

**Senate File 411 - Introduced**

SENATE FILE 411  
BY COMMITTEE ON STATE  
GOVERNMENT

(SUCCESSOR TO SSB 1113)

**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.