

Effective 5/6/2026

Superseded 1/1/2027

58-55-502 Unprofessional conduct.

Unprofessional conduct includes:

- (1) failing to establish, maintain, or demonstrate financial responsibility while licensed as a contractor under this chapter;
- (2) disregarding or violating through gross negligence or a pattern of negligence:
 - (a) the building or construction laws of this state or any political subdivision;
 - (b) the safety and labor laws applicable to a project;
 - (c) any provision of the health laws applicable to a project;
 - (d) the workers' compensation insurance laws of this state applicable to a project;
 - (e) the laws governing withholdings for employee state and federal income taxes, unemployment taxes, Social Security payroll taxes, or other required withholdings; or
 - (f) any reporting, notification, and filing laws of this state or the federal government;
- (3) any willful, fraudulent, or deceitful act by a licensee, caused by a licensee, or at a licensee's direction which causes material injury to another;
- (4) contract violations that pose a threat or potential threat to the public health, safety, and welfare including:
 - (a) willful, deliberate, or grossly negligent departure from or disregard for plans or specifications, or abandonment or failure to complete a project without the consent of the owner or the owner's duly authorized representative or the consent of any other person entitled to have the particular project completed in accordance with the plans, specifications, and contract terms;
 - (b) failure to deposit funds to the benefit of an employee as required under any written contractual obligation the licensee has to the employee;
 - (c) failure to maintain in full force and effect any health insurance benefit to an employee that was extended as a part of any written contractual obligation or representation by the licensee, unless the employee is given written notice of the licensee's intent to cancel or reduce the insurance benefit at least 45 days before the effective date of the cancellation or reduction;
 - (d) failure to reimburse the Residence Lien Recovery Fund as required by Section 38-11-207;
 - (e) failure to provide, when applicable, the information required by Section 38-11-108; and
 - (f) willfully or deliberately misrepresenting or omitting a material fact in connection with an application to claim recovery from the Residence Lien Recovery Fund under Section 38-11-204;
- (5) failing as an alarm company to notify the division of the cessation of performance of the alarm company's qualifying agent, or failing to replace the alarm company's qualifying agent as required under Section 58-55-304;
- (6) failing as an alarm company agent to carry or display a copy of the licensee's license as required under Section 58-55-311;
- (7) failing to comply with operating standards established by rule in accordance with Section 58-55-308;
- (8) an unincorporated entity licensed under this chapter having an individual who owns an interest in the unincorporated entity engage in a construction trade in Utah while not lawfully present in the United States;
- (9) an unincorporated entity failing to provide the following for an individual who engages, or will engage, in a construction trade in Utah for the unincorporated entity:
 - (a) workers' compensation coverage to the extent required by Title 34A, Chapter 2, Workers' Compensation Act, and Title 34A, Chapter 3, Utah Occupational Disease Act; and

- (b) unemployment compensation in accordance with Title 35A, Chapter 4, Employment Security Act, for an individual who owns, directly or indirectly, less than an 8% interest in the unincorporated entity, as defined by rule made by the division in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
- (10) the failure of an alarm company or alarm company agent to inform a potential customer, before the customer's purchase of an alarm system or alarm service from the alarm company, of the policy of the county, city, or town within which the customer resides relating to priority levels for responding to an alarm signal transmitted by the alarm system that the alarm company provides the customer;
- (11) failing to continuously maintain insurance and registration as required under Subsection 58-55-302(2); or
- (12) failing to comply with Section 58-55-313.

Amended by Chapter 198, 2026 General Session