



**MONTANA
ADMINISTRATIVE
REGISTER**



DEPARTMENT OF LABOR AND INDUSTRY

NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2025-209.1

Summary

Adopting rules for construction contractor licensing

Hearing Date and Time

Tuesday, December 2, 2025, at 9:00 a.m.

Virtual Hearing Information

A public hearing will be held via remote conferencing to consider the proposed changes to the agency's rules. There will be no in-person hearing. Interested parties may access the remote conferencing platform in the following ways:

Join Zoom Meeting: <https://mt-gov.zoom.us/j/85270123331>

Meeting ID: 852 7012 3331; Password: 4430127362

Dial by Telephone: +1 646 558 8656

Meeting ID: 852 7012 3331; Password: 4430127362

Comments

Concerned persons may present their data, views, or arguments at the hearing. Written data, views, or arguments may also be submitted at dli.mt.gov/rules or P.O. Box 1728, Helena, Montana 59624. Comments must be received by Friday, December 5, 2025, at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by Tuesday, November 25, 2025, at 5:00 p.m.

Contact

Department of Labor and Industry
(406) 444-5466
laborlegal@mt.gov
Montana Relay: 711

General Reasonable Necessity Statement

For many years, construction contractor registration has required those engaged in construction to register with the Department of Labor and Industry (department). In 2025, House Bill (HB) 239 established licensure of construction contractors and placed the license within Title 37, MCA. Licensing, and the establishment of unprofessional conduct standards and enforcement, provides for public safety by limiting the ability of bad actors to continue to engage in the profession. This rulemaking is reasonably necessary to repeal the current rules for construction contractor registration in favor of new rules for the license.

Rulemaking Actions

ADOPT

The rules proposed to be adopted are as follows:

NEW RULE 1 (24.227.401) FEES

- (1) Application and renewal fee - \$70

Authorizing statute(s): [HB 239, Section 3]

Implementing statute(s): [HB 239, Section 6]

Reasonable Necessity Statement

This rule is reasonably necessary to set forth the fee requirements for construction contractor licensing. Fees are required to be commensurate with costs of operating the program. See 37-1-101, MCA.

NEW RULE 2 (24.227.403) APPLICATIONS

- (1) Applicants for licensure must submit a complete application form provided by the department, including all required fees and documentation.

Authorizing statute(s): [HB 239, Section 3]

Implementing statute(s): [HB 239, Section 3, Section 4]

Reasonable Necessity Statement

There is reasonable necessity to adopt this rule to clarify that the form of applications for a construction contractor license is governed by the department. Only those applications submitted on the department's form, and including all information requested on the form, will be accepted.

NEW RULE 3 (24.227.2301) UNPROFESSIONAL CONDUCT

- (1) In addition to other conduct specified by law, the following is unprofessional conduct:
 - (a) failing to notify the department within 30 days of:
 - (i) any change to ownership or change in business name of the construction contractor business; and
 - (ii) any change in business officers, members, or partners which has been or must be reported in filings with the Secretary of State;
 - (b) violating a federal, state, or local law or rule relating to the conduct of the profession or occupation; and
 - (c) engaging a person to perform work for which the person is not licensed.

Authorizing statute(s): [HB 239, Section 3]

Implementing statute(s): [HB 239, Section 4, Section 7]

Reasonable Necessity Statement

This rule is reasonably necessary to establish standards for unprofessional conduct in line with those currently in place for construction contractor registrants and to implement the department's obligation to adopt applicable unprofessional conduct standards. Specifically, (1)(a) recodifies the current requirements of ARM 24.33.142 regarding ownership of the construction contractor business. As has been required, licensees are required to notify the department of changes in ownership or business name as well as any change in the officers of the business. This ensures clarity for purposes of disciplinary actions which may be necessary. 30 days was selected as the notification timeline in alignment with HB 276 (2025) for notifications of changes in address. Because of HB 276, rule requirements for notification of contact information changes are not necessary, as were set forth in ARM 24.33.142. Subsection (1)(b) is reasonably necessary to clarify that construction contractor licensees, like all licensees, are required to follow the laws relating to their profession. In particular, this provides clarity that the use of a license to violate the law is not permissible. Subsection (1)(c) is reasonably necessary because contractors are in the best position to understand that their employees and subcontractors are required to have applicable licenses to perform certain types of work. As such, failing to ensure appropriate licensure violates standards applicable to the profession.

REPEAL

The rules proposed to be repealed are as follows:

24.33.121 CONSTRUCTION CONTRACTOR APPLICATIONS AND FEES

Authorizing statute(s): 39-9-103, MCA

Implementing statute(s): 39-9-206, MCA

Reasonable Necessity Statement

There is reasonable necessity to repeal this rule. Fees are proposed to be set forth in the simplified NEW RULE 2. The remainder of the rule is not necessary because application rules are governed by Title 37, MCA, for all license types or merely sets forth business process, which need not be specified in rule.

24.33.135 SUSPENSION OF CONSTRUCTION CONTRACTOR REGISTRATION

Authorizing statute(s): 39-9-103, MCA

Implementing statute(s): 39-9-204, 39-9-301, 39-9-401, MCA

Reasonable Necessity Statement

There is reasonable necessity to repeal this rule in favor of NEW RULE 3, which sets forth unprofessional conduct requirements for construction contractor licensees as well as for the provisions of HB 239, Section 7, also setting forth unprofessional conduct requirements.

24.33.142 REPORTING CERTIFICATE CHANGES

Authorizing statute(s): 39-9-103, MCA

Implementing statute(s): 39-9-201, 39-9-206, 39-9-301, 39-9-303, MCA

Reasonable Necessity Statement

There is reasonable necessity to repeal this rule because address reporting requirements are set forth statutorily. See HB 276, Section 1. The remaining substance is proposed to be incorporated in NEW RULE 3, UNPROFESSIONAL CONDUCT.

24.33.151 CERTIFICATES OF REGISTRATION

Authorizing statute(s): 39-9-103, MCA

Implementing statute(s): 39-9-204, MCA

Reasonable Necessity Statement

There is reasonable necessity to repeal this rule because the licensing statute does not expressly provide for differing license types based on employment status. All construction contractors are required to abide by the laws applicable to them, including without limitation, unemployment insurance and workers' compensation.

Small Business Impact

This rulemaking is expected directly to impact small business defined statutorily as construction contractors. There are approximately 12,800 construction contractor registrants currently. However, the rulemaking does not create an impact beyond that expressly generated through HB 239. Nonetheless, this rulemaking sets forth the specific application and notification

requirements for construction contractors as well as unprofessional conduct standards beyond, but in line with, those specified in statute. Moreover, the department does not propose by this rulemaking to adopt a new fee or to increase or decrease the fee to obtain or renew a construction contractor license.

Bill Sponsor Notification

The primary bill sponsor was contacted by e-mail on May 30, 2025.

Interested Persons

The agency maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by the agency. Persons wishing to have their name added to the list may sign up at dli.mt.gov/rules or by sending a letter to P.O. Box 1728, Helena, Montana 59624 and indicating the program or programs about which they wish to receive notices.

Rule Reviewer

Quinlan L. O'Connor

Approval

Sarah Swanson, Commissioner