

State of Arizona  
House of Representatives  
Fifty-third Legislature  
Second Regular Session  
2018

**CHAPTER 244**  
**HOUSE BILL 2550**

AN ACT

AMENDING SECTION 32-1122, ARIZONA REVISED STATUTES; RELATING TO REGISTRAR  
OF CONTRACTORS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 32-1122, Arizona Revised Statutes, is amended to  
3 read:  
4 32-1122. Qualifications for license  
5 A. A contractor's license shall be issued only by act of the  
6 registrar of contractors. The registrar shall:  
7 1. Classify and qualify applicants for a license.  
8 2. If necessary, change the license classification of a licensee in  
9 the case of a title reclassification, with or without a bond rider for the  
10 purpose of continuing liability on the bond.  
11 3. Conduct investigations the registrar deems necessary.  
12 4. Establish written examinations if deemed necessary to protect  
13 the health and safety of the public.  
14 B. To obtain or renew a license under this chapter, the applicant  
15 shall:  
16 1. Submit to the registrar of contractors a verified application on  
17 forms that are prescribed by the registrar of contractors and that contain  
18 the following information and shall advise the registrar of any change in  
19 the information within thirty days:  
20 (a) A designation of the classification of license that is sought  
21 by the applicant.  
22 (b) If the applicant is an individual, the applicant's name and  
23 address.  
24 (c) If the applicant is a partnership, the names and addresses of  
25 all partners with a designation of any limited partners.  
26 (d) If the applicant is a corporation, an association or any other  
27 organization, the names and addresses of the president, vice-president, if  
28 any, secretary and treasurer or the names and addresses of the functional  
29 equivalent of these officers, the directors and the owners of twenty-five  
30 percent or more of the stock or beneficial interest.  
31 (e) The name and address of the qualifying party.  
32 (f) If the applicant is a corporation, evidence that the  
33 corporation is in good standing with the corporation commission.  
34 (g) The address or location of the applicant's place of business  
35 and the mailing address if it is different from the applicant's place of  
36 business.  
37 (h) Proof that the applicant has complied with the statutes or  
38 rules governing workers' compensation insurance.  
39 2. Submit the appropriate bond and fee required under this chapter.  
40 C. To obtain or renew a license under this chapter, each person  
41 shall be of good character and reputation. Lack of good character and  
42 reputation may be established by showing that a person has engaged in  
43 contracting without a license or committed any act that, if committed or  
44 done by any licensed contractor, would be grounds for suspension or  
45 revocation of a contractor's license or by showing that the person was

1 named on a contractor's license that was suspended or revoked in another  
2 state.

3 D. To obtain a license under this chapter, a person shall not have  
4 had a license refused or revoked, within one year before the person's  
5 application, or shall not have engaged in the contracting business, nor  
6 shall the person have submitted a bid without first having been licensed  
7 within one year before the person's application, nor shall a person act as  
8 a contractor between the filing of the application and actual issuance of  
9 the license. The registrar may find any of those actions or circumstances  
10 to be excusable if there was reasonable doubt as to the need for licensure  
11 or the actions of the applicant did not result in an unremedied hardship  
12 or danger or loss to the public. A person who has been convicted of  
13 contracting without a license is not eligible to obtain a license under  
14 this chapter for one year after the date of the last conviction.

15 E. Before a license is issued, the qualifying party shall:

16 1. Have a minimum of four years' practical or management trade  
17 experience, at least two of which must have been within the last ten  
18 years, dealing specifically with the type of construction, or its  
19 equivalent, for which the applicant is applying for a license. Technical  
20 training in an accredited college or university or in a manufacturer's  
21 accredited training program may be substituted for a portion of such  
22 experience, but in no case may credited technical training exceed two  
23 years of the required four years' experience. The registrar of  
24 contractors may reduce the four years' practical or management experience  
25 requirement if in the registrar's opinion it has been conclusively shown  
26 by custom and usage in the particular industry or craft involved that the  
27 four-year requirement is excessive. The registrar ~~may~~ **SHALL** waive the  
28 work experience documentation and verification ~~or the examination~~  
29 ~~requirement~~ if the records reflect that the qualifying party is currently  
30 or has previously been a qualifying party for a licensee in this state in  
31 the same classification ~~within the preceding five years~~ **AND MEETS ALL**  
32 **OTHER QUALIFICATIONS.**

33 2. Successfully show, by written examination taken not more than  
34 two years before application, if required, qualification in the kind of  
35 work for which the applicant proposes to contract, the applicant's general  
36 knowledge of the building, safety, health and lien laws of the state,  
37 administrative principles of the contracting business and the rules  
38 adopted by the registrar of contractors pursuant to this chapter,  
39 demonstrate knowledge and understanding of construction plans and  
40 specifications applicable to the particular industry or craft and of the  
41 standards of construction work and techniques and practices in the  
42 particular industry or craft and demonstrate a general understanding of  
43 other related construction trades, in addition to any other matters as may  
44 be deemed appropriate by the registrar to determine that the qualifying  
45 party meets the requirements of this chapter. The registrar shall

1 maintain multiple versions of examinations for each type of license that  
2 requires an examination. THE REGISTRAR SHALL WAIVE THE EXAMINATION  
3 REQUIREMENT IF THE RECORDS REFLECT THAT THE QUALIFYING PARTY IS CURRENTLY  
4 OR HAS PREVIOUSLY BEEN A QUALIFYING PARTY FOR A LICENSEE IN THIS STATE IN  
5 THE SAME CLASSIFICATION WITHIN THE PRECEDING FIVE YEARS.

6 F. No license shall be issued to a minor, to any partnership in  
7 which one of the partners is a minor or to any corporation in which a  
8 corporate officer is a minor.

9 G. Before receiving, renewing and holding a license pursuant to  
10 this chapter, the registrar may require a license applicant or licensee to  
11 submit to the registrar a full set of fingerprints and the fees required  
12 in section 41-1750. The registrar shall submit the fingerprints and fees  
13 to the department of public safety for the purpose of obtaining a state  
14 and federal criminal records check pursuant to section 41-1750 and Public  
15 Law 92-544. The department of public safety may exchange this fingerprint  
16 data with the federal bureau of investigation.

APPROVED BY THE GOVERNOR APRIL 17, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 17, 2018.