

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 307

BY WAYS AND MEANS COMMITTEE

AN ACT

1
2 RELATING TO CONTRACTOR LICENSING AND REGISTRATION; AMENDING THE HEADING FOR
3 CHAPTER 52, TITLE 54, IDAHO CODE; AMENDING SECTION 54-5201, IDAHO CODE,
4 TO REVISE A SHORT TITLE; AMENDING SECTION 54-5202, IDAHO CODE, TO PRO-
5 VIDE FOR THE LICENSURE OF CONSTRUCTION CONTRACTORS; AMENDING SECTION
6 54-5203, IDAHO CODE, TO DEFINE A TERM, TO REMOVE A DEFINITION, AND TO RE-
7 VISE A DEFINITION; AMENDING SECTION 54-5204, IDAHO CODE, TO PROVIDE FOR
8 THE LICENSURE OF CONSTRUCTION CONTRACTORS; AMENDING SECTION 54-5205,
9 IDAHO CODE, TO PROVIDE EXEMPTIONS FROM LICENSURE AND TO MAKE TECHNICAL
10 CORRECTIONS; REPEALING SECTION 54-5206, IDAHO CODE, RELATING TO THE
11 IDAHO CONTRACTORS BOARD; AMENDING CHAPTER 52, TITLE 54, IDAHO CODE, BY
12 THE ADDITION OF A NEW SECTION 54-5206, IDAHO CODE, TO PROVIDE FOR THE
13 LICENSURE AND REGISTRATION OF CONSTRUCTION CONTRACTORS; AMENDING CHAP-
14 TER 52, TITLE 54, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 54-5207,
15 IDAHO CODE, TO PROVIDE FOR THE IDAHO BUILDING CODE BOARD; AMENDING SEC-
16 TION 54-5207, IDAHO CODE, TO PROVIDE FOR THE LICENSURE OF CONSTRUCTION
17 CONTRACTORS, TO REDESIGNATE THE SECTION, AND TO MAKE A TECHNICAL COR-
18 RECTION; REPEALING SECTION 54-5208, IDAHO CODE, RELATING TO DENIAL OF
19 LIEN RIGHTS; REPEALING SECTION 54-5209, IDAHO CODE, RELATING TO BUILD-
20 ING PERMITS AND CONTRACTOR REGISTRATION NUMBER POSTING REQUIREMENTS;
21 AMENDING CHAPTER 52, TITLE 54, IDAHO CODE, BY THE ADDITION OF A NEW SEC-
22 TION 54-5209, IDAHO CODE, TO PROVIDE FOR TYPES OF CONTRACTOR LICENSES;
23 AMENDING SECTION 54-5210, IDAHO CODE, TO PROVIDE FOR THE LICENSURE AND
24 REGISTRATION OF CONSTRUCTION CONTRACTORS AND TO INCREASE A CERTAIN
25 FEE; AMENDING CHAPTER 52, TITLE 54, IDAHO CODE, BY THE ADDITION OF A NEW
26 SECTION 54-5211, IDAHO CODE, TO PROVIDE FOR THE NUMBER AND DISPLAY OF A
27 CONTRACTOR LICENSE OR REGISTRATION CERTIFICATE; AMENDING CHAPTER 52,
28 TITLE 54, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 54-5212, IDAHO
29 CODE, TO PROVIDE FOR THE POSTING OF BUILDING PERMITS AND CONTRACTOR LI-
30 CENSE OR REGISTRATION NUMBERS; AMENDING SECTION 54-5211, IDAHO CODE, TO
31 PROVIDE FOR LICENSE AND REGISTRATION RENEWAL AND CONTINUING EDUCATION
32 REQUIREMENTS AND TO REDESIGNATE THE SECTION; AMENDING SECTION 54-5212,
33 IDAHO CODE, TO PROVIDE FOR THE DISTRIBUTION OF FUNDS TO THE DIVISION
34 OF BUILDING SAFETY AND TO REDESIGNATE THE SECTION; AMENDING SECTION
35 54-5213, IDAHO CODE, TO PROVIDE FOR RECIPROCAL LICENSING OF CONSTRUC-
36 TION CONTRACTORS, TO REVISE PROVISIONS REGARDING A CERTAIN FEE, AND TO
37 REDESIGNATE THE SECTION; REPEALING SECTION 54-5214, IDAHO CODE, RELAT-
38 ING TO DISPLAY OF REGISTRATION CERTIFICATES; AMENDING SECTION 54-5215,
39 IDAHO CODE, TO PROVIDE FOR SUSPENSION OR REVOCATION OF CONSTRUCTION
40 CONTRACTOR LICENSURE AND TO REDESIGNATE THE SECTION; AMENDING SECTION
41 54-5216, IDAHO CODE, TO PROVIDE FOR REINSTATEMENT OF LICENSURE FOR
42 CONSTRUCTION CONTRACTORS, TO REDESIGNATE THE SECTION, AND TO MAKE A
43 TECHNICAL CORRECTION; AMENDING SECTION 54-5217, IDAHO CODE, TO PROVIDE
44 FOR LICENSURE OF CONSTRUCTION CONTRACTORS AND TO REDESIGNATE THE SEC-
45 TION; AMENDING CHAPTER 52, TITLE 54, IDAHO CODE, BY THE ADDITION OF A

1 NEW SECTION 54-5219, IDAHO CODE, TO PROVIDE FOR DENIAL OF LIEN RIGHTS;
 2 AMENDING SECTION 54-5218, IDAHO CODE, TO REDESIGNATE THE SECTION;
 3 AMENDING SECTION 54-5219, IDAHO CODE, TO REDESIGNATE THE SECTION; AND
 4 AMENDING SECTION 39-4106, IDAHO CODE, TO PROVIDE FOR THE LICENSURE OF
 5 CONSTRUCTION CONTRACTORS AND TO MAKE A TECHNICAL CORRECTION.

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That the Heading for Chapter 52, Title 54, Idaho Code, be,
 8 and the same is hereby amended to read as follows:

9 CHAPTER 52
 10 IDAHO CONTRACTOR LICENSING AND REGISTRATION ACT

11 SECTION 2. That Section 54-5201, Idaho Code, be, and the same is hereby
 12 amended to read as follows:

13 54-5201. SHORT TITLE. This chapter shall be known and may be cited as
 14 the "Idaho Contractor Licensing and Registration Act."

15 SECTION 3. That Section 54-5202, Idaho Code, be, and the same is hereby
 16 amended to read as follows:

17 54-5202. DECLARATION OF POLICY. The legislature finds and declares
 18 that the practice of construction in the state of Idaho affects the public
 19 health, safety and welfare of its citizens. The legislature further finds
 20 that it is in the public interest to provide a mechanism to remove from
 21 practice incompetent, dishonest, or unprincipled practitioners of con-
 22 struction. To aid in fulfilling these purposes, this chapter provides for
 23 the licensing or registration of construction contractors within the state
 24 of Idaho.

25 SECTION 4. That Section 54-5203, Idaho Code, be, and the same is hereby
 26 amended to read as follows:

27 54-5203. DEFINITIONS. As used in this chapter:

28 (1) "Administrator" means the administrator of the Idaho division of
 29 building safety.

30 (2) "Board" means the Idaho ~~contractors~~ building code board as created
 31 in section 54-~~5206~~ 39-4106, Idaho Code.

32 ~~(2) "Bureau chief" means the chief of the bureau of occupational li-~~
 33 ~~enses.~~

34 (3) "Construction" means the performance of building, altering, re-
 35 pairing, adding to, subtracting from, improving, reconstructing, moving,
 36 excavating, wrecking or demolishing any building, highway, road, bridge, or
 37 other structure, project, development or improvement to real property, or to
 38 do any part thereof, including the erection of scaffolding or other struc-
 39 tures or works in connection therewith.

40 (4) "Contractor" means÷

1 ~~(a) Any person who in any capacity undertakes, offers to undertake,~~
 2 ~~purports to have the capacity to undertake, or submits a bid to, or does~~
 3 ~~himself or by or through others, perform construction;~~ ~~or~~

4 ~~(b) A construction manager who performs construction management ser-~~
 5 ~~vices.~~

6 (5) "Department" means the department of self-governing agencies of
 7 the state of Idaho.

8 (6) "Person" means any individual, firm, partnership, limited liabil-
 9 ity company, limited liability partnership, corporation, trust, associa-
 10 tion, or other entity or organization capable of conducting business, or any
 11 combination thereof acting as a unit.

12 SECTION 5. That Section 54-5204, Idaho Code, be, and the same is hereby
 13 amended to read as follows:

14 54-5204. LICENSE OR REGISTRATION REQUIRED. (1) On and after January 1,
 15 2006~~20~~, it shall be unlawful for any person to engage in the business of, or
 16 hold himself out as, a contractor within this state without being licensed or
 17 registered as required in this chapter, unless otherwise exempted by section
 18 54-5205, Idaho Code.

19 (2) It shall be unlawful for a contractor to engage any other contractor
 20 who is required by this chapter to be licensed or registered as a contractor
 21 unless such other contractor furnishes satisfactory proof to the contractor
 22 that he is duly licensed or registered under the provisions of this chapter,
 23 unless otherwise exempted by section 54-5205, Idaho Code.

24 (3) Any person who engages in the business or acts in the capacity of a
 25 contractor, whether or not duly licensed or registered, has thereby submit-
 26 ted to the jurisdiction of the state of Idaho and to the administrative ju-
 27 risdiction of the Idaho contractors board, and shall be subject to all penal-
 28 ties and remedies available under Idaho law for any violation of this chap-
 29 ter.

30 SECTION 6. That Section 54-5205, Idaho Code, be, and the same is hereby
 31 amended to read as follows:

32 54-5205. EXEMPTIONS FROM LICENSING AND REGISTRATION. (1) Nothing in
 33 this chapter shall be construed to restrict any person licensed, registered,
 34 or otherwise regulated by the state of Idaho from engaging in the profession
 35 or practice for which they are licensed, registered or otherwise regulated
 36 by the state of Idaho including, but not limited to, persons licensed pur-
 37 suant to chapters 3, 10, 12, 19, 26, 27, 30, 45 and 50, title 54, Idaho Code,
 38 nor shall this chapter require such persons otherwise licensed, registered
 39 or regulated to obtain such registration license as required by this chap-
 40 ter, ~~so long as such person is not acting with the intent to evade this chap-~~
 41 ~~ter. No such person exempt hereunder may hold himself out as a registered~~
 42 ~~contractor.~~

43 (2) In addition to the exemption set forth in subsection (1) of this
 44 section, licensing or registration as provided for in this chapter shall not
 45 be required for the following, ~~so as~~ as long as such person is not acting with
 46 the intent to evade this chapter and ~~so as~~ as long as such person does not hold
 47 himself out as a licensed or registered contractor:

1 (a) A person who only performs labor or services for wages or a salary
2 as an employee of a contractor, or as an employee of a person otherwise
3 exempt by the provisions set forth in this chapter, or strictly as a
4 volunteer or as part of a bona fide educational curriculum or nonprofit
5 charitable activity for which no wages or salary shall be paid; provided
6 however, that such exemption shall not apply to any subcontractor or
7 other independent contractor who is not otherwise exempt;

8 (b) An authorized representative of the United States government, the
9 state of Idaho, or any incorporated municipality, county, alternative
10 form of local government, highway district, reclamation district, or
11 other municipal or political corporation or subdivision of this state;

12 (c) A public utility operating under the regulation of the Idaho pub-
13 lic utility commission as set forth in title 61, Idaho Code, in the con-
14 struction, maintenance, or development work incidental to its own busi-
15 ness;

16 (d) A person who performs repair or operation incidental to the discov-
17 ery or production of oil, gas or minerals or incidental to the drilling,
18 testing, abandoning, or other operation of an oil or gas well or a sur-
19 face or underground mine or mineral deposit;

20 (e) A person who only furnishes materials, supplies or equipment with-
21 out that person installing or fabricating them into or consuming them in
22 the performance of the work of the construction contractor;

23 (f) A person performing work on one (1) undertaking or project consid-
24 ered casual, minor, or inconsequential, whether by one (1) or more con-
25 tracts, the aggregate contract price of which, for labor and materials
26 and all other items, is less than two thousand dollars (\$2,000). The ex-
27 emptions prescribed in this paragraph ~~(f)~~ shall not apply when the work
28 or construction is part of a larger construction project, whether un-
29 dertaken by the same or a different construction contractor, or in which
30 a division of the operation is made into contracts of amounts of less
31 than two thousand dollars (\$2,000) for the purpose of evasion of this
32 chapter or otherwise;

33 (g) A farmer or rancher while engaged in a farming, dairying, agricul-
34 ture, viticulture, horticulture, or stock or poultry operation;

35 (h) A person who engages in the construction of an agriculture build-
36 ing ~~which~~ that is exempt from the Idaho building code act as set forth in
37 section 39-4116, Idaho Code;

38 (i) An irrigation district, canal company, reservoir district, ground
39 water district, water district, water measurement district, recharge
40 district, flood control district, drainage district, or other water de-
41 livery or water management entity, or an operating agent of irrigation
42 districts whose board consists of directors of its member districts;

43 (j) An operation related to clearing or other work upon land in rural
44 districts for fire prevention purposes;

45 (k) An owner who contracts for work to be performed by a licensed or
46 registered contractor on his own property, provided however, this ex-
47 emption shall not apply to an owner who, with the intent to evade this
48 chapter, constructs a building, residence or other improvement on the
49 owner's property with the intention and for the purpose of selling the

1 improved property at any time during the construction or within twelve
2 (12) months of completion of such construction;

3 (l) An owner performing construction on the owner's personal residen-
4 tial real property, whether or not occupied by the owner, provided how-
5 ever, this exemption shall not apply to an owner who is otherwise regu-
6 lated by this chapter who constructs a building, residence or other im-
7 provement on the owner's property with the intention and for the purpose
8 of promptly selling the improved property, unless the owner has contin-
9 uously occupied the property as the owner's primary residence for not
10 less than twelve (12) months prior to the sale of such property;

11 (m) Owners of commercial properties, or lessees of commercial prop-
12 erties with the consent of the owner, who, whether themselves or with
13 their own employees, perform maintenance, repair, alteration or con-
14 struction work in or upon the properties;

15 (n) A real estate licensee acting within the scope of his license pur-
16 suant to chapter 20, title 54, Idaho Code, who, incident to a regulated
17 real estate transaction, assists his clients in scheduling or perform-
18 ing nominal maintenance and repairs upon such properties being trans-
19 ferred; provided however, nothing in this section shall otherwise au-
20 thorize a real estate licensee or a property manager to act in the capac-
21 ity of a contractor unless licensed or registered ~~with~~ by the board;

22 (o) A contractor engaged in the logging industry who builds forest ac-
23 cess roads for the purpose of harvesting and transporting logs from for-
24 est to mill;

25 (p) A person working on the person's own residence, if the residence is
26 owned by a person other than the resident;

27 (q) A person who engages in the construction of buildings to be used
28 primarily for industrial chemical process purposes as set forth in sec-
29 tion 39-4103, Idaho Code; or

30 (r) A person who engages in the construction of a modular building as
31 defined in section 39-4301, Idaho Code, that is constructed in the state
32 of Idaho for installation on a building site outside the state.

33 SECTION 7. That Section [54-5206](#), Idaho Code, be, and the same is hereby
34 repealed.

35 SECTION 8. That Chapter 52, Title 54, Idaho Code, be, and the same is
36 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
37 ignated as Section 54-5206, Idaho Code, and to read as follows:

38 54-5206. REQUIREMENTS FOR LICENSING AND REGISTRATION. (1) A contrac-
39 tor engaged in activities that have been determined by the Idaho building
40 code board through rulemaking to be nonstructural or of no risk to the public
41 shall be required to be registered and shall not have any continuing educa-
42 tion requirements.

43 (2) A contractor engaged in activities that have been determined by the
44 Idaho building code board through rulemaking to be structural in nature,
45 that require a building permit, or that are in an area or discipline of the
46 building industry that requires additional oversight for public protection
47 as determined by the building code board shall be required to be licensed and
48 shall comply with section 54-5209, Idaho Code.

1 SECTION 9. That Chapter 52, Title 54, Idaho Code, be, and the same is
 2 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 3 ignated as Section 54-5207, Idaho Code, and to read as follows:

4 54-5207. IDAHO BUILDING CODE BOARD. (1) The Idaho building code board,
 5 as established under section 39-4106, Idaho Code, shall carry out the re-
 6 sponsibilities of this chapter. It shall be the responsibility and duty of
 7 the administrator to administer the provisions of this chapter, and the ad-
 8 ministrator shall exercise such powers and duties as are reasonably neces-
 9 sary to enforce the provisions of this chapter. The board may promulgate
 10 such rules as may be necessary to carry out the provisions of this chapter
 11 in order to effectuate the purposes of this chapter and for the orderly and
 12 efficient administration thereof, except as may be limited or prohibited by
 13 law and the provisions of this chapter.

14 (2) The board may delegate to the administrator:

15 (a) The power to perform ministerial functions, investigate and disci-
 16 pline, hold hearings, appoint hearing officers, summon witnesses to ap-
 17 pear, administer oaths, and take affirmations of witnesses at any for-
 18 mal proceeding or before a duly appointed hearing officer;

19 (b) The power to appoint competent persons to issue subpoenas, adminis-
 20 ter oaths, and take testimony; and

21 (c) The power to enforce orders of the board.

22 (3) Each member of the board shall be compensated as provided by section
 23 59-509(n), Idaho Code.

24 (4) On and after January 1, 2020, each member of the board who is a con-
 25 tractor shall be licensed or registered in accordance with this chapter and
 26 shall be in good standing.

27 SECTION 10. That Section 54-5207, Idaho Code, be, and the same is hereby
 28 amended to read as follows:

29 54-5207~~8~~. GENERAL POWERS AND DUTIES OF THE BOARD. The board shall en-
 30 force the minimum standards and requirements therefor as provided by this
 31 chapter and by rule adopted by the board. The board may exercise such powers
 32 and duties as are reasonably necessary to carry out the provisions of this
 33 chapter and it may, among other things:

34 (1) Accept or reject applications for licensing or registration and es-
 35 tablish the fees to be charged for application, licensing, registration and
 36 renewal, subject to the provisions of this chapter;

37 (2) Hold public meetings and attend or be represented at such meetings,
 38 within or without the state, prepare and publish rules pertaining to this
 39 chapter and such other information as may be necessary, and furnish copies
 40 thereof to those engaged in the business, trade, practice or work of con-
 41 tracting and to the public upon request;

42 (3) Furnish standards and procedures and prescribe reasonable rules
 43 for applications, qualifications and licensing or registration of contrac-
 44 tors, including proration of licensing or registration fees and staggering
 45 initial annual licensing or registration; and

46 (4) Under such rules as it may adopt, investigate, classify and de-
 47 termine the qualifications of applicants for licensing or registration
 48 pursuant to this chapter; and

1 (5) Contract with the ~~bureau of occupational licenses~~ division of
2 building safety to provide administrative services.

3 SECTION 11. That Section 54-5208, Idaho Code, be, and the same is hereby
4 repealed.

5 SECTION 12. That Section 54-5209, Idaho Code, be, and the same is hereby
6 repealed.

7 SECTION 13. That Chapter 52, Title 54, Idaho Code, be, and the same is
8 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
9 ignated as Section 54-5209, Idaho Code, and to read as follows:

10 54-5209. TYPES OF CONTRACTOR LICENSES. (1) The following types of con-
11 tractor licenses shall be recognized:

- 12 (a) General engineering contractor;
- 13 (b) General building contractor;
- 14 (c) Residential and small commercial contractor;
- 15 (d) Specialty contractor;
- 16 (e) Construction trades instructor:
 - 17 (i) General engineering classification;
 - 18 (ii) General building classification; and
 - 19 (iii) Electrical classification;
- 20 (f) Alarm company; and
- 21 (g) Alarm company agent.
- 22 (2) Application for licensure.

23 (a) An applicant may apply for a license in one (1) or more classifica-
24 tion.

25 (b) A license shall be granted in each classification for which the ap-
26 plicant qualifies.

27 (c) A separate application and fee must be submitted for each license
28 classification.

29 (3) Additional requirements for licensure.

30 (a) An applicant for a contractor's license must:

31 (i) Produce satisfactory evidence of financial responsibility,
32 except for a construction trades instructor for whom evidence of
33 financial responsibility is not required;

34 (ii) Produce satisfactory evidence of:

35 1. Two (2) years full-time paid employment experience in
36 the construction industry, which employment experience may
37 be related to any contracting classification unless more
38 specifically described in this section; and

39 2. Knowledge of the principles of the conduct of business as
40 a contractor reasonably necessary for the protection of the
41 public health, safety, and welfare.

42 (iii) Obtain a certificate of competency from a nationally recog-
43 nized testing institution; or

44 (iv) Hold a bachelor's degree in engineering, architecture, or
45 construction science from an accredited college or university.

1 SECTION 14. That Section 54-5210, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 54-5210. APPLICATION FOR LICENSING OR REGISTRATION. (1) An applicant
4 for a license or registration as a contractor shall submit an application un-
5 der oath upon a form to be prescribed by the board and which shall include the
6 following information pertaining to the applicant:

7 (a) Social security number for natural persons or employer tax identi-
8 fication number for other persons;

9 (b) The name and address under which the applicant conducts business;

10 (c) The name and address of each principal, member, partner, share-
11 holder, or any other person claiming an ownership interest in the busi-
12 ness entity for which a license or registration is being applied for;

13 (d) A certificate issued by an insurance company authorized to do busi-
14 ness in the state of Idaho or other satisfactory proof that the appli-
15 cant has procured and has in effect worker's compensation insurance or
16 a statement by the contractor as to why such certificate or coverage is
17 not required for the applicant;

18 (e) A certificate issued by an insurance company authorized to do busi-
19 ness in the state of Idaho that the applicant has procured and has in ef-
20 fect a general liability policy, including products and completed op-
21 erations insurance covering the applicant's construction operations in
22 the sum of not less than three hundred thousand dollars (\$300,000) sin-
23 gle limit. The name of the insurance company, the insured and policy
24 number shall be made available only to persons or their insurers stating
25 that they possess a claim against the contractor;

26 (f) A statement of the type of construction to be undertaken by the
27 applicant and the type of license or registration applied for pursuant
28 to section 54-5209, Idaho Code, or such other information as may be
29 required by the board pursuant to administrative rules adopted by the
30 board; and

31 (g) A statement that the applicant and each principal, member, partner,
32 shareholder or any other person claiming an ownership interest in the
33 business entity for which licensing or registration is being applied
34 for herein has never been denied, surrendered or had revoked a contrac-
35 tor's license or registration privilege in this or any other state or,
36 if a license or registration privilege has been denied, surrendered or
37 revoked in this or any other state, an explanation of any such denial,
38 surrender or revocation.

39 (2) Along with such application, the applicant shall submit a licensing
40 or registration fee as may be set by the board to cover its administrative and
41 enforcement costs, not to exceed ~~one~~ two hundred fifty dollars (~~\$1~~250) per
42 year.

43 (3) An application for license or registration that has been denied by
44 the board shall be considered a contested case as provided for in chapter 52,
45 title 67, Idaho Code, and shall be subject to the provisions of that chapter
46 as well as the administrative rules adopted by the board governing contested
47 cases.

48 (4) The board shall, upon receipt of the appropriate renewal fee, issue
49 a license to any contractor required to be licensed pursuant to this chapter

1 who is registered with the state of Idaho as of January 1, 2020, at the time of
2 the registration's expiration. No application shall be required. Contrac-
3 tors who receive a license pursuant to this subsection shall be subject to
4 the renewal requirements of section 54-5213, Idaho Code, upon the expiration
5 of the license and any future licenses.

6 SECTION 15. That Chapter 52, Title 54, Idaho Code, be, and the same is
7 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
8 ignated as Section 54-5211, Idaho Code, and to read as follows:

9 54-5211. LICENSE OR REGISTRATION CERTIFICATE -- NUMBER AND DIS-
10 PLAY. (1) Upon receipt of a duly completed application, together with the
11 fee, and after such verification process as the board may from time to time
12 deem appropriate by rule, a certificate of licensure or registration showing
13 a license or registration number shall be issued, commencing on the date of
14 issue and continuing in effect for a period of two (2) years.

15 (2) Persons and other entities exempted from the provisions of this
16 chapter pursuant to section 54-5205, Idaho Code, may use the certificate of
17 licensure and license number issued by their governing board in lieu of the
18 certificate and number created in this section.

19 (3) Certificates shall not be assignable or transferable.

20 (4) Upon any change of ownership or a change of address of a licensed
21 or registered contractor entity, the board shall be notified by such entity
22 within thirty (30) days.

23 (5) A contractor licensed or registered pursuant to this chapter shall
24 prominently display his contractor license or registration number for pub-
25 lic view in his place of business, on advertising, contracts, permits, com-
26 pany or business letterheads, and purchase orders and subcontracts within
27 sixty (60) days of issue of the license or registration.

28 (6) No person engaged in construction activities who is otherwise ex-
29 empt pursuant to section 54-5205, Idaho Code, shall be required to have a
30 contractor license or registration number.

31 SECTION 16. That Chapter 52, Title 54, Idaho Code, be, and the same is
32 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
33 ignated as Section 54-5212, Idaho Code, and to read as follows:

34 54-5212. BUILDING PERMITS AND CONTRACTOR LICENSE OR REGISTRATION NUM-
35 BER -- POSTING AT SITE. (1) On and after January 1, 2020, no building inspec-
36 tor or such other authority of any county, municipality, or district charged
37 with the duty of issuing building permits or other permits for construction
38 of any type, shall issue any permit without first requesting presentment of
39 an Idaho contractor's license or registration number. Such number presented
40 shall be conspicuously entered on the face of a permit so issued. A permit
41 may be issued to a person otherwise exempt from the provisions of this chap-
42 ter pursuant to section 54-5205, Idaho Code, and in such cases, the permit
43 shall conspicuously display the contractor's license or registration num-
44 ber issued by its governing board and shall conspicuously contain the phrase
45 "no contractor license or registration number provided" on the face of such
46 permit. No authority charged with the duty of issuing such permit shall be

1 required to verify that the person applying for such permit is exempt as pro-
2 vided in this chapter.

3 (2) All building permits or other permits for construction of any type
4 shall be posted at the construction site in such a manner that the conspicu-
5 ous statements set forth in subsection (1) of this section are visible.

6 SECTION 17. That Section 54-5211, Idaho Code, be, and the same is hereby
7 amended to read as follows:

8 54-5211~~3~~. LICENSE OR REGISTRATION -- RENEWAL -- CONTINUING EDUCATION
9 REQUIREMENT. (1) A license or registration shall be issued for a period of
10 ~~not less than one (1) year nor more than five (5)~~ two (2) years, ~~as determined~~
11 ~~by the board.~~ Each license or registration shall set forth its expiration
12 date on the face of the certificate.

13 (2) No less than thirty (30) days prior to the expiration of such
14 license or registration, the board shall notify a licensed or registered
15 contractor that such license or registration is set to expire.

16 (3) Reinstatement of a lapsed license or registration shall require the
17 payment of a renewal fee and reinstatement fee in accordance with the admin-
18 istrative rules adopted by the board. The failure of any licensed or regis-
19 tered contractor to renew his license or registration as required herein and
20 by the administrative rules of the board shall not deprive such person of the
21 right to renewal upon subsequent application for licensure or registration
22 and payment of the required board fees.

23 (4) In addition to the required license renewal application and fee
24 adopted by the board, each applicant for license renewal shall provide doc-
25 umentation that he has completed a minimum of eight (8) hours of continuing
26 education during the two (2) years since his license was issued.

27 (5) The board shall establish by rule the criteria for the approval of
28 acceptable continuing education courses. Such criteria shall, at a minimum,
29 include educational and safety courses offered by the division of building
30 safety, Idaho associated general contractors, Idaho building contractors
31 association, and the Idaho association of building officials.

32 SECTION 18. That Section 54-5212, Idaho Code, be, and the same is hereby
33 amended to read as follows:

34 54-5212~~4~~. DISPOSITION OF RECEIPTS -- EXPENSES. All fees received un-
35 der the provisions of this chapter shall be paid to the ~~bureau of occupa-~~
36 ~~tional licenses~~ division of building safety and deposited in the state trea-
37 sury to the credit of the ~~occupational licenses~~ building safety fund, which
38 is hereby created in the state treasury. All and all costs and expenses in-
39 curred under the provisions of this chapter shall be a charge against and
40 paid from ~~said~~ the building safety fund.

41 SECTION 19. That Section 54-5213, Idaho Code, be, and the same is hereby
42 amended to read as follows:

43 54-5213~~5~~. RECIPROCAL LICENSING OR REGISTRATION. (1) On and after Jan-
44 uary 1, ~~2007~~ 2020, no incorporated municipality, county, alternative form
45 of local government, or other municipal or political corporation or subdivi-

1 sion of this state shall implement ~~its own~~ or operate any program for the reg-
2 istration or licensure of construction contractors.

3 (2) A contractor may provide a verified copy of any current and un-
4 restricted license, registration, or other type of certification granted
5 to the contractor by ~~any incorporated municipality, county, alternative~~
6 ~~form of local government, or other municipal or political corporation or~~
7 ~~subdivision of this state issued pursuant to a duly adopted and enacted ordi-~~
8 ~~nance prior to January 1, 2007, another state~~ to the board for review, along
9 with a reciprocal registration fee not to exceed one hundred fifty dollars
10 (~~\$150-00~~), as determined by board rule, which is necessary for the adminis-
11 tration and processing of such application. If the review indicates that the
12 license, registration or certification was granted under provisions that
13 were not less stringent than those provided by this chapter, the applicant
14 shall be issued a license or registration based upon reciprocal licensure or
15 registration.

16 SECTION 20. That Section 54-5214, Idaho Code, be, and the same is hereby
17 repealed.

18 SECTION 21. That Section 54-5215, Idaho Code, be, and the same is hereby
19 amended to read as follows:

20 54-52156. AUTHORITY TO INVESTIGATE AND DISCIPLINE -- SUSPENSION
21 OR REVOCATION OF LICENSE OR REGISTRATION. (1) The board may investigate
22 any person engaged in contracting within the state of Idaho or any person
23 believed to have acted as a contractor without being duly licensed or regis-
24 tered as required by this chapter. Upon receipt of a written complaint from
25 a person who claims to have been injured or defrauded by such person, or upon
26 information received by the board, the board shall perform an investigation
27 of the facts alleged against such person. If the board investigation reveals
28 that the facts alleged or received are sufficient to proceed with a formal
29 action, the board may authorize the filing of an administrative complaint
30 against such person and may seek injunctive relief prohibiting such person
31 from engaging in construction.

32 (2) The board shall have the authority to issue informal letters of rep-
33 rimand, suspend or revoke a license or registration, impose a civil penalty
34 in an amount not to exceed one thousand dollars (\$1,000) or to issue a formal
35 reprimand against any licensed or registered contractor if, after an oppor-
36 tunity for a hearing, the board determines that:

37 (a) A contractor has violated any of the provisions of this chapter in-
38 cluding, but not limited to, failure to keep current or provide insur-
39 ance coverage as required by this chapter;

40 (b) A contractor has violated any of the provisions of chapter 6, title
41 48, Idaho Code, relating to consumer protection including, but not lim-
42 ited to, making fraudulent misrepresentations to consumers;

43 (c) A contractor employed fraud or deception, made a misrepresentation
44 or misstatement, or employed any unlawful means in applying for or se-
45 curing license or registration as a contractor;

46 (d) A contractor employed fraud or deception, made a misrepresentation
47 or misstatement, or employed any unlawful means in applying for or se-
48 curing a building permit or other permits for construction of any type;

1 (e) A contractor failed to pay the required fee for licensure or regis-
2 tration as provided in this chapter;

3 (f) A contractor has been convicted of or has engaged in conduct con-
4 stituting a violation of public laws, ordinances or rules of this state,
5 or any subdivision thereof, relevant to contracting, reflecting on the
6 licensed or registered contractor's ability or qualifications to con-
7 tinue contracting for other persons, and making the licensed or regis-
8 tered contractor a threat to the public safety, health or well-being;

9 (g) A contractor has engaged in any other conduct whether of the same
10 or a different character than hereinabove specified which constitutes
11 dishonest or dishonorable dealings;

12 (h) A contractor was grossly negligent or reckless in his conduct in
13 the performance of construction. For purposes of this chapter, conduct
14 is grossly negligent or reckless if, when taken as a whole, it is con-
15 duct which substantially fails to meet the generally accepted standard
16 of care in the practice of construction in Idaho;

17 (i) A contractor had a license, registration or certification revoked,
18 suspended or refused by this or another state, territory, incorporated
19 municipality, county, alternative form of local government, or other
20 municipal or political corporation or subdivision of this or another
21 state, or omitted such information from any application to the board, or
22 failed to divulge such information when requested by the board;

23 (j) A contractor has been adjudged mentally incompetent by a court of
24 competent jurisdiction; or

25 (k) A contractor interfered with an investigation or disciplinary pro-
26 ceeding by a willful misrepresentation of facts or by the use of threats
27 or harassment against any person to prevent such person from providing
28 evidence in a disciplinary proceeding, investigation or other legal ac-
29 tion instituted in accordance with this chapter.

30 (3) A contractor whose license or registration has been revoked or sus-
31 pended shall be required to return his certificate of licensure or registra-
32 tion within the time determined by the board or, upon a failure to do so,
33 shall be liable for civil penalties as set by the board but not to exceed
34 fifty dollars (\$50.00) per day for each day the certificate is not returned
35 after the expiration of the period allowed.

36 (4) The suspension or revocation of a license or registration shall be
37 considered a contested case as provided for in chapter 52, title 67, Idaho
38 Code, and shall be subject to the provisions of that chapter as well as the
39 administrative rules adopted by the board governing contested cases.

40 (5) The assessment of attorney's fees and costs incurred in the inves-
41 tigation and prosecution or defense of a person under this section shall be
42 governed by the provisions of section 12-117(5), Idaho Code.

43 SECTION 22. That Section 54-5216, Idaho Code, be, and the same is hereby
44 amended to read as follows:

45 54-52167. REINSTATEMENT OF LICENSE OR REGISTRATION AFTER DISCI-
46 PLINE. The board may reinstate a suspended or revoked license or registra-
47 tion upon a showing that:

- 48 (1) The grounds for such suspension or revocation have been eliminated;
49 (2) Such a violation is not likely to ~~reoccur~~ recur in the future; and

1 (3) The public interest is not jeopardized by reinstating the license
2 or registration.

3 SECTION 23. That Section 54-5217, Idaho Code, be, and the same is hereby
4 amended to read as follows:

5 54-5217~~8~~. PENALTIES. (1) Any person acting in the capacity of a con-
6 tractor within the meaning of this chapter without a current license or reg-
7 istration as herein required shall be guilty of a misdemeanor and shall, upon
8 conviction thereof, be punished by a fine of not to exceed one thousand dol-
9 lars (\$1,000) or by imprisonment in the county jail for a term not to exceed
10 six (6) months, or by both such fine and imprisonment, in the discretion of
11 the court.

12 (2) No person engaged in the business or acting in the capacity of a con-
13 tractor, unless otherwise exempt, may bring or maintain any action in any
14 court of this state for the collection of compensation for the performance
15 of any act or contract for which licensure or registration is required by
16 this chapter without alleging and proving that he was a duly licensed or reg-
17 istered contractor, or that he was otherwise exempt as provided for in this
18 chapter, at all times during the performance of such act or contract.

19 SECTION 24. That Chapter 52, Title 54, Idaho Code, be, and the same is
20 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
21 ignated as Section 54-5219, Idaho Code, and to read as follows:

22 54-5219. DENIAL OF LIEN RIGHTS. A contractor who is not licensed or
23 registered as provided in this chapter, unless otherwise exempt, shall be
24 denied and shall be deemed to have conclusively waived any right to place a
25 lien upon real property as provided for in chapter 5, title 45, Idaho Code.
26 This section shall not operate as a denial of lien rights for any subcon-
27 tractor or independent contractor who is duly licensed or registered in
28 accordance with this chapter and who is performing services at the direction
29 of another contractor, nor shall it operate as a denial of lien rights for any
30 employee of any contractor who is not duly licensed or registered, or for any
31 supplier of materials to such unlicensed or unregistered contractor, as long
32 as such subcontractor, independent contractor, employee, or supplier did
33 not have actual knowledge that such contractor was not duly licensed or reg-
34 istered, or who reasonably believed that such contractor was duly licensed
35 or registered.

36 SECTION 25. That Section 54-5218, Idaho Code, be, and the same is hereby
37 amended to read as follows:

38 54-521~~8~~20. ATTORNEY GENERAL -- PROSECUTING ATTORNEY. It shall be the
39 right and duty of the attorney general or the prosecuting attorneys of the
40 various counties to represent and appear for the people of the state of Idaho
41 and the department in all actions and proceedings involving any question un-
42 der this chapter or under any order or act of the board and to perform such
43 other services as are required.

1 SECTION 26. That Section 54-5219, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 54-5219~~21~~. SEVERABILITY. The provisions of this chapter are hereby
4 declared to be severable and if any provision of this chapter or the applica-
5 tion of such provision to any person or circumstance is declared invalid for
6 any reason, such declaration shall not affect the validity of the remaining
7 portions of this chapter.

8 SECTION 27. That Section 39-4106, Idaho Code, be, and the same is hereby
9 amended to read as follows:

10 39-4106. IDAHO BUILDING CODE BOARD CREATED -- MEMBERSHIP -- APPOINT-
11 MENT -- TERMS -- QUORUM -- COMPENSATION -- MEETINGS. (1) The Idaho build-
12 ing code board is established within the division as an appeals, code adop-
13 tion and rulemaking, and licensing board, to be appointed by the governor,
14 and shall consist of ten (10) members: one (1) member of the general public;
15 one (1) local fire official; one (1) licensed engineer; one (1) licensed ar-
16 chitect; two (2) local building officials, one (1) from a county and one (1)
17 from a city; two (2) building contractors, one (1) residential contractor
18 who is an active member of the Idaho building contractors association with
19 construction knowledge based primarily on a work history of buildings regu-
20 lated by the International Residential Code, and one (1) commercial contrac-
21 tor who is an active member of either the associated builders and contractors
22 or the associated general contractors of America with construction knowl-
23 edge based primarily on a work history of buildings regulated by the Inter-
24 national Building Code; one (1) representative of the modular building in-
25 dustry; and one (1) individual with a disability from an organization that
26 represents people with all types of disabilities. Board members shall be ap-
27 pointed for terms of four (4) years and until their successor has been ap-
28 pointed. Three (3) consecutive failures by a member to attend meetings of
29 the board without reasonable cause shall constitute cause for removal of the
30 member from the board by the governor. Whenever a vacancy occurs, the gov-
31 ernor shall appoint a qualified person to fill the vacancy for the unexpired
32 portion of the term.

33 (2) The members of the board shall, at their first regular meeting fol-
34 lowing the effective date of this chapter and every two (2) years thereafter,
35 elect, by majority vote of the members of the board, a chairman who shall pre-
36 side at meetings of the board. A majority of the currently appointed members
37 of the board shall constitute a quorum.

38 (3) Each member of the board not otherwise compensated by public moneys
39 shall be compensated as provided by section 59-509(n), Idaho Code, for each
40 day spent in attendance at meetings of the board.

41 (4) The board shall fulfill all responsibilities pursuant to chapter
42 52, title 54, Idaho Code.

43 (5) The board shall meet for regular business sessions at the call of
44 the administrator, chairman, or at the request of four (4) members of the
45 board, provided that the board shall meet at least biannually.