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## SENATE BILL NO. 351

Senate Amendments in [ ] — February 2, 1996

A *BILL to amend and reenact §§ 54.1-1106 and 54.1-1108 of the Code of Virginia, relating to applications for Class A and Class B licenses; examinations.*

Patron—Norment

Referred to the Committee on General Laws

**Be it enacted by the General Assembly of Virginia:****1. That §§ 54.1-1106 and 54.1-1108 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; information on the knowledge, skills, abilities, and financial position of the applicant; and an affidavit stating that the information on the application is correct. 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. 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. *However, a holder of a valid Class A contractor license in good standing who is changing his place of employment [ or form of business entity ] need not take an examination if he will be performing the same type of work for which his current license was issued.* 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. In the event the designated employee leaves the full-time employ of the licensed contractor, the contractor shall within ninety 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) building contractor, (ii) highway/heavy contractor, (iii) electrical contractor, (iv) plumbing contractor, (v) HVAC contractor, (vi) specialty contractor, and (vii) owner-developer.

§ 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; evidence of holding a current local license pursuant to local ordinances adopted pursuant to § 54.1-1117; and an affidavit stating that the information on the application is correct. 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 purpose 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. In addition, if the applicant is a sole proprietor, he shall furnish to the Board his name and address. If the

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60 applicant is a member of a partnership, he shall furnish to the Board the names and addresses of all of  
61 the general partners of that partnership. If the applicant is a member of an association, he shall furnish  
62 to the Board the names and addresses of all of the members of the association. If the applicant is a  
63 corporation, it shall furnish to the Board the name and address of all officers of the corporation. If the  
64 applicant is a joint venture, it shall furnish to the Board the names and addresses of (i) each member of  
65 the joint venture and (ii) any sole proprietor, general partner of any partnership, member of any  
66 association, or officer of any corporation who is a member of the joint venture. The applicant shall  
67 thereafter keep the Board advised of any changes in the above information.

68 B. If the application is satisfactory to the Board, the proposed designated employee shall be required  
69 by Board regulations to take an oral or written examination to determine his general knowledge of  
70 contracting, including the statutory and regulatory requirements governing contractors in the  
71 Commonwealth. If the proposed designated employee successfully completes the examination and the  
72 applicant meets or exceeds the other entry criteria established by Board regulations, a Class B contractor  
73 license shall be issued. *However, a holder of a valid Class B contractor license in good standing who is*  
74 *changing his place of employment [ or form of business entity ] need not take an examination if he will*  
75 *be performing the same type of work for which his current license was issued.* The license shall permit  
76 the applicant to engage in contracting only so long as the designated employee is in the full-time  
77 employment of the contractor and only in the counties, cities, and towns where such person has  
78 complied with all local licensing requirements and for the type of work to be performed. In the event  
79 the designated employee leaves the full-time employ of the licensed contractor, the contractor shall  
80 within ninety days of that departure provide to the Board the name of the new designated employee.

81 C. The Board may grant a Class B license in any of the following classifications: (i) building  
82 contractor, (ii) highway/heavy contractor, (iii) electrical contractor, (iv) plumbing contractor, (v) HVAC  
83 contractor, and (vi) specialty contractor.