PROFESSIONAL LICENSING AMENDMENTS
2019 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Mike Schultz
Senate Sponsor:
LONG TITLE
General Description:
This bill modifies provisions of the Utah Construction Trades Licensing Act.
Highlighted Provisions:
This bill:
 modifies testing, course work, and experience requirements for certain contractor
licenses.
Money Appropriated in this Bill:
None
Other Special Clauses:
None
Utah Code Sections Affected:
AMENDS:
58-55-302, as last amended by Laws of Utah 2017, Chapter 411
Be it enacted by the Legislature of the state of Utah:
Section 1. Section 58-55-302 is amended to read:
58-55-302. Qualifications for licensure.
(1) Each applicant for a license under this chapter shall:
(a) submit an application prescribed by the division;
(b) pay a fee as determined by the department under Section 63J-1-504;



28	(c) [(i)] meet the examination requirements established by this section and by rule by
29	the commission with the concurrence of the director, [except that no examination, other than an
30	examination as part of a 25-hour course described in Subsection (1)(e)(iii), is required for
31	licensure as an apprentice electrician, apprentice plumber, or specialty contractor; or] which
32	requirements include:
33	(i) for licensure as an apprentice electrician, apprentice plumber, or specialty
34	contractor, no division-administered examination is required;
35	(ii) for licensure as a general building contractor, general engineering contractor,
36	residential and small commercial contractor, general plumbing contractor, residential plumbing
37	contractor, general electrical contractor, or residential electrical contractor, the only required
38	division-administered examination is a division-administered examination that covers
39	information from the 25-hour course described in Subsection (1)(e)(iii), which course may
40	have been previously completed as part of applying for any other license under this chapter,
41	and the five-hour business law course described in Subsection (1)(e)(iv); and
42	[(ii)] (iii) if required in Section 58-55-304, [the] an individual qualifier must pass the
43	required division-administered examination if the applicant is a business entity;
44	(d) if an apprentice, identify the proposed supervisor of the apprenticeship;
45	(e) if an applicant for a contractor's license:
46	(i) produce satisfactory evidence of financial responsibility, except for a construction
47	trades instructor for whom evidence of financial responsibility is not required;
48	(ii) produce satisfactory evidence of:
49	(A) except as provided in Subsection (2)(a), and except that no employment experience
50	is required for licensure as a specialty contractor, two years full-time paid employment
51	experience in the construction industry, which employment experience [may be related to any
52	contracting classification unless more specifically described in this section], unless more
53	specifically described in this section, may be related to any contracting classification and does
54	not have to include supervisory experience; and
55	(B) knowledge of the principles of the conduct of business as a contractor, reasonably
56	necessary for the protection of the public health, safety, and welfare;
57	(iii) except as otherwise provided by rule by the commission with the concurrence of
58	the director, complete a 25-hour course established by rule by the commission with the

59	concurrence of the director, which is taught by an approved prelicensure course provider, and
60	which course may include:
61	(A) construction business practices;
62	(B) bookkeeping fundamentals;
63	(C) mechanics lien fundamentals;
64	(D) other aspects of business and construction principles considered important by the
65	commission with the concurrence of the director; and
66	(E) for no additional fee, [an] a provider-administered examination at the end of the
67	25-hour course;
68	(iv) complete a five-hour business and law course established by rule by the
69	commission with the concurrence of the director, which is taught by an approved prelicensure
70	course provider, if an applicant for licensure as a general building contractor, general
71	engineering contractor, residential and small commercial contractor, general plumbing
72	contractor, residential plumbing contractor, general electrical contractor, or residential
73	electrical contractor;
74	[(iv)] (v) (A) be a licensed master electrician if an applicant for an electrical
75	contractor's license or a licensed master residential electrician if an applicant for a residential
76	electrical contractor's license;
77	(B) be a licensed master plumber if an applicant for a plumbing contractor's license or
78	a licensed master residential plumber if an applicant for a residential plumbing contractor's
79	license; or
80	(C) be a licensed elevator mechanic and produce satisfactory evidence of three years
81	experience as an elevator mechanic if an applicant for an elevator contractor's license; and
82	[(v)] (vi) when the applicant is an unincorporated entity, provide a list of the one or
83	more individuals who hold an ownership interest in the applicant as of the day on which the
84	application is filed that includes for each individual:
85	(A) the individual's name, address, birth date, and social security number; and
86	(B) whether the individual will engage in a construction trade; and
87	(f) if an applicant for a construction trades instructor license, satisfy any additional
88	requirements established by rule.
89	(2) (a) If the applicant for a contractor's license described in Subsection (1) is a

building inspector, the applicant may satisfy Subsection (1)(e)(ii)(A) by producing satisfactory evidence of two years full-time paid employment experience as a building inspector, which shall include at least one year full-time experience as a licensed combination inspector.

- (b) After approval of an applicant for a contractor's license by the applicable board and the division, the applicant shall file the following with the division before the division issues the license:
- (i) proof of workers' compensation insurance which covers employees of the applicant in accordance with applicable Utah law;
- (ii) proof of public liability insurance in coverage amounts and form established by rule except for a construction trades instructor for whom public liability insurance is not required; and
 - (iii) proof of registration as required by applicable law with the:
 - (A) Department of Commerce;

- (B) Division of Corporations and Commercial Code;
- (C) Unemployment Insurance Division in the Department of Workforce Services, for purposes of Title 35A, Chapter 4, Employment Security Act;
 - (D) State Tax Commission; and
 - (E) Internal Revenue Service.
 - (3) In addition to the general requirements for each applicant in Subsection (1), applicants shall comply with the following requirements to be licensed in the following classifications:
 - (a) (i) A master plumber shall produce satisfactory evidence that the applicant:
 - (A) has been a licensed journeyman plumber for at least two years and had two years of supervisory experience as a licensed journeyman plumber in accordance with division rule;
 - (B) has received at least an associate of applied science degree or similar degree following the completion of a course of study approved by the division and had one year of supervisory experience as a licensed journeyman plumber in accordance with division rule; or
 - (C) meets the qualifications determined by the division in collaboration with the board to be equivalent to Subsection (3)(a)(i)(A) or (B).
- 119 (ii) An individual holding a valid Utah license as a journeyman plumber, based on at 120 least four years of practical experience as a licensed apprentice under the supervision of a

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- licensed journeyman plumber and four years as a licensed journeyman plumber, in effect immediately prior to May 5, 2008, is on and after May 5, 2008, considered to hold a current master plumber license under this chapter, and satisfies the requirements of this Subsection (3)(a) for the purpose of renewal or reinstatement of that license under Section 58-55-303.
 - (iii) An individual holding a valid plumbing contractor's license or residential plumbing contractor's license, in effect immediately prior to May 5, 2008, is on or after May 5, 2008:
 - (A) considered to hold a current master plumber license under this chapter if licensed as a plumbing contractor and a journeyman plumber, and satisfies the requirements of this Subsection (3)(a) for purposes of renewal or reinstatement of that license under Section 58-55-303; and
 - (B) considered to hold a current residential master plumber license under this chapter if licensed as a residential plumbing contractor and a residential journeyman plumber, and satisfies the requirements of this Subsection (3)(a) for purposes of renewal or reinstatement of that license under Section 58-55-303.
 - (b) A master residential plumber applicant shall produce satisfactory evidence that the applicant:
 - (i) has been a licensed residential journeyman plumber for at least two years and had two years of supervisory experience as a licensed residential journeyman plumber in accordance with division rule; or
 - (ii) meets the qualifications determined by the division in collaboration with the board to be equivalent to Subsection (3)(b)(i).
 - (c) A journeyman plumber applicant shall produce satisfactory evidence of:
 - (i) successful completion of the equivalent of at least four years of full-time training and instruction as a licensed apprentice plumber under supervision of a licensed master plumber or journeyman plumber and in accordance with a planned program of training approved by the division;
 - (ii) at least eight years of full-time experience approved by the division in collaboration with the Plumbers Licensing Board; or
 - (iii) satisfactory evidence of meeting the qualifications determined by the board to be equivalent to Subsection (3)(c)(i) or (c)(ii).

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

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- (i) completion of the equivalent of at least three years of full-time training and instruction as a licensed apprentice plumber under the supervision of a licensed residential master plumber, licensed residential journeyman plumber, or licensed journeyman plumber in accordance with a planned program of training approved by the division;
- (ii) completion of at least six years of full-time experience in a maintenance or repair trade involving substantial plumbing work; or
- (iii) meeting the qualifications determined by the board to be equivalent to Subsection (3)(d)(i) or (d)(ii).
- (e) The conduct of licensed apprentice plumbers and their licensed supervisors shall be in accordance with the following:
- (i) while engaging in the trade of plumbing, a licensed apprentice plumber shall be under the immediate supervision of a licensed master plumber, licensed residential master plumber, licensed journeyman plumber, or a licensed residential journeyman plumber; and
- (ii) a licensed apprentice plumber in the fourth through tenth year of training may work without supervision for a period not to exceed eight hours in any 24-hour period, but if the apprentice does not become a licensed journeyman plumber or licensed residential journeyman plumber by the end of the tenth year of apprenticeship, this nonsupervision provision no longer applies.
 - (f) A master electrician applicant shall produce satisfactory evidence that the applicant:
- (i) is a graduate electrical engineer of an accredited college or university approved by the division and has one year of practical electrical experience as a licensed apprentice electrician;
- (ii) is a graduate of an electrical trade school, having received an associate of applied sciences degree following successful completion of a course of study approved by the division, and has two years of practical experience as a licensed journeyman electrician;
 - (iii) has four years of practical experience as a journeyman electrician; or
- (iv) meets the qualifications determined by the board to be equivalent to Subsection (3)(f)(i), (ii), or (iii).
- 181 (g) A master residential electrician applicant shall produce satisfactory evidence that 182 the applicant:

apprentice electricians[:]; and

183	(i) has at least two years of practical experience as a residential journeyman electrician;
184	or
185	(ii) meets the qualifications determined by the board to be equivalent to this practical
186	experience.
187	(h) A journeyman electrician applicant shall produce satisfactory evidence that the
188	applicant:
189	(i) has successfully completed at least four years of full-time training and instruction as
190	a licensed apprentice electrician under the supervision of a master electrician or journeyman
191	electrician and in accordance with a planned training program approved by the division;
192	(ii) has at least eight years of full-time experience approved by the division in
193	collaboration with the Electricians Licensing Board; or
194	(iii) meets the qualifications determined by the board to be equivalent to Subsection
195	(3)(h)(i) or (ii).
196	(i) A residential journeyman electrician applicant shall produce satisfactory evidence
197	that the applicant:
198	(i) has successfully completed two years of training in an electrical training program
199	approved by the division;
200	(ii) has four years of practical experience in wiring, installing, and repairing electrical
201	apparatus and equipment for light, heat, and power under the supervision of a licensed master,
202	journeyman, residential master, or residential journeyman electrician; or
203	(iii) meets the qualifications determined by the division and applicable board to be
204	equivalent to Subsection (3)(i)(i) or (ii).
205	(j) The conduct of licensed apprentice electricians and their licensed supervisors shall
206	be in accordance with the following:
207	(i) $[A]$ <u>a</u> licensed apprentice electrician shall be under the immediate supervision of a
208	licensed master, journeyman, residential master, or residential journeyman electrician. An
209	apprentice in the fourth year of training may work without supervision for a period not to
210	exceed eight hours in any 24-hour period[-];
211	(ii) [A] a licensed master, journeyman, residential master, or residential journeyman
212	electrician may have under immediate supervision on a residential project up to three licensed

214 (iii) [A] a licensed master or journeyman electrician may have under immediate 215 supervision on nonresidential projects only one licensed apprentice electrician. 216 (k) An alarm company applicant shall: 217 (i) have a qualifying agent who is an officer, director, partner, proprietor, or manager of 218 the applicant who: 219 (A) demonstrates 6,000 hours of experience in the alarm company business; 220 (B) demonstrates 2,000 hours of experience as a manager or administrator in the alarm 221 company business or in a construction business; and 222 (C) passes an examination component established by rule by the commission with the 223 concurrence of the director; 224 (ii) if a corporation, provide: 225 (A) the names, addresses, dates of birth, social security numbers, and fingerprint cards 226 of all corporate officers, directors, and those responsible management personnel employed within the state or having direct responsibility for managing operations of the applicant within 227 228 the state; and 229 (B) the names, addresses, dates of birth, social security numbers, and fingerprint cards 230 of all shareholders owning 5% or more of the outstanding shares of the corporation, except this 231 shall not be required if the stock is publicly listed and traded: 232 (iii) if a limited liability company, provide: 233 (A) the names, addresses, dates of birth, social security numbers, and fingerprint cards 234 of all company officers, and those responsible management personnel employed within the 235 state or having direct responsibility for managing operations of the applicant within the state; 236 and 237 (B) the names, addresses, dates of birth, social security numbers, and fingerprint cards 238 of all individuals owning 5% or more of the equity of the company; 239 (iv) if a partnership, provide the names, addresses, dates of birth, social security 240 numbers, and fingerprint cards of all general partners, and those responsible management 241 personnel employed within the state or having direct responsibility for managing operations of

243 (v) if a proprietorship, provide the names, addresses, dates of birth, social security
244 numbers, and fingerprint cards of the proprietor, and those responsible management personnel

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employed within the state or having direct responsibility for managing operations of the applicant within the state;

- (vi) if a trust, provide the names, addresses, dates of birth, social security numbers, and fingerprint cards of the trustee, and those responsible management personnel employed within the state or having direct responsibility for managing operations of the applicant within the state;
- (vii) be of good moral character in that officers, directors, shareholders described in Subsection (3)(k)(ii)(B), partners, proprietors, trustees, and responsible management personnel have not been convicted of a felony, a misdemeanor involving moral turpitude, or any other crime that when considered with the duties and responsibilities of an alarm company is considered by the board to indicate that the best interests of the public are served by granting the applicant a license;
- (viii) document that none of the applicant's officers, directors, shareholders described in Subsection (3)(k)(ii)(B), partners, proprietors, trustees, and responsible management personnel have been declared by any court of competent jurisdiction incompetent by reason of mental defect or disease and not been restored;
- (ix) document that none of the applicant's officers, directors, shareholders described in Subsection (3)(k)(ii)(B), partners, proprietors, and responsible management personnel are currently suffering from habitual drunkenness or from drug addiction or dependence;
 - (x) file and maintain with the division evidence of:
- (A) comprehensive general liability insurance in form and in amounts to be established by rule by the commission with the concurrence of the director;
- (B) workers' compensation insurance that covers employees of the applicant in accordance with applicable Utah law; and
 - (C) registration as is required by applicable law with the:
 - (I) Division of Corporations and Commercial Code;
- 271 (II) Unemployment Insurance Division in the Department of Workforce Services, for 272 purposes of Title 35A, Chapter 4, Employment Security Act;
 - (III) State Tax Commission; and
- 274 (IV) Internal Revenue Service; and
- 275 (xi) meet with the division and board.

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276	(l) Each applicant for licensure as an alarm company agent shall:
277	(i) submit an application in a form prescribed by the division accompanied by
278	fingerprint cards;
279	(ii) pay a fee determined by the department under Section 63J-1-504;
280	(iii) be of good moral character in that the applicant has not been convicted of a felony
281	a misdemeanor involving moral turpitude, or any other crime that when considered with the
282	duties and responsibilities of an alarm company agent is considered by the board to indicate
283	that the best interests of the public are served by granting the applicant a license;
284	(iv) not have been declared by any court of competent jurisdiction incompetent by
285	reason of mental defect or disease and not been restored;
286	(v) not be currently suffering from habitual drunkenness or from drug addiction or
287	dependence; and
288	(vi) meet with the division and board if requested by the division or the board.
289	(m) (i) Each applicant for licensure as an elevator mechanic shall:
290	(A) provide documentation of experience and education credits of not less than three
291	years work experience in the elevator industry, in construction, maintenance, or service and
292	repair; and
293	(B) satisfactorily complete a written examination administered by the division
294	established by rule under Section 58-1-203; or
295	(C) provide certificates of completion of an apprenticeship program for elevator
296	mechanics, having standards substantially equal to those of this chapter and registered with the
297	United States Department of Labor Bureau Apprenticeship and Training or a state
298	apprenticeship council.
299	(ii) (A) If an elevator contractor licensed under this chapter cannot find a licensed
300	elevator mechanic to perform the work of erecting, constructing, installing, altering, servicing,
301	repairing, or maintaining an elevator, the contractor may:
302	(I) notify the division of the unavailability of licensed personnel; and

(I) notify the division of the unavailability of licensed personnel; and

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- (II) request the division issue a temporary elevator mechanic license to an individual certified by the contractor as having an acceptable combination of documented experience and education to perform the work described in this Subsection (3)(m)(ii)(A).
 - (B) (I) The division may issue a temporary elevator mechanic license to an individual

certified under Subsection (3)(m)(ii)(A)(II) upon application by the individual, accompanied by the appropriate fee as determined by the department under Section 63J-1-504.

- (II) The division shall specify the time period for which the license is valid and may renew the license for an additional time period upon its determination that a shortage of licensed elevator mechanics continues to exist.
- (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the division may make rules establishing when Federal Bureau of Investigation records shall be checked for applicants as an alarm company or alarm company agent.
- (5) To determine if an applicant meets the qualifications of Subsections (3)(k)(vii) and (3)(l)(iii), the division shall provide an appropriate number of copies of fingerprint cards to the Department of Public Safety with the division's request to:
- (a) conduct a search of records of the Department of Public Safety for criminal history information relating to each applicant for licensure as an alarm company or alarm company agent and each applicant's officers, directors, shareholders described in Subsection (3)(k)(ii)(B), partners, proprietors, and responsible management personnel; and
- (b) forward to the Federal Bureau of Investigation a fingerprint card of each applicant requiring a check of records of the Federal Bureau of Investigation for criminal history information under this section.
 - (6) The Department of Public Safety shall send to the division:
- (a) a written record of criminal history, or certification of no criminal history record, as contained in the records of the Department of Public Safety in a timely manner after receipt of a fingerprint card from the division and a request for review of Department of Public Safety records; and
- (b) the results of the Federal Bureau of Investigation review concerning an applicant in a timely manner after receipt of information from the Federal Bureau of Investigation.
- (7) (a) The division shall charge each applicant for licensure as an alarm company or alarm company agent a fee, in accordance with Section 63J-1-504, equal to the cost of performing the records reviews under this section.
- (b) The division shall pay the Department of Public Safety the costs of all records reviews, and the Department of Public Safety shall pay the Federal Bureau of Investigation the costs of records reviews under this section.

338 (8) Information obtained by the division from the reviews of criminal history records of 339 the Department of Public Safety and the Federal Bureau of Investigation shall be used or 340 disseminated by the division only for the purpose of determining if an applicant for licensure as 341 an alarm company or alarm company agent is qualified for licensure. 342 (9) (a) An application for licensure under this chapter shall be denied if: 343 (i) the applicant has had a previous license, which was issued under this chapter, 344 suspended or revoked within two years before the date of the applicant's application; 345 (ii) (A) the applicant is a partnership, corporation, or limited liability company; and 346 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the 347 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar 348 status, performing similar functions, or directly or indirectly controlling the applicant has 349 served in any similar capacity with any person or entity which has had a previous license, 350 which was issued under this chapter, suspended or revoked within two years before the date of 351 the applicant's application; 352 (iii) (A) the applicant is an individual or sole proprietorship; and 353 (B) any owner or agent acting as a qualifier has served in any capacity listed in 354 Subsection (9)(a)(ii)(B) in any entity which has had a previous license, which was issued under 355 this chapter, suspended or revoked within two years before the date of the applicant's 356 application; or 357 (iv) (A) the applicant includes an individual who was an owner, director, or officer of 358 an unincorporated entity at the time the entity's license under this chapter was revoked; and 359 (B) the application for licensure is filed within 60 months after the revocation of the 360 unincorporated entity's license. 361 (b) An application for licensure under this chapter shall be reviewed by the appropriate 362 licensing board prior to approval if: 363 (i) the applicant has had a previous license, which was issued under this chapter, 364 suspended or revoked more than two years before the date of the applicant's application; 365 (ii) (A) the applicant is a partnership, corporation, or limited liability company; and 366 (B) any corporate officer, director, shareholder holding 25% or more of the stock in the 367 applicant, partner, member, agent acting as a qualifier, or any person occupying a similar

status, performing similar functions, or directly or indirectly controlling the applicant has

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369	served in any similar capacity with any person or entity which has had a previous license,
370	which was issued under this chapter, suspended or revoked more than two years before the date
371	of the applicant's application; or
372	(iii) (A) the applicant is an individual or sole proprietorship; and
373	(B) any owner or agent acting as a qualifier has served in any capacity listed in
374	Subsection (9)(b)(ii)(B) in any entity which has had a previous license, which was issued under
375	this chapter, suspended or revoked more than two years before the date of the applicant's
376	application.
377	(10) (a) (i) A licensee that is an unincorporated entity shall file an ownership status
378	report with the division every 30 days after the day on which the license is issued if the licensee
379	has more than five owners who are individuals who:
380	(A) own an interest in the contractor that is an unincorporated entity;
381	(B) own, directly or indirectly, less than an 8% interest, as defined by rule made by the
382	division in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, in the
383	unincorporated entity; and
384	(C) engage, or will engage, in a construction trade in the state as owners of the
385	contractor described in Subsection (10)(a)(i)(A).
386	(ii) If the licensee has five or fewer owners described in Subsection (10)(a)(i), the
387	licensee shall provide the ownership status report with an application for renewal of licensure.
388	(b) An ownership status report required under this Subsection (10) shall:
389	(i) specify each addition or deletion of an owner:

- (A) for the first ownership status report, after the day on which the unincorporated entity is licensed under this chapter; and
- (B) for a subsequent ownership status report, after the day on which the previous ownership status report is filed;
- (ii) be in a format prescribed by the division that includes for each owner, regardless of the owner's percentage ownership in the unincorporated entity, the information described in Subsection(1)(e)[(v)](vi);
 - (iii) list the name of:

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- (A) each officer or manager of the unincorporated entity; and
- 399 (B) each other individual involved in the operation, supervision, or management of the

400 unincorporated entity; and

(iv) be accompanied by a fee set by the division in accordance with Section 63J-1-504 if the ownership status report indicates there is a change described in Subsection (10)(b)(i).

- (c) The division may, at any time, audit an ownership status report under this Subsection (10):
- (i) to determine if financial responsibility has been demonstrated or maintained as required under Section 58-55-306; and
- (ii) to determine compliance with Subsection 58-55-501(24), (25), or (27) or Subsection 58-55-502(8) or (9).
- (11) (a) An unincorporated entity that provides labor to an entity licensed under this chapter by providing an individual who owns an interest in the unincorporated entity to engage in a construction trade in Utah shall file with the division:
- (i) before the individual who owns an interest in the unincorporated entity engages in a construction trade in Utah, a current list of the one or more individuals who hold an ownership interest in the unincorporated entity that includes for each individual:
 - (A) the individual's name, address, birth date, and social security number; and
 - (B) whether the individual will engage in a construction trade; and
- (ii) every 30 days after the day on which the unincorporated entity provides the list described in Subsection (11)(a)(i), an ownership status report containing the information that would be required under Subsection (10) if the unincorporated entity were a licensed contractor.
- (b) When filing an ownership list described in Subsection (11)(a)(i) or an ownership status report described in Subsection (11)(a)(ii), an unincorporated entity shall pay a fee set by the division in accordance with Section 63J-1-504.
- (12) This chapter may not be interpreted to create or support an express or implied independent contractor relationship between an unincorporated entity described in Subsection (10) or (11) and the owners of the unincorporated entity for any purpose, including income tax withholding.
- (13) A social security number provided under Subsection (1)(e)[(v)](vi) is a private record under Subsection 63G-2-302(1)(i).