

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 571

BY WAYS AND MEANS COMMITTEE

AN ACT

1 RELATING TO PUBLIC WORKS CONTRACTORS; AMENDING SECTION 54-1903, IDAHO CODE,
2 TO REVISE PROVISIONS REGARDING EXEMPTIONS; AMENDING SECTION 54-1904,
3 IDAHO CODE, TO REMOVE PROVISIONS REGARDING CLASS "D" LICENSES AND TO
4 MAKE TECHNICAL CORRECTIONS; AND DECLARING AN EMERGENCY AND PROVIDING AN
5 EFFECTIVE DATE.
6

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

8 SECTION 1. That Section 54-1903, Idaho Code, be, and the same is hereby
9 amended to read as follows:

10 54-1903. EXEMPTIONS. This chapter shall not apply to:

11 (1) An authorized representative of the United States government, the
12 state of Idaho, or any incorporated town, city, county, irrigation district,
13 reclamation district or other municipal or political corporation or subdi-
14 vision of this state.

15 (2) Officers of a court when they are acting within the scope of their
16 office.

17 (3) Public utilities operating under the jurisdiction of the public
18 utilities commission of the state of Idaho on construction, maintenance and
19 development work incidental to their own business.

20 (4) The sale or installation of any finished products, materials or ar-
21 ticles of merchandise, ~~which~~ that are not actually fabricated into and do not
22 become a permanent fixed part of the structure.

23 (5) Any construction, alteration, improvement or repair of personal
24 property.

25 (6) Any construction, alteration, improvement or repair carried on
26 within the limits and boundaries of any site or reservation, the title of
27 which rests in the federal government.

28 (7) Any construction or operation incidental to the construction and
29 repair of irrigation and drainage ditches of regularly constituted irriga-
30 tion districts, drainage districts or reclamation districts, except when
31 performed by a person required to be licensed under this chapter.

32 (8) Duly licensed architects, licensed engineers, and land surveyors
33 when acting solely in their professional capacity.

34 (9) Any construction, alteration, improvement or repair involving any
35 single project involving any number of trades or crafts with an estimated
36 cost of less than ~~fifty thousand dollars (\$50,000)~~ one hundred thousand dol-
37 lars (\$100,000).

38 (10) Any construction, operation, alteration or maintenance of a solid
39 waste disposal site, including those operated by, for, or at the direction of
40 a city or a county.

41 (11) Any construction, operation or repair carried on in response to an
42 emergency that has been officially declared by the governor pursuant to the

1 provisions of chapter 10, title 46, Idaho Code, or an emergency that has been
 2 declared by a governing body (city or county) in anticipation of a governor's
 3 declaration, for a period of time not to exceed seven (7) calendar days.

4 (12) Any subcontractor performing work under the direct supervision of
 5 a licensed public works contractor who holds a Class "Unlimited," "AAA,"
 6 "AA," or "A" license pursuant to section 54-1904, Idaho Code, if the value of
 7 the subcontracted work is less than one hundred thousand dollars (\$100,000).

8 SECTION 2. That Section 54-1904, Idaho Code, be, and the same is hereby
 9 amended to read as follows:

10 54-1904. CLASSES OF LICENSES -- RIGHTS GRANTED UNDER LICENSES --
 11 FEES. (1) There shall be ~~eight (8)~~ seven (7) classes of licenses issued under
 12 the provisions of this chapter, which are hereby designated as Classes Un-
 13 limited, AAA, AA, A, B, CC, and C and D, the maximum fee for which shall be as
 14 ~~hereinafter~~ specified in this section. Each applicant for a license shall
 15 specify the class of license applied for in his application.

16 (2) For the purpose of licensing public works contractors under this
 17 chapter, the board may adopt rules necessary to determine the classification
 18 according to their responsibility, and the type and scope of the operations
 19 of a licensed contractor to those in which he is classified and qualified to
 20 engage as in this chapter provided.

21 (3) The license classes shall be as follows:

22 (a) Class "Unlimited" license. Any contractor whose qualifica-
 23 tions, ability and responsibility to execute contracts for public
 24 works involving an estimated cost of more than five million dollars
 25 (\$5,000,000) may, upon application and payment of a license fee not
 26 to exceed six hundred dollars (\$600), be granted a Class "Unlimited"
 27 license and be so classified by the board in accordance with the provi-
 28 sions of this chapter. The holder of a Class "Unlimited" license shall
 29 be entitled to engage in the public works contracting business in this
 30 state as provided in said license. The renewal fee for a Class "Unlim-
 31 ited" license shall not exceed six hundred dollars (\$600). An applicant
 32 requesting a Class "Unlimited" license in heavy, highway, specialty
 33 or building construction shall have a minimum net worth of one million
 34 dollars (\$1,000,000) with six hundred thousand dollars (\$600,000) in
 35 working capital.

36 (b) Class "AAA" license. Any contractor whose qualifications, ability
 37 and responsibility to execute contracts for public works involving an
 38 estimated cost of not more than five million dollars (\$5,000,000) may,
 39 upon ~~his~~ application and the payment of a license fee not to exceed five
 40 hundred dollars (\$500), be granted a Class "AAA" license and be so clas-
 41 sified by the board in accordance with the provisions of this chapter.
 42 The holder of a Class "AAA" license shall be entitled to engage in the
 43 public works contracting business in the state as provided in said li-
 44 cense. The renewal fee for a Class "AAA" license shall not exceed five
 45 hundred dollars (\$500).

46 (c) Class "AA" license. Any contractor whose qualifications, ability
 47 and responsibility to execute contracts for public works involving an
 48 estimated cost of not more than three million dollars (\$3,000,000) may,
 49 upon ~~his~~ application and the payment of a license fee not to exceed four

1 hundred dollars (\$400), be granted a Class "AA" license and be so clas-
2 sified by the board in accordance with the provisions of this chapter.
3 The holder of a Class "AA" license shall be entitled to engage in the
4 public works contracting business in the state as provided in said li-
5 cense. The renewal fee for a Class "AA" license shall not exceed four
6 hundred dollars (\$400).

7 (d) Class "A" license. Any contractor whose qualifications, ability
8 and responsibility to execute contracts for public works involving an
9 estimated cost of not more than one million two hundred fifty thousand
10 dollars (\$1,250,000) may, upon his application and the payment of a li-
11 cense fee not to exceed three hundred dollars (\$300), be granted a Class
12 "A" license and be so classified by the board in accordance with the pro-
13 visions of this chapter. The holder of a Class "A" license shall be en-
14 titled to engage in the public works contracting business in the state
15 as provided in said license. The renewal fee for a Class "A" license
16 shall not exceed three hundred dollars (\$300).

17 (e) Class "B" license. Any contractor whose qualifications, ability
18 and responsibility to execute contracts for public works involv-
19 ing an estimated cost of not more than six hundred thousand dollars
20 (\$600,000) may, upon his application and the payment of a license fee
21 not to exceed two hundred dollars (\$200), be granted a Class "B" license
22 and be so classified by the board in accordance with the provisions of
23 this chapter. The holder of a Class "B" license shall be entitled to
24 engage in the public works contracting business in the state as provided
25 in said license. The renewal fee for a Class "B" license shall not ex-
26 ceed two hundred dollars (\$200).

27 (f) Class "CC" license. Any contractor whose qualifications, ability
28 and responsibility to execute contracts for public works involv-
29 ing an estimated cost of not more than four hundred thousand dollars
30 (\$400,000) may, upon his application and the payment of a license fee
31 not to exceed one hundred fifty dollars (\$150), be granted a Class "CC"
32 license and be so classified by the board in accordance with the pro-
33 visions of this chapter. The holder of a Class "CC" license shall be
34 entitled to engage in the public works contracting business in the state
35 as provided in said license. The renewal fee for a Class "CC" license
36 shall not exceed one hundred fifty dollars (\$150).

37 (g) Class "C" license. Any contractor whose qualifications, ability
38 and responsibility to execute contracts for public works involv-
39 ing an estimated cost of not more than two hundred thousand dollars
40 (\$200,000) may, upon his application and the payment of a license fee
41 not to exceed one hundred dollars (\$100), be granted a Class "C" license
42 and be so classified by the board in accordance with the provisions of
43 this chapter. The holder of a Class "C" license shall be entitled to
44 engage in the public works contracting business in the state as provided
45 in said license. The renewal fee for a Class "C" license shall not ex-
46 ceed one hundred dollars (\$100).

47 ~~(h) Class "D" license. Any contractor whose qualifications, ability
48 and responsibility to execute contracts for public works involving an
49 estimated cost of not more than fifty thousand dollars (\$50,000), may,
50 upon his application and the payment of a license fee not to exceed fifty~~

1 ~~dollars (\$50.00), be granted a Class "D" license and be so classified~~
2 ~~by the board in accordance with the provisions of this chapter. The~~
3 ~~holder of a Class "D" license shall be entitled to engage in the public~~
4 ~~works contracting business in the state as provided in said license.~~
5 ~~The renewal fee for a Class "D" license shall not exceed fifty dollars~~
6 ~~(\$50.00).~~

7 (4) The board shall be vested with the power to fix annually the amount
8 of the original and renewal license fees for each class of license for the
9 ensuing license year. The amount of the license fee so fixed shall not exceed
10 the maximum fee set forth in this section.

11 (5) Each license issued by the administrator shall clearly indicate the
12 type and scope of work for which the licensee is qualified and licensed. The
13 holder of the license shall be permitted to submit proposals for and perform
14 only those types of work specified in each license. The administrator may
15 extend the permissible type or scope of work to be done under any license when
16 it is determined by the administrator that the applicant meets all of the re-
17 quirements of this chapter to qualify him to do such other work.

18 (6) The total of any single bid on a given public works project, or the
19 aggregate total of any split bids, or the aggregate of any base bid and any
20 alternate bid items, or the aggregate total of any separate bid by a licensee
21 of any class, except Class "Unlimited," shall not exceed the estimated cost
22 or bid limit of the class of license held by the licensee. The aggregate to-
23 tal of bids shall include all bids of subcontractors. Subcontractor bids
24 shall not be considered a separate bid for the purposes of computing the bid
25 on a given public works project.

26 SECTION 3. An emergency existing therefor, which emergency is hereby
27 declared to exist, this act shall be in full force and effect on and after
28 July 1, 2024.