

Representative Glenn L. Way proposes to substitute the following bill:

OWNER BUILDER SELLING HOME

2001 GENERAL SESSION

STATE OF UTAH

Sponsor: Chad E. Bennion

This act modifies the Construction Trades Licensing Act to allow sole owners of property to build no more than one residential structure per year and no more than three residential structures per five years on their own property for their own noncommercial, nonpublic use.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

58-55-305, as last amended by Chapter 264, Laws of Utah 1999

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

Section 1. Section **58-55-305** is amended to read:

58-55-305. Exemptions from licensure.

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

(1) an authorized representative of the United States government or an authorized employee of the state or any of its political subdivisions when working on construction work of the state or the subdivision, and when acting within the terms of his trust, office, or employment;

(2) a person engaged in construction or operation incidental to the construction and repair of irrigation and drainage ditches of regularly constituted irrigation districts, reclamation districts, and drainage districts or construction and repair relating to farming, dairying, agriculture, livestock or poultry raising, metal and coal mining, quarries, sand and gravel excavations, well drilling, hauling to and from construction sites, and lumbering;

(3) public utilities operating under the rules of the Public Service Commission on



26 construction work incidental to their own business;

27 (4) sole owners of property engaged in building:

28 (a) no more than [~~two~~] one residential [~~structures~~] structure per year and no more than
29 three residential structures per five years on their property for their own noncommercial, nonpublic
30 use [~~that the owner lives in for at least three months~~]; except, any person other than the property
31 owner or individuals described in Subsection (5) who engages in building the structure must be
32 licensed under this chapter if he is otherwise required to be licensed under this chapter; or

33 (b) structures on their property for their own noncommercial, nonpublic use which are
34 incidental to a residential structure on the property, including sheds, carports, or detached garages;

35 (5) (a) an individual engaged in construction or renovation of a residential building for
36 noncommercial, nonpublic use if that person:

37 (i) works without compensation other than token compensation that is not considered
38 salary or wages; and

39 (ii) works under the direction of the property owner who engages in building the structure;

40 (b) for purposes of this Subsection (5), "token compensation" means compensation paid
41 by a sole owner of property exempted from licensure under Subsection (4) to an individual
42 exempted from licensure under this Subsection (5), that is:

43 (i) minimal in value when compared with the fair market value of the services provided
44 by the individual;

45 (ii) not related to the fair market value of the services provided by the individual; and

46 (iii) is incidental to providing of services by the individual including paying for or
47 providing meals or refreshment while services are being provided, or paying reasonable
48 transportation costs incurred by the individual in travel to the site of construction;

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

53 (7) a contractor submitting a bid on a federal aid highway project, if, before undertaking
54 any construction under that bid, the contractor is licensed under this chapter;

55 (8) (a) a person engaged in the alteration, repair, remodeling, or addition to or
56 improvement of any building with a contracted or agreed value of less than \$1,000, including both

57 labor and materials, and including all changes or additions to the contracted or agreed upon work;

58 (b) notwithstanding Subsection (8)(a), work in the plumbing and electrical trades must be
59 performed by a licensed electrician or plumber except as otherwise provided in this section;

60 (9) a person practicing a specialty contractor classification or construction trade which is
61 not classified by rule by the director as significantly impacting the public's health, safety, and
62 welfare;

63 (10) owners and lessees of property and persons regularly employed for wages by owners
64 or lessees of property or their agents for the purpose of maintaining the property, are exempt from
65 this chapter when doing work upon the property;

66 (11) (a) a person engaged in minor plumbing work incidental to the replacement or repair
67 of a fixture or an appliance in a residential or small commercial building, or structure used for
68 agricultural use, as defined in Section 58-56-4, provided that no modification is made to existing
69 culinary water, soil, waste, or vent piping;

70 (b) except as provided in Subsection (5), installation for the first time of a fixture or an
71 appliance is not included in the exemption provided under Subsection (11)(a);

72 (12) a person who ordinarily would be subject to the plumber licensure requirements set
73 forth in this chapter when installing or repairing a water conditioner or other water treatment
74 apparatus if the conditioner or apparatus:

75 (a) meets the appropriate state construction codes or local plumbing standards; and

76 (b) is installed or repaired under the direction of a person authorized to do such work under
77 an appropriate specialty contractor license;

78 (13) a person who ordinarily would be subject to the electrician licensure requirements set
79 forth in this chapter when employed by or under contract with:

80 (a) railroad corporations, telephone corporations or their corporate affiliates, elevator
81 contractors or constructors, or street railway systems; or

82 (b) public service corporations, rural electrification associations, or municipal utilities who
83 generate, distribute, or sell electrical energy for light, heat, or power;

84 (14) a person involved in minor electrical work incidental to a mechanical or service
85 installation; and

86 (15) a student participating in construction trade education and training programs approved
87 by the division in collaboration with the board under the condition that:

88 (a) all work intended as a part of a finished product on which there would normally be an
89 inspection by a building inspector is, in fact, inspected and found acceptable by a licensed building
90 inspector; and

91 (b) a licensed contractor obtains the necessary building permits.