

CONSTRUCTION TRADES LICENSING MODIFICATIONS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Peter C. Knudson

House Sponsor: _____

LONG TITLE

General Description:

This bill modifies the Utah Construction Trades Licensing Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ modifies construction trade licensing provisions to include heating, ventilation, and air conditioning technicians;
- ▶ modifies the membership of the Construction Services Commission;
- ▶ modifies the membership of and renames the Plumbers Licensing Board;
- ▶ authorizes the Division of Occupational and Professional Licensing to issue licenses to various heating, ventilation, and air conditioning technicians;
- ▶ requires that licensed heating, ventilation, and air conditioning technicians complete fuel and electricity efficiency continuing education;
- ▶ modifies a provision relating to exemptions from licensure; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:



28 AMENDS:

29 **58-55-102**, as last amended by Laws of Utah 2012, Chapter 25

30 **58-55-103**, as last amended by Laws of Utah 2010, Chapter 286

31 **58-55-201**, as last amended by Laws of Utah 2008, Chapter 215

32 **58-55-301**, as last amended by Laws of Utah 2010, Chapter 227

33 **58-55-302**, as last amended by Laws of Utah 2012, Chapter 192

34 **58-55-302.7**, as last amended by Laws of Utah 2011, Chapter 367

35 **58-55-303**, as last amended by Laws of Utah 2011, Chapter 367

36 **58-55-305**, as last amended by Laws of Utah 2011, Chapter 14

37 **58-55-308**, as last amended by Laws of Utah 2008, Chapter 382

38 **58-55-501**, as last amended by Laws of Utah 2012, Chapter 278

39 **58-55-503**, as last amended by Laws of Utah 2011, Chapters 195, 340, and 413

40 ENACTS:

41 **58-55-302.3**, Utah Code Annotated 1953



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

44 Section 1. Section **58-55-102** is amended to read:

45 **58-55-102. Definitions.**

46 In addition to the definitions in Section 58-1-102, as used in this chapter:

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

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

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

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

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

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

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

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

65 (4) "Apprentice electrician" means a person licensed under this chapter as an
66 apprentice electrician who is learning the electrical trade under the immediate supervision of a
67 master electrician, residential master electrician, [a] journeyman electrician, or [a] residential
68 journeyman electrician.

69 (5) "Apprentice plumber" means a person licensed under this chapter as an apprentice
70 plumber who is learning the plumbing trade under the immediate supervision of a master
71 plumber, residential master plumber, journeyman plumber, or [a] residential journeyman
72 plumber.

73 (6) "Apprentice residential heating, ventilation, and air conditioning technician" means
74 an individual licensed under this chapter as an apprentice residential heating, ventilation, and
75 air conditioning technician who is learning the residential heating, ventilation, and air
76 conditioning trade under approved supervision of a licensed residential heating, ventilation,
77 and air conditioning supervisor.

78 [~~(6)~~] (7) "Approved continuing education" means instruction provided through courses
79 under a program established under Subsection 58-55-302.5(2).

80 [~~(7)~~] (8) "Board" means, as applicable, the Electrician Licensing Board, the Alarm
81 System Security and Licensing Board, or the Plumbers and Residential Heating, Ventilation,
82 and Air Conditioning Technicians Licensing Board created in Section 58-55-201.

83 [~~(8)~~] (9) "Combustion system" means an assembly consisting of:

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

87 (b) the electric control and combustion air supply and venting systems, including air
88 ducts; and

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

90 ~~[(9)]~~ (10) "Commission" means the Construction Services Commission created under
91 Section 58-55-103.

92 ~~[(10)]~~ (11) "Construction trade" means any trade or occupation involving:

93 (a) (i) construction, alteration, remodeling, ~~[repairing]~~ repair, wrecking or demolition,
94 addition to~~;~~ or improvement of any building, highway, road, railroad, dam, bridge, structure,
95 excavation, or other project, development, or improvement to other than personal property; and

96 (ii) ~~[constructing]~~ construction, remodeling, or ~~[repairing]~~ repair of a manufactured
97 home or mobile home as defined in Section 15A-1-302; or

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

100 ~~[(11)]~~ (12) "Construction trades instructor" means a person licensed under this chapter
101 to teach one or more construction trades in both a classroom and project environment, where a
102 project is intended for sale to or use by the public and is completed under the direction of the
103 instructor, who has no economic interest in the project.

104 ~~[(12)]~~ (13) (a) "Contractor" means ~~[any]~~ a person who, for compensation other than
105 wages as an employee, undertakes ~~[any]~~ work in the construction~~[-plumbing, or electrical]~~
106 trade, electrical trade, plumbing trade, or heating, ventilation, and air conditioning trade, for
107 which licensure is required under this chapter and includes:

108 (i) a person who builds ~~[any]~~ a structure on the person's own property for the purpose
109 of sale or who builds ~~[any]~~ a structure intended for public use on the person's own property;

110 (ii) ~~[any]~~ a person who represents that the person is a contractor by advertising or ~~[any]~~
111 other means;

112 (iii) ~~[any]~~ a person engaged as a maintenance person, other than an employee, who
113 regularly engages in activities set forth under the definition of "construction trade";

114 (iv) ~~[any]~~ a person engaged in ~~[any]~~ a construction trade for which licensure is required
115 under this chapter; or

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

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

119 ~~[(13)]~~ (14) (a) "Electrical trade" means the performance of ~~[any]~~ electrical work
120 involved in the installation, construction, alteration, change, repair, removal, or maintenance of

121 facilities, buildings, or appendages or appurtenances.

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

123 (i) transporting or handling electrical materials;

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

125 (iii) work commonly done by unskilled labor on ~~[any]~~ installations under the exclusive
126 control of electrical utilities.

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

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

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

132 ~~[(14)]~~ (15) "Elevator" has the same meaning as defined in Section 34A-7-202, except
133 that for purposes of this chapter it does not mean a stair chair, a vertical platform lift, or an
134 incline platform lift.

135 ~~[(15)]~~ (16) "Elevator contractor" means a sole proprietor, firm, or corporation licensed
136 under this chapter that is engaged in the business of erecting, constructing, installing, altering,
137 servicing, repairing, or maintaining an elevator.

138 ~~[(16)]~~ (17) "Elevator mechanic" means an individual who is licensed under this chapter
139 as an elevator mechanic and who is engaged in erecting, constructing, installing, altering,
140 servicing, repairing, or maintaining an elevator under the immediate supervision of an elevator
141 contractor.

142 ~~[(17)]~~ (18) "Employee" means an individual as defined by the division by rule giving
143 consideration to the definition adopted by the Internal Revenue Service and the Department of
144 Workforce Services.

145 ~~[(18)]~~ (19) "Engage in a construction trade" means to:

146 (a) engage in, represent oneself to be engaged in, or advertise oneself as being engaged
147 in a construction trade; or

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

150 ~~[(19)]~~ (20) (a) "Financial responsibility" means a demonstration of a current and
151 expected future condition of financial solvency evidencing a reasonable expectation to the

152 division and the board that an applicant or licensee can successfully engage in business as a
153 contractor without jeopardy to the public health, safety, and welfare.

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

157 [~~(20)~~] (21) "Gas appliance" means [~~any~~] a device that uses natural gas to produce light,
158 heat, power, steam, hot water, refrigeration, or air conditioning.

159 [~~(21)~~] (22) (a) "General building contractor" means a person licensed under this
160 chapter as a general building contractor qualified by education, training, experience, and
161 knowledge to perform or superintend construction of structures for the support, shelter, and
162 enclosure of persons, animals, chattels, or movable property of any kind or any of the
163 components of that construction [~~except~~].

164 (b) (i) "General building contractor" does not include plumbing, electrical work,
165 [mechanical] residential heating, ventilation, and air conditioning system work, work related to
166 the operating integrity of an elevator, [~~and~~] or manufactured housing installation[~~, for which~~
167 ~~the general~~].

168 (ii) If the work of a specialty identified under Subsection (22)(b)(i) is needed, a general
169 building contractor shall employ the services of a contractor licensed in the particular specialty,
170 except that a general building contractor engaged in the construction of single-family
171 residences and multifamily residences of up to four units may [perform the mechanical work
172 and] hire a licensed plumber [or], electrician, or residential heating, ventilation, and air
173 conditioning technician as an employee.

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

178 [~~(22)~~] (23) (a) "General engineering contractor" means a person licensed under this
179 chapter as a general engineering contractor qualified by education, training, experience, and
180 knowledge to perform construction of fixed works in any of the following: irrigation, drainage,
181 water, power, water supply, flood control, inland waterways, harbors, railroads, highways,
182 tunnels, airports and runways, sewers and bridges, refineries, pipelines, chemical and industrial

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

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

187 (24) "Heating, ventilation, and air conditioning system":

188 (a) means a mechanical system for the movement of air within a building for the
189 purpose of controlling the temperature, humidity, or cleanliness of air; and

190 (b) does not include any liquid-circulating portion of a system described in Subsection
191 (24)(a).

192 (25) "Heating, ventilation, and air conditioning trade" means the performance of
193 heating, ventilation, and air conditioning work involved in the installation, construction,
194 alteration, change, repair, removal, or maintenance of heating, ventilation, and air conditioning
195 systems.

196 ~~[(23)]~~ (26) "Immediate supervision" means reasonable direction, oversight, inspection,
197 and evaluation of the work of a person:

198 (a) as the division specifies in rule;

199 (b) by, as applicable, a ~~[qualified]~~ licensed electrician ~~[or]~~, plumber, or residential
200 heating, ventilation, and air conditioning technician;

201 (c) as part of a planned program of training; and

202 (d) to ensure that the end result complies with applicable standards.

203 ~~[(24)]~~ (27) "Individual" means a natural person.

204 ~~[(25)]~~ (28) "Journeyman electrician" means a person licensed under this chapter as a
205 journeyman electrician having the qualifications, training, experience, and knowledge to wire,
206 install, and repair electrical apparatus and equipment for light, heat, power, and other purposes.

207 ~~[(26)]~~ (29) "Journeyman plumber" means a person licensed under this chapter as a
208 journeyman plumber having the qualifications, training, experience, and technical knowledge
209 to engage in the plumbing trade.

210 (30) "Journeyman residential heating, ventilation, and air conditioning technician"
211 means a person licensed under this chapter as a journeyman residential heating, ventilation, and
212 air conditioning technician having the qualifications, training, experience, and knowledge to:

213 (a) install, service, maintain, and repair a residential heating, ventilation, and air

214 conditioning system; and

215 (b) supervise the installation, service, maintenance, and repair of a residential heating,
216 ventilation, and air conditioning system.

217 (31) "Licensed electrician" means an individual licensed under this chapter as an
218 apprentice electrician, journeyman electrician, master electrician, residential journeyman
219 electrician, or residential master electrician.

220 (32) "Licensed elevator mechanic" means an individual licensed under this chapter as
221 an elevator mechanic.

222 (33) "Licensed plumber" means an individual licensed under this chapter as an
223 apprentice plumber, journeyman plumber, master plumber, residential journeyman plumber, or
224 residential master plumber.

225 (34) "Licensed residential heating, ventilation, and air conditioning technician" means
226 an individual licensed under this chapter as an apprentice, journeyman, or master residential
227 heating, ventilation, and air conditioning technician.

228 (35) "Licensed residential heating, ventilation, and air conditioning supervisor" means:

229 (a) an individual who:

230 (i) supervises a licensed apprentice residential heating, ventilation, and air conditioning
231 technician; and

232 (ii) is a licensed master or journeyman residential heating, ventilation, and air
233 conditioning technician; or

234 (b) for supervision that occurs before May 14, 2013, an individual who:

235 (i) supervises a technician in work involving the installation, construction, alteration,
236 change, repair, removal, or maintenance of a heating, ventilation, and air conditioning system;
237 and

238 (ii) is licensed under this chapter as a specialty contractor in the heating, ventilation,
239 and air conditioning system trade.

240 [~~27~~] (36) "Master electrician" means a person licensed under this chapter as a master
241 electrician having the qualifications, training, experience, and knowledge to properly plan,
242 [~~layout~~] lay out, and supervise the wiring, installation, and repair of electrical apparatus and
243 equipment for light, heat, power, and other purposes.

244 [~~28~~] (37) "Master plumber" means a person licensed under this chapter as a master

245 plumber having the qualifications, training, experience, and knowledge to properly plan and
 246 [~~layout~~] lay out projects and supervise persons in the plumbing trade.

247 (38) "Master residential heating, ventilation, and air conditioning technician" means a
 248 person licensed under this chapter as a master residential heating, ventilation, and air
 249 conditioning technician having the qualifications, training, experience, and knowledge to
 250 properly lay out, perform, and supervise the installation, service, maintenance, and repair of a
 251 residential heating, ventilation, and air conditioning system.

252 [~~(29)~~] (39) "Person" means a natural person, sole proprietorship, joint venture,
 253 corporation, limited liability company, association, or organization of any type.

254 [~~(30)~~] (40) (a) "Plumbing trade" means the performance of [~~any~~] mechanical work
 255 pertaining to the installation, alteration, change, repair, removal, maintenance, or use in
 256 buildings, or within three feet beyond the outside walls of buildings, of pipes, fixtures, and
 257 fittings for:

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

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

265 [~~(31)~~] (41) (a) "Ratio of apprentices" means, for the purpose of determining
 266 compliance with the requirements for planned programs of training and electrician apprentice
 267 licensing applications, the shop ratio of apprentice electricians to journeyman or master
 268 electricians shall be one journeyman or master electrician to one apprentice on industrial and
 269 commercial work, and one journeyman or master electrician to three apprentices on residential
 270 work.

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

274 [~~(32)~~] (42) "Residential and small commercial contractor" means a person licensed
 275 under this chapter as a residential and small commercial contractor qualified by education,

276 training, experience, and knowledge to perform or superintend the construction of
277 single-family residences, multifamily residences of up to four units, and commercial
278 construction of not more than three stories above ground and not more than 20,000 square feet,
279 or any of the components of that construction except plumbing, electrical work, mechanical
280 work, and manufactured housing installation, for which the residential and small commercial
281 contractor shall employ the services of a contractor licensed in the particular specialty, except
282 that a residential and small commercial contractor engaged in the construction of single-family
283 residences and multifamily residences of up to four units may perform the mechanical work
284 and hire a licensed plumber or electrician as an employee.

285 ~~[(33)]~~ (43) "Residential building[;]" ~~[as it relates to];~~

286 (a) means, for the license [classification] classifications of residential journeyman
287 plumber and residential master plumber, ~~[means]~~ a single ~~[or multiple family dwelling]~~ family
288 residence or a multifamily residence of up to four units[;]; and

289 (b) as used in the definition of "residential heating, ventilation, and air conditioning
290 system," has the same meaning as the term "building" as defined in the International
291 Residential Code under the State Construction Code adopted by the Legislature.

292 (44) "Residential heating, ventilation, and air conditioning system" means a heating,
293 ventilation, and air conditioning system for a residential building.

294 (45) "Residential heating, ventilation, and air conditioning trade" means work
295 involving the installation, construction, alteration, change, repair, removal, or maintenance of a
296 residential heating, ventilation, and air conditioning system.

297 ~~[(34)]~~ (46) "Residential journeyman electrician" means a person licensed under this
298 chapter as a residential journeyman electrician having the qualifications, training, experience,
299 and knowledge to wire, install, and repair electrical apparatus and equipment for light, heat,
300 power, and other purposes on buildings using primarily nonmetallic sheath cable.

301 ~~[(35)]~~ (47) "Residential journeyman plumber" means a person licensed under this
302 chapter as a residential journeyman plumber having the qualifications, training, experience, and
303 knowledge to engage in the plumbing trade as limited to the plumbing of residential buildings.

304 ~~[(36)]~~ (48) "Residential master electrician" means a person licensed under this chapter
305 as a residential master electrician having the qualifications, training, experience, and
306 knowledge to properly plan, ~~[layout]~~ lay out, and supervise the wiring, installation, and repair

307 of electrical apparatus and equipment for light, heat, power, and other purposes on residential
308 projects.

309 [(37)] (49) "Residential master plumber" means a person licensed under this chapter as
310 a residential master plumber having the qualifications, training, experience, and knowledge to
311 properly plan and [~~lay out~~] lay out projects and supervise persons in the plumbing trade as
312 limited to the plumbing of a residential [~~buildings~~] building.

313 [(38)] (50) "Residential project," as it relates to an electrician or electrical contractor,
314 means buildings primarily wired with nonmetallic sheathed cable, in accordance with standard
315 rules and regulations governing this work, including the National Electrical Code, and in which
316 the voltage does not exceed 250 volts line to line and 125 volts to ground.

317 [(39)(a)] (51) "Specialty contractor" means a person licensed under this chapter under
318 a specialty contractor classification established by rule, who is qualified by education, training,
319 experience, and knowledge to perform those construction trades and crafts requiring
320 specialized skill, the regulation of which are determined by the division to be in the best
321 interest of the public health, safety, and welfare.

322 [~~(b) A specialty contractor may perform work in crafts or trades other than those in
323 which the specialty contractor is licensed if they are incidental to the performance of the
324 specialty contractor's licensed craft or trade.~~]

325 [(40)] (52) "Unincorporated entity" means an entity that is not:

- 326 (a) an individual;
- 327 (b) a corporation; or
- 328 (c) publicly traded.

329 [(41)] (53) "Unlawful conduct" is as defined in Sections 58-1-501 and 58-55-501.

330 [(42)] (54) "Unprofessional conduct" is as defined in Sections 58-1-501 and 58-55-502
331 and as may be further defined by rule.

332 [(43)] (55) "Wages" means amounts due to an employee for labor or services whether
333 the amount is fixed or ascertained on a time, task, piece, commission, or other basis for
334 calculating the amount.

335 Section 2. Section **58-55-103** is amended to read:

336 **58-55-103. Construction Services Commission created -- Functions --**
337 **Appointment -- Qualifications and terms of members -- Vacancies -- Expenses --**

338 **Meetings.**

339 (1) (a) There is created within the division the Construction Services Commission.

340 (b) The commission shall:

341 (i) with the concurrence of the director, make reasonable rules under Title 63G,

342 Chapter 3, Utah Administrative Rulemaking Act, to administer and enforce this chapter which
343 are consistent with this chapter including:

344 (A) licensing of various licensees;

345 (B) determining examination requirements and administration of the examinations, to
346 include approving and establishing a passing score for applicant examinations;347 (C) establishing standards of supervision for students or persons in training to become
348 qualified to obtain a license in the trade they represent; ~~and~~349 (D) establishing standards of conduct for various licensees; and350 (E) defining the experience or training considered equivalent to required experience or
351 training if allowed under this chapter;

352 (ii) approve or disapprove fees adopted by the division under Section 63J-1-504;

353 (iii) except where the boards conduct them, conduct all administrative hearings not
354 delegated to an administrative law judge relating to the licensing of ~~any~~ an applicant;355 (iv) except as otherwise provided in Sections 38-11-207 and 58-55-503, with the
356 concurrence of the director, impose sanctions against licensees and certificate holders with the
357 same authority as the division under Section 58-1-401;358 (v) advise the director on the administration and enforcement of ~~any~~ matters affecting
359 the division and the construction industry;

360 (vi) advise the director on matters affecting the division budget;

361 (vii) advise and assist trade associations in conducting construction trade seminars and
362 industry education and promotion; and

363 (viii) perform other duties as provided by this chapter.

364 ~~[(2) (a) Initially the commission shall be comprised of the five members of the~~
365 ~~Contractors Licensing Board and two of the three chair persons from the Plumbers Licensing~~
366 ~~Board, the Alarm System Security and Licensing Board, and the Electricians Licensing Board.]~~367 ~~[(b) The terms of office of the commission members who are serving on the~~
368 ~~Contractors Licensing Board shall continue as they serve on the commission.]~~

- 369 ~~[(c) Beginning July 1, 2004, the]~~
370 (2) The commission shall be comprised of nine members appointed by the executive
371 director, with the approval of the governor, from the following groups:
372 ~~[(i)]~~ (a) one member shall be a licensed general engineering contractor;
373 ~~[(ii)]~~ (b) one member shall be a licensed general building contractor;
374 ~~[(iii)]~~ (c) two members shall be licensed residential and small commercial contractors;
375 ~~[(iv)]~~ (d) ~~[three members shall be the three chair persons from]~~ one member shall be
376 the chair of the Plumbers and Residential Heating, Ventilation, and Air Conditioning
377 Technicians Licensing Board[;];
378 (e) one member shall be the chair of the Alarm System Security and Licensing Board[;
379 and];
380 (f) one member shall be the chair of the Electricians Licensing Board; and
381 ~~[(v)]~~ (g) two members shall be from the general public[; provided, however that the
382 certified public accountant on the Contractors Licensing Board will continue to serve until the
383 current term expires, after which both members under this Subsection (2)(c)(v) shall be
384 appointed from the general public].
385 (3) (a) Except as required by Subsection (3)(b), as terms of current commission
386 members expire, the executive director, with the approval of the governor, shall appoint each
387 new member or reappointed member to a four-year term ending June 30.
388 (b) Notwithstanding the requirements of Subsection (3)(a), the executive director, with
389 the approval of the governor, shall, at the time of appointment or reappointment, adjust the
390 length of terms to stagger the terms of commission members so that approximately [~~1/2~~]
391 one-half of the commission members are appointed every two years.
392 (c) A commission member may not serve more than two consecutive terms.
393 (4) The commission shall elect annually one of its members as chair, for a term of one
394 year.
395 (5) When a vacancy occurs in the membership [~~for any reason~~], the replacement shall
396 be appointed for the unexpired term.
397 (6) A member may not receive compensation or benefits for the member's service[;]
398 but may receive per diem and travel expenses in accordance with:
399 (a) Section 63A-3-106;

400 (b) Section 63A-3-107; and

401 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
402 63A-3-107.

403 (7) (a) The commission shall meet at least monthly unless the director determines
404 otherwise.

405 (b) The director may call additional meetings at the director's discretion, upon the
406 request of the chair, or upon the written request of four or more commission members.

407 (8) (a) Five members constitute a quorum for the transaction of business.

408 (b) If a quorum is present when a vote is taken, the affirmative vote of commission
409 members present is the act of the commission.

410 (9) The commission shall comply with the procedures and requirements of Title 13,
411 Chapter 1, Department of Commerce, and Title 63G, Chapter 4, Administrative Procedures
412 Act, in all of its adjudicative proceedings.

413 Section 3. Section **58-55-201** is amended to read:

414 **58-55-201. Boards created -- Duties.**

415 (1) (a) There is created:

416 (i) a Plumbers and Residential Heating, Ventilation, and Air Conditioning Technicians
417 Licensing Board[;];

418 (ii) an Alarm System Security and Licensing Board[;]; and

419 (iii) an Electricians Licensing Board.

420 (b) Members of the boards shall be selected to provide representation as follows:

421 [(a)] (i) The Plumbers and Residential Heating, Ventilation, and Air Conditioning
422 Technicians Licensing Board consists of [~~five~~] seven members as follows:

423 [(i)] (A) two members shall be licensed from among the license classifications of
424 master or journeyman plumber;

425 [(ii)] (B) [~~two members~~] one member shall be a licensed plumbing [~~contractors~~]
426 contractor; [~~and~~]

427 (C) two members shall be licensed from among the license classifications of master or
428 journeyman residential heating, ventilation, and air conditioning technician;

429 (D) one member shall be a residential heating, ventilation, and air conditioning
430 contractor; and

431 ~~[(iii)]~~ (E) one member shall be from the public at large with no history of involvement
432 in the construction trades.

433 ~~[(b)(i)]~~ (ii) (A) The Alarm System Security and Licensing Board consists of five
434 members as follows:

435 ~~[(A)]~~ (I) three individuals who are officers or owners of a licensed alarm business;

436 ~~[(B)]~~ (II) one individual from among nominees of the Utah Peace Officers Association;

437 and

438 ~~[(C)]~~ (III) one individual representing the general public.

439 ~~[(i)]~~ (B) The Alarm System Security and Licensing Board shall designate one of its
440 members on a permanent or rotating basis to:

441 ~~[(A)]~~ (I) assist the division in reviewing complaints concerning the unlawful or
442 unprofessional conduct of a licensee; and

443 ~~[(B)]~~ (II) advise the division in its investigation of these complaints.

444 ~~[(iii)]~~ (C) A board member who has, under this Subsection (1)(b)~~[(iii)]~~(ii)(C), reviewed
445 a complaint or advised in ~~[its]~~ the investigation of a complaint is disqualified from
446 participating with the board when the board serves as a presiding officer in an adjudicative
447 proceeding concerning the complaint.

448 ~~[(e)]~~ (iii) The Electricians Licensing Board consists of five members as follows:

449 ~~[(i)]~~ (A) two members shall be licensed from among the license classifications of
450 master or journeyman electrician, of whom one shall represent a union organization and one
451 shall be selected having no union affiliation;

452 ~~[(ii)]~~ (B) two shall be licensed electrical contractors of whom one shall represent a
453 union organization and one shall be selected having no union affiliation; and

454 ~~[(iii)]~~ (C) one member shall be from the public at large with no history of involvement
455 in the construction trades or union affiliation.

456 (2) The duties, functions, and responsibilities of each board include the following:

457 (a) recommending to the commission appropriate rules;

458 (b) recommending to the commission policy and budgetary matters;

459 (c) approving and establishing a passing score for applicant examinations;

460 (d) overseeing the screening of applicants for licensing, renewal, reinstatement, and
461 relicensure;

462 (e) assisting the commission in establishing standards of supervision for students or
463 persons in training to become qualified to obtain a license in the occupation or profession it
464 represents; and

465 (f) acting as presiding officer in conducting hearings associated with the adjudicative
466 proceedings and in issuing recommended orders when so authorized by the commission.

467 Section 4. Section **58-55-301** is amended to read:

468 **58-55-301. License required -- License classifications.**

469 (1) (a) A person engaged in the construction trades licensed under this chapter, as a
470 contractor regulated under this chapter, as an alarm business or company, or as an alarm
471 company agent, shall become licensed under this chapter before engaging in that trade or
472 contracting activity in this state unless specifically exempted from licensure under Section
473 58-1-307 or 58-55-305.

474 (b) The license issued under this chapter and the business license issued by the local
475 jurisdiction in which the licensee has its principal place of business shall be the only licenses
476 required for the licensee to engage in a trade licensed by this chapter[;] within the state.

477 (c) Neither the state nor [~~any of~~] its political subdivisions may require of a licensee
478 [~~any~~] an additional business [~~licenses, registrations, certifications, contributions, donations;~~
479 license, registration, certification, contribution, donation, or anything else established for the
480 purpose of qualifying a licensee under this chapter to do business in that local jurisdiction,
481 except for contract prequalification procedures required by state agencies[;] or the payment of
482 [~~any~~] a fee for the license, registration, or certification established as a condition to do business
483 in that local jurisdiction.

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

- 486 (a) general engineering contractor;
- 487 (b) general building contractor;
- 488 (c) residential and small commercial contractor;
- 489 (d) elevator contractor;
- 490 (e) specialty contractor;
- 491 (f) master plumber;
- 492 (g) residential master plumber;

- 493 (h) journeyman plumber;
- 494 (i) apprentice plumber;
- 495 (j) residential journeyman plumber;
- 496 (k) master electrician;
- 497 (l) residential master electrician;
- 498 (m) journeyman electrician;
- 499 (n) residential journeyman electrician;
- 500 (o) apprentice electrician;
- 501 (p) construction trades instructor:
- 502 (i) general engineering classification;
- 503 (ii) general building classification;
- 504 (iii) electrical classification;
- 505 (iv) plumbing classification; and
- 506 (v) mechanical classification;
- 507 (q) alarm company;
- 508 (r) alarm company agent; [~~and~~]
- 509 (s) elevator mechanic[-];
- 510 (t) master residential heating, ventilation, and air conditioning technician;
- 511 (u) journeyman residential heating, ventilation, and air conditioning technician; and
- 512 (v) apprentice residential heating, ventilation, and air conditioning technician.
- 513 (3) (a) An applicant may apply for a license in one or more [~~classification~~]
- 514 classifications or specialty contractor [~~subclassification~~] subclassifications.
- 515 (b) A license shall be granted in each classification or subclassification for which the
- 516 applicant qualifies.
- 517 (c) A separate application and fee must be submitted for each license classification or
- 518 subclassification.
- 519 Section 5. Section **58-55-302** is amended to read:
- 520 **58-55-302. Qualifications for licensure.**
- 521 (1) Each applicant for a license under this chapter shall:
- 522 (a) submit an application prescribed by the division;
- 523 (b) pay a fee as determined by the department under Section 63J-1-504;

524 (c) (i) meet the examination requirements established by rule by the commission, with
525 the concurrence of the director, except for the classifications of apprentice plumber [~~and~~],
526 apprentice electrician, and apprentice residential heating, ventilation, and air conditioning
527 technician, for whom no examination is required; or

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

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

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

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

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

537 (iii) (A) be a licensed master electrician, if an applicant for an electrical contractor's
538 license, or be a licensed master residential electrician, if an applicant for a residential electrical
539 contractor's license;

540 (B) be a licensed master plumber, if an applicant for a plumbing contractor's license, or
541 be a licensed [~~master~~] residential master plumber, if an applicant for a residential plumbing
542 contractor's license; [~~or~~]

543 (C) be a licensed master residential heating, ventilation, and air conditioning
544 technician, if an applicant for a residential heating, ventilation, and air conditioning contractor's
545 license; or

546 [~~(D)~~] (D) be a licensed elevator mechanic and produce satisfactory evidence of three
547 years of experience as an elevator mechanic, if an applicant for an elevator contractor's license;
548 and

549 (iv) [~~when~~] if the applicant is an unincorporated entity, provide a list of the one or
550 more individuals who hold an ownership interest in the applicant as of the day on which the
551 application is filed that includes for each individual:

552 (A) the individual's name, address, birthdate, and Social Security number; and

553 (B) whether the individual will engage in a construction trade; and

554 (f) if an applicant for a construction trades instructor license, satisfy any additional

555 requirements established by rule.

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

559 (a) proof of workers' compensation insurance [~~which~~] that covers employees of the
560 applicant in accordance with applicable Utah law;

561 (b) proof of public liability insurance in coverage amounts and form established by
562 rule, except for a construction trades instructor for whom public liability insurance is not
563 required; and

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

565 (i) Utah Department of Commerce;

566 (ii) Division of Corporations and Commercial Code;

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

569 (iv) State Tax Commission; and

570 (v) Internal Revenue Service.

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

574 (a) (i) A master plumber shall produce satisfactory evidence that the applicant:

575 (A) has been a licensed journeyman plumber for at least two years and [~~had~~] has two
576 years of supervisory experience as a licensed journeyman plumber in accordance with division
577 rule;

578 (B) has received at least an associate of applied science degree or similar degree
579 following the completion of a course of study approved by the division and [~~had~~] has one year
580 of supervisory experience as a licensed journeyman plumber in accordance with division rule;

581 or

582 (C) meets the qualifications determined by the division in collaboration with the board
583 to be equivalent to Subsection (3)(a)(i)(A) or (B).

584 (ii) An individual holding a valid Utah license as a journeyman plumber, in effect
585 immediately prior to May 5, 2008, based on at least four years of practical experience as a

586 licensed apprentice under the supervision of a licensed journeyman plumber and four years as a
587 licensed journeyman plumber, [~~in effect immediately prior to May 5, 2008,~~] is on and after
588 May 5, 2008, considered to hold a current master plumber license under this chapter, and
589 satisfies the requirements of this Subsection (3)(a) for the purpose of renewal or reinstatement
590 of that license under Section 58-55-303.

591 (iii) An individual holding a valid plumbing contractor's license or residential
592 plumbing contractor's license, in effect immediately prior to May 5, 2008, is on or after May 5,
593 2008:

594 (A) considered to hold a current master plumber license under this chapter if licensed
595 as a plumbing contractor and a journeyman plumber, and satisfies the requirements of this
596 Subsection (3)(a) for purposes of renewal or reinstatement of that license under Section
597 58-55-303; and

598 (B) considered to hold a current residential master plumber license under this chapter if
599 licensed as a residential plumbing contractor and a residential journeyman plumber, and
600 satisfies the requirements of this Subsection (3)(a) for purposes of renewal or reinstatement of
601 that license under Section 58-55-303.

602 (b) A master residential plumber applicant shall produce satisfactory evidence that the
603 applicant:

604 (i) has been a licensed residential journeyman plumber for at least two years and [~~had~~]
605 has two years of supervisory experience as a licensed residential journeyman plumber in
606 accordance with division rule; or

607 (ii) meets the qualifications determined by the division in collaboration with the board
608 to be equivalent to Subsection (3)(b)(i).

609 (c) A journeyman plumber applicant shall produce satisfactory evidence of:

610 (i) successful completion of the equivalent of at least four years of full-time training
611 and instruction as a licensed apprentice plumber under supervision of a licensed master
612 plumber or journeyman plumber and in accordance with a planned program of training
613 approved by the division;

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

616 (iii) satisfactory evidence of meeting the qualifications determined by the board to be

617 equivalent to Subsection (3)(c)(i) or (c)(ii).

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

619 (i) [~~completion of~~] completing the equivalent of at least three years of full-time training
620 and instruction as a licensed apprentice plumber under the supervision of a licensed residential
621 master plumber, licensed residential journeyman plumber, or licensed journeyman plumber in
622 accordance with a planned program of training approved by the division;

623 (ii) [~~completion of~~] completing at least six years of full-time experience in a
624 maintenance or repair trade involving substantial plumbing work; or

625 (iii) meeting the qualifications determined by the board to be equivalent to Subsection
626 (3)(d)(i) or (d)(ii).

627 (e) The conduct of licensed apprentice plumbers and their licensed supervisors shall be
628 in accordance with the following:

629 (i) while engaging in the trade of plumbing, a licensed apprentice plumber shall be
630 under the immediate supervision of a licensed master plumber, licensed residential master
631 plumber, licensed journeyman plumber, or a licensed residential journeyman plumber; and

632 (ii) a licensed apprentice plumber in the fourth through tenth year of training may work
633 without supervision for a period not to exceed eight hours in any 24-hour period, but if the
634 apprentice does not become a licensed journeyman plumber or licensed residential journeyman
635 plumber by the end of the tenth year of apprenticeship, this nonsupervision provision no longer
636 applies.

637 (f) A master electrician applicant shall produce satisfactory evidence that the applicant:

638 (i) is a graduate electrical engineer of an accredited college or university approved by
639 the division and has one year of practical electrical experience as a licensed apprentice
640 electrician;

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

644 (iii) has four years of practical experience as a journeyman electrician; or

645 (iv) meets the qualifications determined by the board to be equivalent to Subsection
646 (3)(f)(i), (ii), or (iii).

647 (g) A [~~master~~] residential master electrician applicant shall produce satisfactory

648 evidence that the applicant:

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

650 or

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

653 (h) A journeyman electrician applicant shall produce satisfactory evidence that the
654 applicant:

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

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

660 (iii) meets the qualifications determined by the board to be equivalent to Subsection
661 (3)(h)(i) or (ii).

662 (i) A residential journeyman electrician applicant shall produce satisfactory evidence
663 that the applicant:

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

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

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

671 (j) The conduct of licensed apprentice electricians and their licensed supervisors shall
672 be in accordance with the following:

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

677 (ii) A licensed master, journeyman, residential master, or residential journeyman
678 electrician may have under immediate supervision on a residential project up to three licensed

679 apprentice electricians.

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

682 (k) An applicant for master residential heating, ventilation, and air conditioning
683 technician shall:

684 (i) (A) produce satisfactory evidence that the applicant has at least two years of
685 full-time experience as a journeyman residential heating, ventilation, and air conditioning
686 technician, or its equivalent; and

687 (B) pass a competency test approved by the division; or

688 (ii) produce satisfactory evidence that the applicant has at least six years of full-time
689 experience in the heating, ventilation, and air conditioning trade, or its equivalent, at least two
690 years of which are during a time that the applicant is certified by North American Technicians
691 Excellence.

692 (l) An applicant for journeyman residential heating, ventilation, and air conditioning
693 technician shall:

694 (i) produce satisfactory evidence that the applicant has:

695 (A) at least two years full-time experience in the residential heating, ventilation, and air
696 conditioning trade under the supervision of a licensed residential heating, ventilation, and air
697 conditioning supervisor, or equivalent experience, and at least two years formal training or
698 equivalent training, which experience and training may be concurrent; or

699 (B) at least four years full-time experience in the residential heating, ventilation, and
700 air conditioning trade under the supervision of a licensed residential heating, ventilation, and
701 air conditioning supervisor, or equivalent experience; and

702 (ii) pass a competency test approved by the division.

703 (m) A licensed apprentice residential heating, ventilation, and air conditioning
704 technician shall be under the immediate supervision of a licensed residential heating,
705 ventilation, and air conditioning supervisor.

706 [~~k~~] (n) An alarm company applicant shall:

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

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

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

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

714 (ii) if a corporation, provide:

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

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

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

723 (A) the names, addresses, dates of birth, Social Security numbers, and fingerprint cards
724 of all company officers[;] and those responsible management personnel employed within the
725 state or having direct responsibility for managing operations of the applicant within the state;
726 and

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

729 (iv) if a partnership, provide the names, addresses, dates of birth, Social Security
730 numbers, and fingerprint cards of all general partners[;] and those responsible management
731 personnel employed within the state or having direct responsibility for managing operations of
732 the applicant within the state;

733 (v) if a proprietorship, provide the names, addresses, dates of birth, Social Security
734 numbers, and fingerprint cards of the proprietor[;] and those responsible management
735 personnel employed within the state or having direct responsibility for managing operations of
736 the applicant within the state;

737 (vi) if a trust, provide the names, addresses, dates of birth, Social Security numbers,
738 and fingerprint cards of the trustee[;] and those responsible management personnel employed
739 within the state or having direct responsibility for managing operations of the applicant within
740 the state;

741 (vii) be of good moral character in that officers, directors, shareholders described in
742 Subsection ~~(3)(k)~~(n)(ii)(B), partners, proprietors, trustees, and responsible management
743 personnel have not been convicted of a felony, a misdemeanor involving moral turpitude, or
744 ~~any~~ other crime that when considered with the duties and responsibilities of an alarm
745 company is considered by the board to indicate that the best interests of the public are served
746 by granting the applicant a license;

747 (viii) document that none of the applicant's officers, directors, shareholders described
748 in Subsection ~~(3)(k)~~(n)(ii)(B), partners, proprietors, trustees, and responsible management
749 personnel have been declared by ~~any~~ a court of competent jurisdiction incompetent by reason
750 of mental defect or disease and not been restored;

751 (ix) document that none of the applicant's officers, directors, shareholders described in
752 Subsection (3)~~(k)~~(n)(ii)(B), partners, proprietors, and responsible management personnel are
753 currently suffering from habitual drunkenness or from drug addiction or dependence;

754 (x) file and maintain with the division evidence of:

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

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

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

760 (I) Division of Corporations and Commercial Code;

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

763 (III) State Tax Commission; and

764 (IV) Internal Revenue Service; and

765 (xi) meet with the division and board.

766 ~~(f)~~ (o) Each applicant for licensure as an alarm company agent shall:

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

769 (ii) pay a fee determined by the department under Section 63J-1-504;

770 (iii) be of good moral character in that the applicant has not been convicted of a felony,
771 a misdemeanor involving moral turpitude, or ~~any~~ other crime that when considered with the

772 duties and responsibilities of an alarm company agent is considered by the board to indicate
773 that the best interests of the public are served by granting the applicant a license;

774 (iv) not have been declared by [~~any~~] a court of competent jurisdiction incompetent by
775 reason of mental defect or disease and not been restored;

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

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

779 [~~(m)~~] (p) (i) Each applicant for licensure as an elevator mechanic shall:

780 (A) provide documentation of experience and education credits of not less than three
781 years of work experience [~~in the elevator industry,~~] in elevator construction, maintenance, or
782 service and repair; and

783 (B) satisfactorily complete a written examination administered by the division
784 established by rule under Section 58-1-203; or

785 (C) provide certificates of completion of an apprenticeship program for elevator
786 mechanics, having standards substantially equal to those of this chapter and registered with the
787 United States Department of Labor Bureau Apprenticeship and Training or a state
788 apprenticeship council.

789 (ii) (A) If an elevator contractor licensed under this chapter cannot find a licensed
790 elevator mechanic to perform the work of erecting, constructing, installing, altering, servicing,
791 repairing, or maintaining an elevator, the contractor may:

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

793 (II) request the division issue a temporary elevator mechanic license to an individual
794 certified by the contractor as having an acceptable combination of documented experience and
795 education to perform the work described in this Subsection (3)[~~(m)~~](p)(ii)(A).

796 (B) (I) The division may issue a temporary elevator mechanic license to an individual
797 certified under Subsection (3)[~~(m)~~](p)(ii)(A)(II) upon application by the individual,
798 accompanied by the appropriate fee as determined by the department under Section 63J-1-504.

799 (II) The division shall specify the time period for which the license is valid and may
800 renew the license for an additional time period upon its determination that a shortage of
801 licensed elevator mechanics continues to exist.

802 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

803 division may make rules establishing when Federal Bureau of Investigation records shall be
804 checked for applicants as an alarm company or alarm company agent.

805 (5) To determine if an applicant meets the qualifications of Subsections (3)~~(f)~~(n)(vii)
806 and (3)~~(f)~~(o)(iii), the division shall provide an appropriate number of copies of fingerprint
807 cards to the Department of Public Safety with the division's request to:

808 (a) conduct a search of records of the Department of Public Safety for criminal history
809 information relating to each applicant for licensure as an alarm company or alarm company
810 agent and each applicant's officers, directors, shareholders described in Subsection
811 (3)~~(f)~~(n)(ii)(B), partners, proprietors, and responsible management personnel; and

812 (b) forward to the Federal Bureau of Investigation a fingerprint card of each applicant
813 requiring a check of records of the Federal Bureau of Investigation for criminal history
814 information under this section.

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

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

820 (b) the results of the Federal Bureau of Investigation review concerning an applicant, in
821 a timely manner, after receipt of information from the Federal Bureau of Investigation.

822 (7) (a) The division shall charge each applicant for licensure as an alarm company or
823 alarm company agent a fee, in accordance with Section 63J-1-504, equal to the cost of
824 performing the records reviews under this section.

825 (b) The division shall pay the Department of Public Safety the costs of all records
826 reviews, and the Department of Public Safety shall pay the Federal Bureau of Investigation the
827 costs of records reviews under this section.

828 (8) Information obtained by the division from the reviews of criminal history records of
829 the Department of Public Safety and the Federal Bureau of Investigation ~~shall~~ under
830 Subsections (5) through (7) may only be used or disseminated by the division ~~only~~ for the
831 purpose of determining if an applicant for licensure as an alarm company or alarm company
832 agent is qualified for licensure.

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

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

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

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

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

844 (B) [any] an owner or agent acting as a qualifier has served in [any] a capacity listed in
845 Subsection (9)(a)(ii)(B) in [any] an entity [which] that has had a previous license, which was
846 issued under this chapter, suspended or revoked within one year prior to the date of the
847 applicant's application.

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

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

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

853 (B) [any] a corporate officer, director, shareholder holding 25% or more of the stock in
854 the applicant, partner, member, agent acting as a qualifier, or [any] a person occupying a
855 similar status, performing similar functions, or directly or indirectly controlling the applicant
856 has served in [any] a similar capacity with [any] a person or entity [which] that has had a
857 previous license, which was issued under this chapter, suspended or revoked more than one
858 year prior to the date of the applicant's application; or

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

860 (B) [any] an owner or agent acting as a qualifier has served in [any] a capacity listed in
861 Subsection (9)(b)(ii)(B) in [any] an entity [which] that has had a previous license, which was
862 issued under this chapter, suspended or revoked more than one year prior to the date of the
863 applicant's application.

864 (10) (a) (i) A licensee that is an unincorporated entity shall file an ownership status

865 report with the division every 90 days after the day on which the license is issued if the licensee
866 has more than five owners who:

867 (A) are individuals [~~who~~];

868 [~~(A)~~] (B) own an interest in the contractor that is an unincorporated entity;

869 [~~(B)~~] (C) own, directly or indirectly, less than an 8% interest in the unincorporated
870 entity, as defined by rule made by the division in accordance with Title 63G, Chapter 3, Utah
871 Administrative Rulemaking Act; and

872 [~~(C)~~] (D) engage, or will engage, in a construction trade in Utah as an owner of the
873 contractor described in Subsection (10)(a)(i)(A).

874 (ii) If the licensee has five or fewer owners described in Subsection (10)(a)(i), the
875 licensee shall provide the ownership status report with an application for renewal of licensure.

876 (b) An ownership status report required under this Subsection (10) shall:

877 (i) list each addition or deletion of an owner:

878 (A) for the first ownership status report, after the day on which the unincorporated
879 entity is licensed under this chapter; and

880 (B) for a subsequent ownership status report, after the day on which the previous
881 ownership status report is filed;

882 (ii) be in a format prescribed by the division that includes the items on the list provided
883 under Subsection(1)(e)(iv); and

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

886 (c) The division may, at any time, audit an ownership status report under this
887 Subsection (10):

888 (i) to determine if financial responsibility has been demonstrated or maintained as
889 required under Section 58-55-306; and

890 (ii) to determine compliance with Subsection 58-55-501(24) or (25) or Subsection
891 58-55-502(8) or (9).

892 (11) (a) An unincorporated entity that provides labor to an entity licensed under this
893 chapter by providing an individual who owns an interest in the unincorporated entity to engage
894 in a construction trade in Utah shall file with the division:

895 (i) before the individual who owns an interest in the unincorporated entity engages in a

896 construction trade in Utah, a current list of the one or more individuals who hold an ownership
897 interest in the unincorporated entity that includes for each individual:

898 (A) the individual's name, address, birthdate, and Social Security number; and

899 (B) whether the individual will engage in a construction trade; and

900 (ii) every 90 days after the day on which the unincorporated entity provides the list
901 described in Subsection (11)(a)(i), an ownership status report containing the information that
902 would be required under Subsection (10) if the unincorporated entity were a licensed
903 contractor.

904 (b) When filing an ownership list described in Subsection (11)(a)(i) or an ownership
905 status report described in Subsection (11)(a)(ii) an unincorporated entity shall pay a fee set by
906 the division in accordance with Section 63J-1-504.

907 (12) This chapter may not be interpreted to create or support an express or implied
908 independent contractor relationship between an unincorporated entity described in Subsection
909 (10) or (11) and the owners of the unincorporated entity for any purpose, including income tax
910 withholding.

911 (13) A Social Security number provided under Subsection (1)(e)(iv) is a private record
912 under Subsection 63G-2-302(1)(h).

913 Section 6. Section **58-55-302.3** is enacted to read:

914 **58-55-302.3. Transition provisions for residential heating, ventilation, and air**
915 **conditioning contractors and technicians.**

916 (1) (a) Notwithstanding Section 58-55-302, a person who, on May 14, 2013, holds a
917 valid specialty contractor license issued by the division for the heating, ventilation, and air
918 conditioning system trade is granted a license as a residential heating, ventilation, and air
919 conditioning contractor.

920 (b) The division shall issue a residential heating, ventilation, and air conditioning
921 contractor license to each person described in Subsection (1)(a).

922 (2) (a) Notwithstanding Subsection 58-55-302(3)(k), an individual who, on May 14,
923 2013, qualifies under Section 58-55-304 for a business entity licensee holding a valid specialty
924 contractor's license for the heating, ventilation, and air conditioning system trade is granted
925 status as a master residential heating, ventilation, and air conditioning technician.

926 (b) The division shall issue a master residential heating, ventilation, and air

927 conditioning technician license to each individual described in Subsection (2)(a).

928 (c) Notwithstanding Subsection 58-55-302(3)(k), for a master residential heating,
 929 ventilation, and air conditioning technician license issued before January 1, 2015, except for a
 930 license issued under Subsection (2)(b), an applicant shall:

931 (i) produce satisfactory evidence of having completed at least six years of full-time
 932 experience in the heating, ventilation, and air conditioning trade, or its equivalent as defined by
 933 division by rule; and

934 (ii) pass a competency test established by the division.

935 (3) Notwithstanding Subsection 58-55-302(3)(l), for a journeyman residential heating,
 936 ventilation, and air conditioning technician license issued before January 1, 2015, an applicant
 937 shall produce satisfactory evidence of having completed at least four years of full-time
 938 experience in the heating, ventilation, and air conditioning trade, or its equivalent as defined by
 939 division rule.

940 Section 7. Section **58-55-302.7** is amended to read:

941 **58-55-302.7. Continuing education requirements for electricians, elevator**
 942 **mechanics, plumbers, and apprentice, journeyman, or master residential heating,**
 943 **ventilation, and air conditioning technicians.**

944 [~~(1) As used in this section:~~]

945 [~~(a) "Licensed electrician" means an individual licensed under this chapter as an~~
 946 ~~apprentice electrician, journeyman electrician, master electrician, residential journeyman~~
 947 ~~electrician, or residential master electrician.]~~

948 [~~(b) "Licensed elevator mechanic" means an individual licensed under this chapter as~~
 949 ~~an elevator mechanic.]~~

950 [~~(c) "Licensed plumber" means an individual licensed under this chapter as an~~
 951 ~~apprentice plumber, journeyman plumber, master plumber, residential journeyman plumber, or~~
 952 ~~residential master plumber.]~~

953 [~~(2)~~] (1) [~~Beginning December 1, 2010, during~~] During each two-year renewal cycle
 954 established by rule under Subsection 58-55-303(1):

955 (a) a licensed electrician shall complete 16 hours of continuing education under the
 956 continuing education program established under this section;

957 (b) a licensed plumber shall complete 12 hours of continuing education under the

958 continuing education program established under this section; [~~and~~]

959 (c) a licensed elevator mechanic shall complete eight hours of continuing education
960 under the continuing education program established under this section[-]; and

961 (d) a licensed residential heating, ventilation, and air conditioning technician shall
962 complete 12 hours of continuing education related to heating, ventilation, and air conditioning
963 fuel and energy efficiency.

964 [~~(3)~~] (2) The commission shall, with the concurrence of the division, establish by rule:

965 (a) a continuing education program for licensed electricians;

966 (b) a continuing education program for licensed elevator mechanics; [~~and~~]

967 (c) a continuing education program for licensed plumbers[-]; and

968 (d) a continuing education program for licensed residential heating, ventilation, and air
969 conditioning technicians.

970 [~~(4)~~] (3) The division may contract with a person to establish and maintain a
971 continuing education registry to include:

972 (a) an online application for a continuing education course provider to apply to the
973 division for approval of the course for inclusion in the continuing education program;

974 (b) a list of courses that the division has approved for inclusion in the continuing
975 education program; and

976 (c) a list of courses that:

977 (i) a licensed electrician, licensed elevator mechanic, [~~or~~] licensed plumber, or licensed
978 residential heating, ventilation, and air conditioning technician has completed under the
979 continuing education program; and

980 (ii) the licensed electrician, licensed elevator mechanic, [~~or~~] licensed plumber, or
981 licensed residential heating, ventilation, and air conditioning technician may access to monitor
982 compliance with the continuing education requirement under Subsection [~~(2)~~] (1).

983 [~~(5)~~] (4) The division may charge a fee, established by the division under Section
984 63J-1-504, to administer the requirements of this section.

985 Section 8. Section **58-55-303** is amended to read:

986 **58-55-303. Term of license -- Expiration -- Renewal.**

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

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

991 (2) At the time of renewal, the licensee shall show satisfactory evidence of:

992 (a) continuing financial responsibility as required under Section 58-55-306;

993 (b) for a contractor licensee, completion of six hours of approved continuing education,
994 as required in Section 58-55-302.5; ~~and~~

995 (c) if the licensee is an apprentice electrician or plumber, journeyman electrician or
996 plumber, master electrician or plumber, residential journeyman electrician or plumber, or
997 residential master electrician or plumber, completion of the number of hours of continuing
998 education specified under Section 58-55-302.7~~[-]~~; and

999 (d) for a residential heating, ventilation, and air conditioning technician licensee,
1000 having completed, during the two-year license renewal cycle, 12 hours of continuing education,
1001 approved by the division and the board, related to heating, ventilation, and air conditioning fuel
1002 and energy efficiency.

1003 (3) Each license automatically expires on the expiration date shown on the license
1004 unless the licensee renews the license in accordance with Section 58-1-308.

1005 (4) The requirements of Subsection 58-55-302(9) ~~shall~~ also apply to applicants
1006 seeking to renew or reinstate a license.

1007 (5) In addition to any other requirements imposed by law, if a license has been
1008 suspended or revoked ~~for any reason~~, the applicant:

1009 (a) shall pay in full all fines imposed by the division;

1010 (b) resolve any outstanding citations or disciplinary actions with the division;

1011 (c) satisfy any Section 58-55-503 judgment and sentence or nontrial resolution;

1012 (d) complete a new financial responsibility review as required under Section
1013 58-55-306, using only titled assets; and

1014 (e) pay in full any reimbursement amount as provided in Title 38, Chapter 11,
1015 Residence Lien Restriction and Lien Recovery Fund Act.

1016 Section 9. Section **58-55-305** is amended to read:

1017 **58-55-305. Exemptions from licensure.**

1018 (1) In addition to the exemptions from licensure in Section 58-1-307, the following
1019 persons may engage in acts or practices included within the practice of construction trades,

1020 subject to the stated circumstances and limitations, without being licensed under this chapter:

1021 (a) an authorized representative of the United States government or an authorized
1022 employee of the state or any of its political subdivisions when working on construction work of
1023 the state or the subdivision, and when acting within the terms of the person's trust, office, or
1024 employment;

1025 (b) a person engaged in construction or operation incidental to the construction and
1026 repair of irrigation and drainage ditches of regularly constituted irrigation districts, reclamation
1027 districts, and drainage districts or construction and repair relating to farming, dairying,
1028 agriculture, livestock or poultry raising, metal and coal mining, quarries, sand and gravel
1029 excavations, well drilling, as defined in Section 73-3-25, hauling to and from construction
1030 sites, and lumbering;

1031 (c) public utilities operating under the rules of the Public Service Commission on work
1032 incidental to their own business;

1033 (d) sole owners of property engaged in building:

1034 (i) no more than one residential structure per year and no more than three residential
1035 structures per five years on their property for their own noncommercial, nonpublic use;
1036 except[;] that a person other than the property owner or individuals described in Subsection
1037 (1)(e)[;] who engages in building the structure must be licensed under this chapter if the person
1038 is otherwise required to be licensed under this chapter; or

1039 (ii) structures on their property for their own noncommercial, nonpublic use [~~which~~]
1040 that are incidental to a residential structure on the property, including sheds, carports, or
1041 detached garages;

1042 (e) (i) a person engaged in construction or renovation of a residential building for
1043 noncommercial, nonpublic use, if that person:

1044 (A) works without compensation other than token compensation that is not considered
1045 salary or wages; and

1046 (B) works under the direction of the property owner who engages in building the
1047 structure; and

1048 (ii) as used in this Subsection (1)(e), "token compensation" means compensation paid
1049 by a sole owner of property exempted from licensure under Subsection (1)(d) to a person
1050 exempted from licensure under this Subsection (1)(e), that is:

- 1051 (A) minimal in value when compared with the fair market value of the services
1052 provided by the person;
- 1053 (B) not related to the fair market value of the services provided by the person; and
1054 (C) is incidental to the providing of services by the person including paying for or
1055 providing meals or refreshment while services are being provided, or paying reasonable
1056 transportation costs incurred by the person in travel to the site of construction;
- 1057 (f) a person engaged in the sale or merchandising of personal property that by its design
1058 or manufacture may be attached, installed, or otherwise affixed to real property, and who has
1059 contracted with a person, firm, or corporation licensed under this chapter to install, affix, or
1060 attach that property;
- 1061 (g) a contractor submitting a bid on a federal aid highway project, if, before
1062 undertaking construction under that bid, the contractor is licensed under this chapter;
- 1063 (h) (i) a person engaged in the alteration, repair, remodeling, or addition to or
1064 improvement of a building with a contracted or agreed value of less than \$3,000, including
1065 both labor and materials, and including all changes or additions to the contracted or agreed
1066 upon work; and
- 1067 (ii) notwithstanding Subsection (1)(h)(i) and except as otherwise provided in this
1068 section:
- 1069 (A) work in the plumbing [~~and~~], electrical, and residential heating, ventilation, and air
1070 conditioning system trades on a project described in Subsection (1)(h)(i) [~~project~~] within any
1071 six-month period of time:
- 1072 (I) [~~must~~] shall be performed by a licensed electrical [~~or~~], plumbing, or residential
1073 heating, ventilation, and air conditioning contractor, respectively, if the project involves an
1074 electrical [~~or~~], plumbing, or residential heating, ventilation, and air conditioning system; [~~and~~]
1075 (II) may be performed by a licensed journeyman electrician or plumber or an individual
1076 referred to in Subsection (1)(h)(ii)(A)(I), if the project involves a component of the system
1077 such as a faucet, toilet, fixture, device, [~~outlet~~] receptacle, or electrical switch; and
1078 (III) may be performed by a licensed residential heating, ventilation, and air
1079 conditioning technician, if the project involves a component of the system such as a thermostat,
1080 transformer, relay, compressor, motor, or blower;
- 1081 (B) installation, repair, or replacement of a residential or commercial gas appliance or a

1082 combustion system on a Subsection (1)(h)(i) project [~~must~~] shall be performed by a person who
1083 has received certification under Subsection 58-55-308(2) except as otherwise provided in
1084 Subsection 58-55-308(2)(d) or 58-55-308(3);

1085 (C) installation, repair, or replacement of water-based fire protection systems on a
1086 Subsection (1)(h)(i) project [~~must~~] shall be performed by a licensed fire suppression systems
1087 contractor or a licensed journeyman plumber;

1088 (D) work as an alarm business or company or as an alarm company agent shall be
1089 performed by a licensed alarm business or company or a licensed alarm company agent, except
1090 as otherwise provided in this chapter;

1091 (E) installation, repair, or replacement of an alarm system on a Subsection (1)(h)(i)
1092 project [~~must~~] shall be performed by a licensed alarm business or company or a licensed alarm
1093 company agent;

1094 (F) installation, repair, or replacement of a residential heating, ventilation, or air
1095 conditioning system [~~HVAC~~] on a project described in Subsection (1)(h)(i) [~~project must~~]
1096 shall be performed by [~~an HVAC~~] a residential heating, ventilation, and air conditioning
1097 contractor licensed by the division;

1098 (G) installation, repair, or replacement of a radon mitigation system or a soil
1099 depressurization system [~~must~~] shall be performed by a licensed contractor; and

1100 (H) if the total value of the project is greater than \$1,000, the person shall file with the
1101 division a one-time affirmation, subject to periodic reaffirmation as established by division
1102 rule, that the person has:

1103 (I) public liability insurance in coverage amounts and form established by division
1104 rule; and

1105 (II) if applicable, workers compensation insurance [~~which~~] that would cover an
1106 employee of the person if that employee worked on the construction project;

1107 (i) a person practicing a specialty contractor classification or construction trade [~~which~~]
1108 that the director does not classify by administrative rule as significantly impacting the public's
1109 health, safety, and welfare;

1110 (j) owners and lessees of property and persons regularly employed for wages by owners
1111 or lessees of property or their agents for the purpose of maintaining the property[;] are exempt
1112 from this chapter when doing work upon the property;

- 1113 (k) (i) a person engaged in minor plumbing work that is incidental, as defined by [the]
1114 division [by] rule, to the replacement or repair of a fixture or an appliance in a residential or
1115 small commercial building, or structure used for agricultural use, as defined in Section
1116 15A-1-202, provided that no modification is made to:
- 1117 (A) existing culinary water, soil, waste, or vent piping; or
 - 1118 (B) a gas appliance or combustion system; and
- 1119 (ii) except as provided in Subsection (1)(e), installation for the first time of a fixture or
1120 an appliance is not included in the exemption provided under Subsection (1)(k)(i);
- 1121 (l) a person who ordinarily would be subject to the plumber licensure requirements
1122 under this chapter when installing or repairing a water conditioner or other water treatment
1123 apparatus, if the conditioner or apparatus:
- 1124 (i) meets the appropriate state construction codes or local plumbing standards; and
 - 1125 (ii) is installed or repaired under the direction of a person authorized to do the work
1126 under an appropriate specialty contractor license;
- 1127 (m) a person who ordinarily would be subject to the electrician licensure requirements
1128 under this chapter when employed by:
- 1129 (i) railroad corporations, telephone corporations or their corporate affiliates, elevator
1130 contractors or constructors, or street railway systems; or
 - 1131 (ii) public service corporations, rural electrification associations, or municipal utilities
1132 who generate, distribute, or sell electrical energy for light, heat, or power;
- 1133 (n) a person involved in minor electrical work incidental to a mechanical or service
1134 installation;
- 1135 (o) a student participating in construction trade education and training programs
1136 approved by the commission with the concurrence of the director under the condition that:
- 1137 (i) [aH] work intended as a part of a finished product on which there would normally be
1138 an inspection by a building inspector is, in fact, inspected and found acceptable by a licensed
1139 building inspector; and
 - 1140 (ii) a licensed contractor obtains the necessary building permits;
- 1141 (p) a delivery person when replacing any of the following existing equipment with a
1142 new gas appliance, provided there is an existing gas shutoff valve at the appliance:
- 1143 (i) gas range;

- 1144 (ii) gas dryer;
- 1145 (iii) outdoor gas barbeque; or
- 1146 (iv) outdoor gas patio heater;
- 1147 (q) a person performing maintenance on an elevator [~~as defined in Subsection~~
- 1148 ~~58-55-102(14)~~], if the maintenance is not related to the operating integrity of the elevator; and
- 1149 (r) an apprentice or helper of an elevator mechanic licensed under this chapter when
- 1150 working under the general direction of the licensed elevator mechanic.

1151 (2) A compliance agency as defined in Section 15A-1-202 that issues a building permit
 1152 to a person requesting a permit as a sole owner of property referred to in Subsection (1)(d) shall
 1153 notify the division, in writing or through electronic transmission, of the issuance of the permit.

1154 Section 10. Section ~~58-55-308~~ is amended to read:

1155 **58-55-308. Scope of practice -- Installation, repair, maintenance, cleaning, or**
 1156 **replacement of gas appliance or combustion system -- Rules.**

1157 (1) (a) The commission, with the concurrence of the director, may adopt reasonable
 1158 rules pursuant to Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to define and
 1159 limit the scope of practice and operating standards of the classifications and subclassifications
 1160 licensed under this chapter in a manner consistent with established practice in the relevant
 1161 industry.

1162 (b) The commission and the director may limit the field and scope of operations of a
 1163 licensee under this chapter in accordance with the rules and the public health, safety, and
 1164 welfare, based on the licensee's education, training, experience, knowledge, and financial
 1165 responsibility.

1166 (2) (a) The work and scope of practice covered by this Subsection (2) is the
 1167 installation, repair, maintenance, cleaning, or replacement of a residential or commercial gas
 1168 appliance or combustion system.

1169 (b) The provisions of this Subsection (2) apply to any:

1170 (i) licensee under this chapter whose license authorizes the licensee to perform the
 1171 work described in Subsection (2)(a); and

1172 (ii) person exempt from licensure under Subsection 58-55-305(1)(h).

1173 (c) [~~Any~~] A person described in Subsection (2)(b) that performs work described in
 1174 Subsection (2)(a):

1175 (i) must first receive training and certification as specified in rules adopted by the
1176 division; and

1177 (ii) shall ensure that ~~[any]~~ each employee authorized under other provisions of this
1178 chapter to perform work described in Subsection (2)(a) has first received training and
1179 certification as specified in rules adopted by the division.

1180 (d) The division may exempt from the training requirements adopted under Subsection
1181 (2)(c) a person that has adequate experience, as determined by the division.

1182 (3) The division may exempt the following individuals from the certification
1183 requirements adopted under Subsection (2)(c):

1184 (a) a person who has passed a test equivalent to the level of testing required by the
1185 division for certification~~[;]~~ or has completed an apprenticeship program that teaches the
1186 installation of gas line appliances and is approved by the Federal Bureau of Apprenticeship
1187 Training; and

1188 (b) a person working under the immediate one-to-one supervision of a certified natural
1189 gas technician or a person exempt from certification.

1190 (4) ~~[This section does not prohibit a]~~ A licensed specialty contractor ~~[from accepting~~
1191 ~~and entering]~~ may accept and enter into a contract involving ~~[the use of two or more crafts or~~
1192 ~~trades if the performance of the], and perform~~ work in ~~[the]~~, crafts or trades~~[;]~~ other than ~~[that]~~
1193 those in which the contractor is licensed, if the work in those other crafts or trades is incidental
1194 ~~[and supplemental]~~ to the work for which the contractor is licensed.

1195 Section 11. Section **58-55-501** is amended to read:

1196 **58-55-501. Unlawful conduct.**

1197 Unlawful conduct includes:

1198 (1) engaging in a construction trade, acting as a contractor, an alarm business or
1199 company, or an alarm company agent, or representing oneself to be engaged in a construction
1200 trade or to be acting as a contractor in a construction trade requiring licensure, unless the
1201 person doing any of these is appropriately licensed or exempted from licensure under this
1202 chapter;

1203 (2) acting in a construction trade, as an alarm business or company, or as an alarm
1204 company agent beyond the scope of the license held;

1205 (3) hiring or employing ~~[in any manner]~~ an unlicensed person, other than an employee

1206 for wages who is not required to be licensed under this chapter, to engage in a construction
1207 trade for which licensure is required or to act as a contractor or subcontractor in a construction
1208 trade requiring licensure;

1209 (4) applying for or obtaining a building permit either for oneself or another when not
1210 licensed or exempted from licensure as a contractor under this chapter;

1211 (5) issuing a building permit to ~~[any]~~ a person for whom there is no evidence of a
1212 current license or exemption from licensure as a contractor under this chapter;

1213 (6) applying for or obtaining a building permit for the benefit of, or on behalf of ~~[any~~
1214 ~~other]~~, a person who is required to be licensed under this chapter but who is not licensed or is
1215 otherwise not entitled to obtain or receive the benefit of the building permit;

1216 (7) failing to obtain a building permit when required by law or rule;

1217 (8) submitting a bid for ~~[any]~~ work for which a license is required under this chapter by
1218 a person not licensed or exempted from licensure as a contractor under this chapter;

1219 (9) willfully or deliberately misrepresenting or omitting a material fact in connection
1220 with an application to obtain or renew a license under this chapter;

1221 (10) allowing one's license to be used by another except as provided by statute or rule;

1222 (11) doing business under a name other than the name appearing on the license, except
1223 as permitted by statute or rule;

1224 ~~[(12) if licensed as a specialty contractor in the electrical trade or plumbing trade;~~
1225 ~~journeyman plumber, residential journeyman plumber, journeyman electrician, master~~
1226 ~~electrician, or residential electrician, failing to directly supervise an apprentice under one's~~
1227 ~~supervision or exceeding the number of apprentices one is allowed to have under the speciality~~
1228 ~~contractor's supervision;]~~

1229 (12) failing to provide immediate supervision of an apprentice under a supervisor's
1230 supervision or exceeding the number of apprentices the supervisor is allowed to have under the
1231 supervisor's supervision if the supervisor is licensed as:

1232 (a) a specialty contractor in the electrical, plumbing, or residential heating, ventilation,
1233 and air conditioning trade;

1234 (b) a master, journeyman, or residential electrician;

1235 (c) a journeyman or residential journeyman plumber; or

1236 (d) a master or journeyman residential heating, ventilation, and air conditioning

1237 technician:

1238 (13) if licensed as a contractor or representing oneself to be a contractor, receiving
1239 [~~any~~] funds in payment for a specific project from an owner or [~~any~~] other person, which funds
1240 are to pay for work performed, or materials and services furnished for that specific project, and
1241 after receiving the funds [~~to exercise~~], exercising unauthorized control over the funds by failing
1242 to pay the full amounts due and payable to persons who performed work or furnished materials
1243 or services within a reasonable period of time;

1244 (14) employing an unlicensed alarm business or company, or an unlicensed individual
1245 as an alarm company agent, except as permitted under the exemption from licensure provisions
1246 under Section 58-1-307;

1247 (15) if licensed as an alarm company or alarm company agent, filing with the division
1248 fingerprint cards for an applicant [~~which~~] that are not those of the applicant[;] or are [~~in any~~
1249 ~~other way~~] otherwise false or fraudulent and intended to mislead the division in its
1250 consideration of the applicant for licensure;

1251 (16) if licensed under this chapter, willfully or deliberately disregarding or violating:

1252 (a) the building or construction laws of this state or [~~any~~] a political subdivision;

1253 (b) the safety and labor laws applicable to a project;

1254 (c) [~~any~~] a provision of the health laws applicable to a project;

1255 (d) the workers' compensation insurance laws of the state applicable to a project;

1256 (e) the laws governing withholdings for employee state and federal income taxes,

1257 unemployment taxes, Social Security payroll taxes, or other required withholdings; or

1258 (f) reporting, notification, and filing laws of this state or the federal government;

1259 (17) aiding or abetting [~~any~~] a person in evading the provisions of this chapter or rules
1260 established under the authority of the division to govern this chapter;

1261 (18) engaging in the construction trade, or as a contractor, for the construction of
1262 residences of up to two units when not currently registered or exempt from registration as a
1263 qualified beneficiary under Title 38, Chapter 11, Residence Lien Restriction and Lien Recovery
1264 Fund Act;

1265 (19) failing, as an original contractor, as defined in Section 38-11-102, to include in a
1266 written contract the notification required in Section 38-11-108;

1267 (20) wrongfully filing a preconstruction or construction lien in violation of Section

1268 38-1a-308;

1269 (21) if licensed as a contractor, not completing the approved continuing education
1270 required under Section 58-55-302.5;

1271 (22) an alarm company allowing an employee with a temporary license under Section
1272 58-55-312 to engage in conduct on behalf of the company outside the scope of the temporary
1273 license, as provided in Subsection 58-55-312(3)(a)(ii);

1274 (23) an alarm company agent under a temporary license under Section 58-55-312
1275 engaging in conduct outside the scope of the temporary license, as provided in Subsection
1276 58-55-312(3)(a)(ii);

1277 (24) (a) an unincorporated entity licensed under this chapter having an individual who
1278 owns an interest in the unincorporated entity engage in a construction trade in Utah while not
1279 lawfully present in the United States; or

1280 (b) an unincorporated entity providing labor to an entity licensed under this chapter by
1281 providing an individual who owns an interest in the unincorporated entity to engage in a
1282 construction trade in Utah while not lawfully present in the United States;

1283 (25) an unincorporated entity failing to provide the following for an individual who
1284 engages, or will engage, in a construction trade in Utah for the unincorporated entity, or for an
1285 individual who engages, or will engage, in a construction trade in Utah for a separate entity for
1286 which the unincorporated entity provides the individual as labor:

1287 (a) workers' compensation coverage:

1288 (i) to the extent required by Title 34A, Chapter 2, Workers' Compensation Act, and
1289 Title 34A, Chapter 3, Utah Occupational Disease Act; or

1290 (ii) that would be required under the chapters listed in Subsection (25)(a)(i) if the
1291 unincorporated entity were licensed under this chapter; and

1292 (b) unemployment compensation in accordance with Title 35A, Chapter 4,
1293 Employment Security Act, for an individual who owns, directly or indirectly, less than an 8%
1294 interest in the unincorporated entity, as defined by rule made by the division in accordance with
1295 Title 63G, Chapter 3, Utah Administrative Rulemaking Act; ~~or~~

1296 (26) ~~[the failure of]~~ a sign installation contractor or nonelectrical outdoor advertising
1297 sign contractor, as classified and defined ~~[in]~~ by division ~~[rules]~~ rule, failing to:

1298 (a) display the contractor's license number prominently on a vehicle that:

1299 (i) the contractor uses; and
 1300 (ii) displays the contractor's business name; or
 1301 (b) carry a copy of the contractor's license in [~~any other~~] each vehicle that the
 1302 contractor uses at a job site, whether or not the vehicle is owned by the contractor[~~;~~]; or
 1303 (27) if licensed as a heating, ventilation, and air conditioning technician, failing to
 1304 complete 12 hours of continuing education related to heating, ventilation, and air conditioning
 1305 fuel and energy efficiency as required in Subsection 58-55-302.7(2)(d).

1306 Section 12. Section **58-55-503** is amended to read:

1307 **58-55-503. Penalty for unlawful conduct -- Citations.**

1308 (1) (a) (i) A person who violates Subsection 58-55-308(2), Subsection 58-55-501(1),
 1309 (2), (3), (4), (5), (6), (7), (9), (10), (12), (14), (15), (22), (23), (24), (25), [~~or~~] (26), or (27), or
 1310 Subsection 58-55-504(2), or who fails to comply with a citation issued under this section after
 1311 it is final, is guilty of a class A misdemeanor.

1312 (ii) As used in this section in reference to Subsection 58-55-504(2), "person" means an
 1313 individual and does not include a sole proprietorship, joint venture, corporation, limited
 1314 liability company, association, or organization of any type.

1315 (b) A person who violates the provisions of Subsection 58-55-501(8) may not be
 1316 awarded and may not accept a contract for the performance of the work.

1317 (2) A person who violates the provisions of Subsection 58-55-501(13) is guilty of an
 1318 infraction unless the violator did so with the intent to deprive the person to whom money is to
 1319 be paid of the money received, in which case the violator is guilty of theft, as classified in
 1320 Section 76-6-412.

1321 (3) Grounds for immediate suspension of [~~the~~] a licensee's license by the division and
 1322 the commission include the issuance of a citation for violation of Subsection 58-55-308(2),
 1323 Section 58-55-501, or Subsection 58-55-504(2), or the failure by a licensee to make application
 1324 to, report to, or notify the division with respect to [~~any~~] a matter for which application,
 1325 notification, or reporting is required under this chapter or rules adopted under this chapter,
 1326 including:

1327 (a) applying to the division for a new license to engage in a new specialty classification
 1328 [~~or~~];

1329 (b) applying to do business under a new form of organization or business structure[~~;~~];

1330 (c) filing with the division current financial statements[;];
1331 (d) notifying the division concerning loss of insurance coverage[;]; or
1332 (e) a change in qualifier.

1333 (4) (a) If, upon inspection or investigation, the division concludes that a person has
1334 violated the provisions of Subsection 58-55-308(2) or [~~Subsections~~] Subsection 58-55-501(1),
1335 (2), (3), (9), (10), (12), (14), (19), (21), (22), (23), (24), (25), [~~or~~] (26), or (27) or Subsection
1336 58-55-504(2), or [~~any~~] a rule or order issued with respect to these subsections, and that
1337 disciplinary action is appropriate, the director or the director's designee from within the
1338 division shall promptly issue a citation to the person according to this chapter and [~~any~~]
1339 pertinent rules, attempt to negotiate a stipulated settlement, or notify the person to appear
1340 before an adjudicative proceeding conducted under Title 63G, Chapter 4, Administrative
1341 Procedures Act.

1342 (i) A person who is in violation of the provisions of Subsection 58-55-308(2),
1343 Subsection 58-55-501(1), (2), (3), (9), (10), (12), (14), (19), (21), (22), (23), (24), (25), [~~or~~]
1344 (26), or (27), or Subsection 58-55-504(2), as evidenced by an uncontested citation, a stipulated
1345 settlement, or by a finding of violation in an adjudicative proceeding, may be assessed a fine
1346 pursuant to this Subsection (4) and may, in addition to or in lieu of, be ordered to cease and
1347 desist from violating Subsection 58-55-308(2), Subsection 58-55-501(1), (2), (3), (9), (10),
1348 (12), (14), (19), (21), (24), (25), [~~or~~] (26), or (27), or Subsection 58-55-504(2).

1349 (ii) Except for a cease and desist order, the licensure sanctions cited in Section
1350 58-55-401 may not be assessed through a citation.

1351 (b) (i) A citation shall be in writing and describe with particularity the nature of the
1352 violation, including a reference to the provision of the chapter, rule, or order alleged to have
1353 been violated.

1354 (ii) A citation shall clearly state that the recipient must notify the division in writing
1355 within 20 calendar days of service of the citation if the recipient wishes to contest the citation
1356 at a hearing conducted under Title 63G, Chapter 4, Administrative Procedures Act.

1357 (iii) A citation shall clearly explain the consequences of failure to timely contest the
1358 citation or to make payment of any fines assessed by the citation within the time specified in
1359 the citation.

1360 (c) A citation issued under this section, or a copy of a citation, may be served upon a

1361 person upon whom a summons may be served:

1362 (i) in accordance with the Utah Rules of Civil Procedure;

1363 (ii) personally or upon the person's agent by a division investigator or by a person
1364 specially designated by the director; or

1365 (iii) by mail.

1366 (d) (i) If, within 20 calendar days from the service of a citation, the person to whom the
1367 citation was issued fails to request a hearing to contest the citation, the citation becomes the
1368 final order of the division and is not subject to further agency review.

1369 (ii) The period to contest a citation may be extended by the division for cause.

1370 (e) The division may refuse to issue or renew, may suspend, may revoke, or may place
1371 on probation the license of a licensee who fails to comply with a citation after it becomes final.

1372 (f) The failure of an applicant for licensure to comply with a citation after it becomes
1373 final is a ground for denial of license.

1374 (g) A citation may not be issued under this section after the expiration of six months
1375 following the occurrence of a violation.

1376 (h) The director or the director's designee shall assess a fine in accordance with the
1377 following:

1378 (i) for a first offense handled pursuant to Subsection (4)(a), a fine of up to \$1,000;

1379 (ii) for a second offense handled pursuant to Subsection (4)(a), a fine of up to \$2,000;
1380 and

1381 (iii) for ~~any~~ a subsequent offense handled pursuant to Subsection (4)(a), a fine of up
1382 to \$2,000 for each day of continued offense.

1383 (i) (i) For purposes of issuing a final order under this section and assessing a fine under
1384 Subsection (4)(h), an offense constitutes a second or subsequent offense if:

1385 (A) the division previously issued a final order determining that a person committed a
1386 first or second offense in violation of Subsection 58-55-308(2), Subsection 58-55-501(1), (2),
1387 (3), (9), (10), (12), (14), (19), (24), (25), ~~or~~ (26), or (27), or Subsection 58-55-504(2); or

1388 (B) (I) the division initiated an action for a first or second offense;

1389 (II) a final order has not been issued by the division in the action initiated under
1390 Subsection (4)(i)(i)(B)(I);

1391 (III) the division determines during an investigation that occurred after the initiation of

1392 the action under Subsection (4)(i)(i)(B)(I) that the person committed a second or subsequent
1393 violation of the provisions of Subsection 58-55-308(2), Subsection 58-55-501(1), (2), (3), (9),
1394 (10), (12), (14), (19), (24), (25), [~~or~~] (26), or (27), or Subsection 58-55-504(2); and

1395 (IV) after determining that the person committed a second or subsequent offense under
1396 Subsection (4)(i)(i)(B)(III), the division issues a final order on the action initiated under
1397 Subsection (4)(i)(i)(B)(I).

1398 (ii) In issuing a final order for a second or subsequent offense under Subsection
1399 (4)(i)(i), the division shall comply with the requirements of this section.

1400 (j) In addition to any other licensure sanction or fine imposed under this section, the
1401 division shall revoke the license of a licensee that violates Subsection 58-55-501(24) or (25)
1402 two or more times within a 12-month period, unless, with respect to a violation of Subsection
1403 58-55-501(24), the licensee can demonstrate that the licensee successfully verified the federal
1404 legal working status of the individual who was the subject of the violation using a status
1405 verification system, as defined in Section 13-47-102.

1406 (k) For purposes of this Subsection (4), a violation of Subsection 58-55-501(24) or (25)
1407 for each individual is considered a separate violation.

1408 (5) (a) A penalty imposed by the director under Subsection (4)(h) shall be deposited
1409 into the Commerce Service Account created by Section 13-1-2.

1410 (b) A penalty that is not paid may be collected by the director by either referring the
1411 matter to a collection agency or bringing an action in the district court of the county in which
1412 the person against whom the penalty is imposed resides or in the county where the office of the
1413 director is located.

1414 (c) A county attorney or the attorney general of the state is to provide legal assistance
1415 and advice to the director in [~~any~~] an action to collect [~~the~~] a penalty.

1416 (d) In an action brought to enforce the provisions of this section, reasonable attorney
1417 fees and costs shall be awarded.