

Licensing Reform Task Force

Construction Subcommittee

TRADES-RELATED LICENSING QUALIFICATIONS, BARRIERS TO ENTRY, AND POLICY OPTIONS

This memorandum identifies Montana licensing-qualification statutes for trades-related occupations regulated by or associated with the Department of Labor & Industry (DLI), compares Montana's qualification structure with representative peer-state approaches, and identifies policy options for legislative consideration.

The trades-related occupations reviewed include the following:

- Boiler Operators & Engineers
- Construction Blaster
- Construction Contractor
- Crane/Hoisting Operator
- Elevator Contractor, Elevator Mechanic, and Elevator Inspector
- Fire Protection Business Entity and Individual Endorsements
- Fireworks Wholesaler
- Home Inspector
- Electrical Contractor, Journeyman Electrician, Master Electrician, and Residential Electrician
- Journeyman Plumber, Master Plumber, and Medical Gas Plumber Endorsement

These occupations are regulated through a combination of Title 37 and Title 50, MCA, rather than through a single licensing chapter.

The principal policy issue for the Construction Subcommittee is how to preserve public health and safety in high-risk trades while reducing administrative burdens that delay entry, duplicate private or national credentials, or limit workforce availability in rural and high-demand areas. Because several construction-related occupations are safety-sensitive, the question is not whether all licensing should be eliminated. Rather, the issue is whether each qualification requirement is **necessary, proportionate, portable, and administratively efficient.**

Montana Statutory Framework

The following table identifies the principal Montana Code Annotated frameworks that should be included in the Construction Subcommittee’s statutory review.

Occupation / License Category	Principal MCA Framework	Regulating Entity	Qualification Issues for Review
Boiler Operators & Engineers	Title 50, ch. 74, MCA	DLI Boiler Operator Program	Class-specific experience, examinations, boiler pressure/type limitations, exemptions, inspection relationship, renewal, outdated classifications.
Construction Blasters	Title 37, ch. 72, MCA	DLI Construction Blaster Program	Explosives-safety training, experience, examination, federal compliance overlap, insurance/security requirements, renewal, discipline.
Construction Contractors	Title 37, ch. 45, MCA	DLI Construction Contractor Program	Application, workers’ compensation coverage or exemption, independent-contractor status, fees, renewal, enforcement.
Crane/Hoisting Operators	Title 50, ch. 76, MCA	DLI Crane/Hoisting Operator Program	National certification, equipment classifications, written/practical examinations, renewal, continuing education, exemptions.
Elevator Contractor, Mechanics, and Inspectors	Title 37, ch. 73, MCA	DLI Elevator Contractors, Mechanics, and Inspectors Licensing Program	Contractor, mechanic, and inspector categories, national certification, experience, examinations, continuing education, renewal, inspector qualifications.
Fire Protection Licensees	Title 50, ch. 39, MCA	DLI Fire Protection License Program	Business-entity license, individual endorsement, system-type qualifications, examinations, insurance, renewal, continuing education.
Fireworks Wholesalers	Title 50, ch. 37, MCA	DLI Fire Protection License Program / Fire-Safety Program	Wholesale license, application, fees, storage, seasonal sales limitations, local restrictions, enforcement.
Home Inspectors	Title 37, ch. 55, MCA	DLI Home Inspector Program	Training, exam, field-experience, insurance, standards of practice, renewal.
Electricians	Title 37, ch. 68, MCA	State Electrical Board	Experience hours, apprenticeship credit, examinations, license classifications, contractor responsibility, renewal, continuing education and endorsement.
Plumbers	Title 37, ch. 69, MCA	Board of Plumbers	Apprenticeship or experience, examinations, master/journeyman structure, medical gas endorsement, renewal, continuing education, and endorsement.

Observations

1. The statutory framework is fragmented. Construction-related occupations are spread across Titles 37 and 50, MCA.
2. Several programs combine occupational licensing with public-safety regulation. Elevator, boiler, fire protection, fireworks, blasting, and crane/hoist programs regulate both worker competency and safety of equipment or materials.
3. Recent registration-to-license conversions warrant monitoring. The Construction Subcommittee may wish to review whether construction-contractor and home-inspector licensing remains limited to consumer protection and compliance functions or whether it adds new entry barriers.
4. Some licenses may be suited to endorsement or national-certification recognition. Elevator, crane, fire protection, boiler, and blasting credentials often involve national, federal, or industry-standard qualifications.

Representative Comparison with Other States

For the Construction Subcommittee, a question to consider when comparing licensing occupations is whether Montana's requirements impose greater delay, greater cost, duplicative documentation, or limited portability when compared with states¹ that regulate the same work through less burdensome means.

Common Comparison Points

Requirement Type	How it Appears in Trades Licensing	Barrier Concern
Experience or apprenticeship hours	Electricians, plumbers, elevator mechanics, boiler engineers, and similar trades often require supervised experience before examination or independent practice.	Long or inflexible experience requirements may delay entry, particularly where rural applicants have limited access to sponsoring employers.
Examinations	Applicants may be required to pass trade-specific, code, business, safety, or practical examinations.	Multiple exams, limited test locations, and infrequent testing dates can delay otherwise qualified applicants.
Business-entity plus individual licensing	Construction, electrical, plumbing, elevator, and fire-protection work may require both business and individual credentials.	Dual licensing may be justified but can duplicate fees, renewals, insurance submissions, and disciplinary review.
Continuing education	Common in electrical, plumbing, elevator, crane, fire-protection, and boiler programs.	High hours, in-person only delivery, or limited providers can disproportionately burden rural licensees.
Reciprocity / endorsement	Allows applicants licensed elsewhere to obtain Montana licensure based on comparable qualifications.	Narrow endorsement standards reduce labor mobility and slow entry of experienced out-of-state workers.
National certification	Crane, elevator, fire protection, boiler, and blasting fields often involve national or federal credentials.	State-specific testing on top of national certification may duplicate competency review.
Fees and renewal cycles	Application, examination, initial license, renewal, late, and business-entity fees may apply.	Cumulative cost can discourage entry, especially for apprentices, sole proprietors, and small contractors.

¹ Peer-states include: California, Colorado, Idaho, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming.

Requirement Type	How it Appears in Trades Licensing	Barrier Concern
Local overlays	Local permits, inspection approvals, or fire approvals may apply in addition to state licensing.	State and local requirements can create overlapping compliance steps.

Occupation-Specific Comparison Themes

Occupation	Comparison Theme	Montana Barrier to Evaluate
Construction contractors	Some states use full contractor licensure with exams and classifications; others use registration focused on insurance, workers' compensation, and tax compliance.	Whether Montana's conversion from registration to licensure adds substantive entry barriers beyond compliance verification.
Home inspectors	States vary widely; some require education, examination, field inspections, insurance, and continuing education; others use lighter registration or no licensure.	Whether new licensing requirements are proportionate to consumer-protection risk and whether national exams or private certification should satisfy state requirements.
Electricians	Peer states commonly require apprenticeship or experience plus examination but vary on residential or limited-scope licenses and endorsement.	Whether Montana fully credits out-of-state, military, apprenticeship, and employer-verified experience; whether examination access is adequate.
Plumbers	Peer states commonly use journeyman/master structures with experience and examination requirements.	Whether the master/journeyman pathway creates unnecessary delay for limited-scope work or rural service needs.
Construction blasters	States often regulate blasting through public safety, explosives, fire, mining, or labor agencies.	Whether Montana duplicates federal explosives compliance or imposes training requirements that are difficult to obtain in-state.
Elevator contractors, mechanics, and inspectors	Many states rely on national elevator credentials and inspector certifications.	Whether Montana recognizes national certification and out-of-state experience without requiring duplicative state testing.
Boiler operators and engineers	States vary on whether they license operators, engineers, inspectors, or only certain boiler classes.	Whether multiple Montana classifications remain necessary and whether outdated categories can be consolidated.
Fireworks wholesalers	States vary between state licensure, local permitting, seasonal sales restrictions, and storage requirements.	Whether state and local approvals duplicate one another or compress seasonal business into impractical timelines.
Fire protection	States often require business licensure, individual certification, insurance, and system-type endorsements.	Whether business and individual licensing can be consolidated or renewed together; whether national credentials can substitute for state examinations.

Crane and hoist operators	Many states rely on OSHA-aligned or nationally accredited crane-operator certification.	Whether Montana requires a state credential that duplicates national crane certification or misaligns with equipment categories.
----------------------------------	---	--

Potential Barriers to Entry for Montana Applicants

1. Experience-Hour and Apprenticeship Bottlenecks

Experience requirements are common in construction-related trades. They protect public safety when they ensure competency for hazardous work, but they may also limit entry when:

- supervised work opportunities are unavailable in rural communities;
- apprenticeship slots are limited;
- applicants cannot easily document prior work;
- military, federal, tribal, or out-of-state experience is not credited; or
- applicants must wait for board or program approval before sitting for an examination.

2. Examination Access

Examinations can become a barrier where testing is offered infrequently, requires substantial travel, or duplicates national certification. For some trades, applicants may already hold credentials that demonstrate technical competency. In those cases, Montana-specific testing should be limited to genuinely Montana-specific code, safety, or legal requirements.

4. Duplicative Business and Individual Licensing

Some trades require both individual and business-level licensing. This may be appropriate where individual competency and business financial responsibility are separate regulatory concerns. However, duplication occurs when the same information is submitted to multiple programs, renewals occur on different cycles, or separate fees are charged for overlapping regulatory review.

5. Limited Portability

Regulatory inconsistency across states is a recognized licensing barrier. Montana has enacted various measures to reduce licensing barriers, such as interstate compacts, provisional licenses, and substantial equivalency, alongside initiatives like promoting registered apprenticeships and other training programs. For construction-related occupations, portability is especially important because contractors, trades workers, inspectors, and specialists often move across state lines to meet workforce demand.

6. Financial Burden

Financial burdens remain a significant barrier for potential licensees. Recommendations include introducing fee waivers for low-income individuals or veterans, creating sliding scale fees based on income, or establishing grant and loan programs for those seeking licensure. For trades applicants, total cost may include application fees, examination fees, travel, tools, insurance, bonding, continuing education, and lost work time.

7. Rural Access

Montana's geography makes rural access a recurring issue. In-person-only continuing education, limited test sites, and limited apprenticeship sponsors can impose costs that are not apparent from the statutory text alone. Programs with relatively few licensees may be especially vulnerable to limited training and testing infrastructure.

Policy Options for Legislative Consideration

Option 1: Expand Licensure by Endorsement for Trades

The Legislature could authorize or expand endorsement pathways for trades applicants who are licensed, certified, or otherwise authorized to practice in another jurisdiction and are in good standing.

A model endorsement standard could require:

- active licensure or certification in another jurisdiction;
- a clean or disclosed disciplinary history;
- no pending disqualifying enforcement action;
- proof of recent practice experience;
- satisfaction of Montana-specific code or safety requirements only where necessary; and
- issuance within a defined period after submission of a complete application.

Best candidates: electricians, plumbers, elevator mechanics and inspectors, boiler engineers, fire-protection licensees, crane/hoist operators, home inspectors, and construction contractors.

Benefit: Increases workforce availability by allowing qualified out-of-state tradespeople to work in Montana faster.

Option 2: Create Temporary or Provisional Work Authorization

The Legislature could authorize temporary work permission for applicants who have submitted a complete endorsement application and hold an active license or certification in another state.

Potential safeguards include:

- a limited duration, such as 90 or 180 days;
- supervision where appropriate;
- insurance or bonding where required for the occupation;
- automatic termination upon denial of the application; and
- exclusion for applicants with serious unresolved discipline.

Best candidates: electricians, plumbers, elevator mechanics, fire protection installers, boiler engineers, crane operators.

Benefit: Reduces downtime and helps employers fill urgent workforce gaps while preserving public safety.

Option 3: Recognize National Certifications

Where national or federally recognized credentials already demonstrate competency, Montana could accept those credentials in lieu of state-specific technical exams. Montana could retain authority to require limited Montana-specific code, safety, or legal modules where justified.

Potential applications:

- nationally accredited crane-operator certification;
- elevator mechanic and inspector credentials;
- fire-protection system certifications;
- boiler operator or inspector credentials, where applicable;
- explosives or blasting safety credentials; and
- nationally recognized home-inspector examinations.

Benefit: Avoids duplicative testing and aligns Montana with mobile labor markets.

Option 4: Create or Refine Limited-Scope Licenses

Limited-scope credentials can allow workers to perform defined lower-risk work without satisfying requirements designed for broader or higher-risk practice.

Potential examples include:

- residential-only electrical or plumbing scopes;
- limited low-voltage electrical work;
- limited fire-protection service endorsements;
- limited boiler operator categories tied to pressure, capacity, or facility type;
- crane categories aligned with equipment actually operated; and
- restricted elevator or lift maintenance categories for defined equipment.

Benefit: Allows workers to enter defined scopes faster while preserving safety for higher-risk work.

Option 5: Credit Prior Learning and Experience More Broadly

The Legislature could direct boards and DLI programs to accept substantially equivalent experience from:

- registered apprenticeships;
- military occupational specialties;
- federal employment;
- tribal government employment;
- out-of-state employment;
- employer-verified on-the-job training; and
- prior licensure or certification.

Benefit: Reduce duplicative training while preserving competency review and support veterans, rural workers, and mobile tradespeople.

Option 6: Reduce Upfront Costs

Potential cost-reduction measures include:

- fee waivers for low-income applicants;
- reduced initial fees for apprentices and trainees;
- fee waivers or reductions for veterans and military spouses;
- deferred payment of initial license fees until approval;
- combined business/individual renewal where appropriate;
- reduced fees for inactive, apprentice, or limited-scope licenses; and
- grants or reimbursement for shortage occupations.

Benefit: Reduce financial barriers to increase access to trades occupations.

Option 7: Improve Rural Access Through Online Administration

The Construction Subcommittee could recommend that DLI and boards maximize:

- online applications;
- electronic document submission;
- remote or vendor-based testing;
- online continuing education;
- regional testing opportunities; and

- plain-language licensing checklists.

Benefit: Particularly important in Montana because travel time can be a major barrier for rural applicants.

Option 8: Consolidate Renewal Cycles and Reduce Duplicative Filings

Where a licensee holds related credentials, DLI and the boards could be authorized to align renewal dates, use one renewal application, or accept one insurance or workers' compensation filing for multiple related credentials.

Best fit: Business-entity licenses, home inspectors, construction contractors, fire-protection endorsements, boiler classifications, crane operators.

Benefit: Reduces administrative burdens for DLI and licensees.

Option 9: Establish a Risk-Based Review Framework

The Construction Subcommittee could recommend periodic review of trades licensing programs using a risk-based framework. Each program could be evaluated by asking:

1. What specific public harm does the license prevent?
2. Is licensure the least restrictive effective regulation?
3. Are education, experience, and examination requirements proportionate to risk?
4. Are fees tied to actual program costs?
5. Are out-of-state workers able to enter Montana promptly?
6. Are national certifications recognized where appropriate?
7. Are continuing education requirements necessary and accessible?
8. Are business and individual licensing requirements duplicative?
9. Are rural applicants disproportionately burdened?
10. Are obsolete classifications or requirements still in statute or rule?

Benefit: Creates a durable mechanism for reducing burdens while preserving health and safety.

Recommended Priorities for the Construction Subcommittee

The Construction Subcommittee may wish to prioritize reforms that can increase workforce availability without reducing safety standards. The following priorities are recommended for discussion:

Priority 1: Expand Endorsement and Temporary Practice Authority

Endorsement and temporary practice authority are likely to produce immediate workforce benefits. These tools are especially useful for electricians, plumbers, elevator mechanics, crane operators, boiler engineers, fire-protection workers, and home inspectors relocating to or temporarily working in Montana.

Priority 2: Recognize National Certifications

The Subcommittee should identify trades for which national certification already demonstrates competency. Where national certification exists, Montana should avoid imposing duplicative technical examinations unless there is a Montana-specific safety or code reason.

Priority 3: Improve Credit for Experience

The Subcommittee should consider legislation requiring boards and programs to credit substantially equivalent experience, including military, federal, tribal, out-of-state, and employer-verified experience.

Priority 4: Reduce Rural and Administrative Burdens

The Subcommittee should consider statutory direction to expand remote testing, online continuing education, electronic filing, and consolidated renewals. These reforms can reduce costs without changing substantive safety standards.

Priority 5: Conduct a Risk-Based Classification Review

Some trades programs include multiple classifications or endorsements. The Subcommittee should review whether each classification remains necessary and whether limited-scope licensing could allow more workers to perform lower-risk work.

Proposed Questions for Stakeholder Meetings

The Subcommittee may wish to ask licensing boards, DLI programs, employers, apprentices, unions, trade associations, local governments, and consumers the following questions:

1. Which licensing requirements cause the longest delay for applicants?
2. Which requirements are most important to public safety?
3. Are there requirements that duplicate national certification, federal law, or local permitting?
4. Are examinations available often enough and in enough locations?
5. Are online testing and online continuing education available?
6. How often are endorsement applications denied, delayed, or returned as incomplete?
7. What types of out-of-state experience are not currently credited?
8. Are rural applicants able to satisfy apprenticeship, training, and testing requirements without unreasonable travel?
9. Do business-entity and individual licenses require duplicative filings?
10. Which limited-scope licenses would increase workforce availability without reducing safety?

Conclusion

Montana's trades-related licensing structure serves important public-safety and consumer-protection functions. However, the statutory framework is fragmented, and some requirements may impose unnecessary cost, delay, or duplication.

The highest-value reforms for the Construction Subcommittee are likely to be those that preserve competency standards while improving portability, recognizing national credentials, crediting prior experience, reducing fees and duplicative filings, and expanding rural access to testing and continuing education.

The Subcommittee may wish to focus first on recent registration-to-license conversions, endorsement and temporary practice authority, recognition of national certifications, and risk-based review of classifications and renewal requirements.