## LEGISLATURE OF NEBRASKA

## ONE HUNDRED FIRST LEGISLATURE

## FIRST SESSION

# LEGISLATIVE BILL 564

Introduced by Lathrop, 12.

Read first time January 21, 2009

Committee: Business and Labor

### A BILL

- FOR AN ACT relating to the Contractor Registration Act; to amend sections 48-2101 and 48-2105, Reissue Revised Statutes of Nebraska, and section 48-2104, Revised Statutes Cumulative Supplement, 2008; to require licensure as prescribed; to provide an operative date; and to repeal the original sections.
- 7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 48-2101, Reissue Revised Statutes of

- 2 Nebraska, is amended to read:
- 3 48-2101 Sections 48-2101 to 48-2116 and section 4 of this
- 4 act shall be known and may be cited as the Contractor Registration
- 5 Act.
- 6 Sec. 2. Section 48-2104, Revised Statutes Cumulative
- 7 Supplement, 2008, is amended to read:
- 8 48-2104 Before performing any construction work in
- 9 Nebraska, a contractor shall be registered with the department. If
- 10 a contractor does business under more than one name, the contractor
- 11 shall obtain a registration number for each name under which the
- 12 contractor is doing business. No person required to be registered
- 13 under this section may act or hold themselves out as a contractor
- 14 without a license issued by the commissioner.
- 15 Sec. 3. Section 48-2105, Reissue Revised Statutes of
- 16 Nebraska, is amended to read:
- 17 48-2105 Each contractor shall apply to the department for
- 18 a registration number and license on an application form provided
- 19 by the department. The application shall contain the following
- 20 information:
- 21 (1) The name and, if the applicant is an individual, the
- 22 social security number of the contractor;
- 23 (2) The principal place of business of the contractor
- 24 in Nebraska. If the contractor's principal place of business is
- 25 outside Nebraska, the application shall state the address of the

1 contractor's principal place of business and the name and address

- 2 of the contractor's registered agent in Nebraska;
- 3 (3) The telephone number of the contractor in the State
- 4 of Nebraska. If the contractor's principal place of business is
- 5 outside Nebraska, the application shall state the telephone number
- 6 of the contractor's principal place of business and the telephone
- 7 number of the contractor's registered agent in Nebraska;
- 8 (4) The type of business entity of the contractor
- 9 such as corporation, partnership, limited liability company, sole
- 10 proprietorship, or trust;
- 11 (5) The following information about the business entity:
- 12 (a) If the contractor is a corporation, the name,
- 13 address, telephone number, and position of each officer of the
- 14 corporation; and
- 15 (b) If the contractor is other than a corporation, the
- 16 name, address, and telephone number of each owner;
- 17 (6) Proof of (a) a certificate or policy of insurance
- 18 written by an insurance carrier duly authorized to do business
- 19 in this state which gives the effective dates of workers'
- 20 compensation insurance coverage indicating that it is in force,
- 21 (b) a certificate evidencing approval of self-insurance privileges
- 22 as provided by the Nebraska Workers' Compensation Court pursuant
- 23 to section 48-145, or (c) a signed statement indicating that the
- 24 contractor is not required to carry workers' compensation insurance
- 25 pursuant to the Nebraska Workers' Compensation Act; and

1 (7) A description of the business which includes the

- 2 employer's standard industrial classification code or the principal
- 3 products and services provided.
- 4 Each application shall be renewed annually upon payment
- 5 of the fee prescribed in section 48-2107.
- 6 Sec. 4. (1) The examination and education requirements
- 7 for licensure shall be fulfilled by a qualifying person designated
- 8 by the potential licensee. The qualifying person shall be the
- 9 proprietor of the business or an employee who is regularly employed
- 10 by the licensee and is actively engaged in the business of
- 11 contracting on behalf of the licensee. Upon the departure or
- 12 <u>disqualification of a licensee's qualifying person because of</u>
- 13 death, disability, retirement, position change, or other reason,
- 14 the licensee shall notify the commissioner within fifteen business
- 15 days after the departure. The licensee shall have one hundred
- 16 twenty business days after the departure of the qualifying person
- 17 to obtain a new qualifying person. Failure to secure a new
- 18 qualifying person within such time will result in the automatic
- 19 termination of the license.
- 20 (2) Each licensee or applicant for licensure shall notify
- 21 the commissioner in writing of any change in the information
- 22 required for the application under section 48-2105 within thirty
- 23 days after the change and shall notify the commissioner in writing:
- 24 (a) Upon any change in control, ownership, officers
- 25 or directors, personal name, business name, license name, or

- 1 qualifying person, within fifteen days after the change;
- 2 (b) If the licensee or applicant for licensure is found
- 3 to be a debtor judgment based upon conduct requiring licensure,
- 4 within fifteen days after the finding;
- 5 (c) Within fifteen days after filing a petition for
- 6 bankruptcy; and
- 7 (d) Within ten days after conviction of the licensee
- 8 or applicant for licensure of a felony or misdemeanor or any
- 9 comparable offense related to contracting in this or any other
- 10 state or any other United States jurisdiction.
- 11 (3) Each qualifying person shall satisfactorily complete
- 12 <u>a written examination to receive a license. The commissioner</u>
- 13 shall establish the examination qualifications, including related
- 14 education experience and education, the examination procedure, and
- 15 the examination. The examination shall include at a minimum the
- 16 following areas:
- 17 (a) Appropriate knowledge of technical terms commonly
- 18 used and the knowledge of reference materials and code books to be
- 19 used for technical information; and
- 20 (b) Understanding of the general principles of business
- 21 management and other pertinent state laws.
- 22 (4) An individual's passing examination results expire
- 23 three years after the examination date.
- 24 Sec. 5. This act becomes operative on January 1, 2010.
- 25 Sec. 6. Original sections 48-2101 and 48-2105, Reissue

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1 Revised Statutes of Nebraska, and section 48-2104, Revised Statutes

2 Cumulative Supplement, 2008, are repealed.