

CONSTRUCTION TRADE AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Carl R. Albrecht

Senate Sponsor: Don L. Ipson

LONG TITLE

General Description:

This bill modifies the exemptions from licensure under the Utah Construction Trades Licensing Act.

Highlighted Provisions:

This bill:
▶ modifies the threshold dollar amount allowing a person to engage in construction trades without being licensed.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

58-55-305, as last amended by Laws of Utah 2020, Chapter 339

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

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

58-55-305. Exemptions from licensure.

(1) In addition to the exemptions from licensure in Section **58-1-307**, the following persons may engage in acts or practices included within the practice of construction trades,



28 subject to the stated circumstances and limitations, without being licensed under this chapter:

29 (a) an authorized representative of the United States government or an authorized
30 employee of the state or any of its political subdivisions when working on construction work of
31 the state or the subdivision, and when acting within the terms of the person's trust, office, or
32 employment;

33 (b) a person engaged in construction or operation incidental to the construction and
34 repair of irrigation and drainage ditches of regularly constituted irrigation districts, reclamation
35 districts, and drainage districts or construction and repair relating to farming, dairying,
36 agriculture, livestock or poultry raising, metal and coal mining, quarries, sand and gravel
37 excavations, well drilling, as defined in Section 73-3-25, hauling to and from construction
38 sites, and lumbering;

39 (c) public utilities operating under the rules of the Public Service Commission on work
40 incidental to their own business;

41 (d) a sole owner of property engaged in building:

42 (i) no more than one residential structure per year on the sole owner's property and no
43 more than three residential structures per five years on the sole owner's property for the sole
44 owner's noncommercial, nonpublic use, except that a person other than the property owner or a
45 person described in Subsection (1)(e), who engages in building a residential structure must be
46 licensed under this chapter if the person is otherwise required to be licensed under this chapter;
47 or

48 (ii) structures on the sole owner's property for the sole owner's noncommercial,
49 nonpublic use that are incidental to a residential structure on the property, including a shed,
50 carport, or detached garage;

51 (e) (i) a person engaged in construction or renovation of a residential building for
52 noncommercial, nonpublic use if that person:

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

55 (B) works under the direction of the property owner who engages in building the
56 structure; and

57 (ii) as used in this Subsection (1)(e), "token compensation" means compensation paid
58 by a sole owner of property exempted from licensure under Subsection (1)(d) to a person

59 exempted from licensure under this Subsection (1)(e), that is:

60 (A) minimal in value when compared with the fair market value of the services
61 provided by the person;

62 (B) not related to the fair market value of the services provided by the person; and

63 (C) is incidental to the providing of services by the person including paying for or
64 providing meals or refreshment while services are being provided, or paying reasonable
65 transportation costs incurred by the person in travel to the site of construction;

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

70 (g) a contractor submitting a bid on a federal aid highway project, if, before
71 undertaking construction under that bid, the contractor is licensed under this chapter;

72 (h) (i) subject to Subsection 58-1-401(2) and Sections 58-55-501 and 58-55-502, a
73 person engaged in the alteration, repair, remodeling, or addition to or improvement of a
74 building with a contracted or agreed value of less than [~~\$3,000;~~] ~~Ĥ~~→ [\$35,000] \$9,000 ←~~Ĥ~~ ,
74a including both labor
75 and materials, and including all changes or additions to the contracted or agreed upon work;
76 and

77 (ii) notwithstanding Subsection (1)(h)(i) and except as otherwise provided in this
78 section:

79 (A) work in the plumbing and electrical trades on a Subsection (1)(h)(i) project within
80 any six month period of time:

81 (I) ~~Ĥ~~→ ~~[must]~~ shall ←~~Ĥ~~ be performed by a licensed electrical or plumbing contractor, if
81a the project
82 involves an electrical or plumbing system; and

83 (II) may be performed by a licensed journeyman electrician or plumber or an individual
84 referred to in Subsection (1)(h)(ii)(A)(I), if the project involves a component of the system
85 such as a faucet, toilet, fixture, device, outlet, or electrical switch;

86 (B) installation, repair, or replacement of a residential or commercial gas appliance or a
87 combustion system on a Subsection (1)(h)(i) project ~~Ĥ~~→ ~~[must]~~ shall ←~~Ĥ~~ be performed by a
87a person who has
88 received certification under Subsection 58-55-308(2) except as otherwise provided in
89 Subsection 58-55-308(2)(d) or 58-55-308(3);

90 (C) installation, repair, or replacement of water-based fire protection systems on a
91 Subsection (1)(h)(i) project must be performed by a licensed fire suppression systems
92 contractor or a licensed journeyman plumber;

93 (D) work as an alarm business or company or as an alarm company agent shall be
94 performed by a licensed alarm business or company or a licensed alarm company agent, except
95 as otherwise provided in this chapter;

96 (E) installation, repair, or replacement of an alarm system on a Subsection (1)(h)(i)
97 project must be performed by a licensed alarm business or company or a licensed alarm
98 company agent;

99 (F) installation, repair, or replacement of a heating, ventilation, or air conditioning
100 system (HVAC) on a Subsection (1)(h)(i) project must be performed by an HVAC contractor
101 licensed by the division;

102 (G) installation, repair, or replacement of a radon mitigation system or a soil
103 depressurization system must be performed by a licensed contractor; and

104 (H) if the total value of the project is greater than [~~\$1,000,~~ \$3,000, the person shall file
105 with the division a one-time affirmation, subject to periodic reaffirmation as established by
106 division rule, that the person has:

107 (I) public liability insurance in coverage amounts and form established by division
108 rule; and

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

111 (i) a person practicing a specialty contractor classification or construction trade which
112 the director does not classify by administrative rule as significantly impacting the public's
113 health, safety, and welfare;

114 (j) owners and lessees of property and persons regularly employed for wages by owners
115 or lessees of property or their agents for the purpose of maintaining the property, are exempt
116 from this chapter when doing work upon the property;

117 (k) (i) a person engaged in minor plumbing work that is incidental, as defined by the
118 division by rule, to the ~~replacement or~~ repair of a fixture or an appliance in a residential
118a or
119 small commercial building, or structure used for agricultural use, as defined in Section
120 [15A-1-202](#), provided that no modification is made to:

- 121 (A) existing culinary water, soil, waste, or vent piping; or
122 (B) a gas appliance or combustion system; and
123 (ii) except as provided in Subsection (1)(e), installation for the first time of a fixture or
124 an appliance is not included in the exemption provided under Subsection (1)(k)(i);
125 (l) a person who ordinarily would be subject to the plumber licensure requirements
126 under this chapter when installing or repairing a water conditioner or other water treatment
127 apparatus if the conditioner or apparatus:
128 (i) meets the appropriate state construction codes or local plumbing standards; and
129 (ii) is installed or repaired under the direction of a person authorized to do the work
130 under an appropriate specialty contractor license;
131 (m) a person who ordinarily would be subject to the electrician licensure requirements
132 under this chapter when employed by:
133 (i) railroad corporations, telephone corporations or their corporate affiliates, elevator
134 contractors or constructors, or street railway systems; or
135 (ii) public service corporations, rural electrification associations, or municipal utilities
136 who generate, distribute, or sell electrical energy for light, heat, or power;
137 (n) a person involved in minor electrical work incidental to a mechanical or service
138 installation, including the outdoor installation of an above-ground, prebuilt hot tub;
139 (o) a person who ordinarily would be subject to the electrician licensure requirements
140 under this chapter but who during calendar years 2009, 2010, or 2011 was issued a specialty
141 contractor license for the electrical work associated with the installation, repair, or maintenance
142 of solar energy panels, may continue the limited electrical work for solar energy panels under a
143 specialty contractor license;
144 (p) a student participating in construction trade education and training programs
145 approved by the commission with the concurrence of the director under the condition that:
146 (i) all work intended as a part of a finished product on which there would normally be
147 an inspection by a building inspector is, in fact, inspected and found acceptable by a licensed
148 building inspector; and
149 (ii) a licensed contractor obtains the necessary building permits;
150 (q) a delivery person when replacing any of the following existing equipment with a
151 new gas appliance, provided there is an existing gas shutoff valve at the appliance:

- 152 (i) gas range;
- 153 (ii) gas dryer;
- 154 (iii) outdoor gas barbeque; or
- 155 (iv) outdoor gas patio heater;
- 156 (r) a person performing maintenance on an elevator as defined in Section 58-55-102, if
- 157 the maintenance is not related to the operating integrity of the elevator; and
- 158 (s) an apprentice or helper of an elevator mechanic licensed under this chapter when
- 159 working under the general direction of the licensed elevator mechanic.
- 160 (2) A compliance agency as defined in Section 15A-1-202 that issues a building permit
- 161 to a person requesting a permit as a sole owner of property referred to in Subsection (1)(d) shall
- 162 notify the division, in writing or through electronic transmission, of the issuance of the permit.

163 **Section 2. Effective date.**

164 This bill takes effect on May 1, 2024.