

1 **UTAH CONSTRUCTION TRADE LICENSING**

2 **ACT AMENDMENTS**

3 2003 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Stephen H. Urquhart**

6 **This act amends the Utah Construction Trade Licensing Act by providing an exemption**
7 **from licensure for sole owners of property engaged in limited building of residential**
8 **structures on the property if the property is registered with the Division of Occupational**
9 **and Professional Licensing.**

10 This act affects sections of Utah Code Annotated 1953 as follows:

11 AMENDS:

12 **58-55-305**, as last amended by Chapters 33 and 241, Laws of Utah 2002

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

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

15 **58-55-305. Exemptions from licensure.**

16 In addition to the exemptions from licensure in Section 58-1-307, the following persons
17 may engage in acts or practices included within the practice of construction trades, subject to
18 the stated circumstances and limitations, without being licensed under this chapter:

19 (1) an authorized representative of the United States government or an authorized
20 employee of the state or any of its political subdivisions when working on construction work of
21 the state or the subdivision, and when acting within the terms of [his] the person's trust, office,
22 or employment;

23 (2) a person engaged in construction or operation incidental to the construction and
24 repair of irrigation and drainage ditches of regularly constituted irrigation districts, reclamation
25 districts, and drainage districts or construction and repair relating to farming, dairying,
26 agriculture, livestock or poultry raising, metal and coal mining, quarries, sand and gravel
27 excavations, well drilling, hauling to and from construction sites, and lumbering;



28 (3) public utilities operating under the rules of the Public Service Commission on
29 construction work incidental to their own business;

30 (4) sole owners of property registered with the division in accordance with rules made
31 by the commission in collaboration with the division pursuant to Title 63, Chapter 46a, Utah
32 Administrative Rulemaking Act, who are engaged in building:

33 (a) no more than one residential structure per year and no more than three residential
34 structures per five years on their property for their own noncommercial, nonpublic use; except,
35 [~~any~~] a person other than the property owner or individuals described in Subsection (5), who
36 engages in building the structure must be licensed under this chapter if [~~he~~] the person is
37 otherwise required to be licensed under this chapter; or

38 (b) structures on their property for their own noncommercial, nonpublic use which are
39 incidental to a residential structure on the property, including sheds, carports, or detached
40 garages;

41 (5) (a) [~~an individual~~] a person engaged in construction or renovation of a residential
42 building for noncommercial, nonpublic use if that person:

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

45 (ii) works under the direction of the property owner who engages in building the
46 structure;

47 (b) for purposes of this Subsection (5), "token compensation" means compensation paid
48 by a sole owner of property exempted from licensure under Subsection (4) to [~~an individual~~] a
49 person exempted from licensure under this Subsection (5), that is:

50 (i) minimal in value when compared with the fair market value of the services provided
51 by the [~~individual~~] person;

52 (ii) not related to the fair market value of the services provided by the [~~individual~~]
53 person; and

54 (iii) is incidental to providing of services by the [~~individual~~] person including paying
55 for or providing meals or refreshment while services are being provided, or paying reasonable
56 transportation costs incurred by the [~~individual~~] person in travel to the site of construction;

57 (6) a person engaged in the sale or merchandising of personal property that by its
58 design or manufacture may be attached, installed, or otherwise affixed to real property who has

59 contracted with a person, firm, or corporation licensed under this chapter to install, affix, or
60 attach that property;

61 (7) a contractor submitting a bid on a federal aid highway project, if, before
62 undertaking ~~[any]~~ construction under that bid, the contractor is licensed under this chapter;

63 (8) (a) a person engaged in the alteration, repair, remodeling, or addition to or
64 improvement of ~~[any]~~ a building with a contracted or agreed value of less than \$1,000,
65 including both labor and materials, and including all changes or additions to the contracted or
66 agreed upon work;

67 (b) notwithstanding Subsection (8)(a):

68 (i) work in the plumbing and electrical trades must be performed by a licensed
69 electrician or plumber except as otherwise provided in this section; and

70 (ii) installation, repair, or replacement of a residential or commercial gas appliance or a
71 combustion system must be performed by a person who has received certification under
72 Subsection 58-55-308(2);

73 (9) a person practicing a specialty contractor classification or construction trade which
74 is not classified by rule by the director as significantly impacting the public's health, safety, and
75 welfare;

76 (10) owners and lessees of property and persons regularly employed for wages by
77 owners or lessees of property or their agents for the purpose of maintaining the property, are
78 exempt from this chapter when doing work upon the property;

79 (11) (a) a person engaged in minor plumbing work incidental to the replacement or
80 repair of a fixture or an appliance in a residential or small commercial building, or structure
81 used for agricultural use, as defined in Section 58-56-4, provided that no modification is made
82 to:

83 (i) existing culinary water, soil, waste, or vent piping; or

84 (ii) a gas appliance or combustion system;

85 (b) except as provided in Subsection (5), installation for the first time of a fixture or an
86 appliance is not included in the exemption provided under Subsection (11)(a);

87 (12) a person who ordinarily would be subject to the plumber licensure requirements
88 ~~[set forth in]~~ under this chapter when installing or repairing a water conditioner or other water
89 treatment apparatus if the conditioner or apparatus:

- 90 (a) meets the appropriate state construction codes or local plumbing standards; and
- 91 (b) is installed or repaired under the direction of a person authorized to do ~~[such]~~ the
- 92 work under an appropriate specialty contractor license;
- 93 (13) a person who ordinarily would be subject to the electrician licensure requirements
- 94 ~~[set forth in]~~ under this chapter when employed by or under contract with:
- 95 (a) railroad corporations, telephone corporations or their corporate affiliates, elevator
- 96 contractors or constructors, or street railway systems; or
- 97 (b) public service corporations, rural electrification associations, or municipal utilities
- 98 who generate, distribute, or sell electrical energy for light, heat, or power;
- 99 (14) a person involved in minor electrical work incidental to a mechanical or service
- 100 installation; and
- 101 (15) a student participating in construction trade education and training programs
- 102 approved by the commission with the concurrence of the director under the condition that:
- 103 (a) all work intended as a part of a finished product on which there would normally be
- 104 an inspection by a building inspector is, in fact, inspected and found acceptable by a licensed
- 105 building inspector; and
- 106 (b) a licensed contractor obtains the necessary building permits.

Legislative Review Note
as of 9-24-02 8:44 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

AMENDED NOTE

This bill will require an additional one-half FTE at a cost of \$27,900 from the Commerce Service Fund. On-going costs will be \$19,800. Revenue from the permit fee should total \$27,000. Appropriations from the Commerce Service Fund affect the amount available for transfer to the General Fund.

	<u>FY 03 Approp.</u>	<u>FY 03 Revenue</u>	<u>FY 04 Approp.</u>	<u>FY 04 Revenue</u>	<u>FY 05 Approp.</u>	<u>FY 05 Revenue</u>
Commerce Service Fund	\$0	\$0	\$27,900	\$27,000	\$19,800	\$27,000
TOTAL	\$0	\$0	\$27,900	\$27,000	\$19,800	\$27,000

Individual and Business Impact

Individuals taking advantage of the provisions of this bill will save licensure expenses.
