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*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 company" means a person engaged in the sale, installation, maintenance, alteration, repair, replacement, servicing, or monitoring of an alarm system, except as provided in Subsection (1)(b).

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

(i) a person engaged in the manufacture and sale of alarm systems when that person is not engaged in the installation, maintenance, alteration, repair, replacement, servicing, or monitoring of alarm systems, and the manufacture or sale occurs only at a place of business established by the person engaged in the manufacture or sale and does not involve site visits at the place or intended place of installation of an alarm system; or

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

(2) "Alarm company agent" means any individual employed within this state by a person engaged in the alarm business.

(3) "Alarm system" means equipment and devices assembled for the purpose of:

(a) detecting and signaling unauthorized intrusion or entry into or onto certain premises; or

(b) signaling a robbery or attempted robbery on protected premises.

(4) "Apprentice electrician" means a person licensed under this chapter as an apprentice electrician who is learning the electrical trade under approved supervision of a master electrician, residential master electrician, a journeyman electrician, or a residential journeyman electrician.

(5) "Apprentice plumber" means a person licensed under this chapter as an apprentice plumber who is learning the plumbing trade under approved supervision of a journeyman plumber.

(6) "Approved supervision" means the immediate supervision of apprentices by

59 qualified licensed electricians or plumbers as a part of a planned program of training.

60 (7) "Board" means the Electrician Licensing Board, Alarm System Security and  
61 Licensing Board, or Plumbers Licensing Board created in Section 58-55-201.

62 (8) "Combustion system" means an assembly consisting of:

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

66 (b) the electric control and combustion air supply and venting systems; and

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

68 (9) "Commission" means the Construction Services Commission created under Section  
69 58-55-103.

70 (10) "Construction trade" means any trade or occupation involving:

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

74 (ii) constructing, remodeling, or repairing a manufactured home or mobile home as  
75 defined in Section 58-56-3; or

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

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

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

85 (i) a person who builds any structure on his own property for the purpose of sale or  
86 who builds any structure intended for public use on his own property;

87 (ii) any person who represents himself to be a contractor by advertising or any other  
88 means;

89 (iii) any person engaged as a maintenance person, other than an employee, who

90 regularly engages in activities set forth under the definition of "construction trade";

91 (iv) any person engaged in any construction trade for which licensure is required under  
92 this chapter; or

93 (v) a construction manager who performs management and counseling services on a  
94 construction project for a fee.

95 (b) "Contractor" does not include an alarm company or alarm company agent.

96 (13) "Crane operator" means an individual engaged in operating a crane, which for  
97 purposes of this chapter is a power-operated hoisting machine used in construction, demolition,  
98 or excavation work that has a power-operated winch, load-line, and boom moving laterally by  
99 the rotation of the machine on a carrier and has a manufacturer rated lifting capacity of at least  
100 ten tons. It does not include operating a fork lift, digger derrick truck, aircraft, bucket truck,  
101 knuckle boom, trolley boom, or a vehicle or machine not using a power-operated winch and  
102 load-line.

103 ~~[(13)]~~ (14) (a) "Electrical trade" means the performance of any electrical work involved  
104 in the installation, construction, alteration, change, repair, removal, or maintenance of facilities,  
105 buildings, or appendages or appurtenances.

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

107 (i) transporting or handling electrical materials;

108 (ii) preparing clearance for raceways for wiring; or

109 (iii) work commonly done by unskilled labor on any installations under the exclusive  
110 control of electrical utilities.

111 (c) For purposes of Subsection ~~[(13)]~~ (14)(b):

112 (i) no more than one unlicensed person may be so employed unless more than five  
113 licensed electricians are employed by the shop; and

114 (ii) a shop may not employ unlicensed persons in excess of the five-to-one ratio  
115 permitted by this Subsection ~~[(13)]~~ (14)(c).

116 ~~[(14)]~~ (15) "Employee" means an individual as defined by the division by rule giving  
117 consideration to the definition adopted by the Internal Revenue Service and the Department of  
118 Workforce Services.

119 ~~[(15)]~~ (16) "Engage in a construction trade" means to:

120 (a) engage in, represent oneself to be engaged in, or advertise oneself as being engaged

121 in a construction trade; or

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

124 [~~16~~] (17) (a) "Financial responsibility" means a demonstration of a current and  
125 expected future condition of financial solvency evidencing a reasonable expectation to the  
126 division and the board that an applicant or licensee can successfully engage in business as a  
127 contractor without jeopardy to the public health, safety, and welfare.

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

131 [~~17~~] (18) "Gas appliance" means any device that uses natural gas to produce light,  
132 heat, power, steam, hot water, refrigeration, or air conditioning.

133 [~~18~~] (19) (a) "General building contractor" means a person licensed under this  
134 chapter as a general building contractor qualified by education, training, experience, and  
135 knowledge to perform or superintend construction of structures for the support, shelter, and  
136 enclosure of persons, animals, chattels, or movable property of any kind or any of the  
137 components of that construction except plumbing, electrical work, mechanical work, and  
138 manufactured housing installation, for which the general building contractor shall employ the  
139 services of a contractor licensed in the particular specialty, except that a general building  
140 contractor engaged in the construction of single-family and multifamily residences up to four  
141 units may perform the mechanical work and hire a licensed plumber or electrician as an  
142 employee.

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

147 [~~19~~] (20) (a) "General engineering contractor" means a person licensed under this  
148 chapter as a general engineering contractor qualified by education, training, experience, and  
149 knowledge to perform construction of fixed works in any of the following: irrigation, drainage,  
150 water, power, water supply, flood control, inland waterways, harbors, railroads, highways,  
151 tunnels, airports and runways, sewers and bridges, refineries, pipelines, chemical and industrial

152 plants requiring specialized engineering knowledge and skill, piers, and foundations, or any of  
153 the components of those works.

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

156 [~~(20)~~] (21) "Immediate supervision" means reasonable direction, oversight, inspection,  
157 and evaluation of the work of a person, in or out of the immediate presence of the supervising  
158 person, so as to ensure that the end result complies with applicable standards.

159 [~~(21)~~] (22) "Individual" means a natural person.

160 [~~(22)~~] (23) "Journeyman electrician" means a person licensed under this chapter as a  
161 journeyman electrician having the qualifications, training, experience, and knowledge to wire,  
162 install, and repair electrical apparatus and equipment for light, heat, power, and other purposes.

163 [~~(23)~~] (24) "Journeyman plumber" means a person licensed under this chapter as a  
164 journeyman plumber having the qualifications, training, experience, and technical knowledge  
165 to engage in the plumbing trade.

166 [~~(24)~~] (25) "Master electrician" means a person licensed under this chapter as a master  
167 electrician having the qualifications, training, experience, and knowledge to properly plan,  
168 layout, and supervise the wiring, installation, and repair of electrical apparatus and equipment  
169 for light, heat, power, and other purposes.

170 [~~(25)~~] (26) "Person" means a natural person, sole proprietorship, joint venture,  
171 corporation, limited liability company, association, or organization of any type.

172 [~~(26)~~] (27) (a) "Plumbing trade" means the performance of any mechanical work  
173 pertaining to the installation, alteration, change, repair, removal, maintenance, or use in  
174 buildings, or within three feet beyond the outside walls of buildings of pipes, fixtures, and  
175 fittings for:

- 176 (i) delivery of the water supply;
- 177 (ii) discharge of liquid and water carried waste; or
- 178 (iii) the building drainage system within the walls of the building.

179 (b) "Plumbing trade" includes work pertaining to the water supply, distribution pipes,  
180 fixtures and fixture traps, soil, waste and vent pipes, and the building drain and roof drains  
181 together with their devices, appurtenances, and connections where installed within the outside  
182 walls of the building.

183            [~~(27)~~] (28) (a) "Ratio of apprentices" means, for the purpose of determining  
184 compliance with the requirements for planned programs of training and electrician apprentice  
185 licensing applications, the shop ratio of apprentice electricians to journeyman or master  
186 electricians shall be one journeyman or master electrician to one apprentice on industrial and  
187 commercial work, and one journeyman or master electrician to three apprentices on residential  
188 work.

189            (b) On-the-job training shall be under circumstances in which the ratio of apprentices  
190 to supervisors is in accordance with a ratio of one-to-one on nonresidential work and up to  
191 three apprentices to one supervisor on residential projects.

192            [~~(28)~~] (29) "Residential and small commercial contractor" means a person licensed  
193 under this chapter as a residential and small commercial contractor qualified by education,  
194 training, experience, and knowledge to perform or superintend the construction of  
195 single-family residences, multifamily residences up to four units, and commercial construction  
196 of not more than three stories above ground and not more than 20,000 square feet, or any of the  
197 components of that construction except plumbing, electrical work, mechanical work, and  
198 manufactured housing installation, for which the residential and small commercial contractor  
199 shall employ the services of a contractor licensed in the particular specialty, except that a  
200 residential and small commercial contractor engaged in the construction of single-family and  
201 multifamily residences up to four units may perform the mechanical work and hire a licensed  
202 plumber or electrician as an employee.

203            [~~(29)~~] (30) "Residential apprentice plumber" means a person licensed under this  
204 chapter as a residential apprentice plumber who is learning the residential plumbing trade while  
205 working on residential buildings under the approved supervision of a residential journeyman  
206 plumber or a journeyman plumber.

207            [~~(30)~~] (31) "Residential building," as it relates to the license classification of residential  
208 apprentice plumber and residential journeyman plumber, means a single or multiple family  
209 dwelling of up to four units.

210            [~~(31)~~] (32) "Residential journeyman electrician" means a person licensed under this  
211 chapter as a residential journeyman electrician having the qualifications, training, experience,  
212 and knowledge to wire, install, and repair electrical apparatus and equipment for light, heat,  
213 power, and other purposes on buildings using primarily nonmetallic sheath cable.

214            [~~(32)~~] (33) "Residential journeyman plumber" means a person licensed under this  
215 chapter as a residential journeyman plumber having the qualifications, training, experience, and  
216 knowledge to engage in the plumbing trade as limited to the plumbing of residential buildings.

217            [~~(33)~~] (34) "Residential master electrician" means a person licensed under this chapter  
218 as a residential master electrician having the qualifications, training, experience, and  
219 knowledge to properly plan, layout, and supervise the wiring, installation, and repair of  
220 electrical apparatus and equipment for light, heat, power, and other purposes on residential  
221 projects.

222            [~~(34)~~] (35) "Residential project," as it relates to an electrician or electrical contractor,  
223 means buildings primarily wired with nonmetallic sheathed cable, in accordance with standard  
224 rules and regulations governing this work, including the National Electrical Code, and in which  
225 the voltage does not exceed 250 volts line to line and 125 volts to ground.

226            [~~(35)~~] (36) "Specialty contractor" means a person licensed under this chapter under a  
227 specialty contractor classification established by rule, who is qualified by education, training,  
228 experience, and knowledge to perform those construction trades and crafts requiring  
229 specialized skill, the regulation of which are determined by the division to be in the best  
230 interest of the public health, safety, and welfare. A specialty contractor may perform work in  
231 crafts or trades other than those in which he is licensed if they are incidental to the performance  
232 of his licensed craft or trade.

233            [~~(36)~~] (37) "Unlawful conduct" is as defined in Sections 58-1-501 and 58-55-501.

234            [~~(37)~~] (38) "Unprofessional conduct" is as defined in Sections 58-1-501 and 58-55-502  
235 and as may be further defined by rule.

236            [~~(38)~~] (39) "Wages" means amounts due to an employee for labor or services whether  
237 the amount is fixed or ascertained on a time, task, piece, commission, or other basis for  
238 calculating the amount.

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

240            **58-55-301. License required -- License classifications.**

241            (1) (a) Any person engaged in the construction trades licensed under this chapter, as a  
242 contractor regulated under this chapter, as an alarm business or company, or as an alarm  
243 company agent, shall become licensed under this chapter before engaging in that trade or  
244 contracting activity in this state unless specifically exempted from licensure under Section

245 58-1-307 or 58-55-305.

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

249 (c) Neither the state nor any of its political subdivisions may require of a licensee any  
250 additional business licenses, registrations, certifications, contributions, donations, or anything  
251 else established for the purpose of qualifying a licensee under this chapter to do business in that  
252 local jurisdiction, except for contract prequalification procedures required by state agencies, or  
253 the payment of any fee for the license, registration, or certification established as a condition to  
254 do business in that local jurisdiction.

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

- 257 (a) general engineering contractor;
- 258 (b) general building contractor;
- 259 (c) residential and small commercial contractor;
- 260 (d) specialty contractor;
- 261 (e) journeyman plumber;
- 262 (f) apprentice plumber;
- 263 (g) residential journeyman plumber;
- 264 (h) residential apprentice plumber;
- 265 (i) master electrician;
- 266 (j) residential master electrician;
- 267 (k) journeyman electrician;
- 268 (l) residential journeyman electrician;
- 269 (m) apprentice electrician;
- 270 (n) construction trades instructor:
  - 271 (i) general engineering classification;
  - 272 (ii) general building classification;
  - 273 (iii) electrical classification;
  - 274 (iv) plumbing classification; and
  - 275 (v) mechanical classification;

276 (o) alarm company; [~~and~~]

277 (p) alarm company agent[-]; and

278 (q) crane operator.

279 (3) (a) An applicant may apply for a license in one or more classification or specialty  
280 contractor subclassification.

281 (b) A license shall be granted in each classification or subclassification for which the  
282 applicant qualifies.

283 (c) A separate application and fee must be submitted for each license classification or  
284 subclassification.

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

286 **58-55-302. Qualifications for licensure.**

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

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

289 (b) pay a fee as determined by the department under Section 63-38-3.2;

290 (c) (i) meet the examination requirements established by rule by the commission with  
291 the concurrence of the director, except for the classifications of apprentice plumber, residential  
292 apprentice plumber, and apprentice electrician for whom no examination is required; or

293 (ii) if required in Section 58-55-304, the individual qualifier must pass the required  
294 examination if the applicant is a business entity;

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

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

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

299 (ii) produce satisfactory evidence of knowledge and experience in the construction  
300 industry and knowledge of the principles of the conduct of business as a contractor, reasonably  
301 necessary for the protection of the public health, safety, and welfare; and

302 (iii) be a licensed master electrician if an applicant for an electrical contractor's license  
303 or a licensed master residential electrician if an applicant for a residential electrical contractor's  
304 license; or

305 (iv) be a journeyman plumber or residential journeyman plumber if an applicant for a  
306 plumbing contractor's license; and

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

309 (2) After approval of an applicant for a contractor's license by the applicable board and  
310 the division, the applicant shall file the following with the division before the division issues  
311 the license:

312 (a) proof of workers' compensation insurance which covers employees of the applicant  
313 in accordance with applicable Utah law;

314 (b) proof of public liability insurance in coverage amounts and form established by rule  
315 except for a construction trades instructor for whom public liability insurance is not required;  
316 and

317 (c) proof of registration as required by applicable law with the:

318 (i) Utah Department of Commerce;

319 (ii) Division of Corporations and Commercial Code;

320 (iii) Unemployment Insurance Division in the Department of Workforce Services, for  
321 purposes of Title 35A, Chapter 4, Employment Security Act;

322 (iv) State Tax Commission; and

323 (v) Internal Revenue Service.

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

327 (a) A journeyman plumber applicant shall produce satisfactory evidence of:

328 (i) successful completion of the equivalent of at least four years of full-time training  
329 and instruction as a licensed apprentice plumber under supervision of a licensed journeyman  
330 plumber and in accordance with a planned program of training approved by the division;

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

333 (iii) satisfactory evidence of meeting the qualifications determined by the board to be  
334 equivalent to Subsection (3)(a)(i) or ~~(a)(ii)~~.

335 (b) A residential journeyman plumber shall produce satisfactory evidence of:

336 (i) completion of the equivalent of at least three years of full-time training and

337 instruction as a licensed apprentice plumber under the supervision of a licensed residential

338 journeyman plumber or licensed journeyman plumber in accordance with a planned program of  
339 training approved by the division;

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

342 (iii) meeting the qualifications determined by the board to be equivalent to Subsection  
343 (3)(b)(i) or ~~(b)~~(ii).

344 (c) (i) A master electrician applicant shall produce satisfactory evidence that the  
345 applicant:

346 (A) is a graduate electrical engineer of an accredited college or university approved by  
347 the division and has one year of practical electrical experience as a licensed apprentice  
348 electrician;

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

352 (C) has four years of practical experience as a journeyman electrician; or

353 (D) meets the qualifications determined by the board to be equivalent to Subsection  
354 (3)(c)(i)(A), (B), or (C).

355 (ii) (A) An individual holding a valid Utah license as a master electrician, based on at  
356 least eight years of practical experience as a licensed apprentice under the supervision of a  
357 licensed journeyman or master electrician, in effect immediately prior to May 3, 2004, is on  
358 and after May 3, 2004, considered to hold a current license under this chapter and satisfies the  
359 requirements of this Subsection (3)(c) for the purpose of renewal or reinstatement of that  
360 license under Section 58-55-303.

361 (B) An individual who has less than four years of practical experience as a licensed  
362 apprentice under the supervision of a licensed journeyman or master electrician prior to May 3,  
363 2004, shall complete the education requirements of Subsection (3)(c)(i)(A) or (B) to qualify for  
364 licensing as a master electrician.

365 (C) An individual who has more than four but less than six years of practical  
366 experience as a licensed apprentice under the supervision of a licensed journeyman or master  
367 electrician prior to May 3, 2004, may satisfy the education requirements of Subsection  
368 (3)(c)(i)(A) or (B) by successfully passing a competency placement test approved by the board

369 and administered at a Utah state institution of higher education.

370 (D) An individual who has more than six but less than eight years of practical  
371 experience as a licensed apprentice under the supervision of a licensed journeyman or master  
372 electrician prior to May 3, 2004, satisfies the education requirements of this Subsection (3)(c)  
373 by completing the eight-year term of practical experience within a reasonable time frame  
374 subsequent to May 3, 2004, as established by board rule in accordance with Title 63, Chapter  
375 46a, Utah Administrative Rulemaking Act.

376 (d) A master residential electrician applicant shall produce satisfactory evidence that  
377 the applicant:

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

379 or

380 (ii) meets the qualifications determined by the board to be equivalent to this practical  
381 experience.

382 (e) (i) A journeyman electrician applicant shall produce satisfactory evidence that the  
383 applicant:

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

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

389 (C) meets the qualifications determined by the board to be equivalent to Subsection  
390 (3)(e)(i)(A) or (B).

391 (ii) An individual holding a valid Utah license as a journeyman electrician, based on at  
392 least six years of full-time experience approved by the division in collaboration with the  
393 Electricians Licensing Board in effect immediately prior to May 3, 2004, is on and after May 3,  
394 2004, considered to hold a current license under this chapter and satisfies the requirements of  
395 Subsection (3)(e)(i)(B) for the purpose of renewal or reinstatement of that license under  
396 Section 58-55-303.

397 (iii) An individual who has more than six but less than eight years of full-time  
398 experience approved by the division in collaboration with the Electricians Licensing Board  
399 prior to May 3, 2004, satisfies the requirements of Subsection (3)(e)(i) by completing the

400 eight-year term of practical experience within a reasonable time frame subsequent to May 3,  
401 2004, as established by board rule in accordance with Title 63, Chapter 46a, Utah  
402 Administrative Rulemaking Act.

403 (f) A residential journeyman electrician applicant shall produce satisfactory evidence  
404 that the applicant:

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

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

410 (iii) meets the qualifications determined by the division and applicable board to be  
411 equivalent to Subsection (3)(f)(i) or (ii).

412 (g) The conduct of licensed apprentice electricians and their licensed supervisors shall  
413 be in accordance with the following:

414 (i) A licensed apprentice electrician shall be under the immediate supervision of a  
415 licensed master, journeyman, residential master, or residential journeyman electrician. An  
416 apprentice in the fourth year of training may work without supervision for a period not to  
417 exceed eight hours in any 24-hour period.

418 (ii) A licensed master, journeyman, residential master, or residential journeyman  
419 electrician may have under immediate supervision on a residential project up to three licensed  
420 apprentice electricians.

421 (iii) A licensed master or journeyman electrician may have under immediate  
422 supervision on nonresidential projects only one licensed apprentice electrician.

423 (h) An alarm company applicant shall:

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

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

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

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

431 (ii) if a corporation, provide:

432 (A) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards  
433 of all corporate officers, directors, and those responsible management personnel employed  
434 within the state or having direct responsibility for managing operations of the applicant within  
435 the state; and

436 (B) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards  
437 of all shareholders owning 5% or more of the outstanding shares of the corporation, except this  
438 shall not be required if the stock is publicly listed and traded;

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

440 (A) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards  
441 of all company officers, and those responsible management personnel employed within the  
442 state or having direct responsibility for managing operations of the applicant within the state;  
443 and

444 (B) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards  
445 of all individuals owning 5% or more of the equity of the company;

446 (iv) if a partnership, the names, addresses, dates of birth, Social Security numbers, and  
447 fingerprint cards of all general partners, and those responsible management personnel  
448 employed within the state or having direct responsibility for managing operations of the  
449 applicant within the state;

450 (v) if a proprietorship, the names, addresses, dates of birth, Social Security numbers,  
451 and fingerprint cards of the proprietor, and those responsible management personnel employed  
452 within the state or having direct responsibility for managing operations of the applicant within  
453 the state;

454 (vi) be of good moral character in that officers, directors, shareholders described in  
455 Subsection (3)(h)(ii)(B), partners, proprietors, and responsible management personnel have not  
456 been convicted of a felony, a misdemeanor involving moral turpitude, or any other crime that  
457 when considered with the duties and responsibilities of an alarm company is considered by the  
458 board to indicate that the best interests of the public are served by granting the applicant a  
459 license;

460 (vii) document that none of the applicant's officers, directors, shareholders described in  
461 Subsection (3)(h)(ii)(B), partners, proprietors, and responsible management personnel have

462 been declared by any court of competent jurisdiction incompetent by reason of mental defect or  
463 disease and not been restored;

464 (viii) document that none of the applicant's officers, directors, shareholders described  
465 in Subsection (3)(h)(ii)(B), partners, proprietors, and responsible management personnel are  
466 currently suffering from habitual drunkenness or from drug addiction or dependence;

467 (ix) file and maintain with the division evidence of:

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

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

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

473 (I) Division of Corporations and Commercial Code;

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

476 (III) State Tax Commission; and

477 (IV) Internal Revenue Service; and

478 (x) meet with the division and board.

479 (i) Each applicant for licensure as an alarm company agent shall:

480 (i) submit an application in a form prescribed by the division accompanied by  
481 fingerprint cards;

482 (ii) pay a fee determined by the department under Section 63-38-3.2;

483 (iii) be of good moral character in that the applicant has not been convicted of a felony,  
484 a misdemeanor involving moral turpitude, or any other crime that when considered with the  
485 duties and responsibilities of an alarm company agent is considered by the board to indicate  
486 that the best interests of the public are served by granting the applicant a license;

487 (iv) not have been declared by any court of competent jurisdiction incompetent by  
488 reason of mental defect or disease and not been restored;

489 (v) not be currently suffering from habitual drunkenness or from drug addiction or  
490 dependence; and

491 (vi) meet with the division and board if requested by the division or the board.

492 (j) (i) Each applicant for licensing as a crane operator shall:

493           (A) be at least 18 years old;  
494           (B) submit an application on a form prescribed by the division;  
495           (C) pay a fee as determined by the department under Section 63-38-3.2; and  
496           (D) (I) provide documentation of certification as a crane operator; or  
497           (II) satisfy equivalent requirements that demonstrate the applicant's ability to safely  
498 operate a crane as established by division rule made in accordance with Title 63, Chapter 46a,  
499 Utah Administrative Rulemaking Act.

500           (ii) For purposes of this Subsection (3)(j), "certification as a crane operator" means  
501 certification from the National Commission for the Certification of Crane Operators or any  
502 other organization determined by the division to offer an equivalent testing and certification  
503 program that meets the requirements of the American Society of Mechanical Engineers ASME  
504 B 30.5 and the accreditation requirements of the National Commission for Certifying Agencies.

505           (4) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the  
506 division may make rules establishing when Federal Bureau of Investigation records shall be  
507 checked for applicants as an alarm company or alarm company agent.

508           (5) To determine if an applicant meets the qualifications of Subsections (3)(h)(vi) and  
509 (3)(i)(iii), the division shall provide an appropriate number of copies of fingerprint cards to the  
510 Department of Public Safety with the division's request to:

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

515           (b) forward to the Federal Bureau of Investigation a fingerprint card of each applicant  
516 requiring a check of records of the F.B.I. for criminal history information under this section.

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

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

522           (b) the results of the F.B.I. review concerning an applicant in a timely manner after  
523 receipt of information from the F.B.I.

524 (7) (a) The division shall charge each applicant for licensure as an alarm company or  
525 alarm company agent a fee, in accordance with Section 63-38-3.2, equal to the cost of  
526 performing the records reviews under this section.

527 (b) The division shall pay the Department of Public Safety the costs of all records  
528 reviews, and the Department of Public Safety shall pay the F.B.I. the costs of records reviews  
529 under this section.

530 (8) Information obtained by the division from the reviews of criminal history records of  
531 the Department of Public Safety and the F.B.I. shall be used or disseminated by the division  
532 only for the purpose of determining if an applicant for licensure as an alarm company or alarm  
533 company agent is qualified for licensure.

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

535 (i) the applicant has had a previous license, which was issued under this chapter,  
536 suspended or revoked within one year prior to the date of the applicant's application;

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

538 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the  
539 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar  
540 status, performing similar functions, or directly or indirectly controlling the applicant has  
541 served in any similar capacity with any person or entity which has had a previous license,  
542 which was issued under this chapter, suspended or revoked within one year prior to the date of  
543 the applicant's application; or

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

545 (B) any owner or agent acting as a qualifier has served in any capacity listed in  
546 Subsection (9)(a)(ii)(B) in any entity which has had a previous license, which was issued under  
547 this chapter, suspended or revoked within one year prior to the date of the applicant's  
548 application.

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

551 (i) the applicant has had a previous license, which was issued under this chapter,  
552 suspended or revoked more than one year prior to the date of the applicant's application;

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

554 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the

555 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar  
556 status, performing similar functions, or directly or indirectly controlling the applicant has  
557 served in any similar capacity with any person or entity which has had a previous license,  
558 which was issued under this chapter, suspended or revoked more than one year prior to the date  
559 of the applicant's application; or

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

561 (B) any owner or agent acting as a qualifier has served in any capacity listed in  
562 Subsection (9)(b)(ii)(B) in any entity which has had a previous license, which was issued under  
563 this chapter, suspended or revoked more than one year prior to the date of the applicant's  
564 application.

565 Section 4. Section **58-55-303** is amended to read:

566 **58-55-303. Term of license -- Expiration -- Renewal.**

567 (1) (a) Each license issued under this chapter shall be issued in accordance with a  
568 two-year renewal cycle established by rule.

569 (b) The division may by rule extend or shorten a renewal period by as much as one year  
570 to stagger the renewal cycle it administers.

571 (2) At the time of renewal, the licensee shall show satisfactory evidence of continuing  
572 financial responsibility as required under Section 58-55-306.

573 (3) Each license automatically expires on the expiration date shown on the license  
574 unless the licensee renews the license in accordance with Section 58-1-308.

575 (4) The requirements of Subsection 58-55-302(9) shall also apply to applicants seeking  
576 to renew or reinstate a license.

577 (5) In addition to any other requirements imposed by law, if a license has been  
578 suspended or revoked for any reason, the applicant must pay in full all fines imposed by the  
579 division, resolve any outstanding citations or disciplinary actions with the division, satisfy any  
580 Section 58-55-503 judgment and sentence or nontrial resolution, complete a new financial  
581 responsibility review as required under Section 58-55-306, using only titled assets, and pay in  
582 full any reimbursement amount as provided in Title 38, Chapter 11, Residence Lien Restriction  
583 and Lien Recovery Fund Act.

584 (6) An individual seeking renewal of a crane operator's license issued under this  
585 chapter shall provide documentation of the individual's current certification as a crane operator

586 by an entity referred to in Subsection 58-55-302(3)(j)(ii).

587 Section 5. Section **58-55-501** is amended to read:

588 **58-55-501. Unlawful conduct.**

589 Unlawful conduct includes:

590 (1) engaging in a construction trade, acting as a contractor, an alarm business or  
591 company, or an alarm company agent, or representing oneself to be engaged in a construction  
592 trade or to be acting as a contractor in a construction trade requiring licensure, or operating a  
593 crane that requires a licensed crane operator unless the person doing any of these is  
594 appropriately licensed or exempted from licensure under this chapter;

595 (2) acting in a construction trade, as an alarm business or company, [~~or~~] as an alarm  
596 company agent, or as a crane operator beyond the scope of the license held;

597 (3) hiring or employing in any manner an unlicensed person, other than an employee  
598 for wages who is not required to be licensed under this chapter, to engage in a construction  
599 trade for which licensure is required or to act as a contractor or subcontractor in a construction  
600 trade requiring licensure;

601 (4) applying for or obtaining a building permit either for oneself or another when not  
602 licensed or exempted from licensure as a contractor under this chapter;

603 (5) issuing a building permit to any person for whom there is no evidence of a current  
604 license or exemption from licensure as a contractor under this chapter;

605 (6) applying for or obtaining a building permit for the benefit of or on behalf of any  
606 other person who is required to be licensed under this chapter but who is not licensed or is  
607 otherwise not entitled to obtain or receive the benefit of the building permit;

608 (7) failing to obtain a building permit when required by law or rule;

609 (8) submitting a bid for any work for which a license is required under this chapter by a  
610 person not licensed or exempted from licensure as a contractor under this chapter;

611 (9) willfully or deliberately misrepresenting or omitting a material fact in connection  
612 with an application to obtain or renew a license under this chapter;

613 (10) allowing one's license to be used by another except as provided by statute or rule;

614 (11) doing business under a name other than the name appearing on the license, except  
615 as permitted by statute or rule;

616 (12) if licensed as a specialty contractor in the electrical trade or plumbing trade,

617 journeyman plumber, residential journeyman plumber, journeyman electrician, master  
618 electrician, or residential electrician, failing to directly supervise an apprentice under one's  
619 supervision or exceeding the number of apprentices one is allowed to have under his  
620 supervision;

621 (13) if licensed as a contractor or representing oneself to be a contractor, receiving any  
622 funds in payment for a specific project from an owner or any other person, which funds are to  
623 pay for work performed or materials and services furnished for that specific project, and after  
624 receiving the funds to exercise unauthorized control over the funds by failing to pay the full  
625 amounts due and payable to persons who performed work or furnished materials or services  
626 within a reasonable period of time;

627 (14) employing as an alarm company an unlicensed individual as an alarm company  
628 agent, except as permitted under the exemption from licensure provisions under Section  
629 58-1-307;

630 (15) if licensed as an alarm company or alarm company agent, filing with the division  
631 fingerprint cards for an applicant which are not those of the applicant, or are in any other way  
632 false or fraudulent and intended to mislead the division in its consideration of the applicant for  
633 licensure;

634 (16) if licensed under this chapter, willfully or deliberately disregarding or violating:

- 635 (a) the building or construction laws of this state or any political subdivision;
- 636 (b) the safety and labor laws applicable to a project;
- 637 (c) any provision of the health laws applicable to a project;
- 638 (d) the workers' compensation insurance laws of the state applicable to a project;
- 639 (e) the laws governing withholdings for employee state and federal income taxes,  
640 unemployment taxes, FICA, or other required withholdings; or

641 (f) reporting, notification, and filing laws of this state or the federal government;

642 (17) aiding or abetting any person in evading the provisions of this chapter or rules  
643 established under the authority of the division to govern this chapter;

644 (18) engaging in the construction trade or as a contractor for the construction of  
645 residences of up to two units when not currently registered or exempt from registration as a  
646 qualified beneficiary under Title 38, Chapter 11, Residence Lien Restriction and Lien Recovery  
647 Fund Act;

648 (19) failing, as an original contractor, as defined in Section 38-11-102, to include in a  
649 written contract the notification required in Section 38-11-108;

650 (20) wrongfully filing a mechanics' lien in violation of Section 38-1-25; [~~or~~] and

651 (21) if licensed as a contractor, not completing a three-hour core education class and an  
652 additional three hours of professional education approved by the division and the Construction  
653 Services Commission within each two-year renewal cycle, beginning with the two-year renewal  
654 cycle that starts July 1, 2005, and ends June 30, 2007 unless an exemption has been granted to  
655 the licensee by the Construction Services Commission, with the concurrence of the division,  
656 except that this Subsection (21) is repealed effective July 1, 2010 and its implementation is  
657 subject to the division receiving adequate funding for its implementation through a legislative  
658 appropriation.

659 Section 6. **Effective date.**

660 This bill takes effect on July 1, 2006.

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**Legislative Review Note**  
**as of 8-29-05 1:27 PM**

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

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**Fiscal Note**  
**Bill Number SB0092**

**Licensure of Crane Operators**

*14-Jan-06*

*2:58 PM*

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**State Impact**

No significant fiscal impact.

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**Individual and Business Impact**

An additional application and fee will be required with the contractor license application or renewal.

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**Office of the Legislative Fiscal Analyst**