



LAWS OF ALASKA

1990

Source

HCS CSSSSB 72(L&C)

Chapter No.

99

AN ACT

Relating to registration and endorsements for contractors; prohibiting the use of state money in relation to certain residential work unless the work is performed by a general contractor who has a residential contractor endorsement; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 13

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 14, 1990
Actual Effective Date: July 1, 1991

AN ACT

Relating to registration and endorsements for contractors; prohibiting the use of state money in relation to certain residential work unless the work is performed by a general contractor who has a residential contractor endorsement; and providing for an effective date.

* Section 1. AS 08.01.050(a) is amended to read:

(a) The department shall perform the following administrative and budgetary services when appropriate:

- (1) collect and record fees;
- (2) maintain records and files;
- (3) issue and receive application forms;
- (4) notify applicants of acceptance or rejection as determined by the board or as determined by the department under AS 08.11 for audiologists, under AS 08.18 for contractors, under AS 08.45 for naturopaths, or under AS 08.55 for hearing aid dealers;
- (5) designate dates examinations are to be held and notify applicants;
- (6) publish notice of examinations and proceedings;
- (7) arrange space for holding examinations and proceedings;
- (8) notify applicants of results of examinations;
- (9) issue licenses or temporary licenses as authorized by the board or as authorized by the department under AS 08.11 for

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1 forgery, theft in the first or second degree, extortion, or conspiracy
2 to defraud creditors or for a felony involving dishonesty; and
3 (6) pays the appropriate fees.

4 (c) The department may not renew an endorsement issued under
5 this section unless the applicant submits proof of continued compe-
6 tency relating to residential contracting that satisfies the depart-
7 ment. A lapsed endorsement may be reinstated, within two years after
8 the lapse, upon proof of continued competency, payment of a renewal
9 fee for the intervening time period, and payment of any penalty fee
10 established under AS 08.01.100(b). If the endorsement has been lapsed
11 for more than two years, the department may not reinstate it until the
12 person also passes the residential contractor examination described in
13 (b) of this section.

14 * Sec. 4. AS 08.18.041 is repealed and reenacted to read:

15 Sec. 08.18.041. FEES. (a) The department shall set fees under
16 AS 08.01.065 for

17 (1) registration and renewal of registration for all cat-
18 egories of contractors;

19 (2) examination, issuance of initial endorsement, and
20 renewal of active or inactive endorsements for residential contrac-
21 tors; and

22 (3) departmental publications and seminars related to this
23 chapter.

24 (b) A person who fails a residential contractor examination
25 shall pay the examination fee set by the department if the person
26 applies to retake an examination.

27 * Sec. 5. AS 08.18.116 is amended to read:

28 Sec. 08.18.116. INVESTIGATIONS. Either the Department of Com-
29 merce and Economic Development or the Department of Labor may

investigate alleged or apparent violations of this chapter. These departments, upon showing proper credentials, may enter, during regular hours of work, a construction site where it appears that contracting work is being done. The departments may make inquiries about the identity of the contractor or the person acting in the capacity of a contractor. Upon demand, a contractor or person acting in the capacity of a contractor, or that person's representative, shall produce evidence of current endorsement, if applicable, and registration.

* Sec. 6. AS 08.18.121 is amended by adding a new subsection to read:

(h) The endorsement of a residential contractor is automatically suspended or revoked while the contractor's registration is suspended or revoked.

* Sec. 7. AS 08.18 is amended by adding a new section to read:

Sec. 08.18.123. DENIAL, SUSPENSION, AND REVOCATION OF ENDORSEMENT. (a) The department may suspend, revoke, or refuse to grant or renew a residential contractor endorsement upon a finding that

(1) the application is fraudulent or misleading;

(2) the contractor has knowingly violated this chapter or a lawful order or regulation of the department;

(3) the contractor is incompetent or has engaged in fraudulent practices.

(b) Proceedings for the denial, suspension, or revocation of residential contractor endorsement are governed by the Administrative Procedure Act (AS 44.62).

* Sec. 8. AS 08.18.141(a) is amended to read:

(a) A contractor or a person acting in the capacity of a contractor who knowingly violates [IN VIOLATION OF] AS 08.18.011 or 08.18.024 is guilty of a class B misdemeanor. A person who violates another provision of this chapter is guilty of a violation punishable

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1 under AS 12.

2 * Sec. 9. AS 08.18.171 is amended by adding a new paragraph to read:
3 (10) "residential contractor" means a general contractor
4 whose business and operation involve undertaking the construction or
5 alteration of a privately-owned residential structure of one to four
6 units that is used or intended to be used as a human dwelling.

7 * Sec. 10. AS 37.05 is amended by adding a new section to read:

8 ARTICLE 6A. MISCELLANEOUS PROVISIONS.

9 Sec. 37.05.800. RESTRICTION ON USE OF STATE MONEY FOR RESI-
10 DENTIAL CONTRACTING. (a) The state may not grant or loan money or
11 purchase a loan for the construction or alteration of a privately-
12 owned residential structure of one to four units unless the grant or
13 loan requires the construction or alteration to be undertaken by a
14 residential contractor with an endorsement issued under AS 08.18. in
15 this subsection, "alteration" means changes that have a value greater
16 than 25 percent of the value of the structure being altered.

17 (b) The restriction of (a) of this section does not apply to a
18 state loan or grant or purchase of a loan made for work described in
19 AS 08.18.167 that is exempt from the requirements of AS 08.18.

20 * Sec. 11. TRANSITIONAL LICENSING. Notwithstanding AS 08.18.024(b)(2)
21 and (3), enacted by sec. 3 of this Act, the Department of Commerce and
22 Economic Development shall issue a residential contractor endorsement to a
23 person who

24 (1) applies for an endorsement under this section by July 1,
25 1992;

26 (2) meets the requirements of AS 08.18.024(b)(1) and (4) - (6);
27 and

28 (3) has been an active general contractor in the state for three
29 of the five years immediately preceding application for an endorsement
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1 under this section.

2 * Sec. 12. EXEMPTION. (a) The residential contractor endorsement
3 requirement of AS 08.18.024, enacted in sec. 3 of this Act, and the resi-
4 dential contractor endorsement requirement of AS 37.05.800(a), enacted in
5 sec. 10 of this Act, do not apply to work performed on a residential struc-
6 ture located in a community with a population of 2,500 or fewer.

7 (b) Notwithstanding AS 08.18.013, enacted by sec. 2 of this Act, the
8 Department of Commerce and Economic Development may not adopt regulations
9 that require a residential contractor endorsement for work exempt from the
10 endorsement requirement under (a) of this section.

11 (c) This section is repealed July 1, 1992.

12 * Sec. 13. This Act takes effect July 1, 1991.