

**HB**

**206**

<TARGET><BILL>HB 206</BILL><SUBJECT>HB  
206</SUBJECT><COMM>HENE30</COMM></TARGET>

# ALASKA STATE HOUSE

**Session:**

State Capitol Building,  
Room 110  
Juneau, AK 99801  
Phone: (907) 465-4936  
Fax: (907) 465-2197



**Interim:**

1292 Sadler Way, Suite 308  
Fairbanks, AK 99701  
Phone: (907) 451-2875  
Fax: (907) 456-3346

## REPRESENTATIVE DAVE TALERICO

### Sponsor Statement for House Bill 206

"An Act relating to an exemption for low-voltage projects from contractor requirements; and relating to an exemption from electrical administrator requirements."

HB 206 removes barriers that make installations of satellite and high speed internet capabilities in Alaska very costly or impractical, especially in rural areas. Internet is extremely slow in most of Alaska. This bill adds one more avenue for Alaskans to get faster reliable internet via satellite installations.

Currently low voltage internet satellite installers in Alaska are required to have an electrical administrator oversee their work (yet they know very little about) due to old regulations created prior to satellite internet installers. This is prohibiting cost effective satellite internet installations in rural Alaska and thus this bill exempts them as low voltage installers from electrical administrative oversight.

HB 206 also adds an exemption to allow only low voltage contractors performing work on a project under \$10,000 to do so without being a licensed general contractor, thus making small internet projects in rural Alaska financially possible and reasonable.

I urge your support on removing this barrier thus enabling high speed internet options.

Staff contact: Elijah Verhagen, (907) 465-4936

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## REPRESENTATIVE DAVE TALERICO

### Sectional Analysis – House Bill 206

"An Act relating to an exemption for low-voltage projects from contractor requirements; and relating to an exemption from electrical administrator requirements."

**Sec. 1 – AS 08.18.161**

Amends section AS 08.18.161 by adding an exemption (8) for low voltage project contractors or installers (e.g. satellite installers) performing work, installs or repairs under \$10,000 from needing to be a licensed general contractor.

**Sec. 2 – AS 08.40.190 (b)**

Amends AS 08.40.190 (b) by adding an exemption (12) for work, installs and repairs on low voltage telecommunications, broadband transmission and video service projects to be overseen by an electrical administrator.

Defines "broadband transmission."

Defines "low voltage," as 56 volts or less.

Staff contact: Elijah Verhagen, (907) 465-4936

# Fiscal Note

State of Alaska  
2017 Legislative Session

Bill Version: HB 206  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB206-DCCED-CBPL-04-07-17  
Title: EXEMPTION: CONTRACTORS, ELECTRICAL  
ADMIN.  
Sponsor: TALERICO  
Requester: (H) Energy

Department: Department of Commerce, Community and  
Economic Development  
Appropriation: Corporations, Business and Professional  
Licensing  
Allocation: Corporations, Business and Professional  
Licensing  
OMB Component Number: 2360

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2018 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>OPERATING EXPENDITURES</b>	<b>FY 2018</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2017) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2018) cost:** 0.0 *(separate capital appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed? N/A

**Why this fiscal note differs from previous version:**

Not applicable, initial version.

Prepared By: Janey Hovenden, Director Phone: (907)465-2538  
Division: Corporations, Business and Professional Licensing Date: 04/07/2017 12:00 PM  
Approved By: Catherine Reardon, Director Date: 04/07/17  
Agency: Division of Administrative Services, DCCED

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2017 LEGISLATIVE SESSION

BILL NO. HB 206

**Analysis**

HB 206 provides an exemption from Construction Licensing (under AS 08.18) for one or more contracts under \$10.0 for telecommunications, broadcast transmission, and video services installers.

HB 206 also provides an exemption from the Electrical Administrator requirement enumerated under AS 08.40 for "low voltage" work on telecommunications, broadcast transmission, and video services. Low voltage is defined as "56 volts or less."

The Division of Corporations, Business and Professional Licensing does not anticipate fiscal impact from this legislation.

No amendments  
actually offered  
at 4.13.17 MTF

30-LS0773\D.1  
Bannister  
4/15/17

AMENDMENT

OFFERED IN THE HOUSE

TO: HB 206

1 Page 2, line 13:

2 Delete "\$10,000"

3 Insert "\$2,000"

4

5 Page 2, line 16:

6 Delete "\$10,000"

7 Insert "\$2,000"

8

9 Page 2, lines 16 - 20:

10 Delete "a contractor who performs work priced at \$2,500 or more under this  
11 exemption shall nevertheless keep in force public liability and property damage  
12 insurance with coverage in at least the amounts set out in AS 08.18.101;"

**AMENDMENT**

OFFERED IN THE HOUSE

TO: HB 206

1 Page 4, line 13, following "services":

2       Insert "**if the installation, maintenance, and repair work is performed by a person**  
3 **who is trained to do the work by the provider of the low-voltage telecommunications,**  
4 **broadband transmission, or video services**"

AMENDMENT

OFFERED IN THE HOUSE  
TO: HB 206

1 Page 2, line 13:

2 Delete "\$10,000"

3 Insert "\$2,000"

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5 Page 2, line 16:

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AMENDMENT

OFFERED IN THE HOUSE

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- 1 Page 4, line 13, following "services":
- 2       Insert "if the installation, maintenance, and repair work is performed by a person
- 3 who is trained to do the work by the provider of the low-voltage telecommunications,
- 4 broadband transmission, or video services"

Chairman and Representatives of the House Energy Committee,

I am writing to you today in opposition to HB206. This bill, while it tries to help a small group of satellite dish installers, will do much to undermine the decades of improvements that have been gained for other low voltage installations which should not be exempted from oversight by an electrical administrator. Installations that in some cases are critical to life safety, such as Fire Alarm and Nurse Call systems, would certainly become a huge concern if exempted by this bill.

If the bill were written in such a way as to deal solely with satellite dish installers then it would be slightly better and possibly a bill I could support. Even better, would be a bill that lays out a new certification process for these specific low voltage technicians. I would favor stronger certification requirements over exemptions every time when life safety is of even a remote concern.

Thank you for the work you are doing for the people of our great state,

Rodney Hesson  
Assistant Business Manager  
IBEW Local 1547  
813 W 12<sup>th</sup> Street  
Juneau, AK 99801  
907-586-3050

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**Microcom** • 129 West 53<sup>rd</sup> Avenue • Anchorage, Alaska 99518

April 2, 2017

Representative David Talerico  
State Capitol Room 110  
Juneau AK, 99801

Dear Representative Talerico,

We fully support the changes you, Representative Drummond, and Representative Chenault have proposed for electrical contracting. This properly classifies our industry and updates Alaska Statutes to reflect the direct to consumer and business telecommunications, broadband, and video industry and where it should be in the regulatory structure.

Thank you for your assistance and we stand ready to help move this forward.

Best regards,

Sandra Blinstrubas  
President  
Microcom  
129 W 53rd Ave  
Anchorage, AK 99518  
P: (907) 264-0005 • C: (907) 227-7083 • F: (907) 264-3455  
[Facebook](#) • [YouTube](#) • [Microcom.tv](#)



# Chena Holdings, Inc.

*An Employee Owned Company*

*P O Box 58740*

*Fairbanks, AK. 99711*

*907-488-1505*

*2040 Richardson Highway*

*North Pole, AK. 99711*

April 10, 2017

Representative Dave Talerico  
State of Alaska  
Juneau, Alaska 99801

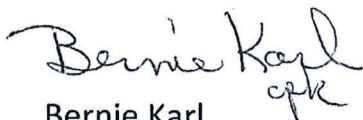
Dear Representative Talerico:

We are writing this letter in support of House Bill 206. We are totally in support of the exemption for low voltage installers from the contractor requirements as well as the exemption for low voltage installers from electrical administrator requirements.

I have personal knowledge how this would be devastating to hundreds of communication dish installers in Bush Alaska. As you are well aware, there is very little employment in Bush Alaska to start with. Without these exemptions, I personally know of 400 people who would lose their livelihoods.

Thank you for your support of this Bill 206.

Sincerely,

Handwritten signature of Bernie Karl in cursive, with the initials 'cpk' written below the name.

Bernie Karl  
President

bk/cpk

## Elijah Verhagen

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**From:** Craig Mapes <mapescr@gmail.com>  
**Sent:** Monday, April 10, 2017 6:56 PM  
**To:** Elijah Verhagen  
**Cc:** Brian Ashton  
**Subject:** HB 206

To: Energy Committee Alaska State House of Representatives  
From: Craig Mapes PO Box 46, Tenakee Springs, Alaska 99841  
Date: April 10, 2017  
Subject: HB 206

To the Honorable House Members on the Energy Committee,

I would like to voice my support for HB 206. I live just outside the town core of the small community of Tenakee Springs off grid and depend on satellite internet communication since there is no other option. It has been difficult to get someone out here to install and service our satellite system. So difficult to get reliable timely service for me and my neighbors that I have started to train to become a Hughes Net Installer myself. Soon I will have completed the Hughes Net national installer training. Many, many of my neighbors have been contacting me about installing the latest technology and they are VERY GLAD that a LOCAL person will be trained to assist them with their communication needs.

I was not aware of the electrical administrator nor licensed contractor requirements prior to completing more than half my training. Admittedly I should have done more to find out about these current regulations prior to training. That still does not change the need for our community and I'm sure many other communities throughout the state to have locally trained individuals to provide satellite internet. People like myself who have spent time and money to acquire the necessary training to become a satellite internet installer and frankly are not likely to become an electrical administrator or contractor.

At this point I can say that HB 206 would enable me to complete my training and install and service the latest technology which we need out here just to make a reliable phone call. There is no cell phone service here. Many people in Tenakee will be adversely affected if we cannot get someone local to qualify as an installer.

Thank you for considering this, my testimony in support of HB 206.

Sincerely,

Craig Mapes  
PO Box 46  
Tenakee Springs, Alaska 99841

Sent from my iPad

3239 La Ree Way  
Fairbanks, AK 99709  
907-451-0088 (direct)  
888-396-5623 (toll free)  
907-590-7774 (cell)  
888-260-3584 (fax)  
[satinfo@hughes.net](mailto:satinfo@hughes.net)  
[www.alaskasatelliteinternet.com](http://www.alaskasatelliteinternet.com)  
April 11, 2017



Reference: HB206 2017

To: 2017 Alaska State Legislature:

Opposition to HB206 will be seen by the Native people as more of those in the big city deciding what is best for the Bush, without having a clue.....

The incredibly successful Alaska Satellite Internet business model was designed to disseminate satellite Internet throughout the Bush, and it depends on having trained, certified installers in as many villages and rural regions as possible. We partner with over 400 certified installers scattered throughout most of Alaska. Incidentally, this has raised the level of technical skill for many rural individuals at no cost to the educational system.

We do not employ these installers. They work directly for the customers. When a customer needs an installation, we provide them with a list of installers in the area. They can contact these installers and choose the one who best suits their needs.

A local installer in a bush area may install 10 or 20 systems, during a one or two year period. After the village is saturated, then about all the work a local installer will get is an occasional install or repair. There is no way that it makes economic sense for someone to invest in a Handyman License for the limited amount of work that person would do. Hughes allocates \$200/install in the lower-48. Here in Alaska, the cost would be in the \$300-\$400 range, without all of that being profit by any means. Certainly, if someone in the Bush did achieve licensed contractor status, the customers would end up paying \$100-\$200 or more in installation cost, and absolutely, competition would be discouraged.

Most of the local Native people in the Bush live a qualitative, subsistence lifestyle. These people don't like to do a lot of paperwork and complete bureaucratic requirements, probably even less than the rest of us do. In the end, we won't have contractor licensing, we will either lose the local installer altogether, or they will simply become lawbreakers.

Our company has sold more satellite Internet here in Alaska than any other dealer in the Nation off and on for a few years, and for other years, we still have been top ranking. We have had more active subscriptions than any other dealer in the Nation for a number of years also. I never heard of any problem where licensing or bonding would have been needed. This is a solution looking for a problem. This kind of licensing is not really intended to protect the consumer, it is actually intended to protect the larger contractors from competition.

What good does it do to have contractor licensing in the Bush when there are no contractors? This certainly does not serve the public convenience and necessity.

Thank you,

A handwritten signature in cursive script that reads "Will Johnson".

Will Johnson, President

## Rob Earl

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**From:** Rep. Adam Wool  
**Sent:** Thursday, April 13, 2017 5:02 PM  
**To:** Rob Earl  
**Subject:** FW: House Bill 206

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**From:** Dave Reaves [mailto:DReaves@lbew1547.Org]  
**Sent:** Thursday, April 13, 2017 3:32 PM  
**To:** Rep. Adam Wool <Rep.Adam.Wool@akleg.gov>  
**Subject:** House Bill 206

Dear Representative Wool,

I am writing you today regarding House Bill 206 as my understanding is that this bill is, or soon will be, heading to the House Energy Committee for which you are the Chair. This bill would allow non-licensed companies who may not even follow building codes or other cabling requirements such as the National Electrical Code (NEC) requirements to perform work where safety and quality should be of great concern.

Electrical Administrators licenses require contractors to comply with all applicable regulations and provide a safety net to the customer and the employees who work for them by ensuring a safe and quality project through industry testing and a demonstration of the right skills for the job, and these licenses, as well as employees who carry Certificate of Fitness cards provide proven evidence to the State of Alaska that the company and employee performing the work have been vetted.

Please let me know if you feel I am not understanding this legislation correctly or if you would like to discuss this further.

Thank you for your time and consideration of my comments.

Sincerely,

**Rob Earl**

---

**From:** joe.ashcraft seaportel.com <joe.ashcraft@seaportel.com>  
**Sent:** Tuesday, April 18, 2017 7:18 AM  
**To:** Rep. Adam Wool  
**Subject:** Satellite installers

Again, we believe anyone who hires subcontractors has responsibility to audit and monitor the finished installs with regard to holes in roofs, penetrations, safety.

In Hoonah there are a great many dishes on roofs where the dishes never worked. And where holes are leaking. Many of these mounts were into the plywood and not the rafters or studs. Several were into spaces between purlins.

There does need to be some regulation of these subcontractors as well, just as the handyman rule is in place.

I have heard from contractors and people of Microcom and Alaska Satellite that a main concern is that the people in question are fearful they cannot pass the EA test. Yes, it is tough. But someone can pass it and monitor and audit the subs?

Joe Ashcraft

Seaport Telecom

License #113315

HOUSE BILL NO. 206

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE TALERICO

Introduced: 3/31/17

Referred:

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to an exemption for low-voltage projects from contractor  
2 requirements; and relating to an exemption from electrical administrator  
3 requirements."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 \* Section 1. AS 08.18.161 is amended to read:

6 Sec. 08.18.161. Exemptions. To the extent that this chapter governs  
7 contractors, this chapter does not apply to

8 (1) an authorized representative of the United States government, the  
9 State of Alaska, or a political subdivision or agency of the state;

10 (2) an officer of a court when acting within the scope of office;

11 (3) a public utility operating under the regulations of the Regulatory  
12 Commission of Alaska in construction, maintenance, or development work incidental  
13 to its own business;

14 (4) a construction, repair, or operation incidental to the discovering or

1 producing of petroleum or gas, or the drilling, testing, abandoning, or other operation  
 2 of a petroleum or gas well or a surface or underground mine or mineral deposit when  
 3 performed by an owner or lessee;

4 (5) the sale or installation of finished products, materials, or articles of  
 5 merchandise that are not actually fabricated into and do not become a permanent,  
 6 fixed part of a structure;

7 (6) construction, alteration, or repair of personal property;

8 (7) a person who only furnished materials, supplies, or equipment  
 9 without fabricating them into, or consuming them in the performance of, the work of  
 10 the contractor;

11 (8) work on a low voltage project under one or more contracts, the  
 12 aggregate contract price of which for labor and materials and all other items is  
 13 less than \$10,000; this exemption does not apply when the work is only a part of a  
 14 larger or major operation, whether undertaken by the same or a different  
 15 contractor, or when the work is divided into contracts of amounts less than  
 16 \$10,000 for the purpose of evasion of this chapter or otherwise; a contractor who  
 17 performs work priced at \$2,500 or more under this exemption shall nevertheless  
 18 keep in force public liability and property damage insurance with coverage in at  
 19 least the amounts set out in AS 08.18.101; in this paragraph, "low voltage" means  
 20 56 volts or less; [REPEALED.]

21 (9) an owner who contracts for a project with a registered contractor;

22 (10) a person working on that person's own property, whether occupied  
 23 by the person or not, and a person working on that person's own residence, whether  
 24 owned by the person or not;

25 (11) an owner or tenant of commercial property who uses the owner's  
 26 or tenant's own employees to do maintenance, repair, and alteration work on [UPON]  
 27 that property;

28 (12) an owner who acts as the owner's own contractor and in doing so  
 29 hires workers on an hourly basis, hires subcontractors, purchases materials and, as  
 30 such, sees to the paying for all labor, subcontractors, and materials; in this case, the  
 31 owner shall be limited to construction of one home, duplex, triplex, four-plex, or

1 commercial building every two years;

2 (13) a person performing construction work incidental to farming,  
3 dairying, agriculture, horticulture, stock or poultry raising, mining, logging, fishing,  
4 clearing, or other work on [UPON] the land in rural districts for fire prevention  
5 purposes, or access road building, unless the person is a licensee.

6 \* Sec. 2. AS 08.40.190(b) is amended to read:

7 (b) AS 08.40.005 - 08.40.200 do not apply to a person engaged in

8 (1) the manufacture, maintenance, or repair of electrical apparatus or  
9 equipment;

10 (2) electrical work, the cost of which does not exceed \$5,000,  
11 involving residences or small commercial establishments in communities that

12 (A) have a population of under 500 according to the latest  
13 available federal or state census or other census approved by the Department of  
14 Commerce, Community, and Economic Development; or

15 (B) are over 50 miles by air or water transportation from the  
16 business place of an electrical administrator licensed under AS 08.40.005 -  
17 08.40.200;

18 (3) electrical installation on residential property that is owned by the  
19 installer or a member of the installer's immediate family and not intended for sale at  
20 the time of making the installation;

21 (4) the operation, maintenance, or repair of a television or radio  
22 broadcasting system and the installation of a radio broadcasting system under 500  
23 watts input power except for A.C. power supply and wiring;

24 (5) the installation, maintenance, and repair of elevators so long as the  
25 work is performed by an agent or employee of the elevator industry and is confined to  
26 the elevator control system, which system does not include the power supply, wiring,  
27 and motor connection;

28 (6) the operation, maintenance, and repair of telephone, telegraph, and  
29 intercommunication facilities;

30 (7) the installation, maintenance, and repair of fire alarm, intrusion  
31 alarm, or other low voltage signaling systems of 48 volts to ground or less;

1 (8) the maintenance or repair of diesel electric engines installed on  
2 heavy construction equipment, either in a shop or on a job site;

3 (9) the installation in a commercial water well of the submersible  
4 pump motor and the wiring to the well pump system controls if the controls are  
5 outside a building or a structure;

6 (10) the installation in a noncommercial water well of the submersible  
7 pump motor and the wiring to the well pump system controls;

8 (11) electrical maintenance or repair work if the work is performed by  
9 the person as an employee of an owner or tenant of commercial property as part of the  
10 employee's work duties with respect to the property but is not offered or performed as  
11 a service to the public;

12 (12) the installation, maintenance, and repair of low voltage  
13 telecommunications, broadband transmission, and video services; in this  
14 paragraph,

15 (A) "broadband transmission" means a transmission that  
16 has a large range of radio frequencies that can simultaneously transport  
17 multiple signals and different types of signals;

18 (B) "low voltage" means 56 volts or less.

subsequent declaration of legislative purpose in this section. Allison v. State, 583 P.2d 813 (Alaska 1978).

**And contains precautions not fully encompassed under AS 18.60 or AS 18.62.** — Although this chapter is found in the title regulating "Business and Professions" and AS 18.60 and AS 18.62 are under the title providing for "Health and Safety," AS 08.40 provides safety precautions not fully encompassed under either AS 18.60 or AS 18.62. Allison v. State, 583 P.2d 813 (Alaska 1978).

State inspection under AS 18.60 does not provide the same protection against poor work that is contemplated by this chapter, since the presence or responsibility of a licensed electrical contractor having knowledge of the codes is a constant influence, while state inspectors cannot continuously monitor to assure quality control. Allison v. State, 583 P.2d 813 (Alaska 1978).

This chapter requires that a prospective licensee be examined on his or her familiarity with the national electrical code and the national electrical safety code, while such specific knowledge is not required in order to obtain a certificate of fitness under AS 18.62. Allison v. State, 583 P.2d 813 (Alaska 1978).

**But contains no bonding requirement.** — The supreme court was further influenced in its conclusion that AS 08.40 provides for public safety by the absence of a bonding requirement or other method of assuring financial responsibility. Allison v. State, 583 P.2d 813 (Alaska 1978).

The exemptions in this chapter should be narrowly construed to effect their purpose. Allison v. State, 583 P.2d 813 (Alaska 1978).

For construction of exemption in AS 08.40.190(b)(3), see note to AS 08.40.190.

## Article 1. Licensing and Regulation of Electrical Administrators.

### Section

- 05. Purpose of AS 08.40.005 — 08.40.200
- 45. Categories of licenses
- 50. Regulations
- 60. Examinations
- 70. Inspection or investigation by department
- 90. License required
- 110. Application for license
- 120. Examination of applicant
- 130. Administrator limited to one registered contractor

### Section

- 135. Renewal and reinstatement
- 140. Issuance and possession of license
- 150. Fees
- 170. Disciplinary actions
- 175. Cease and desist order
- 178. Injunctive relief
- 180. Violation of AS 08.40.005 — 08.40.200
- 190. Exclusions
- 195. Personal supervision
- 200. Definitions

**Sec. 08.40.005. Purpose of AS 08.40.005 — 08.40.200.** The purpose of AS 08.40.005 — 08.40.200 is to protect the safety of people and property in the state from the danger of improperly installed electrical wiring and equipment by providing a procedure to assure

- (1) the public that persons responsible for making electrical installations in this state are qualified; and
- (2) a sufficient number of persons are so qualified. (§ 2 ch 53 SLA 1977)

### NOTES TO DECISIONS

**Quoted** in Beers, Inc. v. Robison, 708 P.2d 65 (Alaska 1985).

*Sec. 08.40.010. Creation and membership of board. [Repealed, § 48 ch 94 SLA 1987.]*

*Sec. 08.40.011. Board of electrical examiners. [Repealed, § 37 ch 101 SLA 1994.]*

*Sec. 08.40.020. Appointment and term of office. [Repealed, § 49 ch 94 SLA 1987.]*

*Secs. 08.40.030, 08.40.040. [Repealed, § 48 ch 94 SLA 1987.]*

**Sec. 08.40.045. Categories of licenses.** The department may adopt regulations establishing categories of electrical administrators, qualifications for those categories, and the content of examinations for applicants for each category. (§ 4 ch 53 SLA 1977; am § 22 ch 94 SLA 1987; am § 5 ch 98 SLA 1988; am § 3 ch 101 SLA 1994)

## NOTES TO DECISIONS

**Quoted** in *Beers, Inc. v. Robison*, 708 P.2d 65 (Alaska 1985).

**Sec. 08.40.050. Regulations.** The department shall adopt regulations subject to AS 44.62 (Administrative Procedure Act), relating to the examination and licensing of electrical administrators and the establishing of the continued competency of an applicant for license renewal and reinstatement. (§ 2 ch 158 SLA 1960; am § 5 ch 53 SLA 1977; am § 3 ch 71 SLA 1980; am § 23 ch 94 SLA 1987; am § 6 ch 98 SLA 1988; am § 4 ch 101 SLA 1994)

## NOTES TO DECISIONS

**Applied** in *Vick v. Board of Elec. Exmrs.*, 626 P.2d 90 (Alaska 1981).

**Sec. 08.40.060. Examinations.** A licensing examination shall be offered by the department at least twice during each year at appropriate places in the state. (§ 2 ch 158 SLA 1960; am § 24 ch 94 SLA 1987; am § 7 ch 98 SLA 1988; am § 5 ch 101 SLA 1994)

## NOTES TO DECISIONS

**Applied** in *Vick v. Board of Elec. Exmrs.*, 626 P.2d 90 (Alaska 1981).

**Sec. 08.40.070. Inspection or investigation by department.** The department may make or have made a special inspection or investigation into the work of a licensee that it considers necessary, may issue subpoenas and process compelling the attendance of any person and the production of any papers or books, for the purpose of the investigation and examination, may administer oaths when required, and may petition a court of the state to enforce subpoenas and process or to compel testimony. (§ 5 ch 158 SLA 1960; am § 25 ch 94 SLA 1987)

**Cross references.** — See also AS 08.01.087.

*Sec. 08.40.080. Compensation of board members. [Repealed, § 43 ch 85 SLA 1988.]*

**Sec. 08.40.090. License required.** (a) A person may not act as an electrical administrator in the state without a license issued by the department unless the person is covered by an exclusion under AS 08.40.190.

(b) A person licensed under AS 08.40.005 — 08.40.200 may perform work only in a category for which the person is licensed. (§ 3(c) ch 158 SLA 1960; am § 6 ch 53 SLA 1977; am § 26 ch 94 SLA 1987; am § 6 ch 101 SLA 1994)

**Cross references.** — For electrical contractors, see AS 08.18.026.

**Opinions of attorney general.** — Employees of the state are exempt from the requirements of AS 08.40.090 regarding electrical administrators. Elimination of the implied exemption for state employees found in the 1979 attorney general's opinion (1979 Inf.

Op. Att'y Gen. (June 27)) would likely impose some additional costs upon the state, although the extent of those costs is difficult to predict. Because of the legislative history and possibility of additional costs, any change in this exemption should be made by the legislature. November 12, 2002 Op. Att'y Gen.

## NOTES TO DECISIONS

**Applied** in *Beers, Inc. v. Robison*, 708 P.2d 65 (Alaska 1985).

**Quoted** in *Allison v. State*, 583 P.2d 813 (Alaska 1978).

*Sec. 08.40.100. Exclusion. [Repealed, § 14 ch 53 SLA 1977.]*

**Sec. 08.40.110. Application for license.** An applicant for a license shall apply upon a form prescribed by the department. (§ 3 (d) ch 158 SLA 1960; am § 27 ch 94 SLA 1987)

**Sec. 08.40.120. Examination of applicant.** (a) Each applicant shall be examined to determine the applicant's

- (1) ability to understand plans, design specifications, and engineering terms commonly used in the electrical field;
- (2) knowledge of electrical installations and wiring;
- (3) familiarity with the regulations contained in the National Electrical Code and the National Electrical Safety Code, as approved by the American National Standards Institute;
- (4) familiarity with other installation and safety regulations approved by the American National Standards Institute;
- (5) personal skill and ability.

(b) If an applicant for a license submits proof satisfactory to the department that the applicant is licensed as an electrical administrator or the equivalent by another state or territory, that the applicant meets qualifications established by the department under AS 08.40.045, and that the applicant has passed an examination equivalent to the test administered under (a) of this section, the department shall waive all of the examination required under (a) of this section. (§ 3(d) ch 158 SLA 1960; am § 4 ch 71 SLA 1980; am § 28 ch 94 SLA 1987; am § 8 ch 98 SLA 1988; am §§ 7, 37 ch 101 SLA 1994; am § 3 ch 8 SLA 2011)

**Effect of amendments.** — The 2011 amendment, effective May 10, 2011, substituted "American National Standards Institute" for "American Standards Association" in (a)(3) and (a)(4).

**Sec. 08.40.130. Administrator limited to one registered contractor.** A person may not qualify for or operate as an electrical administrator for more than one registered contractor. (§ 3(e) ch 158 SLA 1960; am § 1 ch 30 SLA 1969; am § 7 ch 53 SLA 1977)

**Sec. 08.40.135. Renewal and reinstatement.** (a) A license issued under AS 08.40.005 — 08.40.200 is nontransferable and, unless revoked or suspended, may be renewed on a date set by the department upon proof of continued competency.

(b) A lapsed license may be reinstated upon proof of continued competency and by payment of all unpaid renewal fees and any penalty fee established under AS 08.01.100(b), unless the license has been lapsed for more than two years. If a person's license has been lapsed for more than two years, the person is required to take an examination under AS 08.40.120. (§ 2 ch 30 SLA 1969; am § 8 ch 53 SLA 1977; am § 5 ch 71 SLA 1980; am § 24 ch 37 SLA 1985; am § 8 ch 101 SLA 1994)

**Cross references.** — For duration and renewal, see AS 08.01.100.

**Sec. 08.40.140. Issuance and possession of license.** An applicant who successfully passes the examination shall receive a license. The licensee shall have the license in immediate possession at all times when performing activities for which the license is required and shall present the license for inspection upon the demand of an authorized representative of the department identified as such to the licensee by the representative. (§ 3(f) ch 158 SLA 1960; am § 9 ch 101 SLA 1994)

**Sec. 08.40.150. Fees.** Each applicant and each licensee shall pay application and renewal fees established by regulations adopted under AS 08.01.065. (§ 3 (f) ch 158 SLA 1960; am § 3 ch 30 SLA 1969; am § 6 ch 71 SLA 1980; am § 25 ch 37 SLA 1985)

**Sec. 08.40.160. Waiver of examination.** [Repealed, § 14 ch 53 SLA 1977.]

**Sec. 08.40.170. Disciplinary actions.** (a) The department may take the disciplinary actions set out in (d) of this section upon a finding that

- (1) the license application is fraudulent or misleading;
- (2) the licensee has knowingly violated AS 08.40.005 — 08.40.200, the minimum electrical standards established under AS 18.60.580 — 18.60.590, or a lawful order or regulation of the department;
- (3) the licensee is incompetent, or has engaged in fraudulent practices.

(b) Notice of a proposed disciplinary action under this section shall be given in writing, stating the grounds.

(c) Proceedings for a disciplinary action under this section shall be governed by AS 44.62 (Administrative Procedure Act).

(d) The department may take the following disciplinary actions under (a) of this section, singly or in combination:

- (1) refuse to issue a license;
- (2) permanently revoke a license;
- (3) suspend a license for a specified period;
- (4) censure or reprimand a licensee;
- (5) impose limitations or conditions on the professional practice of a licensee;
- (6) require a licensee to submit to peer review;
- (7) impose requirements for remedial professional education to correct deficiencies in the education, training, and skill of the licensee;
- (8) impose probation requiring a licensee to report regularly to the department on matters related to the grounds for probation.

(e) The department may withdraw probationary status if the deficiencies that required the sanction are remedied.

(f) The department may summarily suspend a license before a final hearing is held or during an appeal if the department finds that the licensee poses a clear and immediate danger to the public health and safety. A person is entitled to a hearing conducted by the office of administrative hearings (AS 44.64.010) to appeal the summary suspension within seven days after the order of suspension is issued. A person may appeal an adverse decision of the department on an appeal of a summary suspension to a court of competent jurisdiction.

(g) The department may reinstate a suspended or revoked license if, after a hearing, the department finds that the licensee is able to practice the profession with skill and safety.

(h) The department may accept the voluntary surrender of a license. A license may not be returned to the person who surrendered the license unless the department determines that the person is competent to resume practice and the person pays the appropriate renewal fee.

(i) The department shall seek consistency in the application of disciplinary sanctions. The department shall explain a significant departure from prior decisions involving similar facts in the order imposing the sanction. (§ 4 ch 158 SLA 1960; am § 4 ch 30 SLA 1969; am § 29 ch 94 SLA 1987; am § 9 ch 98 SLA 1988; am §§ 10, 11 ch 101 SLA 1994; am § 12 ch 163 SLA 2004)

**Cross references.** — For investigative and enforcement powers of the department, see AS 08.01.087.

#### NOTES TO DECISIONS

**Applied** in *Vick v. Board of Elec. Exmrs.*, 626 P.2d 90 (Alaska 1981).

**Sec. 08.40.175. Cease and desist order.** (a) If the department determines that a

person is acting as an electrical administrator in violation of AS 08.40.005 — 08.40.200, the department may issue a cease and desist order prohibiting further action by the person as an electrical administrator. The cease and desist order remains in effect until the person has submitted evidence acceptable to the department showing that the violation has been corrected.

(b) A person affected by an order issued under (a) of this section may seek equitable relief preventing the department from enforcing the order. (§ 1 ch 39 SLA 1972; am § 9 ch 53 SLA 1977; am § 12 ch 101 SLA 1994)

#### NOTES TO DECISIONS

**Applied** in *Beers, Inc. v. Robison*, 708 P.2d 65 (Alaska 1985).

**Sec. 08.40.178. Injunctive relief.** The department may seek an injunction in the superior court to enjoin a person from violating AS 08.40.005 — 08.40.200. (§ 1 ch 39 SLA 1972; am § 13 ch 101 SLA 1994)

#### NOTES TO DECISIONS

**Quoted** in *Allison v. State*, 583 P.2d 813 (Alaska 1978).

**Sec. 08.40.180. Violation of AS 08.40.005 — 08.40.200.** A person who knowingly violates AS 08.40.005 — 08.40.200, or who knowingly violates a valid regulation or order of the department or a minimum electrical standard established under AS 18.60.580 — 18.60.590 that was in effect at the time that the installation or repair was made, is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$5,000. (§ 10 ch 158 SLA 1960; am § 30 ch 94 SLA 1987; am § 10 ch 98 SLA 1988; am § 14 ch 101 SLA 1994)

**Sec. 08.40.190. Exclusions.** (a) AS 08.40.005 — 08.40.200 do not apply to any utility or municipality engaged in

(1) electrical construction and maintenance of electrical wiring for the generation and distribution of electrical current where the wiring is an integral part of a system owned and operated by that utility or municipal light and power department;

(2) the installation, operation, maintenance, or repair of telephone, telegraph, signal, or communication systems when the work is performed by the employees of that utility.

(b) AS 08.40.005 — 08.40.200 do not apply to a person engaged in

(1) the manufacture, maintenance, or repair of electrical apparatus or equipment;

(2) electrical work, the cost of which does not exceed \$5,000, involving residences or small commercial establishments in communities that

(A) have a population of under 500 according to the latest available federal or state census or other census approved by the Department of Commerce, Community, and Economic Development; or

(B) are over 50 miles by air or water transportation from the business place of an electrical administrator licensed under AS 08.40.005 — 08.40.200;

(3) electrical installation on residential property that is owned by the installer or a member of the installer's immediate family and not intended for sale at the time of making the installation;

(4) the operation, maintenance, or repair of a television or radio broadcasting system and the installation of a radio broadcasting system under 500 watts input power except for A.C. power supply and wiring;

(5) the installation, maintenance, and repair of elevators so long as the work is performed by an agent or employee of the elevator industry and is confined to the

elevator control system, which system does not include the power supply, wiring, and motor connection;

(6) the operation, maintenance, and repair of telephone, telegraph, and intercommunication facilities;

(7) the installation, maintenance, and repair of fire alarm, intrusion alarm, or other low voltage signaling systems of 48 volts to ground or less;

(8) the maintenance or repair of diesel electric engines installed on heavy construction equipment, either in a shop or on a job site;

(9) the installation in a commercial water well of the submersible pump motor and the wiring to the well pump system controls if the controls are outside a building or a structure;

(10) the installation in a noncommercial water well of the submersible pump motor and the wiring to the well pump system controls;

(11) electrical maintenance or repair work if the work is performed by the person as an employee of an owner or tenant of commercial property as part of the employee's work duties with respect to the property but is not offered or performed as a service to the public.

(c) Work within the exclusionary provisions of this section is nevertheless subject to the inspection provisions of AS 08.40.070 and must follow the regulations adopted by the department, other than regulations requiring licensure for the work. (§ 8 ch 158 SLA 1960; am § 1 ch 79 SLA 1967; am § 10 ch 53 SLA 1977; am §§ 7, 8 ch 71 SLA 1980; am § 1 ch 49 SLA 1986; am § 15 ch 85 SLA 1988; am §§ 15, 16 ch 101 SLA 1994)

**Revisor's notes.** — In 1999, in (b)(2) of this section, "Department of Community and Economic Development" was substituted for "Department of Community and Regional Affairs" in accordance with § 91(a)(1), ch. 58, SLA 1999.

In 2004, in (b)(2) of this section, "Department of Community and Economic Development" was changed to "Department of Commerce, Community, and Economic Development" in this section, in accordance with § 3, ch. 47, SLA 2004.

**Opinions of attorney general.** — None of the exclusions listed in this section apply to a municipality when the work it performs does not involve wiring

for generation and distribution of electric current; therefore, a municipality is required in that situation to secure the services of an electrical administrator licensed under AS 08.40.090. December 20, 1983 Op. Att'y Gen.

Public utilities are clearly exempt both from construction contractor registration under AS 08.18 and from electrical administrator licensing under AS 08.40, regardless of whether they are bidding against others who are not public utilities for work on projects which are not part of the utility distribution system. June 6, 1984 Op. Att'y Gen.

#### NOTES TO DECISIONS

**Narrow construction of exemptions.** — This chapter is concerned with safety, and the exemptions contained therein should be narrowly construed to effect this purpose. *Allison v. State*, 583 P.2d 813 (Alaska 1978).

**Applicability of exemption in paragraph (b)(3).** — The exemption in former AS 08.40.100 (now paragraph (b)(3) of this section) was applicable only to residential property, or a unit thereof, actually occu-

piated by the owner or a member of his immediate family and not intended for sale at the time of making the installation. *Allison v. State*, 583 P.2d 813 (Alaska 1978).

The legislature did not intend the term "residential property" to include leased property unless occupied by a member of the immediate family of the owner. *Allison v. State*, 583 P.2d 813 (Alaska 1978).

**Sec. 08.40.195. Personal supervision.** A person licensed under AS 08.40.005 — 08.40.200 as an electrical administrator who is responsible for the installation or repair of electrical wiring, conduits, devices, fixtures, equipment, or other electrical materials for transmitting, using, or consuming electrical energy or who is responsible for certifying that the installation or repair complies with applicable electrical codes shall personally inspect those materials after installation and repair unless the installation or repair amounts to simple or highly standardized work performed in less than 24 man hours by personnel generally under the supervision of the electrical administrator. (§ 9 ch 71 SLA 1980; am § 17 ch 101 SLA 1994)

**Sec. 08.40.200. Definitions.** In AS 08.40.005 — 08.40.200,

- (1) "department" means the Department of Commerce, Community, and Economic Development;
- (2) "electrical administrator" means a person who is responsible for
  - (A) installing or repairing electrical wiring, conduits, devices, fixtures, equipment, or other electrical materials for transmitting, using, or consuming electrical energy; or
  - (B) certifying that an installation or repair described in (A) of this paragraph complies with applicable electrical codes;
- (3) "electrical wiring" means and includes wiring, fixtures, conduits, appliances, devices, equipment, overhead or underground wiring systems, or other equipment in connection with the general distribution or utilization of electrical energy;
- (4) "manufacture" means fabrication or completion of a product or electrical apparatus exclusive of its completion or installation at a job site;
- (5) "utility" means every corporation (whether public, cooperative or otherwise), company, individual, or association of individuals, their lessees, trustees, or receivers appointed by a court, that owns, operates, manages, or controls any plant or system for
  - (A) furnishing, by generation, transmission or distribution, electrical service to the public for compensation;
  - (B) furnishing telecommunications service to the public for compensation. (§ 3 (a), (b) ch 158 SLA 1960; am §§ 12, 13 ch 53 SLA 1977; am §§ 31, 48 ch 94 SLA 1987; am § 11 ch 98 SLA 1988; am §§ 18, 37 ch 101 SLA 1994)

**Revisor's notes.** — Reorganized in 1988 to alphabetize the defined terms and in 1998 to account for the 1994 repeal of former paragraph (1).

In 1999, "Department of Commerce and Economic Development" was changed to "Department of Community and Economic Development" in this section in

accordance with § 88, ch. 58, SLA 1999.

In 2004, "Department of Community and Economic Development" was changed to "Department of Commerce, Community, and Economic Development" in this section, in accordance with § 3, ch. 47, SLA 2004.

**NOTES TO DECISIONS**

**Quoted** in Allison v. State, 583 P.2d 813 (Alaska 1978).

**Article 2. Licensing and Regulation of Mechanical Administrators.**

<b>Section</b>	<b>Section</b>
210. Purpose of AS 08.40.210 — 08.40.490	320. Disciplinary actions
230. Categories of licenses	330. Investigations
240. Regulations	340. Issuance of citations
250. Examinations	350. Procedure and form of citation
260. License required	360. Cease and desist order
270. Examination of applicant	370. Injunctive relief
280. Administrator limited to one licensed contractor	380. Penalties
290. Renewal and reinstatement	390. Exclusions
300. Issuance and possession of license	400. Personal supervision
310. Fees	490. Definitions

**Sec. 08.40.210. Purpose of AS 08.40.210 — 08.40.490.** The purpose of AS 08.40.210 — 08.40.490 is to protect the safety of people and property in the state from the danger of improperly installed or modified mechanical systems by providing a procedure to assure

- (1) the public that persons responsible for making mechanical installations in this state are qualified; and
- (2) that a sufficient number of persons are so qualified. (§ 9 ch 132 SLA 1988)