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HOUSE BILL NO. 732**AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by the House Committee on General Laws
on January 30, 2018)

(Patron Prior to Substitute—Delegate Hodges)

A BILL to amend and reenact § 54.1-1115 of the Code of Virginia, relating to the Department of Professional and Occupational Regulation; contractors; prohibited acts.

Be it enacted by the General Assembly of Virginia:

1. That § 54.1-1115 of the Code of Virginia is amended and reenacted as follows:

§ 54.1-1115. Prohibited acts.

A. The following acts are prohibited and shall constitute the commission of a Class 1 misdemeanor:

1. Contracting for, or bidding upon the construction, removal, repair or improvements to or upon real property owned, controlled or leased by another person without a license or certificate, or without the proper class of license as defined in § 54.1-1100 for the value of work to be performed.

2. Attempting to practice contracting in the Commonwealth, except as provided for in this chapter.

3. Presenting or attempting to use the license or certificate of another.

4. Giving false or forged evidence of any kind to the Board or any member thereof in an application for the issuance or renewal of a license or certificate.

5. Impersonating another or using an expired or revoked license or certificate.

6. Receiving or considering as the awarding authority a bid from anyone whom the awarding authority knows is not properly licensed or certified under this chapter. The awarding authority shall require a bidder to submit his license or certificate number prior to considering a bid.

B. Any person who undertakes work without (i) any valid Virginia contractor's license or certificate when a license or certificate is required by this chapter or (ii) the proper class of license as defined in § 54.1-1100 for the work undertaken, shall be fined an amount not to exceed \$500 per day for each day that such person is in violation, in addition to the authorized penalties for the commission of a Class 1 misdemeanor. Any violation of clause (i) of this subsection shall also constitute a prohibited practice in accordance with § 59.1-200, provided *that* the violation involves a consumer transaction as defined in the Virginia Consumer Protection Act (§ 59.1-196 et seq.), and shall be subject to any and all of the enforcement provisions of the Virginia Consumer Protection Act.

C. ~~No person shall be entitled to assert the lack of licensure or certification as required by this chapter as a defense to any action at law or suit in equity if the party who seeks to recover from such person~~ A construction contract entered into by a person undertaking work without a valid Virginia contractor's license shall not be enforceable by the unlicensed contractor undertaking the work unless the unlicensed contractor (i) gives substantial performance within the terms of the contract in good faith and ~~without~~ (ii) did not have actual knowledge that a license or certificate was required by this chapter to perform the work for which he seeks to recover payment.

Failure to renew a license or certificate issued in accordance with this chapter shall create a rebuttable presumption of actual knowledge of such licensing or certification requirements.