ARTICLE 13

CONSTRUCTION INDUSTRIES LICENSING ACT

NMSA 1978 §§60-13-1 THROUGH 60-13-59

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60-13-1. Short title.

Chapter 60, Article 13 NMSA 1978 may be cited as the "Construction Industries Licensing Act".

60-13-1.1. Purpose of the act.

The purpose of the Construction Industries Licensing Act [<u>60-13-1</u> NMSA 1978] is to promote the general welfare of the people of New Mexico by providing for the protection of life and property by adopting and enforcing codes and standards for construction, alteration, installation, connection, demolition and repair work. To effect this purpose, it is the intent of the legislature that:

A. examination, licensing and certification of the occupations and trades within the jurisdiction of the Construction Industries Licensing Act be such as to ensure or encourage the highest quality of performance and to require compliance with approved codes and standards and be, to the maximum extent possible, uniform in application, procedure and enforcement;

B. there be eliminated the wasteful and inefficient administrative practices of dual licensing, duplication of inspection, nonuniform classification and examination of closely related trades or occupational activities and jurisdictional conflicts; and

C. contractors be required to furnish and maintain evidence of responsibility.

60-13-2. General definitions.

As used in the Construction Industries Licensing Act [60-13-1 NMSA 1978]:

A. "division" means the construction industries division of the regulation and licensing department;

B. "trade bureau" means the electrical bureau, the mechanical bureau, the general construction bureau or the liquefied petroleum gas bureau of the division;

C. "jurisdictional conflict" means any conflict between or among trade bureaus as to the exercise of jurisdiction over an occupation or trade for which a license is required under the provisions of the Construction Industries Licensing Act [60-13-1] NMSA 1978];

D. "person" includes an individual, firm, partnership, corporation, association or other organization, or any combination thereof;

E. "qualifying party" means any individual who submits to the examination for a license to be issued under the Construction Industries Licensing Act and who is responsible for the licensee's compliance with the requirements of that act and with the rules, regulations, codes and standards adopted and promulgated in accordance with that act;

F. "certificate of qualification" means a certificate issued by the division to a qualifying party;

G. "journeyman" means any individual who is properly certified by the electrical bureau or the mechanical bureau, as required by law, to engage in or work at his trade;

H. "apprentice" means an individual who is engaged, as his principal occupation, in learning and assisting in a trade;

I. "wages" means compensation paid to an individual by an employer from which taxes are required to be withheld by federal and state law;

J. "public use" means the use or occupancy of any structure, facility or manufactured commercial unit to which the general public, as distinguished from residents or employees, has access;

K. "bid" means a written or oral offer to contract;

L. "building" means any structure built for use or occupancy by persons or property, including manufactured commercial units and modular homes or premanufactured homes designed to be placed on permanent foundations whether mounted on skids or permanent foundations or whether constructed on or off the site of location;

M. "inspection agency" means a firm, partnership, corporation, association or any combination thereof approved in accordance with regulations as having the personnel and equipment available to adequately inspect for the proper construction of manufactured commercial units, modular homes or premanufactured homes;

- N. "director" means the administrative head of the division;
- O. "chief" means the administrative head of a trade bureau;
- P. "commission" means the construction industries commission;

Q. "manufactured commercial unit" means a movable or portable housing structure over thirty-two feet in length or over eight feet in width that is constructed to be towed on its own chassis and designed so as to be installed without a permanent foundation for use as an office or other commercial purpose and that may include one or more components that can be retracted for towing purposes and subsequently expanded for additional capacity, or two or more units separately towable but designed to be joined into one integral unit, as well as a single unit, but that does not include any movable or portable housing structure over twelve feet in width and forty feet in length that is used for nonresidential purposes. "Manufactured commercial unit" does not include modular or premanufactured homes, built to a nationally recognized standard adopted by the commission and designed to be permanently affixed to real property; and

R. "code" means a body or compilation of provisions or standards adopted by the commission that govern contracting or some aspect of contracting; that provide for safety and protection of life and health; and that are published by a nationally recognized standards association.

60-13-3. Definition; contractor.

As used in the Construction Industries Licensing Act [60-13-1 NMSA 1978], "contractor":

A. means any person who undertakes, offers to undertake by bid or other means or purports to have the capacity to undertake, by himself or through others, contracting. Contracting includes constructing, altering, repairing, installing or demolishing any:

- (1) road, highway, bridge, parking area or related project;
- (2) building, stadium or other structure;
- (3) airport, subway or similar facility;
- (4) park, trail, bridle path, athletic field, golf course or similar facility;
- (5) dam, reservoir, canal, ditch or similar facility;

(6) sewerage or water treatment facility, power generating plant, pump station, natural gas compressing station or similar facility;

- (7) sewerage, water, gas or other pipeline;
- (8) transmission line;
- (9) radio, television or other tower;
- (10) water, oil or other storage tank;

(11) shaft, tunnel or mining appurtenance;

(12) leveling or clearing land;

(13) excavating earth;

(14) air conditioning, conduit, heating or other similar mechanical works;

(15) electrical wiring, plumbing or plumbing fixture, consumers' gas piping, gas appliances or water conditioners; or

(16) similar work, structures or installations which are covered by applicable codes adopted under the provisions of the Construction Industries Licensing Act;

B. includes subcontractor and specialty contractor;

C. includes a construction manager who coordinates and manages the building process; who is a member of the construction team with the owner, architect, engineer and other consultants required for the building project; and who utilizes his skill and knowledge of general contracting to develop schedules, prepare project construction estimates, study labor conditions and advise concerning construction; and

D. does not include:

(1) any person who merely furnishes materials or supplies at the site without fabricating them into, or consuming them in the performance of, the work of a contractor;

(2) any person who drills, completes, tests, abandons or operates any petroleum, gas or water well; or services equipment and structures used in the production and handling of any product incident to the production of any petroleum, gas or water wells, excluding any person performing duties normally performed by electrical, mechanical or general contractors; or who performs geophysical or similar exploration for oil, gas or water;

(3) a public utility or rural electric cooperative that constructs, reconstructs, operates or maintains its plant or renders authorized service by the installation, alteration or repair of facilities, up to and including the meters, which facilities are an integral part of the operational system of the public utility or rural electric cooperative; provided that the construction of a building by a public utility or rural electric cooperative or the installation or repair of any consumer gas or electrical appliance not an integral part of the operational system makes a public utility or rural electric cooperative;

(4) a utility department of any municipality or local public body rendering authorized service by the installation, alteration or repair of facilities, up to and including the meters, which facilities are an integral part of the operational system of the utility department of the municipality;

(5) any railroad company;

(6) a telephone or telegraph company or rural electric cooperative that installs, alters or repairs electrical equipment and devices for the operation of signals or the transmission of intelligence where that work is an integral part of the operation of a communication system owned and operated by a telephone or telegraph company or rural electric cooperative in rendering authorized service;

(7) a pipeline company that installs, alters or repairs electrical equipment and devices for the operation of signals or the transmission of intelligence where that service is an integral part of the operation of the communication system of that pipeline company and is not for hire or for the use of the general public, or any pipeline company which installs, alters or repairs plumbing fixtures or gas piping where the work is an integral part of installing and operating the system owned or operated by the pipeline company in rendering its authorized service;

(8) any mining company, gas company or oil company that installs, alters or repairs its facilities, including plumbing fixtures or gas piping, where the work is an integral part of the installing or operating of a system owned or operated by the mining company, gas company or oil company; provided the construction of a building by a mining company, a gas company or an oil company is required to be done in conformity with all other provisions of the Construction Industries Licensing Act and with orders, rules, regulations, standards and codes adopted pursuant to that act;

(9) a radio or television broadcaster who installs, alters or repairs electrical equipment used for radio or television broadcasting;

(10) an individual who, by himself or with the aid of others who are paid wages and who receive no other form of compensation, builds or makes installations, alterations or repairs in or to a single-family dwelling owned and occupied or to be occupied by him; provided that the installation, building, alteration or repair is required to be done in conformity with all other provisions of the Construction Industries Licensing Act [60-13-1 NMSA 1978] and with the orders, rules, regulations, standards and codes adopted pursuant to that act;

(11) a person who acts on his own account to build or improve a single-family residence for his personal use, including the building or improvement of a free standing storage building located on that residential property; provided that the construction or improvement is required to be done in conformity with all other provisions of the Construction Industries Licensing Act and with the orders, rules, regulations, standards and codes adopted pursuant to that act; and provided further that he does not engage in commercial construction;

(12) a person who, by himself or with the aid of others who are paid wages and receive no other form of compensation, builds or makes installations, repairs or alterations in or to a building or other improvement on a farm or ranch owned, occupied or operated by him, or makes installations of electrical wiring that are not to be connected to electrical energy supplied from a power source outside the premises of the farm or ranch owned, occupied or operated by him; provided that the state codes and any local codes adopted pursuant to Subsection F of <u>Section 60-13-44</u> NMSA 1978 shall not require any permits or inspections for such construction on a farm or ranch except for electrical wiring to be connected to a power source outside the premises;

(13) an individual who works only for wages;

(14) an individual who works on one undertaking or project at a time that, in the aggregate or singly, does not exceed seven thousand two hundred dollars (\$7,200) compensation a year, the work being casual, minor or inconsequential, such as handyman repairs; provided that this exemption shall not apply to any undertaking or project pertaining to the installation, connection or repair of electrical wiring, plumbing or gas fitting as defined in <u>Section 60-13-32</u> NMSA 1978 and provided:

(a) the work is not part of a larger or major operation undertaken by the same individual or different contractor;

(b) the individual does not advertise or maintain a sign, card or other device which would indicate to the public that he is qualified to engage in the business of contracting; and

(c) the individual files annually with the division, on a form prescribed by the division, a declaration substantially to the effect that he is not a contractor within the meaning of the Construction Industries Licensing Act [60-13-1 NMSA 1978], that the work he performs is casual, minor or inconsequential and will not include more than one undertaking or project at one

time and that the total amount of such contracts, in the aggregate or singly, will not exceed seven thousand two hundred dollars (\$7,200) compensation a year;

(15) any person, firm or corporation that installs fuel containers, appliances, furnaces and other appurtenant apparatus as an incident to its primary business of distributing liquefied petroleum fuel;

(16) a cable television or community antenna television company that constructs, installs, alters or repairs facilities, equipment, cables or lines for the provision of television service or the carriage and transmission of television or radio broadcast signals;

(17) any weatherization project not exceeding two thousand dollars (\$2,000) that has been approved and is administered by a federal or state agency; or

(18) a person who performs work consisting of short-term depreciable improvements to commercial property to provide needed repairs and maintenance for items not covered by building codes adopted by the construction industry commission if the total amount paid the person for the work on a single undertaking, including materials, services and wages of those who work for him, does not exceed the sum of five thousand dollars (\$5,000).

60-13-3.1. Employer and employee relationship; independent contractor; improper reporting; penalty; license sanctions.

A. Except as provided in Subsection D of this section, for purposes of the employer and employee relationship within those construction industries subject to the Construction Industries Licensing Act, a contractor who is an employer shall consider a person providing labor or services to the contractor for compensation to be an employee of the contractor and not an independent contractor unless the following standards indicative of an independent contractor are met:

(1) the person providing labor or services is free from direction and control over the means and manner of providing the labor or services, subject only to the right of the person for whom the labor or services are provided to specify the desired results;

(2) the person providing labor or services is responsible for obtaining business registrations or licenses required by state law or local ordinance for the person to provide the labor or services;

(3) the person providing labor or services furnishes the tools or equipment necessary to provide the labor or services;

(4) the person providing labor or services has the authority to hire and fire employees to perform the labor or services;

(5) payment for labor or services is made upon completion of the performance of specific portions of a project or is made on the basis of a periodic retainer; and

(6) the person providing labor or services represents to the public that the labor or services are to be provided by an independently established business. A person is engaged in an independently established business when four or more of the following circumstances exist:

(a) labor or services are primarily performed at a location separate from the person's residence or in a specific portion of the residence that is set aside for performing labor or services;

(b) commercial advertising or business cards are purchased by the person, or the person is a member of a trade or professional association;

(c) telephone or email listings used for the labor or services are different from the person's personal listings;

- (d) labor or services are performed only pursuant to a written contract;
- (e) labor or services are performed for two or more persons within a period of one year; or

(f) the person assumes financial responsibility for errors and omissions in labor or services as evidenced by insurance, performance bonds and warranties relating to the labor or services being provided.

B. The labor department shall administer and enforce the provisions of Subsection A of this section, including coordination with the construction industries division of the regulation and licensing department.

C. A contractor who intentionally and willfully reports to a state agency or other client that an employee is an independent contractor or who, for the purposes of a program administered by a state agency, intentionally and willfully treats or otherwise lists an employee as an independent contractor when the employee's status does not meet the standards indicative of an independent contractor as identified in Subsection A of this section is guilty of a misdemeanor and shall be punished by a fine of not more than five thousand dollars (\$5,000) or by imprisonment for a definite term not to exceed six months or both. For the purposes of this subsection, "state agency" means an administration, board, commission, department or division of this state.

D. Conviction of a contractor for violating Subsection C of this section shall be grounds for the construction industries commission to take action to suspend, revoke or refuse to renew a license issued to that contractor by the construction industries division of the regulation and licensing department.

E. Subsections A, B and C of this section shall not be construed to affect or apply to a common law or statutory action providing for recovery in torts and shall not be construed to affect or change the common law interpretation of independent contractor status as it relates to tort liability.

60-13-4. Recompiled. 60-13-5. Repealed.

60-13-6. Construction industries commission created; membership; duties.

A. There is created within the division the "construction industries commission". The commission shall be composed of nine voting members who shall serve at the pleasure of the governor. Members shall be appointed by the governor, with the advice and consent of the senate, as follows:

(1) one member who is a representative of the residential construction industry of this state;

- (2) one member who is a licensed electrical contractor;
- (3) one member who is a licensed mechanical contractor;
- (4) one member who is a licensed and practicing architect;
- (5) one member who is a practicing general contractor;
- (6) one member who is a representative of the liquefied petroleum gas industry;

(7) one member who is a resident of the state, who is not a licensed contractor or certified journeyman and who shall represent the people of New Mexico;

- (8) one member who is a representative of the subcontracting industry of the state; and
- (9) one member who is a representative of organized labor.

Members shall be appointed to provide adequate representation of all geographic areas of the state.

B. Each member of the commission shall receive per diem and mileage as provided in the Per Diem and Mileage Act [10-8-1] NMSA 1978] and shall receive no other compensation, perquisite or allowance.

C. The commission shall annually elect a chair and vice chair from its membership. The director shall serve as the executive secretary of the commission.

D. The commission shall meet bimonthly or at the call of the chair.

E. The commission shall establish policy for the division. It shall advise on, review, coordinate and approve or disapprove all rules, standards, codes and licensing requirements that are subject to the approval of the commission under the provisions of the Construction Industries Licensing Act or the LPG and CNG Act [70-5-2 NMSA 1978] so as to ensure that uniform codes and standards are promulgated and conflicting provisions are avoided. However, the commission shall not enact a bylaw, order, building code, policy or rule requiring the installation of a residential fire protection sprinkler system in detached one- and two-family dwellings and multiple single-family dwellings, such as townhouses that are not more than three stories above grade plane in height and that have a separate means of egress and their accessory structures. The commission shall:

(1) revoke or suspend, for cause, any license or certificate of qualification issued under the provisions of the Construction Industries Licensing Act or the LPG and CNG Act; and

(2) define and establish all license classifications. The licensee shall be limited in bidding and contracting as provided in Subsection B of Section 60-13-12 NMSA 1978. A licensee, subsequent to the issuance of a license, may make application for additional classification and be licensed in more than one classification if the licensee meets the prescribed qualification for the additional classification.

60-13-7. Construction industries division; director; appointment and qualifications.

The superintendent of regulation and licensing shall appoint the director of the division, who shall be a person who meets at least one of the following qualifications:

A. is or has been an active practicing construction contractor for at least five years;

B. is or has been an employee in an administrative position of a construction company for at least five of the past ten years;

C. has been employed by the construction industries division for at least five years and is knowledgeable in the administration of the law governing the construction industries division; or

D. is or has been actively engaged for at least five of the past ten years in an administrative position of an organization which requires that person to have a broad knowledge of the construction industry.

60-13-8. Division; employees; equipment and supplies.

A. The division shall employ personnel, procure equipment and supplies and assemble records as necessary to carry out the provisions of the Construction Industries Licensing Act [$\underline{60}$ -13-1 NMSA 1978].

B. Any person employed or placed under contract by the division or by any county or municipality for the purpose of carrying out the provisions of the Construction Industries Licensing Act who holds any contractor's license or certificate of competence issued by the

division, shall, as a condition of employment surrender the contractor's license or certificate of competence to the division to be held in inactive status. The division shall place the license or certificate on hold effective from the date the employment or contract begins until the date the employment or contract terminates. The license or certificate shall remain in effect after the hold period for the same number of days as it would have remained in effect but for the hold.

60-13-8.1. Construction industries division publications revolving fund created; appropriation.

The "construction industries division publications revolving fund" is created. All money collected by the division from the sale of publications and information related to the licensing and regulatory provisions of and issues arising under the Construction Industries Licensing Act [this article] and regulations adopted pursuant to that act shall be deposited with the state treasurer to be credited to the fund. Money in the fund is appropriated to the division. Money in the fund shall be used only for printing and maintenance of publications and information related to the licensing and regulatory provisions of and issues arising under the Construction Industries Licensing Act and regulatory provisions of and issues arising under the Construction Industries Licensing Act and regulations adopted pursuant to that act. Disbursements from the fund shall be made by warrants signed by the secretary of finance and administration, based upon vouchers signed by the director and only in accordance with a budget approved by the department of finance and administration. Money in the fund shall not revert at the end of the fiscal year.

60-13-9. Division; duties.

The division shall:

A. approve and adopt examinations on codes and standards, business knowledge, division rules and regulations and on the Construction Industries Licensing Act [60-13-1 NMSA 1978] recommended by the commission for all classifications of contractor's licenses;

B. issue, under the director's signature, contractor's licenses and certificates of qualification in accordance with the provisions of the Construction Industries Licensing Act;

C. submit a list of all contractor's licenses and certificates of qualification issued by the division to the commission for review and approval;

D. resolve jurisdictional conflicts by assigning specific responsibility to the appropriate bureau for preparing examinations and for certifying and inspecting each occupation, trade or activity covered by the Construction Industries Licensing Act;

E. establish and collect fees authorized to be collected by the division pursuant to the Construction Industries Licensing Act;

F. adopt all building codes and minimum standards as recommended by the trade bureaus and approved by the commission so that the public welfare is protected, uniformity is promoted and conflicting provisions are avoided;

G. with approval of the superintendent of regulation and licensing employ such personnel as the division deems necessary for the exclusive purpose of investigating violations of the Construction Industries Licensing Act, enforcing Sections 60-13-12 and 60-13-38 NMSA 1978 and instituting legal action in the name of the division to accomplish the provisions of Section 60-13-52 NMSA 1978;

H. approve, disapprove or revise the recommended budget of each trade bureau and submit the budgets of those bureaus, along with its own budget, to the regulation and licensing department;

I. approve, disapprove or revise and submit to the regulation and licensing department all requests of the trade bureaus for emergency budget transfers;

J. make an annual report to the superintendent of regulation and licensing and develop a policy manual concerning the operations of the division and the trade bureaus. The report shall also contain the division's recommendations for legislation it deems necessary to improve the licensing and technical practices of the construction and LP gas industries and to protect persons, property and agencies of the state and its political subdivisions;

K. adopt, subject to commission approval, rules and regulations necessary to carry out the provisions of the Construction Industries Licensing Act and the LPG Act [70-5-1 NMSA 1978];

L. maintain a complete record of all applications; all licenses issued, renewed, canceled, revoked and suspended; and all fines and penalties imposed by the division or commission and may make that information available to certified code jurisdictions;

M. furnish, upon payment of a reasonable fee established by the division, a certified copy of any license issued or of the record of the official revocation or suspension thereof. Such certified copy shall be prima facie evidence of the facts stated therein; and

N. publish a list of contractors, with their addresses and classifications, licensed by the division. The list shall be furnished without charge to such public officials, public bodies or public works and building departments as the division deems advisable. The list shall be published annually, and supplements shall be provided as the division deems necessary. Copies of the list and supplements shall be furnished to any person upon request and payment of a reasonable fee established by the division.

60-13-10. Additional division duties; flood or mudslide areas; standards.

In addition to the division's other duties, on or before January 1, 1976 the division shall, with the approval of the commission, issue regulations prescribing standards for the installation or use of electrical wiring, the installation of fixtures, plumbing, consumers' gas pipe and appliances and materials installed in the course of mechanical installation and the construction, alteration or repair of all buildings, improvements, modular homes, premanufactured homes and manufactured commercial units intended for use in flood or mudslide areas designated pursuant to Section 3-18-7 NMSA 1978. Such regulations shall give due regard to standards prescribed by the federal insurance administration pursuant to Regulation 1910, Subsection 7(d), 79 Stat. 670, Section 1361, 82 Stat. 587 and 82 Stat. 575, all as amended, and shall give due regard to physical, climatic and other conditions peculiar to New Mexico.

60-13-10.1. Division; additional duties; alcohol fuel plant construction code; rules and regulations.

A. In addition to the division's other duties, on or before January 1, 1982 it shall, with the approval of the commission and after public hearing, adopt an alcohol fuel plant construction code. The code shall set forth reasonable standards and requirements for the construction, alteration or repair of buildings and other structures to be used for the manufacture or distillation of alcohol fuel. In adopting the code, the division shall give due regard to the purpose for which the plant is to be used and to the physical, climatic and other conditions peculiar to New Mexico.

B. Upon the adoption of the code, the commission shall make rules and regulations pertaining to the issuance of a permit prior to any construction, installation, alteration, repair or

addition to or within any building or structure proposed for the use of manufacturing or distillation of alcohol fuel. The commission shall also set a reasonable fee for the issuance of a permit.

C. No permit shall be required of any person who, by himself or with the aid of others who are paid wages and receive no other form of compensation, builds or makes installation, repairs or alterations on a farm or ranch owned, occupied or operated by him to any building or structure for the use of manufacturing or distillation of alcohol fuel.

60-13-10.2. Division and commission; standards to accommodate solar collectors.

As provided in the Solar Collector Standards Act [71-6-4 NMSA 1978], the division and commission shall jointly with the energy, minerals and natural resources department promulgate rules, standards or codes that establish requirements for new construction that will accommodate the installation of solar collectors to or on the new construction after the construction is otherwise complete.

60-13-11. Division or commission; powers.

The division or the commission may:

A. sue and be sued, issue subpoenas and compel the attendance of witnesses and the production of documents, records and physical exhibits in any hearing;

B. administer oaths;

C. adopt and use a seal for authentication of its records, processes and proceedings;

D. compel minimum code compliance in all certified code jurisdictions and political subdivisions; and

E. investigate code violations in any code jurisdictions in New Mexico.

60-13-12. Contractor's license required.

A. No person shall act as a contractor without a license issued by the division classified to cover the type of work to be undertaken.

B. No bid on a contract shall be submitted unless the contractor has a valid license issued by the division to bid and perform the type of work to be undertaken; provided this subsection shall not prohibit a licensed contractor from bidding or contracting work involving the use of two or more trades, crafts or classifications if the performance of the work in the trades, crafts or classifications other than the one in which he is licensed is incidental or supplemental to the performance of the work in the trades, crafts or classifications for which he is licensed; and further provided that work coming under the jurisdiction of the mechanical bureau or the electrical bureau of the division must be performed by a contractor licensed to perform that work.

C. Any contractor may bid on a New Mexico highway project involving the expenditure of federal funds prior to making application to the division for a license. The contractor, if he has not previously been issued a license, shall upon becoming the apparent successful bidder apply to the division for a license. The director shall issue a license to the contractor in accordance with the provisions of the Construction Industries Licensing Act [60-13-1] NMSA 1978].

60-13-13. Application for contractor's license.

A. Applications for a contractor's license or a certificate of qualification shall be submitted to the division on forms prescribed and furnished by the division and shall contain the information and be accompanied by the attachments required by regulation of the commission.

B. The application shall be accompanied by the prescribed fee.

60-13-13.1. Repealed.

60-13-13.2. Licensees; identical or similar names.

The division shall not accept an application, shall not issue a license and shall require a change in the name of a proposed license if the proposed name is identical to or in the opinion of the director so similar that it may cause confusion with a name on a pending application or an existing license. Any person aggrieved by the decision of the director may appeal the decision to the commission.

60-13-14. Division; license issuance; reports.

A. No license shall be issued by the division to any applicant unless the director is satisfied that the applicant is or has in his employ a qualifying party who is qualified for the classification for which application is made and the applicant has satisfied the requirements of Subsection B of this section.

B. An applicant for a license shall:

(1) demonstrate proof of responsibility as provided in the Construction Industries Licensing Act [this article];

(2) comply with the provisions of Subsection D of this section if he has engaged illegally in the contracting business in New Mexico within one year prior to making application;

(3) demonstrate familiarity with the rules and regulations promulgated by the commission and division concerning the classification for which application is made;

(4) if a corporation, incorporated association, registered limited liability partnership or limited liability company, have complied with the laws of this state requiring qualification to do business in New Mexico and provide the name of its current registered agent and the current address of its registered office in New Mexico;

(5) if a person other than the persons described in Paragraph (4) of this subsection, provide a current physical location address and mailing address of the applicant's place of business;

(6) submit proof of registration with the taxation and revenue department and submit a current identification tax number;

(7) comply with any additional procedures, rules and regulations which are established by the commission relating to issuance of licenses; and

(8) have had four years, within the ten years immediately prior to application, of practical or related trade experience dealing specifically with the type of construction or its equivalent for which the applicant is applying for a license, except that the commission may by regulation provide for:

(a) reducing this requirement for a particular industry or craft where it is deemed excessive but the requirement shall not be less than two years; and

(b) a waiver of the work experience requirement of this paragraph when the qualifying party has been certified in New Mexico with the same license classification within the ten years immediately prior to application.

C. The division, with the consent of the commission, may enter into a reciprocal licensing agreement with any state having equivalent licensing requirements.

D. The director may issue a license to an applicant who at any time within one year prior to making application has acted as a contractor in New Mexico without a license as required by the Construction Industries Licensing Act [60-13-1 NMSA 1978] if:

(1) the applicant in addition to all other requirements for licensure pays an additional fee as follows:

(a) in an amount up to ten percent of the contract price or the value of the nonlicensed contracted work in the discretion of the commission; or

(b) if the applicant has bid or offered a price on a construction project and was not the successful bidder or offeror, the fee shall be at least one percent but not more than five percent of the total bid amount; and

(2) the director is satisfied that no incident of such contracting without a license:

(a) caused monetary damage to any person; or

(b) resulted in an unresolved consumer complaint being filed against the applicant with the division.

E. An unlicensed contractor who has performed unlicensed work may settle the claims against him without becoming licensed if the claims arise from his first offense and he pays an administrative fee calculated pursuant to Paragraph (1) of Subsection D of this section. In addition to the administrative fee, an additional ten percent of the amount of the administrative fee shall be assessed as a service fee.

F. If the total fee to be paid by the contractor pursuant to the provisions of Subsection D or E of this section is twenty-five dollars (\$25.00) or less, the fee may be waived.

G. The director shall report every incident of nonlicensed contracting work to the taxation and revenue department to assure that the contractor complies with tax requirements and pays all taxes due.

60-13-15. License issuance; commission review.

A. The commission shall review at its regular meetings all licenses issued by the division. The commission shall report to the superintendent of regulation and licensing and the attorney general any license issued to an applicant who fails to meet the requirements established by law and commission regulations for license issuance.

B. The signing of a license by the director for issuance by the division to an applicant who fails to meet the requirements established by law or committee regulations for issuance of licenses is a misdemeanor, and the director, if convicted by a court of law, shall be relieved of his duties and shall be subject to civil damages as provided in <u>Section 30-23-7</u> NMSA 1978. Failure by the committee or any member of the committee to report the illegal issuance of a license is a petty misdemeanor and upon conviction shall result in termination of the appointment of the committee member so convicted.

60-13-16. Division; qualifying party; examination; certificate.

A. Except as otherwise provided in this section, no certificate of qualification shall be issued to an individual desiring to be a qualifying party until he has passed with a satisfactory score an examination approved and adopted by the division.

B. The examination shall consist of a test based on general business knowledge, rules and regulations of the division and the provisions of the Construction Industries Licensing Act [60-13-1 NMSA 1978]. In addition, applicants for a GB, MM or EE classification or for any other classification that the commission determines to be appropriate shall take a test based on technical knowledge and familiarity with the prescribed codes and minimum standards of the particular classification for which certification is requested. The division shall provide examinations in both English and Spanish.

C. In lieu of the examination to determine knowledge of business and construction industries law provided in Subsection B of this section, an applicant may satisfy the business and law knowledge requirement by receiving a certificate of completion of a business and law course of study offered by an accredited education institute approved by the commission. The course and any preparation and instruction materials shall be available in both English and Spanish and shall be made available to the division, the commission or the designated agent of the division, upon request, for review.

D. If a contractor's license is subject to suspension by the commission and if the suspension is based on the requirement that the licensee employ a qualifying party and the employment of the qualifying party is terminated without fault of the licensee, a member of that trade who is experienced in the classification for which the certificate of qualification was issued and has been employed for five or more years by the licensed contractor shall be issued without examination a temporary certificate of qualification in the classification for which the contractor is licensed. The temporary qualifying party is required to pass the regular examination as set forth in Subsection B of this section within ninety days of issuance of a temporary certificate of qualification.

E. The certificate of qualification is not transferable.

F. A qualifying party whose certificate is revoked by the commission shall not reapply for a certificate for one year.

60-13-17. Repealed.

60-13-18. Licenses; renewal.

A. Licenses issued by the division are not transferable.

B. Contractor's licenses shall expire two years after the issuance date or as determined by the division, but in no instance less than one year, and shall be renewable upon application to the division and payment of the prescribed renewal fee; provided that nothing in this subsection shall prohibit the division from establishing a staggered system of license expiration and a procedure for proration of fees for licenses issued for less than the two-year period or other period provided by the division pursuant to this subsection.

C. Licenses shall expire upon the date established by regulation of the commission, such regulation to provide for a staggered system of license expiration and for proration of fees for licenses issued for less than a full year. Thereafter, such licenses shall be issued for a period of two years or as otherwise provided by the division pursuant to Subsection B of this section.

Licenses shall be subject to renewal upon application to the division and payment of the prescribed renewal fee.

D. Licensees and journeyman certificate holders may be required to complete and submit proof of continuing education as a prerequisite for renewal of a license. When required by rule adopted by the division, an applicant for a license renewal must submit with the application for license renewal proof of eight hours of instruction in code change and eight hours of instruction in other industry-related and division-approved subjects. The sixteen hours of continuing education must have been completed within the three years prior to the date of the license renewal application.

E. The director shall, at least thirty days prior to the expiration date of a license, notify the licensee of the approaching expiration. Notice shall be given by mail addressed to the licensee's last address on file with the division. The notice shall include a renewal application form, instructions and any other information prescribed by the division.

F. Failure of a licensee to make application for the renewal of the licensee's license, to furnish such other information required by the commission and to pay the prescribed renewal fee by the last working day prior to the expiration of the license shall cause the license to be suspended by operation of law.

G. Unless the license is renewed within a three-month period, it shall be canceled. The suspended license may be renewed only after payment of a fee equal to one dollar (\$1.00) for each day, up to thirty days, that has elapsed since the expiration date of the license and thereafter for a fee equal to twice the amount of the renewal fee.

60-13-19. Division; evidence of possession; penalty.

A. The licensee shall exhibit satisfactory evidence of the possession of a license on demand and shall clearly indicate his contractor's license number on all written bids and when applying for a building permit.

B. A contractor who fails to indicate his contractor's license number clearly on all written bids and when applying for a building permit shall be assessed a penalty fee of one hundred fifty dollars (\$150) by the division. The fee shall be payable to the code jurisdiction or political subdivision that issued the permit or in which the work for which the bid is submitted is or would be permitted.

C. Before work is commenced, a contract is signed or funds are paid for any residential contracting, the contractor shall disclose in writing to the owner, on a form approved by the division, that the license issued and the bond or other proof of responsibility required pursuant to the Construction Industries Licensing Act does not protect the consumer if the contractor defaults. Any contractor who fails to make the disclosure required by this subsection shall be assessed a fee by the division in an amount not less than five hundred dollars (\$500) nor more than one thousand five hundred dollars (\$1,500) as determined by the division. The fee shall be payable to the division.

60-13-20. Fees established by the division; payment of examination and licensing service fees.

A. The division shall by regulation establish and charge reasonable candidate and applicant fees for each license and certificate classification for initial applications, initial and additional examinations, license issuance and renewals, certificate of qualification issuance and renewal, and licensing verification services.

B. The division by regulation may provide that fees charged pursuant to Subsection A of this section shall be paid to the agency providing or administering the service if the service is provided pursuant to authority of the division.

60-13-21. Division; disposition of fees.

Fees received by the division except journeymen examination fees shall be paid to the state treasurer for deposit and transfer as provided in <u>Section 9-16-14</u> NMSA 1978.

60-13-21.1. Repealed.

60-13-22. Repealed.

60-13-23. Revocation or suspension of license by the commission; causes.

Any license issued by the division shall be revoked or suspended by the commission for any of the following causes:

A. if the licensee or qualifying party of the licensee willfully or by reason of incompetence violates any provision of the Construction Industries Licensing Act [60-13-1 NMSA 1978] or any rule or regulation adopted pursuant to that act by the division;

B. knowingly contracting or performing a service beyond the scope of the license;

C. misrepresentation of a material fact by the applicant in obtaining a license;

D. failure to maintain proof of responsibility as required by the Construction Industries Licensing Act;

E. unjustified abandonment of any contract as determined by a court of competent jurisdiction;

F. conversion of funds or property received for prosecution or completion of a specific contract or for a specified purpose in the prosecution or completion of any contract, obligation or purpose, as determined by a court of competent jurisdiction;

G. departure from or disregard of plans or specifications that result in code violations;

H. willful or fraudulent commission of any act by the licensee as a contractor in consequence of which another is substantially injured, as determined by a court of competent jurisdiction;

I. failure to maintain workers' compensation insurance as required by the Workers' Compensation Act [52-1-1 NMSA 1978];

J. aiding, abetting, combining or conspiring with a person to evade or violate the provisions of the Construction Industries Licensing Act by allowing a contractor's license to be used by an unlicensed person, or acting as agent, partner, associate or otherwise in connection with an unlicensed person, with the intent to evade the provisions of the Construction Industries Licensing Act; or

K. acting in the capacity of a licensee under any other name than is set forth upon the license.

60-13-23.1. Administrative penalty.

A. Notwithstanding any provisions of the Uniform Licensing Act [61-1-1 NMSA 1978] or the Construction Industries Licensing Act [60-13-1 NMSA 1978] to the contrary, the commission may, in addition to or instead of revocation or suspension of a license issued by the division for any cause specified in the Construction Industries Licensing Act, assess the licensee an administrative penalty in the following amounts:

(1) where the dollar value of the contract or work performed is five thousand dollars (\$5,000) or less, the penalty shall be not less than three hundred dollars (\$300) or more than five hundred dollars (\$500); or

(2) where the dollar value of the contract or work performed is more than five thousand dollars (\$5,000), the penalty shall be in an amount equal to not more than ten percent of the dollar amount of the contract or work performed but not less than five hundred dollars (\$500).

B. If a person subject to the penalties under Subsection A of this section previously has had his contractor's license suspended or revoked or has been assessed an administrative penalty pursuant to Subsection A of this section, that person shall be assessed twice the amount specified in Paragraph (1) or (2) of Subsection A of this section, as applicable.

C. Failure to pay an administrative penalty upon the date set by the commission shall subject the offender to an additional penalty of one hundred dollars (\$100) for each day the offender fails to comply with the order. The attorney general shall institute an action in the district court to recover the appropriate penalties.

60-13-24. Certificates of qualification; causes for revocation or suspension.

Any certificate of qualification shall be revoked or suspended by the commission for the following causes:

A. misrepresentation of a material fact by the individual in obtaining the certificate;

B. violation, willfully or by reason of incompetence, of any provision of the Construction Industries Licensing Act [60-13-1 NMSA 1978] or any code, minimum standard, rule or regulation adopted pursuant to that act; or

C. aiding, abetting, combining or conspiring with a person to evade or violate the provisions of the Construction Industries Licensing Act or any code, minimum standard, rule or regulation adopted pursuant to that act.

60-13-25. Qualifying party; termination of relationship.

In the event the employment or business relationship between the qualifying party and the licensee is terminated, the licensee and the qualifying party shall notify the division within thirty days of that termination in relationship, and the license shall be suspended for one hundred twenty days from the date of the termination of employment or business relationship and then canceled unless another individual who is a properly certified qualifying party is approved as the qualifying party for the licensee.

60-13-26. Division; trade bureaus; liability of commission members.

Neither the division, the bureaus, their duly authorized employees nor members of the commission shall be held personally responsible or liable for any act pertaining to their official duties.

60-13-27. Complaints against licensees and certificate holders; investigations by division; informal resolution; notice of revocation action.

A. The division on its own motion or upon the verified complaint in writing of any person shall investigate the actions of any licensee or certificate holder. The director may assign one or more inspectors certified pursuant to Section 60-13-41 NMSA 1978, investigators or other personnel to investigate that licensee or certificate holder or any activity within the jurisdiction of the Construction Industries Licensing Act [60-13-1 NMSA 1978]. The director may authorize

an inspector or investigator to enter any code jurisdiction to make investigations. The investigation shall be for the purpose of determining if there has been a code violation or other breach of Section 60-13-23, 60-13-24 or 60-13-36 NMSA 1978 on the part of a licensee or certificate holder constituting probable grounds for revocation or suspension of his license or certificate.

B. The person assigned by the director shall make an immediate investigation, securing all pertinent facts and statements, including a statement from the contractor, if he is available, and names and addresses of witnesses. Within one hundred eighty days of receipt of the complaint by the division, he shall make a full and complete written report to the director.

C. Complaints may be resolved informally at the request of the complainant, the contractor or the commission. For informal resolution of a complaint, all parties must agree to the informal hearing and agree that the decision of the informal hearing officer is final. The procedures for informal hearings and resolution of complaints shall be established by the commission.

D. All revocation and suspension proceedings conducted by the commission and judicial review of the commission's decision shall be governed by the provisions of the Uniform Licensing Act [61-1-1 NMSA 1978]. Prior to any revocation action by the commission, notice of the pending action shall be given to the bonding company which has in effect for the licensee any bond issued pursuant to the proof of responsibility provisions of the Construction Industries Licensing Act.

60-13-28. Suspension period.

A. The commission shall make all suspensions for a definite period not exceeding ninety consecutive days. Suspension of a license for any cause specified in the Construction Industries Licensing Act [60-13-1 NMSA 1978] shall not preclude revocation of that license for cause by the commission.

B. A contractor whose license has been suspended or revoked shall complete work in progress as directed by the commission.

C. At the end of the suspension period, the commission shall review the license to determine if the license should be reinstated or revoked.

60-13-29. Application following revoked license or certificate.

A. After revocation of any license or certificate issued pursuant to the Construction Industries Licensing Act, no person shall be eligible to apply for a new license or certificate until a period of one year after the date of the original order of revocation by the commission has expired.

B. Following the revocation of a contractor's license or a qualifying party's certificate pursuant to the Construction Industries Licensing Act, no license or certificate may be issued to that contractor or qualifying party by the division if the director finds that the contractor or qualifying party has, during the period of revocation, engaged in activity that constitutes a violation of any provision of the Construction Industries Licensing Act.

60-13-30. Suit by contractor for compensation; pleading and proof of license.

A. No contractor shall act as agent or bring or maintain any action in any court of the state for the collection of compensation for the performance of any act for which a license is required by the Construction Industries Licensing Act [60-13-1 NMSA 1978] without alleging and

proving that such contractor was a duly licensed contractor at the time the alleged cause of action arose.

B. Any contractor operating without a license as required by the Construction Industries Licensing Act shall have no right to file or claim any mechanic's lien as now provided by law.

60-13-31. Trade bureaus created.

There are created under the division the "electrical bureau," the "mechanical bureau," the "general construction bureau" and the "liquefied petroleum gas bureau."

60-13-32. Trade bureaus; definitions.

As used in the Construction Industries Licensing Act [60-13-1 NMSA 1978]:

A. "electrical wiring" means all wiring, conductors, fixtures, devices, conduits, appliances or other equipment, including generating equipment of not over ten kilowatt capacity, used in connection with the general distribution or use of electrical energy;

B. "plumbing" means the installing, altering and repairing of all plumbing fixtures, fixture traps and soil, waste, supply and vent pipes, with their devices, appurtenances and connections, through which water, waste, sewage, oil and air are carried, when done within the property lines of the building or structure to be served by the plumbing or to the point of connection with the utility system. This subsection shall not be construed as prohibiting the installation by a "fixed works" licensee of service lines from the utility system to a point five feet outside the building or structure to be served by the plumbing;

C. "fixtures" includes closet bowls, lavatories, bath tubs, showers, kitchen sinks, laundry trays, hot water tanks, softeners, urinals, bidets, service sinks, shower pans, drink fountains, water compressors, water coolers, septic tanks or similar systems of sewage disposal and such other similar fixtures used in plumbing as designated by the mechanical bureau;

D. "gas fitting" means the installing, altering and repairing of consumers' gas piping and the installation of appliances utilizing natural gas as fuel and their appurtenances in or upon premises of the consumers;

E. "softener" or "water conditioner" means any appliance, apparatus, fixture and equipment which is designed to soften, filter or change the mineral content of water, whether permanent or portable; and

F. "certificate of competence" means evidence of competence issued by the division to a journeyman electrician, journeyman plumber, journeyman gas fitter, journeyman pipe fitter or journeyman welder working on pipelines, collection lines or compressor stations.

60-13-33. Trade bureaus; general duties and powers.

The trade bureaus shall:

A. cooperate in administering examinations for the licensing and certification of the occupations or trades assigned to their jurisdictions pursuant to the Construction Industries Licensing Act [60-13-1 NMSA 1978], and provide those examinations and any related materials in both English and Spanish;

B. perform inspections of all occupations, trades and activities within their jurisdictions;

C. be responsible for all administrative duties and other duties necessary and incidental thereto required in the Construction Industries Licensing Act, including those activities and duties assigned to them by the director; and

D. recommend rules and regulations and submit them to the division for approval by the commission and promulgation by the division.

60-13-34, 60-13-35. Repealed.

60-13-36. Certificates of competence; suspension and revocation.

A. The commission may suspend any certificate of competence issued within the scope of the bureau's trade for a definite period not exceeding ninety consecutive days.

B. Suspension of a certificate of competence shall be for any cause specified in the Construction Industries Licensing Act [60-13-1 NMSA 1978].

C. The commission may revoke any certificate of competence issued by it only for the following causes:

(1) misrepresentation of a material fact by the individual obtaining the certificate;

(2) violation willfully or by reason of incompetence of any provision of the Construction Industries Licensing Act or any code, minimum standard, rule or regulation adopted pursuant to that act pertaining to installation, alteration, maintenance, connection or repair; or

(3) aiding, abetting, combining or conspiring with a person to evade or violate the provisions of the Construction Industries Licensing Act or any code, minimum standard, rule or regulation adopted pursuant thereto.

60-13-37. Repealed.

60-13-38. Certificates of competence; examination; journeymen.

A. A person shall not engage in the occupation or trade of journeyman unless he holds a certificate of competence issued by the division for the occupation or trade in which he desires to engage.

B. The categories for certificates of competence are: journeyman electrician, journeyman plumber, journeyman gas fitter, journeyman pipe fitter, journeyman sheet metal worker, journeyman boiler operator, residential wireman and journeyman welder working on pipelines, collection lines or compressor stations.

C. An applicant for a certificate of competence shall be required to take an examination approved and adopted by the division as to his knowledge of the orders and rules governing the occupation or trade for which a certificate is sought, and as to his technical knowledge and ability pertaining to his particular trade. The examination may be oral, written or demonstrative or any combination thereof, as required by rules of the commission.

D. The division shall issue a certificate of competence to any journeyman welder working on pipelines, collection lines or compressor stations who shows evidence of having satisfactorily completed an examination administered by an independent testing organization or public utility employing engineers registered with the state, such examination meeting the minimum pipeline safety standards set by the public regulation commission.

E. Applications for certificates of competence shall be in the form and shall contain such information and attachments as the division prescribes.

F. The division shall establish a reasonable fee for any examination or issuance of certificate of competence.

G. A person is not eligible to take an examination for a certificate of competence unless he has had two years' experience in the occupation or trade for which a certificate of competence is sought, or the equivalent thereof as determined by the commission, or has successfully completed a course in the trade approved by the vocational education division of the state department of public education.

H. Employment of an apprentice working under the direct supervision of a certified journeyman is not prohibited by the Construction Industries Licensing Act [60-13-1 NMSA 1978].

I. A person is eligible to take an examination for a journeyman electrician certificate of competence after at least:

(1) four years of accredited training in the electrical trade;

(2) four years of apprenticeship in the electrical trade;

(3) four years of practical experience in the electrical trade, of which two years are in the commercial trade, industrial trade or the equivalent as determined by the commission; or

(4) successfully completing an electrical trade program approved by the vocational education division of the state department of public education and two years of practical experience in the commercial electrical trade.

J. Continuing education requirements for a journeyman electrician shall include at least sixteen hours of continuing education in every three-year period between national electrical code updates, of which eight hours are code change instructions and eight hours are other industry-related instruction. All continuing education curricula and instructors shall be approved by the commission based on recommendations by the electrical bureau.

K. A certificate of competence shall not be renewed until a complete application for renewal has been received by the division. Proof of completion of the continuing education requirements shall be submitted to the division with the application for renewal of certificate of competence. An application for renewal that is not accompanied by proof of completion of the continuing education requirements is incomplete and shall not be processed. The continuing education requirements in this subsection shall only apply to a journeyman electrician with the designation "EE-98J" or "JE98". This does not apply to EE98.

L. A person is eligible to take an examination for a residential wireman's certificate of competence after at least:

- (1) two years of accredited training or apprenticeship in the electrical trade;
- (2) two years of practical experience in wiring residential dwellings; or

(3) successfully completing a course in the trade approved by the vocational education division of the state department of public education and one year of practical experience in wiring residential dwellings.

M. The provisions of Subsections I and L of this section do not apply to a person who was enrolled as a full-time student before June 20, 2003 in an electrical trade program approved by the vocational education division of the state department of public education.

60-13-39. Certificates and examination.

A. Certificates of competence issued by the division are not transferable and shall expire on the date established by the division, not more than three years from the month of issuance.

B. Application shall be made before the expiration date for renewal of a current certificate of competence and shall be accompanied by the fee prescribed for the initial issuance of the certificate.

C. Applications for a renewal of a certificate of competence shall be filed with the division prior to the last working day before the certificate expires. An expired certificate shall be renewable within a six-month period without examination and only upon paying a fee in twice the amount of the renewal fee. If the certificate has not been renewed within the six-month period, it shall be canceled.

60-13-40. Repealed. 60-13-40.1. Repealed.

60-13-41. Inspectors; designated inspection agencies.

A. State inspectors shall be employed by the director.

B. Qualifications and job descriptions for inspectors for the state, municipalities and all other political subdivisions shall be prescribed by the commission.

C. The division may appoint inspection agencies to inspect the construction, installation, alteration or repair of manufactured commercial units, modular homes and premanufactured homes, including those manufacturers whose business premises are without the state, to ensure that the New Mexico standards of construction and installation are adhered to and that the quality of construction meets all New Mexico codes and standards. If the inspection agency has no place of business within the state, it shall file a written statement with the secretary of state setting forth its name and business address and designating the secretary of state as its agent for the service of process.

D. The division may enter into reciprocal agreements with other jurisdictions having comparable codes, standards and inspection requirements for the inspection of the construction, alteration or repair of modular homes, premanufactured homes and manufactured commercial units.

E. The division may, with the approval of the commission, establish qualifications for inspectors certified to inspect in more than one bureau's jurisdiction.

60-13-42. Authority of inspectors; limitation.

A. A state certified inspector may, during reasonable hours, enter any building or go upon any premises in the discharge of the inspector's official duties for the purpose of making an inspection of work performed or for the purpose of testing any installation authorized within the jurisdiction of the inspector's trade certification. The inspector may cut or disconnect, or have cut or disconnected in cases of emergency, an installation or device when necessary for safety to life or property or where the installation may interfere with the work of a fire department.

B. The inspector may disconnect or order the discontinuance of service to any installation, device, appliance or equipment found to be dangerous to life or property because it is defective or is incorrectly installed, until the installation, device, appliance or equipment is made safe and is approved by the inspector.

C. The inspector may order the correction of any defects or any incorrect installation that prompted the disconnection and discontinuance of service.

D. In all cases where disconnection is made, a notice shall be attached by the inspector to the installation, device, appliance or equipment disconnected, which notice shall state that the same has been disconnected by or on order of the inspector and the reason for the disconnection. It is unlawful for a person to remove the notice or to use the installation, device, appliance or equipment without authorization of an inspector.

E. The division shall by regulation adopt official inspection stickers or medallions for the purpose of identifying those modular homes and premanufactured homes that have been inspected and found to comply with all requirements of the state codes and standards. State inspection and acceptance for use of modular homes and premanufactured homes shall exclusively apply to the use and occupancy of such dwellings in the state and in any of its political subdivisions, subject to the requirements of local planning and zoning ordinances and ordinances requiring permits and inspections for foundations, electrical and mechanical hookups or other safety or sanitary requirements.

60-13-43. Qualification of municipal and county inspectors.

A. No person shall be employed by any municipality or county as an inspector unless he has first secured approval from the division of his competence as an inspector.

B. Trade bureaus shall issue to all approved municipal and county inspectors a certificate setting forth the fact of approval.

C. Certification by the division shall remain in effect unless rescinded by action of the commission.

D. Any complaint brought against a certified municipal or county inspector shall cause the director to assign an investigator to investigate the merits of the complaint and report to the commission within thirty days.

60-13-44. Trade bureaus; standards; conflicts.

A. The electrical bureau shall recommend to the commission minimum standards for the installation or use of electrical wiring. The recommendations shall substantially embody the applicable provisions of an electrical code for safety to life and property promulgated by a nationally recognized association and developed through an open, balanced consensus process.

B. The mechanical bureau shall recommend to the commission minimum standards for the installation of all fixtures, consumers' gas pipe, appliances and materials installed in the course of a mechanical installation. The recommendations shall be in substantial conformity with codes and standards that are developed through an open, balanced consensus process. Manufacturers may choose the independent certification organization they wish to certify their products if the certification organization is accredited by the American national standards institute or other accreditation organization selected by the commission.

C. The general construction bureau shall recommend to the commission minimum standards for the construction, alteration or repair of buildings, except for those activities within the jurisdiction of the electrical bureau or the mechanical bureau. The recommendations shall substantially embody the applicable provisions of a nationally recognized building code that is developed through an open, balanced consensus process and shall give due regard to physical, climatic and other conditions peculiar to New Mexico. The standards shall include the authority to permit or deny occupancy of existing and new buildings or structures and authority to accept or deny the use of materials manufactured within or without the state. The general construction bureau may set minimum fees or charges for conducting tests to verify claims or specifications of manufacturers.

D. The general construction bureau shall recommend to the commission additional specifications for any public building constructed in the state through expenditure of state, county or municipal funds, bonds and other revenues, which specifications shall embody standards making the building accessible to persons who have a physical disability, and the

specifications shall conform substantially with those contained in a nationally recognized standard for making public facilities accessible to persons with a physical disability that is developed through an open, balanced consensus process. All orders and rules recommended by the general construction bureau and adopted by the commission under the provisions of this section shall be printed and distributed to all licensed contractors, architects and engineers and to the governor's commission on disability. The orders and rules shall take effect on a date fixed by the commission, which shall not be less than thirty days after their adoption by the commission, and shall have the force of law.

E. The general construction bureau shall have the right of review of all specifications of public buildings and the responsibility to ensure compliance with the adopted standards.

F. All political subdivisions of the state are subject to the provisions of codes adopted and approved under the Construction Industries Licensing Act. Such codes constitute a minimum requirement for the codes of political subdivisions.

G. The trade bureaus within their respective jurisdictions shall recommend to the commission standards that are developed through an open, balanced consensus process for the installation or use of electrical wiring, the installation of all fixtures, consumers' gas pipe, appliances and materials installed in the course of mechanical installation and the construction, alteration or repair of all buildings intended for use by persons with a physical disability or persons requiring special facilities to accommodate the aged. The recommendations shall give due regard to physical, climatic and other conditions peculiar to New Mexico.

H. The trade bureaus within their respective jurisdictions shall recommend to the commission standards for the construction, alteration, repair, use or occupancy of manufactured commercial units, modular homes and premanufactured homes. The recommendations shall substantially embody the applicable provisions or standards for the safety to life, health, welfare and property approved by the nationally recognized standards association and developed through an open, balanced consensus process and shall give due regard to physical, climatic and other conditions peculiar to New Mexico. Wherever existing state codes or standards conflict with the codes and standards adopted by the commission under the provisions of this subsection, the provisions of the applicable New Mexico building codes adopted pursuant to the Construction Industries Licensing Act and the LPG and CNG Act [70-5-2 NMSA 1978] in effect at the applicable time shall exclusively apply and control, except for codes and standards for mobile housing units.

I. Modular homes and premanufactured homes in existence at the time of the effective date of the Construction Industries Licensing Act shall have their use or occupancy continued if such use or occupancy was legal on the effective date of that act, provided such continued use or occupancy is not dangerous to life. Any change in the use or occupancy or any major alteration or repair of a modular home or premanufactured home shall comply with all codes and standards adopted under the Construction Industries Licensing Act.

J. The commission shall review all recommendations made under the provisions of this section and shall by rule adopt standards and codes that substantially comply with the requirements of this section that apply to the recommendations of the trade bureaus.

60-13-45. Trade bureaus; permits.

A. The trade bureaus within their respective jurisdictions may require a permit to be secured and conspicuously posted prior to any construction, installation, alteration, repair or addition to or within any building, structure or premises. B. No permit shall be required for the performance of any of the following classes of work:

(1) minor repairs, replacement of lamps, the connection of portable electrical equipment to suitable receptacles which are permanently installed, minor repairs or replacement of or to faucets, taps or jets or connection of portable equipment to suitable connections or inlets which have been permanently installed;

(2) installation of temporary wiring for testing electrical equipment or apparatus or installation of temporary fixtures or devices for testing fixtures, equipment, apparatus or appliances;

(3) installation, alteration or repair of electrical equipment for the operation of signals or the transmission of intelligence by wire; and

(4) installation or work which is done after regular business hours or during a holiday when immediate action is imperative to safeguard life, health or property, provided the person making the installation or performing the work applies for a permit covering the installation or work not later than the next business day.

C. If a permit has been issued for construction of a new residential building, that residential building shall not be occupied until a certificate of occupancy has been issued certifying compliance with all codes and standards.

D. The commission shall make rules and regulations pertaining to the issuance of permits and the setting of reasonable fees to be paid by the applicant for a permit. The regulations shall provide a procedure for the issuance of permits outside the corporate limits of a municipality where inspection is made by a state inspector or a municipal inspector serving as a part-time state inspector and for inspections within a municipality where the inspection is done exclusively by a full-time state inspector. Each trade bureau by regulation may require a reasonable bond or surety in the penal sum of five hundred dollars (\$500) or more, but not to exceed fifteen hundred dollars (\$1,500), with such bureau named as obligee and conditioned for the payment of inspection fees provided in the Construction Industries Licensing Act [60-13-1] NMSA 1978]. Nothing in this section shall preclude municipalities from making inspections in accordance with the Construction Industries Licensing Act or rules and regulations pursuant to that act or from establishing a schedule of fees to be paid by an applicant for a permit.

E. In the event that the division assumes inspections of a municipal or county jurisdiction, the permit fees shall be paid directly to the division.

60-13-46. Trade bureaus; annual permits.

A. In lieu of an individual permit for each installation, alteration or repair, an annual permit shall be issued, upon application, to any person, commercial or industrial plant or enterprise, governmental agency or political subdivision of the state that regularly employs one or more certified journeymen for installation, alteration, maintenance or repair on premises owned or occupied by the applicant for the permit.

B. The application for an annual permit shall be in writing to the appropriate trade bureau in whose jurisdiction the work is to be done.

C. Annual permit holders shall keep a record of all work done under the annual permit, and the appropriate trade bureau or its authorized employees shall have access to the record.

D. A reasonable fee established by the division shall be paid for each annual permit at the time of issuance. Inspection fees shall be collected at the time of each regular inspection of

installations, alterations or repairs made under the annual permit. Fees received by a bureau under this subsection shall be remitted to the division.

E. Annual permits expire one year from their date of issuance.

60-13-47. Trade bureaus; connection to installation.

A. Except where work is done under an annual permit, no public utility shall make a connection from a supply of water or gas to an installation for which a permit is required, or which has been disconnected or ordered to be disconnected by the trade bureau having jurisdiction, without the authorization of the trade bureau having jurisdiction.

B. The public utility may make a connection from a supply of water or gas to an installation under the following circumstances:

(1) if within seven days after notification to the appropriate trade bureau of the completion of any work or installation the bureau has failed to approve or disapprove the connection; or

(2) if an installation or work is not located in any territory where there is an authorized inspector; provided, however, before any such connection is made by the public utility, the public utility must have received a written statement from the licensee declaring that the installation or work conforms with the provisions of the Construction Industries Licensing Act [60-13-1 NMSA 1978] and the orders, rules and regulations, codes and minimum standards made pursuant to that act. The public utility shall immediately report to the proper trade bureau the receipt and contents of the statement. If it is discovered by the trade bureau that the declaration made in the statement is false, the trade bureau shall order the licensee making the statement to rectify the defects within five days after receipt of the written notice thereof from the bureau.

C. No public or municipally owned electric utility shall make a connection from a supply of electricity for which a permit is required without the approval of the electrical bureau or its authorized representative. In the event of an emergency, the electrical contractor shall issue a prefinal permit to the serving utility authorizing the service to be reconnected. The electrical contractor shall report the emergency on the next working day to the electrical bureau or its authorized representative for inspection.

60-13-48. Repealed.

60-13-48.1. Financial statements; confidentiality.

No information from financial statements obtained from applicants for licenses or licensees for the division's use in determining responsibility or maintaining proof of responsibility for the future shall be released unless in statistical form and classified to prevent identification of particular applicants. Any employee of the division, any former employee of the division or any other person who reveals to another individual any information which he is prohibited from lawfully revealing by provision of this section is guilty of a misdemeanor and shall upon conviction be fined not more than one thousand dollars (\$1,000) or imprisoned not more than one year, or both, and shall not be employed by the state for a period of five years after the date of the conviction.

60-13-49. Proof of responsibility.

A. No applicant for a contractor's license or for renewal of a contractor's license shall be issued a license until the director determines that the applicant furnishes proof of responsibility pursuant to Subsection B of this section.

B. Proof of responsibility shall be a bond of ten thousand dollars (\$10,000) acceptable to the director and underwritten by a corporate surety authorized to transact business in New Mexico. Such bond shall meet the following conditions:

(1) payments from a bond required pursuant to this section shall only be used to cure code violations caused by a licensee, certified by the division and not corrected by the licensee. Claims against the bond shall be made within two years following final inspection by the governmental entity having jurisdiction over code enforcement or within two years of issuance of a certificate of occupancy for the construction project, whichever is earlier;

(2) the total aggregate liability of the surety for all claims shall be limited to the face amount of the bond;

(3) the bond carrier shall provide to the division and to the licensee thirty days' prior written notice of intent to cancel a bond required pursuant to this section. The surety for such a bond shall remain liable under the provisions of the bond for all obligations of the principal pertaining to bond terms that occur before the bond is canceled, expires or otherwise becomes ineffective;

(4) failure to maintain the bond for the period required by law is cause for revocation of the license; and

(5) if the bond is canceled, expires or otherwise becomes ineffective during the period of a license, the division shall notify the licensee that a new bond is required. If the licensee has not provided proof of a new bond before the fortieth day after the date on which the bond was canceled, expired or otherwise became ineffective, the license shall be subject to revocation for failure of proof of responsibility.

60-13-50. Repealed.

60-13-51. Contractor's bond; municipal requirement prohibited.

No municipality shall require any person or corporation licensed under the provisions of the Construction Industries Licensing Act [60-13-1 NMSA 1978] to file or obtain as a condition of doing business as a licensed contractor within the municipality any additional license bond as proof of responsibility if the person or corporation has met the responsibility requirements of the commission.

60-13-52. Penalty; misdemeanor.

A. Any person who acts in the capacity as a contractor within the meaning of the Construction Industries Licensing Act [60-13-1 NMSA 1978] without a license required by that act, and any person who holds himself out as a sales representative of a contractor which contractor is without a license as required by that act, is guilty of a misdemeanor, and upon conviction therefor the court shall:

(1) where the dollar value of the contracting work is five thousand dollars (\$5,000) or less, sentence the person to be imprisoned in the county jail for a term of ninety days or to the payment of a fine of not less than three hundred dollars (\$300) nor more than five hundred dollars (\$500), or to both such imprisonment and fine in the discretion of the court; and

(2) where the dollar value of the contracting work exceeds five thousand dollars (\$5,000), sentence the person to be imprisoned in the county jail for a term of six months or to the payment of a fine of ten percent of the dollar value of the contracting work, or to both such imprisonment and fine in the discretion of the court.

B. Any person who acts in the capacity as a journeyman within the meaning of the Construction Industries Licensing Act without holding a valid certificate of competence issued by the division is guilty of a misdemeanor, and upon conviction therefor the court shall sentence the person to be imprisoned in the county jail for a term of ninety days or to payment of a fine of not less than one hundred dollars (\$100) nor more than three hundred dollars (\$300), or to both such imprisonment and fine.

C. Any person who, after having been convicted and sentenced in accordance with the provisions of either Subsection A or Subsection B of this section, is again convicted pursuant to the provisions of this section shall be sentenced to twice the applicable penalty imposed by the provisions of this section.

D. In the case of a first conviction under this section, the court may impose a deferred sentence on the condition that the person comply with the provisions for licensure pursuant to Subsection D of <u>Section 60-13-14</u> NMSA 1978.

60-13-53. Commission or division; powers of injunction; mandamus.

The commission or division may enforce in the district court of the county in which the offense was committed the provisions of the Construction Industries Licensing Act [60-13-1 NMSA 1978] by injunction, mandamus or any proper legal proceeding.

60-13-54. Continuation of license.

Any person who, at the time of the passage and approval of the Construction Industries Licensing Act [60-13-1 NMSA 1978], is engaged in any occupation, trade or activity related thereto, pursuant to a valid license authorizing such acts and operations issued under laws repealed by this act and rules and regulations pursuant thereto, is entitled to continue such act and operations, and the license shall continue in effect until the expiration date thereof, subject in all cases to suspension or revocation as provided by the Construction Industries Licensing Act.

60-13-55. Continuation of construction codes and standards.

Any code and minimum standard related to the construction, alteration, installation or repair of a private or public building, or installation on public or private premises, in effect at the time of passage and approval of the Construction Industries Licensing Act [60-13-1] NMSA 1978] shall continue in effect until the commission and trade bureaus created by the Construction Industries Licensing Act amend or revise those codes and minimum standards pursuant to provisions of the Construction Industries Licensing Act.

60-13-56. Repealed.

60-13-57. Hearing officer authorized.

The commission may designate a hearing officer to preside over and take evidence at any hearing held pursuant to the Construction Industries Licensing Act [60-13-1 NMSA 1978]. Hearing officers may be employees or individuals hired outside the division by contract or on a case by case basis as determined by the commission.

60-13-58. Repealed.

60-13-59. Building permits; contents; display.

Every building permit or notice of permit required under the provisions of a building code shall:

A. clearly indicate the name and address of the owner of the property;

B. contain a legal description of the property being built upon, either by "lot and block" description in a subdivision, by street address in a municipality or by township, range and section numbers if outside a municipality or platted subdivision;

C. contain the name, address and license number of the general contractor, where applicable; and

D. be prominently displayed on the site where the construction or work is to be performed.
