

TITLE 54
PROFESSIONS, VOCATIONS, AND BUSINESSES

CHAPTER 52
IDAHO CONTRACTOR REGISTRATION ACT

54-5201. SHORT TITLE. This chapter shall be known and may be cited as the "Idaho Contractor Registration Act."

[54-5201, added 2005, ch. 153, sec. 1, p. 471.]

54-5202. DECLARATION OF POLICY. The legislature finds and declares that the practice of construction in the state of Idaho affects the public health, safety and welfare of its citizens. The legislature further finds that it is in the public interest to provide a mechanism to remove from practice incompetent, dishonest, or unprincipled practitioners of construction. To aid in fulfilling these purposes, this chapter provides for the registration of construction contractors within the state of Idaho.

[54-5202, added 2005, ch. 153, sec. 1, p. 471.]

54-5203. DEFINITIONS. As used in this chapter:

(1) "Board" means the Idaho contractors board as created in section [54-5206](#), Idaho Code.

(2) "Bureau chief" means the chief of the bureau of occupational licenses.

(3) "Construction" means the performance of building, altering, repairing, adding to, subtracting from, improving, reconstructing, moving, excavating, wrecking or demolishing any building, highway, road, bridge, or other structure, project, development or improvement to real property, or to do any part thereof, including the erection of scaffolding or other structures or works in connection therewith.

(4) "Contractor" means:

(a) Any person who in any capacity undertakes, offers to undertake, purports to have the capacity to undertake, or submits a bid to, or does himself or by or through others, perform construction; or

(b) A construction manager who performs construction management services.

(5) "Department" means the department of self-governing agencies of the state of Idaho.

(6) "Person" means any individual, firm, partnership, limited liability company, limited liability partnership, corporation, trust, association or other entity or organization capable of conducting business, or any combination thereof acting as a unit.

[54-5203, added 2005, ch. 153, sec. 1, p. 471.]

54-5204. REGISTRATION REQUIRED. (1) On and after January 1, 2006, it shall be unlawful for any person to engage in the business of, or hold himself out as, a contractor within this state without being registered as required in this chapter.

(2) It shall be unlawful for a contractor to engage any other contractor who is required by this chapter to be registered as a contractor unless such

other contractor furnishes satisfactory proof to the contractor that he is duly registered under the provisions of this chapter.

(3) Any person who engages in the business or acts in the capacity of a contractor, whether or not duly registered, has thereby submitted to the jurisdiction of the state of Idaho and to the administrative jurisdiction of the Idaho contractors board, and shall be subject to all penalties and remedies available under Idaho law for any violation of this chapter.

[54-5204, added 2005, ch. 153, sec. 1, p. 472.]

54-5205. EXEMPTIONS FROM REGISTRATION. (1) Nothing in this chapter shall be construed to restrict any person licensed, registered, or otherwise regulated by the state of Idaho from engaging in the profession or practice for which they are licensed, registered or otherwise regulated by the state of Idaho including, but not limited to, persons licensed pursuant to chapters 3, 10, 12, 19, 26, 45 and 50, [title 54](#), Idaho Code, nor shall this chapter require such persons otherwise licensed, registered or regulated to obtain such registration as required by this chapter, so long as such person is not acting with the intent to evade this chapter. No such person exempt hereunder may hold himself out as a registered contractor.

(2) In addition to the exemption set forth in subsection (1) of this section, registration as provided for in this chapter shall not be required for the following, so long as such person is not acting with the intent to evade this chapter and so long as such person does not hold himself out as a registered contractor:

(a) A person who only performs labor or services for wages or a salary as an employee of a contractor, or as an employee of a person otherwise exempt by the provisions set forth in this chapter, or strictly as a volunteer or as part of a bona fide educational curriculum or nonprofit charitable activity for which no wages or salary shall be paid; provided however, that such exemption shall not apply to any subcontractor or other independent contractor who is not otherwise exempt;

(b) An authorized representative of the United States government, the state of Idaho, or any incorporated municipality, county, alternative form of local government, highway district, reclamation district, or other municipal or political corporation or subdivision of this state;

(c) A public utility operating under the regulation of the Idaho public utility commission as set forth in [title 61](#), Idaho Code, in the construction, maintenance, or development work incidental to its own business;

(d) A person who performs repair or operation incidental to the discovery or production of oil, gas or minerals or incidental to the drilling, testing, abandoning, or other operation of an oil or gas well or a surface or underground mine or mineral deposit;

(e) A person who only furnishes materials, supplies or equipment without that person installing or fabricating them into or consuming them in the performance of the work of the construction contractor;

(f) A person performing work on one (1) undertaking or project considered casual, minor, or inconsequential, whether by one (1) or more contracts, the aggregate contract price of which, for labor and materials and all other items, is less than two thousand dollars (\$2,000). The exemptions prescribed in this paragraph (f) shall not apply when the work or construction is part of a larger construction project, whether undertaken by the same or a different construction contractor, or in which

a division of the operation is made into contracts of amounts of less than two thousand dollars (\$2,000) for the purpose of evasion of this chapter or otherwise;

(g) A farmer or rancher while engaged in a farming, dairying, agriculture, viticulture, horticulture, or stock or poultry operation;

(h) A person who engages in the construction of an agriculture building which is exempt from the Idaho building code act as set forth in section [39-4116](#), Idaho Code;

(i) An irrigation district, canal company, reservoir district, ground water district, water district, water measurement district, recharge district, flood control district, drainage district, or other water delivery or water management entity, or an operating agent of irrigation districts whose board consists of directors of its member districts;

(j) An operation related to clearing or other work upon land in rural districts for fire prevention purposes;

(k) An owner who contracts for work to be performed by a registered contractor on his own property, provided however, this exemption shall not apply to an owner who, with the intent to evade this chapter, constructs a building, residence or other improvement on the owner's property with the intention and for the purpose of selling the improved property at any time during the construction or within twelve (12) months of completion of such construction;

(l) An owner performing construction on the owner's personal residential real property, whether or not occupied by the owner, provided however, this exemption shall not apply to an owner who is otherwise regulated by this chapter who constructs a building, residence or other improvement on the owner's property with the intention and for the purpose of promptly selling the improved property, unless the owner has continuously occupied the property as the owner's primary residence for not less than twelve (12) months prior to the sale of such property;

(m) Owners of commercial properties, or lessees of commercial properties with the consent of the owner, who, whether themselves or with their own employees, perform maintenance, repair, alteration or construction work in or upon the properties;

(n) A real estate licensee acting within the scope of his license pursuant to [chapter 20, title 54](#), Idaho Code, who, incident to a regulated real estate transaction, assists his clients in scheduling or performing nominal maintenance and repairs upon such properties being transferred; provided however, nothing in this section shall otherwise authorize a real estate licensee or a property manager to act in the capacity of a contractor unless registered with the board;

(o) A contractor engaged in the logging industry who builds forest access roads for the purpose of harvesting and transporting logs from forest to mill;

(p) A person working on the person's own residence, if the residence is owned by a person other than the resident;

(q) A person who engages in the construction of buildings to be used primarily for industrial chemical process purposes as set forth in section [39-4103](#), Idaho Code; or

(r) A person who engages in the construction of a modular building as defined in section [39-4301](#), Idaho Code, that is constructed in the state of Idaho for installation on a building site outside the state.

[54-5205, added 2005, ch. 153, sec. 1, p. 472; am. 2007, ch. 252, sec. 13, p. 748.]

54-5206. IDAHO CONTRACTORS BOARD. (1) The Idaho contractors board is hereby created and made a part of the bureau of occupational licenses. It shall be the responsibility and duty of the bureau chief to administer this chapter, and the bureau chief shall exercise such powers and duties as are reasonably necessary to enforce the provisions of this chapter. The board may promulgate such rules as may be necessary to carry out the provisions of this chapter in order to effectuate the purposes herein and for the orderly and efficient administration thereof, except as may be limited or prohibited by law and the provisions of this chapter.

(2) The board shall consist of four (4) members who are contractors, and one (1) member of the public at large, all of whom shall be appointed by the governor as follows: one (1) contractor from the northern district consisting of Idaho, Lewis, Nez Perce, Clearwater, Latah, Benewah, Boundary, Shoshone, Kootenai and Bonner counties; one (1) contractor from the southeastern district consisting of Lemhi, Butte, Clark, Fremont, Jefferson, Madison, Teton, Bonneville, Bingham, Caribou, Bear Lake, Franklin, Oneida, Power and Bannock counties; one (1) contractor from the southwestern district consisting of Owyhee, Elmore, Ada, Canyon, Boise, Gem, Payette, Washington, Adams and Valley counties; one (1) contractor from the south central district consisting of Blaine, Camas, Cassia, Custer, Gooding, Jerome, Lincoln, Minidoka and Twin Falls counties. The one (1) member of the public at large shall reside in the state of Idaho and be a person of integrity and good reputation who has lived in this state for at least five (5) years immediately preceding appointment, who has never been registered as a contractor in this or another state, and who has never had a substantial personal, business, professional or pecuniary connection with a contractor except as a purchaser or owner of real property.

(3) Each member of the board who is a contractor shall serve a term of four (4) years. No member of the board may be appointed to more than two (2) consecutive terms, and all board members shall serve at the pleasure of the governor.

(4) The board shall meet within thirty (30) days after the appointment of all its members and thereafter at such other times as may be expedient and necessary for the proper performance of its duties, but not less than once during each calendar quarter. At the board's first meeting, the members shall elect one (1) of their number to be chairman. The chairman may serve in such capacity for a one (1) year term and may not serve in such capacity for more than two (2) consecutive terms. A majority of the board shall constitute a quorum for the transaction of business.

(5) The board may delegate to the bureau chief:

(a) The power to perform ministerial functions, investigate and discipline, hold hearings, appoint hearing officers, summon witnesses to appear, administer oaths and take affirmations of witnesses at any formal proceeding or before a duly appointed hearing officer;

(b) The power to appoint competent persons to issue subpoenas, administer oaths and take testimony; and

(c) The power to enforce orders of the board.

(6) Each member of the board shall be compensated as provided by section [59-509](#)(n), Idaho Code.

(7) On and after January 1, 2006, each member of the board who is a contractor shall be registered in accordance with this chapter and shall be in good standing.

[54-5206, added 2005, ch. 153, sec. 1, p. 474; am. 2008, ch. 107, sec. 1, p. 304; am. 2016, ch. 340, sec. 44, p. 963.]

54-5207. GENERAL POWERS AND DUTIES OF THE BOARD. The board shall enforce the minimum standards and requirements therefor as provided by this chapter and by rule adopted by the board. The board may exercise such powers and duties as are reasonably necessary to carry out the provisions of this chapter and it may, among other things:

(1) Accept or reject applications for registration and establish the fees to be charged for application, registration and renewal, subject to the provisions of this chapter;

(2) Hold public meetings and attend or be represented at such meetings, within or without the state, prepare and publish rules pertaining to this chapter and such other information as may be necessary, and furnish copies thereof to those engaged in the business, trade, practice or work of contracting and to the public upon request;

(3) Furnish standards and procedures and prescribe reasonable rules for applications, qualifications and registration of contractors, including proration of registration fees and staggering initial annual registration; and

(4) Under such rules as it may adopt, investigate, classify and determine the qualifications of applicants for registration pursuant to this chapter; and

(5) Contract with the bureau of occupational licenses to provide administrative services.

[54-5207, added 2005, ch. 153, sec. 1, p. 475.]

54-5208. DENIAL OF LIEN RIGHTS. A contractor who is not registered as set forth in this chapter, unless otherwise exempt, shall be denied and shall be deemed to have conclusively waived any right to place a lien upon real property as provided for in [chapter 5, title 45](#), Idaho Code. This section shall not operate as a denial of lien rights for any subcontractor or independent contractor who is duly registered in accordance with this chapter and who is performing services at the direction of another contractor, nor shall it operate as a denial of lien rights for any employee of any contractor who is not duly registered, or for any supplier of materials to such unregistered contractor, so long as such subcontractor, independent contractor, employee or supplier did not have actual knowledge that such contractor was not duly registered, or who reasonably believed that such contractor was duly registered.

[54-5208, added 2005, ch. 153, sec. 1, p. 476.]

54-5209. BUILDING PERMITS AND CONTRACTOR REGISTRATION NUMBER -- POSTING AT SITE. (1) On and after January 1, 2006, no building inspector or such other authority of any county, municipality or district charged with the duty of issuing building permits or other permits for construction of any type shall issue any permit without first requesting presentment of an Idaho contractor's registration number. Such registration number presented shall

be conspicuously entered on the face of a permit so issued; provided however, a permit may be issued to a person otherwise exempt from the provisions of this chapter provided such permit shall conspicuously contain the phrase "no contractor registration provided" on the face of such permit. No authority charged with the duty of issuing such permit shall be required to verify that the person applying for such permit is exempt as provided in this chapter.

(2) All building permits or other permits for construction of any type shall be posted at the construction site in such a manner that the conspicuous statements set forth in subsection (1) of this section are visible.

(3) No person engaged in construction activities who is otherwise exempt as set forth in section [54-5205](#), Idaho Code, shall be required to have a contractor registration number.

[54-5209, added 2005, ch. 153, sec. 1, p. 476.]

54-5210. APPLICATION FOR REGISTRATION. (1) An applicant for registration as a contractor shall submit an application under oath upon a form to be prescribed by the board and which shall include the following information pertaining to the applicant:

- (a) Social security number for natural persons or employer tax identification number for other persons;
- (b) The name and address under which the applicant conducts business;
- (c) The name and address of each principal, member, partner, shareholder, or any other person claiming an ownership interest in the business entity for which registration is being applied for;
- (d) A certificate issued by an insurance company authorized to do business in the state of Idaho or other satisfactory proof that the applicant has procured and has in effect worker's compensation insurance or a statement by the contractor as to why such certificate or coverage is not required for the applicant;
- (e) A certificate issued by an insurance company authorized to do business in the state of Idaho that the applicant has procured and has in effect a general liability policy, including products and completed operations insurance covering the applicant's construction operations in the sum of not less than three hundred thousand dollars (\$300,000) single limit. The name of the insurance company, the insured and policy number shall be made available only to persons or their insurers stating that they possess a claim against the contractor;
- (f) A statement of the type of construction to be undertaken by the applicant, or such other information as may be required by the board pursuant to administrative rules adopted by the board; and
- (g) A statement that the applicant and each principal, member, partner, shareholder or any other person claiming an ownership interest in the business entity for which registration is being applied for herein has never been denied, surrendered or had revoked a contractor's license or registration privilege in this or any other state or, if a license or registration privilege has been denied, surrendered or revoked in this or any other state, an explanation of any such denial, surrender or revocation.

(2) Along with such application, the applicant shall submit a registration fee as may be set by the board to cover its administrative and enforcement costs, not to exceed one hundred fifty dollars (\$150) per year.

(3) An application for registration that has been denied by the board shall be considered a contested case as provided for in [chapter 52, title 67](#),

Idaho Code, and shall be subject to the provisions of that chapter as well as the administrative rules adopted by the board governing contested cases.

[54-5210, added 2005, ch. 153, sec. 1, p. 476; am. 2009, ch. 89, sec. 1, p. 258.]

54-5211. REGISTRATION -- INACTIVE STATUS -- RENEWAL. (1) A registration shall be issued for a period of not less than one (1) year nor more than five (5) years, as determined by the board. Each registration shall set forth its expiration date on the face of the certificate. No less than thirty (30) days prior to the expiration of such registration, the board shall notify a registered contractor that such registration is set to expire.

(2) A registered contractor in this state who is not engaging in business as a contractor as defined in this chapter may be issued an inactive registration. The registered contractor must submit the fee set by board rule and a written request for an inactive registration. Each inactive registration shall be issued for a period of one (1) year. A registered contractor holding an inactive registration may not engage in business as a contractor in this state and does not need to keep current insurance coverage as required by this chapter. A registered contractor wishing to convert an inactive registration to an active registration must pay the fee as defined by board rule and provide proof of current insurance coverage as required by this chapter.

(3) Reinstatement of a lapsed registration shall require the payment of a renewal fee and reinstatement fee in accordance with the administrative rules adopted by the board. The failure of any registered contractor to renew his registration as required herein and by the administrative rules of the board shall not deprive such person of the right to renewal upon subsequent application for registration and payment of the required board fees.

[54-5211, added 2005, ch. 153, sec. 1, p. 477; am. 2020, ch. 320, sec. 1, p. 919.]

54-5212. DISPOSITION OF RECEIPTS -- EXPENSES. All fees received under the provisions of this chapter shall be paid to the bureau of occupational licenses and deposited in the state treasury to the credit of the occupational licenses fund and all costs and expenses incurred under the provisions of this chapter shall be a charge against and paid from said fund.

[54-5212, added 2005, ch. 153, sec. 1, p. 477.]

54-5213. RECIPROCAL REGISTRATION. (1) On and after January 1, 2007, no incorporated municipality, county, alternative form of local government, or other municipal or political corporation or subdivision of this state shall implement its own program for the registration or licensure of construction contractors.

(2) A contractor may provide a verified copy of any current and unrestricted license, registration, or other type of certification granted to the contractor by any incorporated municipality, county, alternative form of local government, or other municipal or political corporation or subdivision of this state issued pursuant to a duly adopted and enacted ordinance prior to January 1, 2007, to the board for review, along with a reciprocal registration fee not to exceed fifty dollars (\$50.00), as determined by board rule, which is necessary for the administration and processing of such

application. If the review indicates that the license, registration or certification was granted under provisions that were not less stringent than those provided by this chapter, the applicant shall be issued a registration based upon reciprocal registration.

[54-5213, added 2005, ch. 153, sec. 1, p. 478; am. 2007, ch. 183, sec. 1, p. 531.]

54-5214. REGISTRATION CERTIFICATE -- DISPLAY . (1) Upon receipt of a duly completed application, together with the registration fee, and after such verification process as the board may from time to time deem appropriate by rule, a certificate of registration and a wallet-sized card showing the registrant's name and showing a registration number shall be issued, commencing on the date of issue and continuing in effect for a period of not less than one (1) year nor more than five (5) years, as determined by the board. Application for renewal of registration shall be filed on or before thirty (30) days prior to the expiration date. The board shall issue a certificate of registration to an applicant upon the applicant's compliance with the registration requirements of this chapter. Certificates shall not be assignable nor transferable. Upon any change of ownership or a change of address of a registered contractor entity, the board shall be notified by such entity within thirty (30) days. A certificate of registration, without the payment of a registration fee, shall be issued to any person who is granted a public works contractor license or a construction manager license, so long as those requirements for licensure in Idaho are met.

(2) A contractor registered pursuant to this chapter shall prominently display his contractor registration number for public view in his place of business, on advertising, contracts, permits, company or business letterheads, and purchase orders and subcontracts within sixty (60) days of issue of registration.

[54-5214, added 2005, ch. 153, sec. 1, p. 478.]

54-5215. AUTHORITY TO INVESTIGATE AND DISCIPLINE -- SUSPENSION OR REVOCATION OF REGISTRATION. (1) The board may investigate any person engaged in contracting within the state of Idaho or any person believed to have acted as a contractor without being duly registered as required by this chapter. Upon receipt of a written complaint from a person who claims to have been injured or defrauded by such person, or upon information received by the board, the board shall perform an investigation of the facts alleged against such person. If the board investigation reveals that the facts alleged or received are sufficient to proceed with a formal action, the board may authorize the filing of an administrative complaint against such person and may seek injunctive relief prohibiting such person from engaging in construction.

(2) The board shall have the authority to issue informal letters of reprimand, suspend or revoke a registration, impose a civil penalty in an amount not to exceed one thousand dollars (\$1,000) or to issue a formal reprimand against any registered contractor if, after an opportunity for a hearing, the board determines that:

(a) A contractor has violated any of the provisions of this chapter including, but not limited to, failure to keep current or provide insurance coverage as required by this chapter;

(b) A contractor has violated any of the provisions of [chapter 6, title 48](#), Idaho Code, relating to consumer protection including, but not limited to, making fraudulent misrepresentations to consumers;

(c) A contractor employed fraud or deception, made a misrepresentation or misstatement, or employed any unlawful means in applying for or securing registration as a contractor;

(d) A contractor employed fraud or deception, made a misrepresentation or misstatement, or employed any unlawful means in applying for or securing a building permit or other permits for construction of any type;

(e) A contractor failed to pay the required fee for registration as provided in this chapter;

(f) A contractor has been convicted of or has engaged in conduct constituting a violation of public laws, ordinances or rules of this state, or any subdivision thereof, relevant to contracting, reflecting on the registered contractor's ability or qualifications to continue contracting for other persons, and making the registered contractor a threat to the public safety, health or well-being;

(g) A contractor has engaged in any other conduct whether of the same or a different character than hereinabove specified which constitutes dishonest or dishonorable dealings;

(h) A contractor had a license, registration or certification revoked, suspended or refused by this or another state, territory, incorporated municipality, county, alternative form of local government, or other municipal or political corporation or subdivision of this or another state, or omitted such information from any application to the board, or failed to divulge such information when requested by the board;

(i) A contractor has been adjudged mentally incompetent by a court of competent jurisdiction; or

(j) A contractor interfered with an investigation or disciplinary proceeding by a willful misrepresentation of facts or by the use of threats or harassment against any person to prevent such person from providing evidence in a disciplinary proceeding, investigation or other legal action instituted in accordance with this chapter.

(3) A contractor whose registration has been revoked or suspended shall be required to return his certificate of registration within the time determined by the board or, upon a failure to do so, shall be liable for civil penalties as set by the board but not to exceed fifty dollars (\$50.00) per day for each day the certificate is not returned after the expiration of the period allowed.

(4) The suspension or revocation of a registration shall be considered a contested case as provided for in [chapter 52, title 67](#), Idaho Code, and shall be subject to the provisions of that chapter as well as the administrative rules adopted by the board governing contested cases.

(5) The assessment of attorney's fees and costs incurred in the investigation and prosecution or defense of a person under this section shall be governed by the provisions of section [12-117](#)(5), Idaho Code.

[54-5215, added 2005, ch. 153, sec. 1, p. 478; am. 2018, ch. 348, sec. 21, p. 817; am. 2020, ch. 320, sec. 2, p. 919.]

54-5216. REINSTATEMENT OF REGISTRATION AFTER DISCIPLINE. The board may reinstate a suspended or revoked registration upon a showing that:

- (1) The grounds for such suspension or revocation have been eliminated;
- (2) Such a violation is not likely to reoccur in the future; and

(3) The public interest is not jeopardized by reinstating the registration.

[54-5216, added 2005, ch. 153, sec. 1, p. 480.]

54-5217. PENALTIES. (1) Any person acting in the capacity of a contractor within the meaning of this chapter without a current registration as herein required shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished by a fine of not to exceed one thousand dollars (\$1,000) or by imprisonment in the county jail for a term not to exceed six (6) months, or by both such fine and imprisonment, in the discretion of the court.

(2) No person engaged in the business or acting in the capacity of a contractor, unless otherwise exempt, may bring or maintain any action in any court of this state for the collection of compensation for the performance of any act or contract for which registration is required by this chapter without alleging and proving that he was a duly registered contractor, or that he was otherwise exempt as provided for in this chapter, at all times during the performance of such act or contract.

[54-5217, added 2005, ch. 153, sec. 1, p. 480.]

54-5218. ATTORNEY GENERAL -- PROSECUTING ATTORNEY. It shall be the right and duty of the attorney general or the prosecuting attorneys of the various counties to represent and appear for the people of the state of Idaho and the department in all actions and proceedings involving any question under this chapter or under any order or act of the board and to perform such other services as are required.

[54-5218, added 2005, ch. 153, sec. 1, p. 480.]

54-5219. SEVERABILITY. The provisions of this chapter are hereby declared to be severable and if any provision of this chapter or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of the remaining portions of this chapter.

[54-5219, added 2005, ch. 153, sec. 1, p. 480.]