

House Study Bill 161 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON RIZER)

A BILL FOR

1 An Act relating to contractor registration and licensing by the
2 department of public health and the department of workforce
3 development and related fees and including effective date
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 91C.1, subsection 3, Code 2017, is
2 amended to read as follows:

3 3. a. The labor services division of the department of
4 workforce development and the Iowa department of public health
5 will work with stakeholders to develop a plan to combine the
6 contractor registration and contractor licensing application
7 process for contractors licensed under [chapter 105](#), to be
8 implemented in time for licensing renewals due July 1, 2017.
9 ~~The department of public health shall transfer to the labor~~
10 ~~services division a portion of each contractor license fee~~
11 ~~equal to three times the current contractor registration fee.~~
12 Effective July 1, 2017, a contractor licensed under chapter
13 105 shall register as a contractor under [this chapter](#) in
14 conjunction with the contractor licensing process. At no cost
15 to the labor services division, the department of public health
16 shall collect both the registration and licensing applications
17 as part of one combined application. The labor commissioner
18 shall design the contractor registration application form to
19 exclude from the division of labor's contractor registration
20 application process those contractors who are also covered by
21 chapter 105. The labor commissioner is authorized to adopt
22 rules as needed to accomplish a merger of the application
23 systems including transitional registration periods and fees.
24 b. Effective July 1, 2017, excluding registrations by
25 contractors that are exempt from the registration fee pursuant
26 to this section, the department of public health shall collect
27 and transfer to the labor services division a portion of each
28 contractor license fee equal to three times the contractor
29 registration fee for each three-year license or a prorated
30 portion thereof using a one-sixth deduction for each six-month
31 period of the renewal cycle.

32 Sec. 2. Section 91C.2, subsection 3, Code 2017, is amended
33 to read as follows:

34 3. An out-of-state contractor shall either file a surety
35 bond, as provided in [section 91C.7](#), with the division of labor

1 services in the amount of twenty-five thousand dollars ~~for a~~
2 ~~one-year period~~ or shall provide a statement to the division
3 of labor services that the contractor is prequalified to bid
4 on projects for the department of transportation pursuant to
5 section 314.1.

6 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
7 immediate importance, takes effect upon enactment.

8 EXPLANATION

9 The inclusion of this explanation does not constitute agreement with
10 the explanation's substance by the members of the general assembly.

11 Under current law, the labor services division of the
12 department of workforce development and the department of
13 public health are directed to develop a plan to combine the
14 contractor registration and contractor licensing application
15 process for contractors licensed under Code chapter 105, the
16 Iowa plumber, mechanical professional, and contractor licensing
17 Act, to be implemented in time for licensing renewals due July
18 1, 2017. As part of that process, the department of public
19 health is required to transfer to the labor services division a
20 portion of each contractor license fee equal to three times the
21 current contractor registration fee.

22 This bill strikes language regarding such fee transfers.
23 The bill instead requires the department of public health
24 to collect and transfer to the labor services division a
25 portion of each contractor license fee equal to three times
26 the contractor registration fee for each three-year license
27 or a prorated portion thereof using a one-sixth deduction for
28 each six-month period of the renewal cycle beginning July 1,
29 2017. The bill excludes from the fee transfer requirements
30 registrations by contractors that are exempt from the
31 registration fee pursuant to Code section 91C.1.

32 The bill also strikes language providing that \$25,000 surety
33 bonds filed with the division of labor services as provided in
34 Code section 91C.7 are filed for a one-year period.

35 The bill takes effect upon enactment.