

**105.19 Insurance and surety bond requirements.**

1. An applicant for a contractor license or renewal of an active contractor license shall provide evidence of a public liability insurance policy and surety bond in an amount determined sufficient by the board by rule.

2. If the applicant is engaged in plumbing, mechanical, HVAC, refrigeration, sheet metal, or hydronic work individually through a business conducted as a sole proprietorship, the applicant shall personally obtain the insurance and surety bond required by [this section](#). If the applicant is engaged in the plumbing, mechanical, HVAC, refrigeration, sheet metal, or hydronic business as an employee or owner of a legal entity, then the insurance and surety bond required by [this section](#) shall be obtained by the entity and shall cover all plumbing or mechanical work performed by the entity.

3. The insurance and surety bond shall be written by an entity licensed to do business in this state and each licensed contractor shall maintain on file with the board a certificate evidencing the insurance providing that the insurance or surety bond shall not be canceled without the entity first giving ten days' written notice to the board.

[2007 Acts, ch 198, §19](#); [2008 Acts, ch 1089, §10, 12](#); [2009 Acts, ch 151, §20](#); [2013 Acts, ch 77, §24, 36](#)