

Senate Engrossed House Bill

~~registrar of contractors agency; continuation~~
(now: agency continuations; technical registration; contractors)

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HOUSE BILL 2091

AN ACT

AMENDING SECTION 32-106, ARIZONA REVISED STATUTES; REPEALING SECTION 32-111, ARIZONA REVISED STATUTES; AMENDING SECTION 32-122.02, ARIZONA REVISED STATUTES; REPEALING SECTIONS 41-3024.04 AND 41-3024.11, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 41-3030.26 AND 41-3032.04; RELATING TO STATE AGENCIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 32-106, Arizona Revised Statutes, is amended to
3 read:

4 32-106. Powers and duties

5 A. The board shall:

6 1. Adopt rules for ~~the conduct of~~ CONDUCTING its meetings and
7 ~~performance of~~ PERFORMING duties imposed on it by law.

8 2. Adopt an official seal for ~~attestation of~~ ATTESTING certificates
9 of registration and other official papers and documents.

10 3. Consider and act on or delegate the authority to act on
11 applications for registration or certification.

12 4. Conduct examinations for in-training and professional
13 registration, except for an alarm business, a controlling person or an
14 alarm agent.

15 5. Hear and act on complaints or charges THAT ARE SPECIFIED BY THE
16 COMPLAINANT or direct an administrative law judge to hear and act on
17 complaints and charges THAT ARE SPECIFIED BY THE COMPLAINANT.

18 6. Compel attendance of witnesses, administer oaths and take
19 testimony concerning all matters coming within its jurisdiction. In
20 exercising these powers, the board may issue subpoenas for the attendance
21 of witnesses and the production of books, records, documents and other
22 evidence it deems relevant to an investigation or hearing.

23 7. Keep a record of its proceedings.

24 8. Keep a register that shows the date of each application for
25 registration or certification, the name of the applicant, the practice or
26 branch of practice in which the applicant has applied for registration, if
27 applicable, and the disposition of the application.

28 ~~9. Do other things necessary to carry out the purposes of this~~
29 ~~chapter.~~

30 B. The board shall specify the proficiency designation in the
31 branch of engineering in which the applicant has designated proficiency on
32 the certificate of registration and renewal card issued to each registered
33 engineer and shall authorize the engineer to use the title of registered
34 professional engineer. The board shall decide what branches of
35 engineering it shall recognize.

36 C. THE BOARD MAY INVESTIGATE A COMPLAINT PURSUANT TO SUBSECTION A,
37 PARAGRAPH 5 OF THIS SECTION AND MAY TAKE ANY NECESSARY DISCIPLINARY OR
38 ENFORCEMENT ACTION RESULTING FROM A COMPLAINT ONLY IF THE COMPLAINANT
39 EITHER:

40 1. CURRENTLY HAS A CONTRACTUAL RELATIONSHIP WITH THE PERSON WHO IS
41 THE SUBJECT OF THE COMPLAINT OR HAD A CONTRACTUAL RELATIONSHIP WITH THE
42 PERSON AT THE TIME OF THE ALLEGED MISCONDUCT.

43 2. WAS HARMED BY THE ALLEGED MISCONDUCT OR POSSESSES FIRSTHAND
44 KNOWLEDGE OF THE ALLEGED MISCONDUCT. FOR THE PURPOSES OF THIS PARAGRAPH,

1 "FIRSTHAND KNOWLEDGE" INCLUDES KNOWLEDGE OF THE OUTCOME OF THE MISCONDUCT,
2 WITNESSED BY A PERSON WITH RELEVANT PROFESSIONAL EXPERIENCE IN THE COURSE
3 OF THAT PERSON'S CONTRACTUAL DUTIES WITH THE HARMED INDIVIDUAL.

4 ~~D.~~ D. The board may hold membership in and be represented at
5 national councils or organizations of proficiencies registered under this
6 chapter and may pay the appropriate membership fees. The board may
7 conduct standard examinations on behalf of national councils and may
8 establish fees for those examinations.

9 ~~E.~~ E. The board may employ and pay on a fee basis persons,
10 including full-time employees of a state institution, bureau or
11 department, to prepare and grade examinations given to applicants for
12 registration or review an applicant's submissions of required documents
13 for home inspector certification and regulation and may fix the fee to be
14 paid for these services. These employees are authorized to prepare, grade
15 and monitor examinations, review an applicant's submissions of required
16 documents for home inspector certification and regulation and perform
17 other services the board authorizes, and to receive payment for these
18 services from the technical registration fund. The board may contract
19 with an organization to administer the registration examination, including
20 selecting the test site, scheduling the examination, billing and
21 collecting the fee directly from the applicant and grading the examination
22 if a national council of which the board is a member or a professional
23 association approved by the board does not provide these services. If a
24 national council of which the board is a member or a professional
25 association approved by the board does provide these services, the board
26 shall enter into an agreement with the national council or professional
27 association to administer the registration examination.

28 ~~F.~~ F. The board may rent necessary office space and pay the cost
29 of this office space from the technical registration fund.

30 ~~G.~~ G. The board may adopt rules establishing rules of professional
31 conduct for registrants.

32 ~~H.~~ H. The board may require evidence it deems necessary to
33 establish the continuing competency of registrants as a condition of
34 renewal of licenses.

35 ~~I.~~ I. Subject to title 41, chapter 4, article 4, the board may
36 employ persons as it deems necessary.

37 ~~J.~~ J. The board shall issue or may authorize the executive
38 director to issue a certificate or renewal certificate to each alarm
39 business and each controlling person and a certification or renewal
40 certification card to each alarm agent if the qualifications prescribed by
41 this chapter are met.

42 Sec. 2. Repeal

43 Section 32-111, Arizona Revised Statutes, is repealed.

1 Sec. 3. Section 32-122.02, Arizona Revised Statutes, is amended to
2 read:

3 32-122.02. Certification of home inspectors; insurance

4 A. An applicant for certification as a home inspector shall:

5 1. Be at least eighteen years of age.

6 2. Have passed within two years preceding application a written
7 examination that is approved by the board and that meets the competency
8 standards ~~recommended by the home inspector rules and standards committee~~
9 ~~and~~ adopted by the board.

10 3. Have passed a course of study that meets the standards
11 ~~recommended by the home inspector rules and standards committee and~~
12 approved by the board.

13 4. Pay a fee as determined by the board and for initial
14 certification shall provide to the board evidence of having a valid
15 fingerprint clearance card issued pursuant to title 41, chapter 12,
16 article 3.1.

17 5. Not have had a certificate denied or revoked pursuant to this
18 chapter within one year immediately preceding the application.

19 6. Have received an absolute discharge from sentence at least five
20 years before the application if the person has been convicted of one or
21 more felonies.

22 7. Provide evidence of the applicant's ability to obtain financial
23 assurance as provided by subsection B of this section.

24 B. Within sixty days after certification and before any fee-based
25 home inspection is performed, a home inspector certified pursuant to this
26 chapter shall file one of the following financial assurances pursuant to
27 rules ~~recommended by the home inspector rules and standards committee and~~
28 adopted by the board:

29 1. Errors and omissions insurance for negligent acts committed in
30 the course of a home inspection in an amount of \$200,000 in the aggregate
31 and \$100,000 per occurrence.

32 2. A bond that is retroactive to the certification date in the
33 amount of \$25,000 or proof that minimum net assets have a value of at
34 least \$25,000.

35 C. If a home inspector loses or otherwise fails to maintain a
36 required financial assurance, the certification shall be automatically
37 suspended and shall be reinstated if a financial assurance is obtained
38 within ninety days. If a financial assurance is not obtained within
39 ninety days, the certification shall be automatically revoked.

40 D. A home inspector is subject to this chapter and rules adopted
41 pursuant to this chapter.

42 E. Except as provided in subsection A, paragraph 4 of this section,
43 the board may not require the submission of a fingerprint clearance card
44 for certification renewal or any other purpose.

1 Sec. 4. Repeal
2 Sections 41-3024.04 and 41-3024.11, Arizona Revised Statutes, are
3 repealed.

4 Sec. 5. Title 41, chapter 27, article 2, Arizona Revised Statutes,
5 is amended by adding sections 41-3030.26 and 41-3032.04, to read:

6 41-3030.26. Board of technical registration; termination
7 July 1, 2030

8 A. THE BOARD OF TECHNICAL REGISTRATION TERMINATES ON JULY 1, 2030.

9 B. TITLE 32, CHAPTER 1 AND THIS SECTION ARE REPEALED ON JANUARY 1,
10 2031.

11 41-3032.04 Registrar of contractors agency; termination July
12 1, 2032

13 A. THE REGISTRAR OF CONTRACTORS AGENCY TERMINATES ON JULY 1, 2032.

14 B. TITLE 32, CHAPTER 10 AND THIS SECTION ARE REPEALED ON JANUARY
15 1, 2033.

16 Sec. 6. Registrar of contractors; study; commercial
17 contractor oversight

18 The registrar of contractors shall study and compile a report on
19 commercial contractors to determine whether opportunities exist to
20 statutorily remove the agency's oversight of the commercial contracting
21 profession. The registrar of contractors shall submit its findings to the
22 president of the senate and the speaker of the house of representatives on
23 or before December 31, 2024.

24 Sec. 7. Purpose

25 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
26 the legislature continues the board of technical registration to protect
27 the public safety and welfare by regulating architects, engineers,
28 geologists, home inspectors, landscape architects and land surveyors.

29 Sec. 8. Purpose

30 Pursuant to section 41-2955, subsection B, Arizona Revised Statutes,
31 the legislature continues the registrar of contractors agency to protect
32 the public health, safety and welfare by licensing, bonding and regulating
33 contractors engaged in construction and by administering the residential
34 contractors' recovery fund.

35 Sec. 9. Retroactivity

36 Sections 4 and 5 of this act apply retroactively to from and after
37 July 1, 2024.