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CONSTRUCTION TRADE EXEMPTION
2009 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Stephen H. Urquhart
House Sponsor: Keith Grover
LONG TITLE
General Description:
This bill modifies the exemptions from licensure provision of the Utah Construction
Trades Licensing Act regarding electrical and plumbing work done on building
projects with a value of less than \$3,000.
Highlighted Provisions:
This bill:
 provides that electrical and plumbing work done within a six month period on a
building project with a value of less than \$3,000 must be done by a licensed
electrical or plumbing contractor if the project involves an electrical or plumbing
system; and
 provides that the electrical or plumbing work may be done by a licensed
journeyman electrician or plumber if the project involves a component of an
electrical or plumbing system such as a faucet, toilet, fixture, device, outlet, or
electrical switch.
Monies Appropriated in this Bill:
None
Other Special Clauses:
None
Utah Code Sections Affected:
AMENDS:
58-55-305 , as last amended by Laws of Utah 2008, Chapters 282, 354, and 377

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30	Be it enacted by the Legislature of the state of Utah:
31	Section 1. Section 58-55-305 is amended to read:
32	58-55-305. Exemptions from licensure.
33	(1) In addition to the exemptions from licensure in Section 58-1-307, the following
34	persons may engage in acts or practices included within the practice of construction trades,
35	subject to the stated circumstances and limitations, without being licensed under this chapter:
36	(a) an authorized representative of the United States government or an authorized
37	employee of the state or any of its political subdivisions when working on construction work
38	of the state or the subdivision, and when acting within the terms of the person's trust, office, or
39	employment;
40	(b) a person engaged in construction or operation incidental to the construction and
41	repair of irrigation and drainage ditches of regularly constituted irrigation districts,
42	reclamation districts, and drainage districts or construction and repair relating to farming,
43	dairying, agriculture, livestock or poultry raising, metal and coal mining, quarries, sand and
44	gravel excavations, well drilling, as defined in Section 73-3-25, hauling to and from
45	construction sites, and lumbering;
46	(c) public utilities operating under the rules of the Public Service Commission on
47	construction work incidental to their own business;
48	(d) sole owners of property engaged in building:
49	(i) no more than one residential structure per year and no more than three residential
50	structures per five years on their property for their own noncommercial, nonpublic use; except,
51	a person other than the property owner or individuals described in Subsection (1)(e), who
52	engages in building the structure must be licensed under this chapter if the person is otherwise
53	required to be licensed under this chapter; or
54	(ii) structures on their property for their own noncommercial, nonpublic use which are
55	incidental to a residential structure on the property, including sheds, carports, or detached
56	garages;
57	(e) (i) a person engaged in construction or renovation of a residential building for

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noncommercial, nonpublic use if that person:

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

- (B) works under the direction of the property owner who engages in building the structure; and
- (ii) as used in this Subsection (1)(e), "token compensation" means compensation paid by a sole owner of property exempted from licensure under Subsection (1)(d) to a person exempted from licensure under this Subsection (1)(e), that is:
- (A) minimal in value when compared with the fair market value of the services provided by the person;
 - (B) not related to the fair market value of the services provided by the person; and
- (C) is incidental to the providing of services by the person including paying for or providing meals or refreshment while services are being provided, or paying reasonable transportation costs incurred by the person in travel to the site of construction;
- (f) a person engaged in the sale or merchandising of personal property that by its design or manufacture may be attached, installed, or otherwise affixed to real property who has contracted with a person, firm, or corporation licensed under this chapter to install, affix, or attach that property;
- (g) a contractor submitting a bid on a federal aid highway project, if, before undertaking construction under that bid, the contractor is licensed under this chapter;
- (h) (i) a person engaged in the alteration, repair, remodeling, or addition to or improvement of a building with a contracted or agreed value of less than \$3,000, including both labor and materials, and including all changes or additions to the contracted or agreed upon work; and
- 82 (ii) notwithstanding Subsection (1)(h)(i) and except as otherwise provided in this section:
 - (A) work in the plumbing and electrical trades on a Subsection (1)(h)(i) project within any six month period of time:

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86	(I) must be performed by [a licensed journeyman electrician or journeyman plumber		
87	except as otherwise provided in this section;] a licensed electrical or plumbing contractor, if		
88	the project involves an electrical or plumbing system; and		
89	(II) may be performed by a licensed journeyman electrician or plumber or an		
90	individual referred to in Subsection (1)(h)(ii)(A)(I), if the project involves a component of the		
91	system such as a faucet, toilet, fixture, device, outlet, or electrical switch;		
92	(B) installation, repair, or replacement of a residential or commercial gas appliance or		
93	a combustion system on a Subsection (1)(h)(i) project must be performed by a person who has		
94	received certification under Subsection 58-55-308(2) except as otherwise provided in		
95	Subsection 58-55-308(2)(d) or 58-55-308(3);		
96	(C) installation, repair, or replacement of water-based fire protection systems on a		
97	Subsection (1)(h)(i) project must be performed by a licensed fire suppression systems		
98	contractor or a licensed journeyman plumber;		
99	(D) work as an alarm business or company or as an alarm company agent shall be		
100	performed by a licensed alarm business or company or a licensed alarm company agent, except		
101	as otherwise provided in this chapter;		
102	(E) installation, repair, or replacement of an alarm system on a Subsection (1)(h)(i)		
103	project must be performed by a licensed alarm business or company or a licensed alarm		
104	company agent;		
105	(F) installation, repair, or replacement of a heating, ventilation, or air conditioning		
106	system (HVAC) on a Subsection (1)(h)(i) project must be performed by an HVAC contractor		
107	licensed by the division; [and]		
108	(G) installation, repair, or replacement of a radon mitigation system or a soil		
109	depressurization system must be performed by a licensed contractor; and		
110	[(G)] (H) if the total value of the project is greater than \$1,000, the person shall file		
111	with the division a one-time affirmation, subject to periodic reaffirmation as established by		
112	division rule, that the person has:		
113	(I) public liability insurance in coverage amounts and form established by division		

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114	rule;	and

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(II) if applicable, workers compensation insurance which would cover an employee of the person if that employee worked on the construction project;

- (i) a person practicing a specialty contractor classification or construction trade which the director does not classify by administrative rule as significantly impacting the public's health, safety, and welfare;
- (j) owners and lessees of property and persons regularly employed for wages by owners or lessees of property or their agents for the purpose of maintaining the property, are exempt from this chapter when doing work upon the property;
- (k) (i) a person engaged in minor plumbing work incidental to the replacement or repair of a fixture or an appliance in a residential or small commercial building, or structure used for agricultural use, as defined in Section 58-56-4, provided that no modification is made to:
 - (A) existing culinary water, soil, waste, or vent piping; or
 - (B) a gas appliance or combustion system; and
- (ii) except as provided in Subsection (1)(e), installation for the first time of a fixture or an appliance is not included in the exemption provided under Subsection (1)(k)(i);
- (l) a person who ordinarily would be subject to the plumber licensure requirements under this chapter when installing or repairing a water conditioner or other water treatment apparatus if the conditioner or apparatus:
 - (i) meets the appropriate state construction codes or local plumbing standards; and
- (ii) is installed or repaired under the direction of a person authorized to do the work under an appropriate specialty contractor license;
- (m) a person who ordinarily would be subject to the electrician licensure requirements under this chapter when employed by:
- (i) railroad corporations, telephone corporations or their corporate affiliates, elevator contractors or constructors, or street railway systems; or
- 141 (ii) public service corporations, rural electrification associations, or municipal utilities

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142 who generate, distribute, or sell electrical energy for light, heat, or power; 143 (n) a person involved in minor electrical work incidental to a mechanical or service 144 installation; 145 (o) a student participating in construction trade education and training programs 146 approved by the commission with the concurrence of the director under the condition that: 147 (i) all work intended as a part of a finished product on which there would normally be 148 an inspection by a building inspector is, in fact, inspected and found acceptable by a licensed 149 building inspector; and 150 (ii) a licensed contractor obtains the necessary building permits; and 151 (p) a delivery person when replacing any of the following existing equipment with a 152 new gas appliance, provided there is an existing gas shutoff valve at the appliance: 153 (i) gas range; 154 (ii) gas dryer; 155 (iii) outdoor gas barbeque; or 156 (iv) outdoor gas patio heater. 157 (2) A compliance agency as defined in Subsection 58-56-3(4) that issues a building 158 permit to a person requesting a permit as a sole owner of property referred to in Subsection 159 (1)(d) shall notify the division, in writing or through electronic transmission, of the issuance of

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the permit.