means instruction provided through courses under a
85 program established under Subsection 58-55-302.5(2).
- 86 (11)(a) "Approved preclicensure course provider" means a provider that is the Associated
87 General Contractors of Utah, the Utah Chapter of the Associated Builders and
88 Contractors, or the Utah Home Builders Association, and that meets the requirements
89 established by rule by the commission with the concurrence of the director, to teach
90 the 25-hour course described in Subsection 58-55-302(1)(e)(iii).
- 91 (b) "Approved preclicensure course provider" may only include a provider that, in
92 addition to any other locations, offers the 25-hour course described in Subsection
93 58-55-302(1)(e)(iii) at least six times each year in one or more counties other than
94 Salt Lake County, Utah County, Davis County, or Weber County.
- 95 (12) "Board" means the Alarm System Security and Licensing Board or Electricians and
96 Plumbers Licensing Board created in Section 58-55-201.

- 97 (13) "Combustion system" means an assembly consisting of:
98 (a) piping and components with a means for conveying, either continuously or
99 intermittently, natural gas from the outlet of the natural gas provider's meter to the
100 burner of the appliance;
101 (b) the electric control and combustion air supply and venting systems, including air
102 ducts; and
103 (c) components intended to achieve control of quantity, flow, and pressure.
- 104 (14) "Commission" means the Construction Services Commission created under Section
105 58-55-103.
- 106 (15) "Construction trade" means any trade or occupation involving:
107 (a)(i) construction, alteration, remodeling, repairing, wrecking or demolition, addition
108 to, or improvement of any building, highway, road, railroad, dam, bridge,
109 structure, excavation or other project, development, or improvement to other than
110 personal property; and
111 (ii) constructing, remodeling, or repairing a manufactured home or mobile home as
112 defined in Section 15A-1-302; or
113 (b) installation or repair of a residential or commercial natural gas appliance or
114 combustion system.
- 115 (16) "Construction trades instructor" means a person licensed under this chapter to teach
116 one or more construction trades in both a classroom and project environment, where a
117 project is intended for sale to or use by the public and is completed under the direction
118 of the instructor, who has no economic interest in the project.
- 119 (17)(a) "Contractor" means any person who for compensation other than wages as an
120 employee undertakes any work in the construction, plumbing, or electrical trade for
121 which licensure is required under this chapter and includes:
122 (i) a person who builds any structure on the person's own property for the purpose of
123 sale or who builds any structure intended for public use on the person's own
124 property;
125 (ii) any person who represents that the person is a contractor, or will perform a
126 service described in this Subsection (17) by advertising on a website or social
127 media, or any other means;
128 (iii) any person engaged as a maintenance person, other than an employee, who
129 regularly engages in activities set forth under the definition of "construction trade";
130 (iv) any person engaged in, or offering to engage in, any construction trade for which

- 131 licensure is required under this chapter; or
- 132 (v) a construction manager, construction consultant, construction assistant, or any
- 133 other person who, for a fee:
- 134 (A) performs or offers to perform construction consulting;
- 135 (B) performs or offers to perform management of construction subcontractors;
- 136 (C) provides or offers to provide a list of subcontractors or suppliers; or
- 137 (D) provides or offers to provide management or counseling services on a
- 138 construction project.
- 139 (b) "Contractor" does not include:
- 140 (i) an alarm company or alarm company agent; or
- 141 (ii) a material supplier who provides consulting to customers regarding the design
- 142 and installation of the material supplier's products.
- 143 (18)(a) "Electrical trade" means the performance of any electrical work involved in the
- 144 installation, construction, alteration, change, repair, removal, or maintenance of
- 145 facilities, buildings, or appendages or appurtenances.
- 146 (b) "Electrical trade" does not include:
- 147 (i) transporting or handling electrical materials;
- 148 (ii) preparing clearance for raceways for wiring;
- 149 (iii) work commonly done by unskilled labor on any installations under the exclusive
- 150 control of electrical utilities;
- 151 (iv) work involving cable-type wiring that does not pose a shock or fire-initiation
- 152 hazard; or
- 153 (v) work involving class two or class three power-limited circuits as defined in the
- 154 National Electrical Code.
- 155 (19) "Elevator" means the same as that term is defined in Section 34A-7-202, except that
- 156 for purposes of this chapter it does not mean a stair chair, a vertical platform lift, or an
- 157 incline platform lift.
- 158 (20) "Elevator contractor" means a sole proprietor, firm, or corporation licensed under this
- 159 chapter that is engaged in the business of erecting, constructing, installing, altering,
- 160 servicing, repairing, or maintaining an elevator.
- 161 (21) "Elevator mechanic" means an individual who is licensed under this chapter as an
- 162 elevator mechanic and who is engaged in erecting, constructing, installing, altering,
- 163 servicing, repairing, or maintaining an elevator under the immediate supervision of an
- 164 elevator contractor.

- 165 (22) "Employee" means an individual as defined by the division by rule giving
166 consideration to the definition adopted by the Internal Revenue Service and the
167 Department of Workforce Services.
- 168 (23) "Engage in a construction trade" means to:
- 169 (a) engage in, represent oneself to be engaged in, or advertise oneself as being engaged
170 in a construction trade; or
- 171 (b) use the name "contractor" or "builder" or in any other way lead a reasonable person
172 to believe one is or will act as a contractor.
- 173 (24)(a) "Financial responsibility" means a demonstration of a current and expected
174 future condition of financial solvency evidencing a reasonable expectation to the
175 division and the board that an applicant or licensee can successfully engage in
176 business as a contractor without jeopardy to the public health, safety, and welfare.
- 177 (b) Financial responsibility may be determined by an evaluation of the total history
178 concerning the licensee or applicant including past, present, and expected condition
179 and record of financial solvency and business conduct.
- 180 (25) "Gas appliance" means any device that uses natural gas to produce light, heat, power,
181 steam, hot water, refrigeration, or air conditioning.
- 182 (26)(a) "General building contractor" means a person licensed under this chapter as a
183 general building contractor qualified by education, training, experience, and
184 knowledge to perform or superintend construction of structures for the support,
185 shelter, and enclosure of persons, animals, chattels, or movable property of any kind
186 or any of the components of that construction except plumbing, electrical work,
187 mechanical work, work related to the operating integrity of an elevator, and
188 manufactured housing installation, for which the general building contractor shall
189 employ the services of a contractor licensed in the particular specialty, except that a
190 general building contractor engaged in the construction of single-family and
191 multifamily residences up to four units may perform the mechanical work and hire a
192 licensed plumber or electrician as an employee.
- 193 (b) The division may by rule exclude general building contractors from engaging in the
194 performance of other construction specialties in which there is represented a
195 substantial risk to the public health, safety, and welfare, and for which a license is
196 required unless that general building contractor holds a valid license in that specialty
197 classification.
- 198 (27)[(a)] "General electrical contractor" means a person licensed under this chapter as a

199 general electrical contractor qualified by education, training, experience, and
 200 knowledge to perform the fabrication, construction, and installation of generators,
 201 transformers, conduits, raceways, panels, switch gear, electrical wires, fixtures,
 202 appliances, ~~[or]~~ apparatus that uses electrical energy, or any other work the division
 203 authorizes by rule in accordance with Subsection 58-55-301(4).

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

207 (28)(a) "General engineering contractor" means a person licensed under this chapter as a
 208 general engineering contractor qualified by education, training, experience, and
 209 knowledge to perform or superintend construction of fixed works, or components of
 210 fixed works requiring specialized engineering knowledge and skill in ~~any of the~~
 211 ~~following~~]:

- 212 ~~[(i) irrigation;]~~
- 213 ~~[(ii) drainage;]~~
- 214 ~~[(iii) water power;]~~
- 215 ~~[(iv) water supply;]~~
- 216 ~~[(v) flood control;]~~
- 217 ~~[(vi) an inland waterway;]~~
- 218 ~~[(vii) a harbor;]~~
- 219 ~~[(viii) a railroad;]~~
- 220 ~~[(ix) a highway;]~~
- 221 ~~[(x) a tunnel;]~~
- 222 ~~[(xi) an airport;]~~
- 223 ~~[(xii) an airport runway;]~~
- 224 ~~[(xiii) a sewer;]~~
- 225 ~~[(xiv) a bridge;]~~
- 226 ~~[(xv) a refinery;]~~
- 227 ~~[(xvi) a pipeline;]~~
- 228 ~~[(xvii) a chemical plant;]~~
- 229 ~~[(xviii) an industrial plant;]~~
- 230 ~~[(xix) a pier;]~~
- 231 ~~[(xx) a foundation;]~~
- 232 ~~[(xxi) a power plant;]~~

- 233 [~~(xxii)~~ a utility plant or installation; or]
- 234 [~~(xxiii)~~ an underground electric utility conduit.]
- 235 (i) airports;
- 236 (ii) airport runways;
- 237 (iii) bridges;
- 238 (iv) chemical plants;
- 239 (v) drainage;
- 240 (vi) electrical utilities;
- 241 (vii) flood control;
- 242 (viii) foundations;
- 243 (ix) harbors;
- 244 (x) highways;
- 245 (xi) industrial plants;
- 246 (xii) inland waterways;
- 247 (xiii) irrigation systems;
- 248 (xiv) piers;
- 249 (xv) pipelines;
- 250 (xvi) power plants;
- 251 (xvii) railroads;
- 252 (xviii) refineries;
- 253 (xix) sewers;
- 254 (xx) tunnels;
- 255 (xxi) underground electric utility conduits;
- 256 (xxii) utility plants;
- 257 (xxiii) water power; or
- 258 (xxiv) water supply.
- 259 (b) A general engineering contractor may not perform or superintend:
- 260 (i) construction of a structure built primarily for the support, shelter, and enclosure of
- 261 persons, animals, and chattels; [~~or~~]
- 262 (ii) plumbing work;
- 263 (iii) electrical work beyond underground electric utility conduit or electrical utilities;
- 264 (iv) mechanical work; or
- 265 (v) work where the general engineering contractor does not have the required
- 266 specialized engineering knowledge and skill.

- 267 [(ii) performance of:]
- 268 [(A) plumbing work;]
- 269 [(B) electrical work beyond underground electric utility conduit; or]
- 270 [(C) mechanical work.]
- 271 (29)[(a)] "General plumbing contractor" means a person licensed under this chapter as a
- 272 general plumbing contractor qualified by education, training, experience, and
- 273 knowledge to perform the fabrication or installation of material and fixtures to create
- 274 and maintain sanitary conditions in a building by providing permanent means for a
- 275 supply of safe and pure water, a means for the timely and complete removal from the
- 276 premises of all used or contaminated water, fluid and semi-fluid organic wastes and
- 277 other impurities incidental to life and the occupation of such premises, [~~and~~] a safe
- 278 and adequate supply of gases for lighting, heating, and industrial purposes, or other
- 279 work the division authorizes by rule in accordance with Subsection 58-55-301(4).
- 280 [(b) The scope of work of a general plumbing contractor may be further defined by rules
- 281 made by the commission, with the concurrence of the director, in accordance with
- 282 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.]
- 283 (30) "HVAC" means a heating, ventilation, and air conditioning system and the specific
- 284 components that are a part of the system.
- 285 (31) "HVAC contractor" means a person licensed under this chapter specialized in the
- 286 installation, maintenance, repair, and servicing of heating, ventilation, air conditioning
- 287 systems or any other work the division authorizes by rule in accordance with Subsection
- 288 58-55-301(4).
- 289 [(30)] (32) "Immediate supervision" means reasonable direction, oversight, inspection, and
- 290 evaluation of the work of a person:
- 291 (a) as the division specifies in rule;
- 292 (b) by, as applicable, a qualified electrician or plumber;
- 293 (c) as part of a planned program of training; and
- 294 (d) to ensure that the end result complies with applicable standards.
- 295 [(31)] (33) "Individual" means a natural person.
- 296 (34) "Journeyman lineman" means a person that builds and maintains an electrical power
- 297 system, performs work on transmission lines or distribution lines from power plants to
- 298 customers, and has completed an approved 8,000 hour certified apprenticeship program.
- 299 [(32)] (35) "Journeyman electrician" means a person licensed under this chapter as a
- 300 journeyman electrician having the qualifications, training, experience, and knowledge to

301 wire, install, and repair electrical apparatus and equipment for light, heat, power, and
302 other purposes.

303 ~~[(33)]~~ (36) "Journeyman plumber" means a person licensed under this chapter as a
304 journeyman plumber having the qualifications, training, experience, and technical
305 knowledge to engage in the plumbing trade.

306 ~~[(34)]~~ (37) "Master electrician" means a person licensed under this chapter as a master
307 electrician having the qualifications, training, experience, and knowledge to properly
308 plan, layout, and supervise the wiring, installation, and repair of electrical apparatus and
309 equipment for light, heat, power, and other purposes.

310 ~~[(35)]~~ (38) "Master plumber" means a person licensed under this chapter as a master
311 plumber having the qualifications, training, experience, and knowledge to properly plan
312 and layout projects and supervise persons in the plumbing trade.

313 ~~[(36)]~~ (39) "Person" means a natural person, sole proprietorship, joint venture, corporation,
314 limited liability company, association, or organization of any type.

315 ~~[(37)]~~ (40)(a) "Plumbing trade" means the performance of any mechanical work
316 pertaining to the installation, alteration, change, repair, removal, maintenance, or use
317 in buildings, or within three feet beyond the outside walls of buildings, of pipes,
318 fixtures, and fittings for the:

- 319 (i) delivery of the water supply;
320 (ii) discharge of liquid and water carried waste;
321 (iii) building drainage system within the walls of the building; and
322 (iv) delivery of gases for lighting, heating, and industrial purposes.

323 (b) "Plumbing trade" includes work pertaining to the water supply, distribution pipes,
324 fixtures and fixture traps, soil, waste and vent pipes, the building drain and roof
325 drains, and the safe and adequate supply of gases, together with their devices,
326 appurtenances, and connections where installed within the outside walls of the
327 building.

328 ~~[(38)]~~ (41) "Ratio of apprentices" means the number of licensed plumber apprentices or
329 licensed electrician apprentices that are allowed to be under the immediate supervision
330 of a licensed supervisor as established by the provisions of this chapter and by rules
331 made by the commission, with the concurrence of the director, in accordance with Title
332 63G, Chapter 3, Utah Administrative Rulemaking Act.

333 ~~[(39)]~~ (42) "Residential and small commercial contractor" means a person licensed under
334 this chapter as a residential and small commercial contractor qualified by education,

335 training, experience, and knowledge to perform or superintend the construction of
336 single-family residences, multifamily residences up to four units, and commercial
337 construction of not more than three stories above ground and not more than 20,000
338 square feet, or any of the components of that construction except plumbing, electrical
339 work, mechanical work, and manufactured housing installation, for which the residential
340 and small commercial contractor shall employ the services of a contractor licensed in the
341 particular specialty, except that a residential and small commercial contractor engaged in
342 the construction of single-family and multifamily residences up to four units may
343 perform the mechanical work and hire a licensed plumber or electrician as an employee.

344 ~~[(40)]~~ (43) "Residential building," as it relates to the license classification of residential
345 journeyman plumber and residential master plumber, means a single or multiple family
346 dwelling of up to four units.

347 ~~[(41)]~~ (44)~~[(a)]~~ "Residential electrical contractor" means a person licensed under this
348 chapter as a residential electrical contractor qualified by education, training,
349 experience, and knowledge to perform the fabrication, construction, and installation
350 of services, disconnecting means, grounding devices, panels, conductors, load
351 centers, lighting and plug circuits, appliances, and fixtures in a residential unit or any
352 other work the division authorizes by rule in accordance with Subsection
353 58-55-301(4).

354 ~~[(b) The scope of work of a residential electrical contractor may be further defined by~~
355 ~~rules made by the commission, with the concurrence of the director, in accordance~~
356 ~~with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.]~~

357 ~~[(42)]~~ (45) "Residential journeyman electrician" means a person licensed under this chapter
358 as a residential journeyman electrician having the qualifications, training, experience,
359 and knowledge to wire, install, and repair electrical apparatus and equipment for light,
360 heat, power, and other purposes on buildings using primarily nonmetallic sheath cable.

361 ~~[(43)]~~ (46) "Residential journeyman plumber" means a person licensed under this chapter as
362 a residential journeyman plumber having the qualifications, training, experience, and
363 knowledge to engage in the plumbing trade as limited to the plumbing of residential
364 buildings.

365 ~~[(44)]~~ (47) "Residential master electrician" means a person licensed under this chapter as a
366 residential master electrician having the qualifications, training, experience, and
367 knowledge to properly plan, layout, and supervise the wiring, installation, and repair of
368 electrical apparatus and equipment for light, heat, power, and other purposes on

369 residential projects.

370 ~~[(45)]~~ (48) "Residential master plumber" means a person licensed under this chapter as a
371 residential master plumber having the qualifications, training, experience, and
372 knowledge to properly plan and layout projects and supervise persons in the plumbing
373 trade as limited to the plumbing of residential buildings.

374 ~~[(46)]~~ (49)~~[(a)]~~ "Residential plumbing contractor" means a person licensed under this
375 chapter as a residential plumbing contractor qualified by education, training,
376 experience, and knowledge to perform the fabrication or installation of material and
377 fixtures to create and maintain sanitary conditions in residential buildings by
378 providing permanent means for a supply of safe and pure water, a means for the
379 timely and complete removal from the premises of all used or contaminated water,
380 fluid and semi-fluid organic wastes and other impurities incidental to life and the
381 occupation of such premises, ~~[and]~~ a safe and adequate supply of gases for lighting,
382 heating, and residential purposes, or any other work the division authorizes by rule in
383 accordance with Subsection 58-55-301(4).

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

387 ~~[(47)]~~ (50) "Residential project," as it relates to an electrician or electrical contractor, means
388 buildings primarily wired with nonmetallic sheathed cable, in accordance with standard
389 rules and regulations governing this work, including the National Electrical Code, and in
390 which the voltage does not exceed 250 volts line to line and 125 volts to ground.

391 ~~[(48)]~~ (51) "Responsible management personnel" means:

- 392 (a) a qualifying agent;
- 393 (b) an operations manager; or
- 394 (c) a site manager.

395 ~~[(49)]~~ (52) "Sensitive alarm system information" means:

- 396 (a) a pass code or other code used in the operation of an alarm system;
- 397 (b) information on the location of alarm system components at the premises of a
398 customer of the alarm business providing the alarm system;
- 399 (c) information that would allow the circumvention, bypass, deactivation, or other
400 compromise of an alarm system of a customer of the alarm business providing the
401 alarm system; and
- 402 (d) any other similar information that the division by rule determines to be information

403 that an individual employed by an alarm business should use or have access to only if
404 the individual is licensed as provided in this chapter.

405 ~~[(50)]~~ (53)(a) "Specialty contractor" means a person licensed under this chapter under a
406 specialty contractor classification established by rule, who is qualified by education,
407 training, experience, and knowledge to perform those construction trades and crafts
408 requiring specialized skill, the regulation of which are determined by the division to
409 be in the best interest of the public health, safety, and welfare.

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

413 ~~[(51)]~~ (54) "Unincorporated entity" means an entity that is not:

- 414 (a) an individual;
- 415 (b) a corporation; or
- 416 (c) publicly traded.

417 ~~[(52)]~~ (55) "Unlawful conduct" means the same as that term is defined in Sections 58-1-501
418 and 58-55-501.

419 ~~[(53)]~~ (56) "Unprofessional conduct" means the same as that term is defined in Sections
420 58-1-501 and 58-55-502 and as may be further defined by rule.

421 ~~[(54)]~~ (57) "Wages" means amounts due to an employee for labor or services whether the
422 amount is fixed or ascertained on a time, task, piece, commission, or other basis for
423 calculating the amount.

424 Section 2. Section **58-55-301** is amended to read:

425 **58-55-301 . License required -- License classifications -- Scope.**

426 (1)(a) A person engaged in the construction trades licensed under this chapter, as a
427 contractor regulated under this chapter, as an alarm business or company, or as an
428 alarm company agent, shall become licensed under this chapter before engaging in
429 that trade or contracting activity in this state unless specifically exempted from
430 licensure under Section 58-1-307 or 58-55-305.

431 (b) The license issued under this chapter and the business license issued by the local
432 jurisdiction in which the licensee has its principal place of business shall be the only
433 licenses required for the licensee to engage in a trade licensed by this chapter, within
434 the state.

435 (c) Neither the state nor any of its political subdivisions may require of a licensee any
436 additional business licenses, registrations, certifications, contributions, donations, or

437 anything else established for the purpose of qualifying a licensee under this chapter to
438 do business in that local jurisdiction, except for contract prequalification procedures
439 required by state agencies, or the payment of any fee for the license, registration, or
440 certification established as a condition to do business in that local jurisdiction.

441 (2) The division shall issue licenses under this chapter to qualified persons in the following
442 classifications:

443 (a) alarm company; [~~general engineering contractor~~];

444 (b) alarm company agent;

445 (c) apprentice electrician;

446 (d) apprentice plumber;

447 (e) construction trades instructor;

448 (i) general building classification;

449 (ii) general engineering classification;

450 (iii) electrical classification;

451 (iv) mechanical classification; and

452 (v) plumbing classification;

453 (f) elevator contractor;

454 (g) elevator mechanic;

455 (h) general building contractor;

456 (i) general electrical contractor;

457 (j) general engineering contractor;

458 (k) general plumbing contractor;

459 (l) HVAC contractor;

460 (m) journeyman electrician;

461 (n) journeyman plumber;

462 (o) master electrician;

463 (p) master plumber;

464 (q) residential and small commercial contractor;

465 (r) residential electrical contractor;

466 (s) residential journeyman electrician;

467 (t) residential journeyman plumber;

468 (u) residential master electrician;

469 (v) residential master plumber;

470 (w) residential plumbing contractor; and

- 471 ~~(x) specialty contractor.~~
- 472 ~~[(b) general building contractor;]~~
- 473 ~~[(c) residential and small commercial contractor;]~~
- 474 ~~[(d) elevator contractor;]~~
- 475 ~~[(e) general plumbing contractor;]~~
- 476 ~~[(f) residential plumbing contractor;]~~
- 477 ~~[(g) general electrical contractor;]~~
- 478 ~~[(h) residential electrical contractor;]~~
- 479 ~~[(i) specialty contractor;]~~
- 480 ~~[(j) master plumber;]~~
- 481 ~~[(k) residential master plumber;]~~
- 482 ~~[(l) journeyman plumber;]~~
- 483 ~~[(m) apprentice plumber;]~~
- 484 ~~[(n) residential journeyman plumber;]~~
- 485 ~~[(o) master electrician;]~~
- 486 ~~[(p) residential master electrician;]~~
- 487 ~~[(q) journeyman electrician;]~~
- 488 ~~[(r) residential journeyman electrician;]~~
- 489 ~~[(s) apprentice electrician;]~~
- 490 ~~[(t) construction trades instructor;]~~
- 491 ~~[(i) general engineering classification;]~~
- 492 ~~[(ii) general building classification;]~~
- 493 ~~[(iii) electrical classification;]~~
- 494 ~~[(iv) plumbing classification; and]~~
- 495 ~~[(v) mechanical classification;]~~
- 496 ~~[(u) alarm company;]~~
- 497 ~~[(v) alarm company agent; and]~~
- 498 ~~[(w) elevator mechanic.]~~
- 499 (3)(a) An applicant may apply for a license in one or more classification or specialty
500 contractor subclassification.
- 501 (b) A license shall be granted in each classification or subclassification for which the
502 applicant qualifies.
- 503 (c) A separate application and fee must be submitted for each license classification or
504 subclassification.

505 (4) With the concurrence of the director, in accordance with Title 63G, Chapter 3, Utah
506 Administrative Rulemaking Act, the commission may further define the scope of work
507 by rule for:

- 508 (a) a general electrical contractor;
- 509 (b) a general plumbing contractor;
- 510 (c) an HVAC contractor;
- 511 (d) a residential electrical contractor; and
- 512 (e) a residential plumbing contractor.

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

514 **58-55-302 . Qualifications for licensure.**

- 515 (1) Each applicant for a license under this chapter shall:
- 516 (a) submit an application prescribed by the division;
 - 517 (b) pay a fee as determined by the department under Section 63J-1-504;
 - 518 (c) meet the examination requirements established by this section and by rule by the
519 commission with the concurrence of the director, which requirements include:
 - 520 (i) for licensure as an apprentice electrician, apprentice plumber, or specialty
521 contractor, no division-administered examination is required;
 - 522 (ii) for licensure as a general building contractor, general engineering contractor,
523 residential and small commercial contractor, general plumbing contractor,
524 residential plumbing contractor, general electrical contractor, or residential
525 electrical contractor, the only required division-administered examination is a
526 division-administered examination that covers information from the 25-hour
527 course described in Subsection (1)(e)(iii), which course may have been previously
528 completed as part of applying for any other license under this chapter, and, if the
529 25-hour course was completed on or after July 1, 2019, the five-hour business law
530 course described in Subsection (1)(e)(iv); and
 - 531 (iii) if required in Section 58-55-304, an individual qualifier must pass the required
532 division-administered examination if the applicant is a business entity;
 - 533 (d) if an apprentice, identify the proposed supervisor of the apprenticeship;
 - 534 (e) if an applicant for a contractor's license:
 - 535 (i) produce satisfactory evidence of financial responsibility, except for a construction
536 trades instructor for whom evidence of financial responsibility is not required;
 - 537 (ii) produce satisfactory evidence of:
 - 538 (A) except as provided in Subsection (2)(a), and except that no employment

539 experience is required for licensure as a specialty contractor, two years
540 full-time paid employment experience in the construction industry, which
541 employment experience, unless more specifically described in this section, may
542 be related to any contracting classification and does not have to include
543 supervisory experience; and

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

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

550 (A) construction business practices;
551 (B) bookkeeping fundamentals;
552 (C) mechanics lien fundamentals;
553 (D) other aspects of business and construction principles considered important by
554 the commission with the concurrence of the director; and
555 (E) for no additional fee, a provider-administered examination at the end of the
556 25-hour course;

557 ~~(iv) [complete a five-hour business and law course established by rule by the~~
558 ~~commission with the concurrence of the director, which is taught by an approved~~
559 ~~prelicensure course provider, if an applicant for licensure as a general building~~
560 ~~contractor, general engineering contractor, residential and small commercial~~
561 ~~contractor, general plumbing contractor, residential plumbing contractor, general~~
562 ~~electrical contractor, or residential electrical contractor, except that if the 25-hour~~
563 ~~course described in Subsection (1)(e)(iii) was completed before July 1, 2019, the~~
564 ~~applicant does not need to take the business and law course;] if the applicant is~~
565 ~~applying for licensure as a general building contractor, general engineering~~
566 ~~contractor, general engineering contractor, residential and small commercial~~
567 ~~contractor, general plumbing contractor, residential plumbing contractor, general~~
568 ~~electrical contractor, residential electrical contractor, or HVAC contractor, other~~
569 ~~than an applicant who completed the 25-hour course described in Subsection~~
570 ~~(1)(e)(iii) before July 1, 2019, complete a five-hour business and law course:~~
571 ~~(A) that the commission, with the concurrence of the director, establishes by rule;~~
572 ~~and~~

- 573 (B) that is taught by an approved prelicensure course provider;
574 (v)(A) be a licensed master electrician if an applicant for an electrical contractor's
575 license or a licensed master residential electrician if an applicant for a
576 residential electrical contractor's license;
577 (B) be a licensed master plumber if an applicant for a plumbing contractor's
578 license or a licensed master residential plumber if an applicant for a residential
579 plumbing contractor's license; or
580 (C) be a licensed elevator mechanic and produce satisfactory evidence of three
581 years experience as an elevator mechanic if an applicant for an elevator
582 contractor's license; and
583 (vi) when the applicant is an unincorporated entity, provide a list of the one or more
584 individuals who hold an ownership interest in the applicant as of the day on which
585 the application is filed that includes for each individual:
586 (A) the individual's name, address, birth date, and social security number or other
587 satisfactory evidence of the applicant's identity permitted under rules made by
588 the division in accordance with Title 63G, Chapter 3, Utah Administrative
589 Rulemaking Act; and
590 (B) whether the individual will engage in a construction trade; and
591 (f) if an applicant for a construction trades instructor license, satisfy any additional
592 requirements established by rule.
593 (2)(a) If the applicant for a contractor's license described in Subsection (1) is a building
594 inspector, the applicant may satisfy Subsection (1)(e)(ii)(A) by producing satisfactory
595 evidence of two years full-time paid employment experience as a building inspector,
596 which shall include at least one year full-time experience as a licensed combination
597 inspector.
598 (b) The applicant shall file the following with the division before the division issues the
599 license:
600 (i) proof of workers' compensation insurance which covers employees of the
601 applicant in accordance with applicable Utah law;
602 (ii) proof of public liability insurance in coverage amounts and form established by
603 rule except for a construction trades instructor for whom public liability insurance
604 is not required; and
605 (iii) proof of registration as required by applicable law with the:
606 (A) Department of Commerce;

- 607 (B) Division of Corporations and Commercial Code;
- 608 (C) Unemployment Insurance Division in the Department of Workforce Services,
- 609 for purposes of Title 35A, Chapter 4, Employment Security Act;
- 610 (D) State Tax Commission; and
- 611 (E) Internal Revenue Service.
- 612 (3) In addition to the general requirements for each applicant in Subsection (1), applicants
- 613 shall comply with the following requirements to be licensed in the following
- 614 classifications:
- 615 (a)(i) A master plumber shall produce satisfactory evidence that the applicant:
- 616 (A) has been a licensed journeyman plumber for at least two years and had two
- 617 years of supervisory experience as a licensed journeyman plumber in
- 618 accordance with division rule;
- 619 (B) has received at least an associate of applied science degree or similar degree
- 620 following the completion of a course of study approved by the division and had
- 621 one year of supervisory experience as a licensed journeyman plumber in
- 622 accordance with division rule; or
- 623 (C) meets the qualifications for expedited licensure as established by rules made
- 624 by the commission, with the concurrence of the director, in accordance with
- 625 Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly
- 626 demonstrate the applicant has the knowledge and skills to be a licensed master
- 627 plumber.
- 628 (ii) An individual holding a valid Utah license as a journeyman plumber, based on at
- 629 least four years of practical experience as a licensed apprentice under the
- 630 supervision of a licensed journeyman plumber and four years as a licensed
- 631 journeyman plumber, in effect immediately prior to May 5, 2008, is on and after
- 632 May 5, 2008, considered to hold a current master plumber license under this
- 633 chapter, and satisfies the requirements of this Subsection (3)(a) for the purpose of
- 634 renewal or reinstatement of that license under Section 58-55-303.
- 635 (iii) An individual holding a valid plumbing contractor's license or residential
- 636 plumbing contractor's license, in effect immediately prior to May 5, 2008, is on or
- 637 after May 5, 2008:
- 638 (A) considered to hold a current master plumber license under this chapter if
- 639 licensed as a plumbing contractor and a journeyman plumber, and satisfies the
- 640 requirements of this Subsection (3)(a) for purposes of renewal or reinstatement

- 641 of that license under Section 58-55-303; and
- 642 (B) considered to hold a current residential master plumber license under this
643 chapter if licensed as a residential plumbing contractor and a residential
644 journeyman plumber, and satisfies the requirements of this Subsection (3)(a)
645 for purposes of renewal or reinstatement of that license under Section
646 58-55-303.
- 647 (b) A master residential plumber applicant shall produce satisfactory evidence that the
648 applicant:
- 649 (i) has been a licensed residential journeyman plumber for at least two years and had
650 two years of supervisory experience as a licensed residential journeyman plumber
651 in accordance with division rule; or
- 652 (ii) meets the qualifications for expedited licensure as established by rules made by
653 the commission, with the concurrence of the director, in accordance with Title
654 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate
655 the applicant has the knowledge and skills to be a licensed master residential
656 plumber.
- 657 (c) A journeyman plumber applicant shall produce satisfactory evidence of:
- 658 (i) successful completion of the equivalent of at least four years of full-time training
659 and instruction as a licensed apprentice plumber under supervision of a licensed
660 master plumber or journeyman plumber and in accordance with a planned
661 program of training approved by the division;
- 662 (ii) at least eight years of full-time experience approved by the division in
663 collaboration with the Electricians and Plumbers Licensing Board; or
- 664 (iii) meeting the qualifications for expedited licensure as established by rules made
665 by the commission, with the concurrence of the director, in accordance with Title
666 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate
667 the applicant has the knowledge and skills to be a licensed journeyman plumber.
- 668 (d) A residential journeyman plumber shall produce satisfactory evidence of:
- 669 (i) completion of the equivalent of at least three years of full-time training and
670 instruction as a licensed apprentice plumber under the supervision of a licensed
671 residential master plumber, licensed residential journeyman plumber, or licensed
672 journeyman plumber in accordance with a planned program of training approved
673 by the division;
- 674 (ii) completion of at least six years of full-time experience in a maintenance or repair

- 675 trade involving substantial plumbing work; or
- 676 (iii) meeting the qualifications for expedited licensure as established by rules made
677 by the commission, with the concurrence of the director, in accordance with Title
678 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate
679 the applicant has the knowledge and skills to be a licensed residential journeyman
680 plumber.
- 681 (e) The conduct of licensed apprentice plumbers and their licensed supervisors shall be
682 in accordance with the following:
- 683 (i) while engaging in the trade of plumbing, a licensed apprentice plumber shall be
684 under the immediate supervision of a licensed master plumber, licensed residential
685 master plumber, licensed journeyman plumber, or licensed residential journeyman
686 plumber;
- 687 (ii) beginning in a licensed apprentice plumber's fourth year of training, a licensed
688 apprentice plumber may work without supervision for a period not to exceed eight
689 hours in any 24-hour period; and
- 690 (iii) rules made by the commission, with the concurrence of the director, in
691 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
692 regarding the ratio of apprentices allowed under the immediate supervision of a
693 licensed supervisor, including the ratio of apprentices in their fourth year of
694 training or later that are allowed to be under the immediate supervision of a
695 licensed supervisor.
- 696 (f) A master electrician applicant shall produce satisfactory evidence that the applicant:
- 697 (i) is a graduate electrical engineer of an accredited college or university approved by
698 the division and has one year of practical electrical experience as a licensed
699 apprentice electrician;
- 700 (ii) is a graduate of an electrical trade school, having received an associate of applied
701 sciences degree following successful completion of a course of study approved by
702 the division, and has two years of practical experience as a licensed journeyman
703 electrician;
- 704 (iii) has four years of practical experience as a journeyman electrician; or
- 705 (iv) meets the qualifications for expedited licensure as established by rules made by
706 the commission, with the concurrence of the director, in accordance with Title
707 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate
708 the applicant has the knowledge and skills to be a licensed master electrician.

- 709 (g) A master residential electrician applicant shall produce satisfactory evidence that the
710 applicant:
- 711 (i) has at least two years of practical experience as a residential journeyman
712 electrician; or
- 713 (ii) meets the qualifications for expedited licensure as established by rules made by
714 the commission, with the concurrence of the director, in accordance with Title
715 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate
716 the applicant has the knowledge and skills to be a master residential electrician.
- 717 (h) A journeyman electrician applicant shall produce satisfactory evidence that the
718 applicant:
- 719 (i) has successfully completed at least four years of full-time training and instruction
720 as a licensed apprentice electrician under the supervision of a master electrician or
721 journeyman electrician and in accordance with a planned training program
722 approved by the division;
- 723 (ii) has at least eight years of full-time experience approved by the division in
724 collaboration with the Electricians and Plumbers Licensing Board; or
- 725 (iii) meets the qualifications for expedited licensure as established by rules made by
726 the commission, with the concurrence of the director, in accordance with Title
727 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate
728 the applicant has the knowledge and skills to be a licensed journeyman electrician.
- 729 (i) A residential journeyman electrician applicant shall produce satisfactory evidence
730 that the applicant:
- 731 (i) has successfully completed two years of training in an electrical training program
732 approved by the division;
- 733 (ii) has four years of practical experience in wiring, installing, and repairing electrical
734 apparatus and equipment for light, heat, and power under the supervision of a
735 licensed master, journeyman, residential master, or residential journeyman
736 electrician; or
- 737 (iii) meets the qualifications for expedited licensure as established by rules made by
738 the commission, with the concurrence of the director, in accordance with Title
739 63G, Chapter 3, Utah Administrative Rulemaking Act, that clearly demonstrate
740 the applicant has the knowledge and skills to be a licensed residential journeyman
741 electrician.
- 742 (j) The conduct of licensed apprentice electricians and their licensed supervisors shall be

- 743 in accordance with the following:
- 744 (i) a licensed apprentice electrician shall be under the immediate supervision of a
745 licensed master, journeyman, residential master, or residential journeyman
746 electrician;
- 747 (ii) beginning in a licensed apprentice electrician's fourth year of training, a licensed
748 apprentice electrician may work without supervision for a period not to exceed
749 eight hours in any 24-hour period;
- 750 (iii) rules made by the commission, with the concurrence of the director, in
751 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
752 regarding the ratio of apprentices allowed under the immediate supervision of a
753 licensed supervisor, including the ratio of apprentices in their fourth year of
754 training or later that are allowed to be under the immediate supervision of a
755 licensed supervisor; and
- 756 (iv) a licensed supervisor may have up to three licensed apprentice electricians on a
757 residential project, or more if established by rules made by the commission, in
758 concurrence with the director, in accordance with Title 63G, Chapter 3, Utah
759 Administrative Rulemaking Act.
- 760 (k) An alarm company applicant shall:
- 761 (i) have a qualifying agent who:
- 762 (A) is an alarm company officer, alarm company owner, alarm company
763 proprietor, an alarm company trustee, or other responsible management
764 personnel;
- 765 (B) demonstrates 6,000 hours of experience in the alarm company business;
- 766 (C) demonstrates 2,000 hours of experience as a manager or administrator in the
767 alarm company business or in a construction business; and
- 768 (D) passes an examination [~~component~~] established by rule by the commission
769 with the concurrence of the director;
- 770 (ii) provide the name, address, date of birth, social security number, fingerprint card,
771 and consent to a background check in accordance with Section 58-55-302.1 and
772 requirements established by division rule made in accordance with Title 63G,
773 Chapter 3, Utah Administrative Rulemaking Act, for each alarm company officer,
774 alarm company owner, alarm company proprietor, alarm company trustee, and
775 responsible management personnel with direct responsibility for managing
776 operations of the applicant within the state;

- 777 (iii) document that none of the persons described in Subsection (3)(k)(ii):
778 (A) have been declared by any court of competent jurisdiction incompetent by
779 reason of mental defect or disease and not been restored; or
780 (B) are currently suffering from habitual drunkenness or from drug addiction or
781 dependence;
- 782 (iv) file and maintain with the division evidence of:
783 (A) comprehensive general liability insurance in form and in amounts to be
784 established by rule by the commission with the concurrence of the director;
785 (B) workers' compensation insurance that covers employees of the applicant in
786 accordance with applicable Utah law; and
787 (C) registration as is required by applicable law with the:
788 (I) Division of Corporations and Commercial Code;
789 (II) Unemployment Insurance Division in the Department of Workforce
790 Services, for purposes of Title 35A, Chapter 4, Employment Security Act;
791 (III) State Tax Commission; and
792 (IV) Internal Revenue Service; and
793 (v) meet with the division and board.
- 794 (l) Each applicant for licensure as an alarm company agent shall:
795 (i) submit an application in a form prescribed by the division accompanied by
796 fingerprint cards;
797 (ii) pay a fee determined by the department under Section 63J-1-504;
798 (iii) submit to and pass a criminal background check in accordance with Section
799 58-55-302.1 and requirements established by division rule made in accordance
800 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
801 (iv) not have been declared by any court of competent jurisdiction incompetent by
802 reason of mental defect or disease and not been restored;
803 (v) not be currently suffering from habitual drunkenness or from drug addiction or
804 dependence; and
805 (vi) meet with the division and board if requested by the division or the board.
- 806 (m)(i) Each applicant for licensure as an elevator mechanic shall:
807 (A) provide documentation of experience and education credits of not less than
808 three years work experience in the elevator industry, in construction,
809 maintenance, or service and repair; and
810 (B) satisfactorily complete a written examination administered by the division

- 811 established by rule under Section 58-1-203; or
- 812 (C) provide certificates of completion of an apprenticeship program for elevator
813 mechanics, having standards substantially equal to those of this chapter and
814 registered with the United States Department of Labor Bureau Apprenticeship
815 and Training or a state apprenticeship council.
- 816 (ii)(A) If an elevator contractor licensed under this chapter cannot find a licensed
817 elevator mechanic to perform the work of erecting, constructing, installing,
818 altering, servicing, repairing, or maintaining an elevator, the contractor may:
- 819 (I) notify the division of the unavailability of licensed personnel; and
- 820 (II) request the division issue a temporary elevator mechanic license to an
821 individual certified by the contractor as having an acceptable combination
822 of documented experience and education to perform the work described in
823 this Subsection (3)(m)(ii)(A).
- 824 (B)(I) The division may issue a temporary elevator mechanic license to an
825 individual certified under Subsection (3)(m)(ii)(A)(II) upon application by
826 the individual, accompanied by the appropriate fee as determined by the
827 department under Section 63J-1-504.
- 828 (II) The division shall specify the time period for which the license is valid and
829 may renew the license for an additional time period upon its determination
830 that a shortage of licensed elevator mechanics continues to exist.
- 831 (n) An applicant for licensure as an HVAC contractor shall produce satisfactory
832 evidence to the division that the applicant:
- 833 (i) completed two years full-time paid employment of HVAC specific experience; and
834 (ii) passed an examination the commission, with the concurrence of the director,
835 established by rule in accordance with Title 63G, Chapter 3, Utah Administrative
836 Rulemaking Act.
- 837 (o) An applicant for a general engineering contractor's license described in Subsection
838 (1) may satisfy Subsection (1)(e)(ii)(A):
- 839 (i) by producing satisfactory evidence of four years relevant full-time paid
840 employment experience; or
- 841 (ii) if the applicant is a licensed journeyman lineman in another jurisdiction, by
842 meeting the requirements the division makes by rule in accordance with Title
843 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 844 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

845 division may make rules establishing when Federal Bureau of Investigation records shall
846 be checked for applicants as an alarm company or alarm company agent under this
847 section and Section 58-55-302.1.

848 (5)(a) An application for licensure under this chapter shall be denied if:

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

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

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

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

861 (B) any owner or agent acting as a qualifier has served in any capacity listed in
862 Subsection (5)(a)(ii)(B) in any entity which has had a previous license, which
863 was issued under this chapter, suspended or revoked within two years before
864 the date of the applicant's application; or

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

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

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

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

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

876 (B) any corporate officer, director, shareholder holding 25% or more of the stock
877 in the applicant, partner, member, agent acting as a qualifier, or any person
878 occupying a similar status, performing similar functions, or directly or

- 879 indirectly controlling the applicant has served in any similar capacity with any
880 person or entity which has had a previous license, which was issued under this
881 chapter, suspended or revoked more than two years before the date of the
882 applicant's application; or
- 883 (iii)(A) the applicant is an individual or sole proprietorship; and
884 (B) any owner or agent acting as a qualifier has served in any capacity listed in
885 Subsection (5)(a)(ii)(B) in any entity which has had a previous license, which
886 was issued under this chapter, suspended or revoked more than two years
887 before the date of the applicant's application.
- 888 (6)(a)(i) A licensee that is an unincorporated entity shall file an ownership status
889 report with the division every 30 days after the day on which the license is issued
890 if the licensee has more than five owners who are individuals who:
- 891 (A) own an interest in the contractor that is an unincorporated entity;
892 (B) own, directly or indirectly, less than an 8% interest, as defined by rule made
893 by the division in accordance with Title 63G, Chapter 3, Utah Administrative
894 Rulemaking Act, in the unincorporated entity; and
895 (C) engage, or will engage, in a construction trade in the state as owners of the
896 contractor described in Subsection (6)(a)(i)(A).
- 897 (ii) If the licensee has five or fewer owners described in Subsection (6)(a)(i), the
898 licensee shall provide the ownership status report with an application for renewal
899 of licensure.
- 900 (b) An ownership status report required under this Subsection (6) shall:
- 901 (i) specify each addition or deletion of an owner:
- 902 (A) for the first ownership status report, after the day on which the unincorporated
903 entity is licensed under this chapter; and
904 (B) for a subsequent ownership status report, after the day on which the previous
905 ownership status report is filed;
- 906 (ii) be in a format prescribed by the division that includes for each owner, regardless
907 of the owner's percentage ownership in the unincorporated entity, the information
908 described in Subsection (1)(e)(vi);
- 909 (iii) list the name of:
- 910 (A) each officer or manager of the unincorporated entity; and
911 (B) each other individual involved in the operation, supervision, or management
912 of the unincorporated entity; and

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

916 (c) The division may, at any time, audit an ownership status report under this Subsection
 917 (6):

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

920 (ii) to determine compliance with Subsection 58-55-501(23), (24), or (26) or
 921 Subsection 58-55-502(8) or (9).

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

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

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

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

930 (ii) every 30 days after the day on which the unincorporated entity provides the list
 931 described in Subsection (7)(a)(i), an ownership status report containing the
 932 information that would be required under Subsection (6) if the unincorporated
 933 entity were a licensed contractor.

934 (b) When filing an ownership list described in Subsection (7)(a)(i) or an ownership
 935 status report described in Subsection [~~(7)(a)(i)~~] (7)(a)(ii) an unincorporated entity
 936 shall pay a fee set by the division in accordance with Section 63J-1-504.

937 (8) This chapter may not be interpreted to create or support an express or implied
 938 independent contractor relationship between an unincorporated entity described in
 939 Subsection (6) or (7) and the owners of the unincorporated entity for any purpose,
 940 including income tax withholding.

941 (9)(a) A social security number provided under Subsection (1)(e)(vi) or (3)(k)(ii) is a
 942 private record under Subsection 63G-2-302(1)(i).

943 (b) The division may designate an applicant's evidence of identity under Subsection
 944 (1)(e)(vi) as a private record in accordance with Section 63G-2-302.

945 Section 4. **Effective Date.**

946 This bill takes effect on May 7, 2025.