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HOUSE BILL NO. 1417

Offered January 17, 2024

A BILL to amend and reenact § 58.1-3714 of the Code of Virginia, relating to contractors; workers' compensation requirements.

Patron—Kilgore

Referred to Committee on Labor and Commerce

Be it enacted by the General Assembly of Virginia:

- 1. That § 58.1-3714 of the Code of Virginia is amended and reenacted as follows:
- § 58.1-3714. Contractors; credits against tax; effect upon authority of towns; workers' compensation requirements; penalty.
- A. Whenever a license tax is levied on contractors by any county, city or town, the governing body of such county, city or town may, in its discretion, require a bond from the person licensed, with such surety, penalty and conditions as it may deem proper.
- B. 1. The governing body of any county, city or town shall not issue or reissue a business license under this chapter to any contractor who (i) has not obtained or is not maintaining workers' compensation coverage for his employees and (ii) at the time of application for such issuance or reissuance, is required to obtain or maintain such coverage pursuant to Chapter 8 (§ 65.2-800 et seq.) of Title 65.2.
- 2. Each such governing body shall require every contractor to provide written certification at the time of any application for issuance or reissuance of a business license that such contractor is in compliance with the provisions of Chapter 8 of Title 65.2 and will remain in compliance with such provisions at all times during the effective period of any such business license.
- 3. The governing body of any county, city or town shall forward such signed certification to the Virginia Workers' Compensation Commission, who shall conduct periodic audits of selected contractors to whom such body has issued business licenses to ensure the compliance of such contractors with the requirements of this subsection and the provisions of Chapter 8 of Title 65.2.
- 4. Any person who knowingly presents or causes to be presented to the governing body a false certificate shall be guilty of a Class 3 misdemeanor.
- C. If, within any county imposing a license tax on contractors, there is situated a town which imposes a similar tax upon contractors, the business, firm, corporation or individual subject to such town license tax shall be entitled, upon displaying evidence that such town license taxes have been paid, to receive a credit on the license taxes imposed by the county to the extent of the license taxes paid to such town.
- D. For the purpose of license taxation pursuant to § 58.1-3703, the term "contractor" means any person, firm or corporation:
- 1. Accepting or offering to accept orders or contracts for doing any work on or in any building or structure, requiring the use of paint, stone, brick, mortar, wood, cement, structural iron or steel, sheet iron, galvanized iron, metallic piping, tin, lead, or other metal or any other building material;
- 2. Accepting or offering to accept contracts to do any paving, curbing or other work on sidewalks, streets, alleys, or highways, or public or private property, using asphalt, brick, stone, cement, concrete, wood or any composition;
- 3. Accepting or offering to accept an order for or contract to excavate earth, rock, or other material for foundation or any other purpose or for cutting, trimming or maintaining rights-of-way;
- 4. Accepting or offering to accept an order or contract to construct any sewer of stone, brick, terra cotta or other material;
- 5. Accepting or offering to accept orders or contracts for doing any work on or in any building or premises involving the erecting, installing, altering, repairing, servicing, or maintaining electric wiring, devices or appliances permanently connected to such wiring, or the erecting, repairing or maintaining of lines for the transmission or distribution of electric light and power; or
 - 6. Engaging in the business of plumbing and steam fitting.