MEMORANDUM

TO: Glenn Hoskinson  
Department of Commerce, Community, and Economic Development

FROM: April Simpson, Office of the Lieutenant Governor  
465.4081

DATE: July 9, 2021

RE: Filed Permanent Regulations: Department of Commerce, Community, and Economic Development

Department of Commerce, Community and Economic Development regulations re: licensing of, and bonding requirements for, professions related as construction contractors, including handyman contractors (12 AAC 21.010 - 12 AAC 21.160; 12 AAC 21.260(a)(1); 12 AAC 21.540; 12 AAC 21.600(a); 12 AAC 21.660 - 12 AAC 21.990)

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Attorney General File: 2021200101
Regulation Filed: 7/9/2021
Effective Date: 8/8/2021
Print: 239, October 2021

cc with enclosures:  
Harry Hale, Department of Law  
Leo Helmar, Department of Law  
Judy Herndon, LexisNexis  
Jun Miquéis, DCCED Regulations Specialist  
Sher Zinn, DCCED Regulations Specialist
ORDER ADOPTING CHANGES TO
REGULATIONS OF THE DEPARTMENT OF COMMERCE,
COMMUNITY, AND ECONOMIC DEVELOPMENT

The attached twenty-four pages of regulations, dealing with contractor licensing, bonding requirements, and clarification of outdated language, are adopted and certified to be a correct copy of the regulation changes that the Department of Commerce, Community, and Economic Development adopts under the authority of AS 08.01.080, AS 08.01.100, AS 08.18.011, AS 08.18.013, AS 08.18.021, AS 08.18.025, AS 08.18.031, AS 08.18.051, AS 08.18.071, AS 08.18.081, AS 08.18.101, AS 08.18.121, AS 08.18.171, and AS 44.33.020, and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

In considering public comments, the Department of Commerce, Community, and Economic Development paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

DATE: ____________________

Sara Chambers
Sara Chambers, Director
Division of Corporations, Business and Professional Licensing

FILING CERTIFICATION

I, Kevin Meyer, Lieutenant Governor for the State of Alaska, certify that on _______________, 2021 at ___________ p.m., I filed the attached regulations according to the provisions of AS 44.62.040 – 44.62.120.

Effective: ________________

Register: ________________
FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, KEVIN MEYER, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA, designate the following state employees to perform the Administrative Procedures Act filing functions of the Office of the Lieutenant Governor:

Josh Applebee, Chief of Staff
Kady Levale, Notary Administrator
April Simpson, Regulations and Initiatives Specialist

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on December 11th, 2018.

KEVIN MEYER
LIEUTENANT GOVERNOR
In accordance with AS 44.17.010, the authority and responsibility for adopting regulations, outside of the Alcohol and Marijuana Control Office (AMCO), but for the Division of Corporations, Business and Professional Licensing (CBPL), under the Alaska Administrative Procedure Act, is hereby delegated to:

Sara Chambers  
Division Director  
Division of Corporations, Business and Professional Licensing  
DCCED  
P.O. Box 110806  
Juneau, AK 99811-0806  
907-465-2536  
sara.chambers@alaska.gov

In accordance with AS 44.17.010, the authority and responsibility for adopting regulations of the Alcohol and Marijuana Control Office, under the Alaska Administrative Procedure Act, is hereby delegated to:

Amy Demboski  
Assistant Commissioner  
DCCED  
550 West Seventh Avenue, Suite 1535  
Anchorage, AK 99501  
907-269-8100  
amy.demboski@alaska.gov

This Delegation of Authority will remain in effect until modified or revoked by a subsequent delegation. This Delegation supersedes and revokes all delegations preceding it.

Dated the 30th day of October 2019

Julie Anderson  
Commissioner  
Department of Commerce, Community, and Economic Development
12 AAC 21.010 is repealed:

**12 AAC 21.010. Joint venture agreement.** Repealed. (Eff. 7/2/77, Register 62; repealed 8/8/2021, Register 239)

12 AAC 21.020 is repealed and to readopted to read:

**12 AAC 21.020. Application for registration as a construction contractor.** (a) An applicant for registration as a construction contractor must submit

1. a complete application on a form provided by the department;
2. the applicable fees established in 12 AAC 02.180;
3. if applicable, evidence of workers' compensation insurance as required under AS 08.18.101;
4. evidence of public liability and property damage insurance as required under AS 08.18.101;
5. evidence of bonding as required under AS 08.18.071 by submitting either
   A. a surety bond on a form provided by the department, and the surety's power of attorney; or
   B. a negotiable security as described in 12 AAC 21.090.

(b) The application submitted under (a)(1) of this section must be the current form provided by the department.

c) For purposes of (a)(1) of this section, only an individual who is an authorized officer, manager, or member of a corporation or limited liability company, or general partner of a limited partnership, may complete and sign a contractor registration application for an entity. (Eff.
The introductory language of 12 AAC 21.040(a) is amended to read:

(a) If the **business** name under which a contractor is registered requires change, the contractor shall [RETURN THE CERTIFICATE OF REGISTRATION UNDER THE OLD NAME TO THE DEPARTMENT FOR CANCELLATION AND SHALL] submit

...
evidence of current bonding and insurance. If the registration has lapsed, the registration may be
reinstated not later than five years after the expiration date of the registration by submitting the
items required under 12 AAC 21.070 for renewal or reinstatement. (Eff.1/21/2004, Register 169;
am \textit{8/8/2021}, Register 239)

\textbf{Authority:} \ AS 08.01.080 \ AS 08.18.021 \ AS 08.18.051

12 AAC 21.045(a)(5) is amended to read:

\begin{quote}
(5) if applicable, \textbf{evidence of} workers' compensation insurance as required under
AS 08.18.101.
\end{quote}

12 AAC 21.045(b)(5) is amended to read:

\begin{quote}
(5) if applicable, \textbf{evidence of} workers' compensation insurance as required under
AS 08.18.101. (Eff. 4/3/88, Register 105; am 1/22/2004, Register 169; am \textit{8/8/2021},
Register 239)
\end{quote}

\textbf{Authority:} \ AS 08.01.080 \ AS 08.18.051 \ AS 08.18.101
\ AS 08.18.021 \ AS 08.18.071 \ AS 44.33.020

The introductory language of 12 AAC 21.050 is amended to read:

\textbf{12 AAC 21.050. Changing sole proprietorship or partnership to a corporation or other entity [INCORPORATION]. (a)} A registered contractor that is a sole proprietorship or partnership that forms a corporation, \textit{limited liability company, limited partnership, limited liability partnership, or other entity}, for the purpose of engaging in the contracting business
must apply for a new registration under this section. The **entity** [CORPORATION] must submit ...

12 AAC 21.050 is amended by adding a new subsection to read:

(b) A contractor registration may be issued only to a single entity in good standing. (Eff. 7/2/77, Register 62; am 1/22/2004, Register 169; am _8/8/2021_, Register 234)

**Authority:**

<table>
<thead>
<tr>
<th>AS 08.18.011</th>
<th>[AS 08.18.101]</th>
<th><strong>AS 08.18.101</strong></th>
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<tr>
<td><strong>AS 08.18.021</strong></td>
<td>[AS 08.18.021]</td>
<td><strong>AS 44.33.020</strong></td>
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<tr>
<td>AS 08.18.051</td>
<td>AS 08.18.071</td>
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12 AAC 21.070 is repealed and readopted to read:

**12 AAC 21.070. Renewal; lapsed registration.** (a) An applicant for renewal or reinstatement of a contractor registration shall submit

(1) a complete renewal application on a form provided by the department;

(2) the registration renewal and license enforcement support fee required under 12 AAC 02.180;

(3) evidence of current bonding as required by AS 08.18.071;

(4) evidence of current public liability and property damage insurance as required under AS 08.18.101; and

(5) if applicable, evidence of workers' compensation insurance as required under AS 08.18.101.

(b) The department may require evidence of current bonding and insurance issued not
12 AAC 21 is amended by adding a new section to read:

12 AAC 21.075. Changing handyman, specialty, or mechanical contractor registration. A registered handyman, specialty, or mechanical contractor that is changing to another category, or a specialty contractor changing to another specialty, must apply for the change of registration under this section. The contractor must submit

(1) a complete application on a form provided by the department;

(2) the applicable fee established in 12 AAC 02.180;

(3) either a new surety bond or an endorsement to the surety bond on file with the department, as required under AS 08.18.071;

(4) evidence of current public liability and property damage insurance as required under AS 08.18.101; and

(5) if applicable, evidence of workers' compensation insurance as required under AS 08.18.101. (Eff. 9/8/2021, Register 239)

Authority: AS 08.01.080 AS 08.18.051 AS 08.18.101
AS 08.18.021 AS 08.18.071 AS 44.33.020

The introductory language of 12 AAC 21.080 is amended to read:

12 AAC 21.080. Changing from handyman, specialty, or mechanical contractor to
general contractor. A registered handyman, specialty, or mechanical contractor that is changing to a general contractor must apply for the change in registration under this section. The contractor must submit

...
12 AAC 21.090 is amended to read:

12 AAC 21.090. Negotiable security in place of surety bond. (a) When a negotiable security is filed with the commissioner in place of or in addition to the bond as provided in AS 08.18.071(c) [AS 08.18.071(b)], the owner of the security shall execute an assignment of the security to the state which is attached to and becomes a part of the security.

(b) The following negotiable securities are acceptable for the purposes of AS 08.18.071(c) [AS 08.18.071(b)]:

(1) for a mechanical or specialty contractor, a time certificate of deposit in the face amount of $10,000, or the amount necessary to bring the total bond amount to $10,000, [§5,000] issued by a bank or trust company authorized to do business in the state [ALASKA], and meeting the requirements of 12 AAC 21.120; [AND]

(2) for a general contractor, a time certificate of deposit in the face amount of $25,000, or the amount necessary to bring the total bond amount to $25,000, [§10,000] issued by a bank or trust company authorized to do business in the state [ALASKA], and meeting the requirements of 12 AAC 21.120;

(3) for a general contractor with a residential endorsement, who performs exclusively residential work, a time certificate of deposit in the face amount of $20,000, or the amount necessary to bring the total bond amount to $20,000, issued by a bank or trust
company authorized to do business in the state, and meeting the requirements of 12 AAC 21.120; and

(4) for a handyman contractor, a time certificate of deposit in the face amount of $5,000, issued by a bank or trust company authorized to do business in the state, and meeting the requirements of 12 AAC 21.120.

(c) Negotiable securities other than those listed in this section, filed for the purposes of AS 08.18.071(c) [AS 08.18.071(b)], will be considered on a case-by-case basis.

(d) The assignment required under (a) of this section must be on a form provided by the department.

(e) When either cash or a negotiable security filed in accordance with this section and AS 08.18.071(c) [AS 08.18.071(b)] is accepted by the commissioner in the place of the surety bond required by AS 08.18.071, it shall remain filed with and pledged to the state for the purposes of AS 08.18.071 for a period of three years after the

(1) [THE] effective date of a surety bond in like amount written in compliance with AS 08.18.071;

(2) [THE] lapse without reinstatement of the certificate of registration; [OR]

(3) surrender, [THE] suspension, or revocation, without reinstatement of the certificate of registration; or

(4) contractor files a notarized statement notifying the department that the contractor is no longer doing business as a contractor in the state.

(Eff. 7/2/77, Register 62; am 4/3/88, Register 105; am 6/6/2021, Register 234)

Authority: AS 08.01.080 AS 08.18.071
12 AAC 21.110 is repealed and readopted to read:

**12 AAC 21.110. Prohibitions.** (a) A registered specialty contractor may not undertake, offer to perform, claim to have the capacity to perform, or submit a bid for, a project that requires the use of a trade for which the contractor is not actively registered.

(b) A business or individual may not perform, advertise, or claim to have the capacity to perform construction contracting services without a corresponding active contractor registration.

(c) A business or individual who is not actively registered as a contractor may not use the following terms, or other letters, words, or insignia, to describe the business or individual as performing, advertising, or claiming to have the capacity to perform the corresponding construction contracting services:

1. "builder";
2. "contractor";
3. "general contractor";
4. "mechanical contractor";
5. "residential contractor";
6. "specialty contractor";
7. "handyman."

(d) The department may refuse to issue a registration with a "doing business as" name or owning entity name that includes "electrical," "mechanical," "plumbing," or "heating" if the registration does not have the appropriate licensed administrator assigned. (Eff. 7/2/77, Register 62; am 8/8/2021, Register 239.)

**Authority:** AS 08.18.011 AS 08.18.171 AS 44.33.020
The introductory language of 12 AAC 21.120(a) is amended to read:

**12 AAC 21.120. Cash deposits instead of bond.** (a) A certificate of deposit or other negotiable instrument filed with the commissioner instead of **or in addition to** a **surety** bond must

\[ \ldots \]

12 AAC 21.120(b) is repealed:

(b) Repealed **8/8/2021**. (Eff. 5/2/81, Register 78; am 4/3/88, Register 105; am 10/15/2000, Register 156; am **8/8/2021**, Register **239**)

**Authority:** AS 08.18.011 AS 08.18.171 AS 44.33.020

12 AAC 21.130(a) is amended to read:

**12 AAC 21.130. Claims against cash deposits.** (a) If a contractor files a cash deposit instead of **or in addition to** a surety bond under **AS 08.18.071(c)** [AS 08.18.071(b)], a person having a claim against the contractor for any of the items referred to in AS 08.18.071 may file a claim against the cash deposit by mailing a copy of the complaint against the contractor to the commissioner by registered or certified mail at the time suit is filed. The commissioner will maintain a record, available for public inspection, of all complaints received.
12 AAC 21.130(b) is amended to read:

(b) To assure adequate notice to the commissioner and other claimants, the complaint must specify to [FOR] which of the items referred to in AS 08.18.071 the claim pertains [ARISES] and when the claim arose.

12 AAC 21.130(c) is amended to read:

(c) To assure adequate notice to the claimants, the court, and the commissioner, the complaint must specify the complete business name of the contractor, and the number of, or receipt number for, the cash deposit from which a final judgment is sought.

12 AAC 21.130(g) is repealed:

(g) Repealed 8/8/2021. (Eff. 5/2/81, Register 78; am 8/8/2021, Register 239)

Authority: AS 08.18.071 AS 08.18.081 AS 44.33.020

12 AAC 21.140(a) is amended to read:

12 AAC 21.140. Payment of claims against a cash deposit. (a) A claimant who obtains final judgment against a contractor may submit [TENDER] to the commissioner an original or a certified copy of the final judgment with the request that payment be made upon the judgment from the proceeds of the cash deposit.
12 AAC 21.140(b) is amended to read:

(b) To be paid from the cash deposit, a final judgment must be a judgment against the cash deposit. A judgment will be considered to be one against the cash deposit under AS 08.18.081(b) if it is rendered on a claim for one of the items specified in AS 08.18.071, and [EITHER THE COMPLAINT OR] the final judgment identifies the cash deposit as the source of payment of the claim.

The introductory language of 12 AAC 21.140(d) is amended to read:

(d) If other claims are pending at the time the commissioner receives the first final judgment on a pending claim against a contractor [OTHER CLAIMS ARE PENDING], the commissioner will [IMMEDIATELY] disburse the proceeds of the cash deposit to satisfy that judgment only if

... 

The introductory language of 12 AAC 21.140(f) is amended to read:

(f) If a person, making a claim that [WHICH] has lower priority than other pending claims submits a final judgment and the other pending claims of higher priority are not resolved by judgment or settlement or by being withdrawn, the person who has reduced the [HIS OR HER] claim to judgment may establish a presumption of failure to prosecute the other claims. That presumption may be established by filing with the commissioner

...
12 AAC 21.140(f)(2) is amended to read:

(2) proof that the person [HE OR SHE] has mailed a copy of the request by certified mail to the last known address of the claimant [!] or attorney when the claimant is represented [!] with higher priority.

12 AAC 21.140(g) is amended to read:

(g) The commissioner will place a copy of a request submitted under (f) of this section in the file open for public inspection. If the claimant named in the request [AS PRESUMED NOT TO BE PROSECUTING HIS OR HER CLAIM] does not notify the commissioner within 60 days after the request is placed in the file that the claimant [HE OR SHE] is still pursuing the [HIS OR HER] claim against the contractor, the commissioner may [WILL, IN HIS DISCRETION,] disburse the proceeds of the cash deposit according to the procedures set out in this section.

(Eff. 5/2/81, Register 78; am 9/8/2021, Register 234)

Authority: AS 08.18.071 AS 08.18.081 AS 44.33.020

12 AAC 21.160 is amended to read:

12 AAC 21.160. Violation of bonding or insurance requirements. (a) If a contractor's bonding or insurance has been cancelled, reduced by judgment, or is no longer in effect for any reason, and it is not reinstated within 20 days after the department gives the contractor a written warning, the department may [WILL, IN ITS DISCRETION,] give the contractor written notice under AS 08.18.121(f) prohibiting further action as a contractor until submission of evidence
acceptable to the department showing that the violation of the bonding or insurance requirements of AS 08.18.071 or 08.18.101 has been corrected. Both the written demand and the deactivation notice will be sent to the contractor's current address under 12 AAC 02.900. Upon delivery or a documented attempt to deliver a deactivation notice under AS 08.18.121(f) and this subsection to the current address of a contractor, the contractor shall immediately stop all work as a contractor. The possible consequences of failure to stop all work include citation under AS 08.18.117, injunction and civil penalty under AS 08.18.131, and criminal prosecution under AS 08.18.141.

(b) In addition to a deactivation notice under AS 08.18.121(f) and (a) of this section, the department may [WILL, IN ITS DISCRETION], under AS 08.18.121(a) - (e), institute proceedings to revoke or suspend the registration of a contractor whose bonding or insurance required by AS 08.18.071 and 08.18.101 is no longer in effect. The department may [WILL] also [IN ITS DISCRETION] deny the renewal of the contractor's registration. Revocation, suspension, and denial of renewal of contractor's registration are covered by the Administrative Procedure Act (AS 44.62). [(AS 44.62.)] The department may [WILL] also [IN ITS DISCRETION] issue a cease and desist order under AS 08.01.087(b)(1), issue a citation under AS 08.18.117, institute an action for an injunction under AS 08.18.131, seek criminal prosecution under AS 08.18.141, deny renewal of registration, or any combination of these actions. (Eff. 4/3/88, Register 105; am 8/8/2021, Register 239)

**Authority:** AS 08.01.080    AS 08.18.071    AS 08.18.121

12 AAC 21.260(a)(1) is amended to read:

(1) **communications** [TELEPHONE] wiring and equipment;
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(Eff. 7/26/90, Register 115; am 8/6/2021, Register 239)

Authority: AS 08.01.080 AS 08.18.071 AS 44.33.020
AS 08.18.021 [AS 08.18.171(8)]

12 AAC 21.540 is amended to read:

12 AAC 21.540. Water and sewer contractor. A water and sewer contractor installs water lines, septic tanks, and sanitary, storm, or drain sewer lines more than five feet from a building. A mechanical contractor registration under AS 08.18.028 is required before a person may install water lines, septic tanks, or sanitary, storm, or drain sewer lines five feet or less from a building, or perform work covered by a plumbing or mechanical code identified in AS 08.18.171. (Eff. 7/26/90, Register 115; am 8/6/2021, Register 239)

Authority: AS 08.01.080 AS 08.18.071 AS 44.33.020
AS 08.18.021

12 AAC 21.600(a) is amended to read:

(a) A mechanical contractor, as defined in AS 08.18.171, is registered under AS 08.18.028 and is subject to that section's requirement regarding mechanical administrator licensure. Unless specifically exempted under AS 08.40.390, a mechanical contractor must be registered as, or employ, a mechanical administrator licensed under AS 08.40 and 12 AAC 39. The mechanical contractor may only submit bids for, or work on, projects for which the contractor has a licensed mechanical administrator assigned to the contractor registration. The mechanical administrator must be licensed under 12 AAC 39 in the category for which the
contractor submits bids for, or works on, projects.

(Eff. 7/26/90, Register 115; am 1/22/2004, Register 169; am 8/8/2021, Register 239)

Authority: AS 08.01.080 AS 08.18.021 AS 08.18.171
            AS 08.18.013 AS 08.18.028 AS 44.33.020

The introductory language of 12 AAC 21.660(b) is amended to read:

(b) A continuing competency activity approved by one of the following organizations is approved by the department, without additional action, if the organization submits [THE INFORMATION REQUIRED BY (c)(2) OF THIS SECTION AND] verification that the activity meets the requirements of (a) of this section:

...  

12 AAC 21.660(b)(6) is amended to read:

(6) the Cold Climate Housing Research Center [ALASKA BUILDING SCIENCE NETWORK];

(Eff. 11/12/94, Register 132; am 10/15/2000, Register 156; am 8/8/2021, Register 239)

Authority: AS 08.01.080 AS 08.18.025

12 AAC 21.663(3) is repealed:

(3) repealed 8/8/2021;

(Eff. 10/15/2000, Register 156; am 8/8/2021, Register 239)
12 AAC 21.665(a)(4)(A) is amended to read:

(A) recommended by the organization [SUBMITTING THE INFORMATION REQUIRED BY 12 AAC 21.660(c)(1) - (7)] if the course is approved under 12 AAC 21.660(b); or

12 AAC 21.665(b) is amended to read:

(b) The department will award a residential endorsement holder contact hours for completion of

(1) [ONE NEW HOME PER LICENSING PERIOD FOR A LICENSING PERIOD THAT BEGINS BEFORE JANUARY 1, 2003, IF THE HOME IS ASSIGNED AN ENERGY RATING OF "FOUR-STAR" OR HIGHER BY AN ENERGY RATER CERTIFICATED UNDER AND USING THE ENERGY RATED HOMES OF ALASKA PROGRAM ESTABLISHED UNDER 15 AAC 155.510 - 15 AAC 155.560; THE DEPARTMENT WILL AWARD CONTACT HOURS UNDER THIS PARAGRAPH AS FOLLOWS:

(A) FOR A "FOUR-STAR" HOME, FOUR CONTACT HOURS;
(B) FOR A "FOUR-STAR PLUS" HOME, EIGHT CONTACT HOURS;
(C) FOR A "FIVE-STAR" HOME, TEN CONTACT HOURS;
(D) FOR A "FIVE-STAR PLUS" HOME, TWELVE CONTACT HOURS;
(2) one new home per licensing period for a licensing period that begins before January 1, 2021 [AFTER JANUARY 1, 2003], if the home is assigned an energy rating of "four-star plus" or higher by an energy rater authorized [CERTIFICATED] under and using the Alaska Home Energy Rating System [ENERGY RATED HOMES OF ALASKA PROGRAM] established under 15 AAC 155.510 - 15 AAC 155.560; the department will award contact hours under this paragraph as follows:

(A) for a "four-star plus" home, four contact hours;

(B) for a "five-star" home, six contact hours;

(C) for a "five-star plus" home, eight contact hours; [OR]

(2) one new home per licensing period for a licensing period that begins on or after January 1, 2021, if the home is assigned an energy rating of "five-star" or higher by an energy rater authorized under and using the Alaska Home Energy Rating System established under 15 AAC 155.510 - 15 AAC 155.560; the department will award contact hours under this paragraph as follows:

(A) for a "five-star" home, four contact hours;

(B) for a "five-star plus" home, six contact hours;

(C) for a "six-star" home, eight contact hours; or

(3) one remodel of an existing home per licensing period, if the remodel increases, by at least a half star, the energy rating assigned to the home by an energy rater authorized [CERTIFICATED] under and using the Alaska Home Energy Rating System [ENERGY RATED HOMES OF ALASKA PROGRAM] established under 15 AAC 155.510 - 15 AAC 155.560; the department will award one contact hour for each half-star rating increase
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obtained on a remodel.

(Eff. 10/15/2000, Register 156; am 8/8/2021, Register 239)

**Authority:** AS 08.01.080 AS 08.18.025

12 AAC 21.680(1) is amended to read:

(1) a **complete** [COMPLETED] application on a form provided by the department, including the name of the registered general contractor to whom the endorsement will be assigned;

12 AAC 21.680(2) is amended to read:

(2) the applicable fees [FEE] established in 12 AAC 02.180;

12 AAC 21.680(3) is amended to read:

(3) verification that the applicant has obtained, within the 12 months immediately preceding the date of the application, a score of at least 70 percent on the residential contractor **endorsement** examination administered by **PSI Services, LLC** [EXPERIOR ASSESSMENTS, LLC] or other examination approved by the department; and

(Eff. 12/28/97, Register 144; am 10/15/2000, Register 156; am 1/22/2004, Register 169; am 8/8/2021, Register 239)

**Authority:** AS 08.01.080 AS 08.18.013 AS 08.18.025

**Editor's note:** Information on the residential contractor **endorsement** examination
12 AAC 21.690(b) is amended to read:

(b) If a general contractor is registered with the department as a

1. sole proprietorship, the residential endorsement holder must be the sole proprietor;

2. partnership, the residential endorsement holder must be one of the partners;

[OR]

3. corporation, the residential endorsement holder must be an employee of the corporation, an authorized [A] member of the corporation's board of directors, or an officer of the corporation; or

4. limited liability company, the residential endorsement holder must be an employee or an authorized member of the limited liability company.

(Eff. 10/15/2000, Register 156; am 8/8/2021, Register 239)

Authority: AS 08.18.025

The introductory language of 12 AAC 21.695(a) is amended to read:

(a) The department will renew a residential contractor endorsement that has been lapsed
for more than 30 days but not more than two years [OR LESS] if the applicant for renewal submits

... 

12 AAC 21.695(b)(3) is amended to read:

(3) verification that the applicant has obtained, within the 12 months immediately preceding the date of the application for reinstatement, a score of at least 70 percent on the residential contractor endorsement examination administered by PSI Services, LLC [EXPERIOR ASSESSMENTS, LLC] or other examination approved by the department.

(Eff. 1/22/2004, Register 169; am 8/8/2021, Register 239)

Authority: AS 08.01.080 AS 08.18.013 AS 08.18.025 AS 08.01.100

Editor's note: Information on the residential contractor endorsement examination referred to in 12 AAC 21.695 [12 AAC 21.680] may be obtained from PSI Services, LLC, 3210 East Tropicana Avenue, Las Vegas, Nevada 89121 [EXPERIOR ASSESSMENTS, LLC, 2100 NW 53RD AVENUE, GAINESVILLE, FLORIDA 32653;] telephone: (800) 733-9267 [(800) 280-3926]; e-mail: examschedule@psionline.com; website: www.psionline.com [WWW.EXPERIORONLINE.COM].

12 AAC 21 is amended by adding a new section to read:

Article 5. Handyman Contractor.
Section

700. Handyman contractor

12 AAC 21.700. Handyman contractor. A contractor doing business as described in AS 08.18.071(b)(4), may apply for registration as a handyman contractor. A holder of a handyman contractor registration may

(1) only submit bids for or work on projects within the scope of a contractor;

(2) not perform or employ a person to perform activities requiring an electrical or mechanical administrator under AS 08.40; and

(3) not perform or employ a person to perform activities requiring a residential contractor endorsement under AS 08.18.025. (Eff. 8/8/2021, Register 239)

Authority: AS 08.18.011 AS 08.18.013 AS 44.33.020

12 AAC 21.990 is repealed and readopted to read:

Article 6 [5]. General Provisions.

Section

990. Definitions

12 AAC 21.990. Definitions. Unless the context requires otherwise, in this chapter and for the purposes of AS 08.18,

(1) "cash deposit" includes negotiable securities filed with the commissioner under AS 08.18.071(c);
(2) "commissioner" means the commissioner of commerce, community, and economic development;

(3) "communications" means a system for transmitting or exchanging information, including telephones and computers;

(4) "construction contracting services" means the provision, as part of a construction contract agreement and for monetary compensation, of services and oversight for constructing or for the acts in any manner of a contractor;

(5) "contractor" has the meaning given in AS 08.18.171;

(6) "department" means the Department of Commerce, Community, and Economic Development;

(7) "entity" has the meaning given in AS 10.55.901;

(8) "joint venture" means an association of two or more persons to carry out construction projects for profit, for which purpose the persons combine their property, money, efforts, skill, and knowledge;

(9) "negotiable security" means any written security that may be transferred by endorsement and delivery or by delivery only, so as to vest in the transferee the right to demand payment of the full value stated on the face of the security, and includes time certificates of deposit, bonds issued by governmental agencies and other similar instruments;

(10) "partnership" means a legal form of business ownership organized under AS 32 between two or more natural persons;

(11) "person" means an individual, a sole proprietor, a partnership, a corporation, a limited liability company, limited liability partnership, or limited partnership;
(12) "Uniform Mechanical Code" has the meaning given in 12 AAC 39.992(b).

(Eff. 7/2/77, Register 62; am 1/19/2002, Register 161; am 6/6/2021, Register 239)

Authority: AS 44.33.020