

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact §§ 54.1-1106, 54.1-1108, and 54.1-1108.2 of the Code of Virginia, relating to the Board for Contractors; creation of residential and commercial contractor license categories.

[H 1802]

Approved

Be it enacted by the General Assembly of Virginia:

1. That §§ 54.1-1106, 54.1-1108, and 54.1-1108.2 of the Code of Virginia are amended and reenacted as follows:

§ 54.1-1106. Application for Class A license; fees; examination; issuance.

A. Any person desiring to be licensed as a Class A contractor shall file with the Department a written application on a form prescribed by the Board. The application shall be accompanied by a fee set by the Board pursuant to § 54.1-201. The application shall contain the name, place of employment, and business address of the proposed designated employee, and information on the knowledge, skills, abilities, and financial position of the applicant. The Board shall determine whether the past performance record of the applicant, including his reputation for paying material bills and carrying out other contractual obligations, satisfies the purposes and intent of this chapter. The Board shall also determine whether the applicant has complied with the laws of the Commonwealth pertaining to the domestication of foreign corporations and all other laws affecting those engaged in the practice of contracting as set forth in this chapter. If the Board determines that sufficient questions or ambiguities exist in an individual applicant's presentation of his financial information, the Board may require the applicant to provide a balance sheet reviewed by a certified public accountant licensed in accordance with § 54.1-4409.1. In addition, if the applicant is a sole proprietor, he shall furnish to the Board his name and address. If the applicant is a member of a partnership, he shall furnish to the Board the names and addresses of all of the general partners of the partnership. If the applicant is a member of an association, he shall furnish to the Board the names and addresses of all of the members of the association. If the applicant is a corporation, it shall furnish to the Board the names and addresses of all officers of the corporation. If the applicant is a joint venture, it shall furnish to the Board the names and addresses of (i) each member of the joint venture and (ii) any sole proprietor, general partner of any partnership, member of any association, or officer of any corporation who is a member of the joint venture. The applicant shall thereafter keep the Board advised of any changes in the above information.

B. If the application is satisfactory to the Board, the proposed designated employee shall be required by Board regulations to take an oral or written examination to determine his general knowledge of contracting, including the statutory and regulatory requirements governing contractors in the Commonwealth. If the proposed designated employee successfully completes the examination and the applicant meets or exceeds the other entry criteria established by Board regulations, a Class A contractor license shall be issued to the applicant. The license shall permit the applicant to engage in contracting only so long as the designated employee is in the full-time employment of the contractor or is a member of the contractor's responsible management. No examination shall be required where the licensed Class A contractor changes his form of business entity provided he is in good standing with the Board. In the event the designated employee leaves the full-time employ of the licensed contractor or is no longer a member of the contractor's responsible management, no additional examination shall be required of such designated employee, except in accordance with § 54.1-1110.1, and the contractor shall within 90 days of that departure provide to the Board the name of the new designated employee.

C. The Board may grant a Class A license in any of the following classifications: (i) *residential building contractor*, (ii) *commercial building contractor*, (iii) *highway/heavy contractor*, ~~(iii)~~ (iv) *electrical contractor*, ~~(iv)~~ (v) *plumbing contractor*, ~~(v)~~ (vi) *heating, ventilation, and air conditioning contractor*, and ~~(vi)~~ (vii) *specialty contractor*.

§ 54.1-1108. Application for Class B license; fees; examination; issuance.

A. Any person desiring to be licensed as a Class B contractor shall file with the Department a written application on a form prescribed by the Board. The application shall be accompanied by a fee set by the Board pursuant to § 54.1-201. The application shall contain the name, place of employment, and business address of the proposed designated employee; information on the knowledge, skills, abilities, and financial position of the applicant; and evidence of holding a current local license pursuant to local ordinances adopted pursuant to § 54.1-1117. The Board shall determine whether the past performance record of the applicant, including his reputation for paying material bills and carrying out

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57 other contractual obligations, satisfies the purpose and intent of this chapter. The Board shall also
 58 determine whether the applicant has complied with the laws of the Commonwealth pertaining to the
 59 domestication of foreign corporations and all other laws affecting those engaged in the practice of
 60 contracting as set forth in this chapter. In addition, if the applicant is a sole proprietor, he shall furnish
 61 to the Board his name and address. If the applicant is a member of a partnership, he shall furnish to the
 62 Board the names and addresses of all of the general partners of that partnership. If the applicant is a
 63 member of an association, he shall furnish to the Board the names and addresses of all of the members
 64 of the association. If the applicant is a corporation, it shall furnish to the Board the name and address of
 65 all officers of the corporation. If the applicant is a joint venture, it shall furnish to the Board the names
 66 and addresses of (i) each member of the joint venture and (ii) any sole proprietor, general partner of any
 67 partnership, member of any association, or officer of any corporation who is a member of the joint
 68 venture. The applicant shall thereafter keep the Board advised of any changes in the above information.

69 B. If the application is satisfactory to the Board, the proposed designated employee shall be required
 70 by Board regulations to take an oral or written examination to determine his general knowledge of
 71 contracting, including the statutory and regulatory requirements governing contractors in the
 72 Commonwealth. If the proposed designated employee successfully completes the examination and the
 73 applicant meets or exceeds the other entry criteria established by Board regulations, a Class B contractor
 74 license shall be issued to the applicant. The license shall permit the applicant to engage in contracting
 75 only so long as the designated employee is in the full-time employment of the contractor and only in the
 76 counties, cities, and towns where such person has complied with all local licensing requirements and for
 77 the type of work to be performed. No examination shall be required where the licensed Class B
 78 contractor changes his form of business entity provided he is in good standing with the Board. In the
 79 event the designated employee leaves the full-time employ of the licensed contractor, no additional
 80 examination shall be required of such designated employee, except in accordance with § 54.1-1110.1,
 81 and the contractor shall within 90 days of that departure provide to the Board the name of the new
 82 designated employee.

83 C. The Board may grant a Class B license in any of the following classifications: (i) *residential*
 84 building contractor, (ii) *commercial building contractor*, (iii) highway/heavy contractor, ~~(iii)~~ (iv)
 85 electrical contractor, ~~(iv)~~ (v) plumbing contractor, ~~(v)~~ (vi) HVAC contractor, and ~~(vi)~~ (vii) specialty
 86 contractor.

87 **§ 54.1-1108.2. Application for Class C license; fees; issuance.**

88 A. Any person desiring to be licensed as a Class C contractor shall file with the Department a
 89 written application on a form prescribed by the Board. The application shall be accompanied by a fee
 90 set by the Board pursuant to § 54.1-201. The application shall contain information concerning the name,
 91 location, nature, and operation of the business, and information demonstrating that the applicant
 92 possesses the character and minimum skills to properly engage in the occupation of contracting.

93 B. The Board may grant a Class C license in any of the following classifications: (i) *residential*
 94 building contractor, (ii) *commercial building contractor*, (iii) highway/heavy contractor, ~~(iii)~~ (iv)
 95 electrical contractor, ~~(iv)~~ (v) plumbing contractor, ~~(v)~~ (vi) heating, ventilation, and air conditioning
 96 contractor, and ~~(vi)~~ (vii) specialty contractor.