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SENATE BILL NO. 313

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Agriculture, Chesapeake and Natural Resources
on February 21, 2024)

(Patron Prior to Substitute—Senator VanValkenburg)

A *BILL to amend and reenact § 54.1-1102 of the Code of Virginia, relating to the Board for Contractors; required regulations and disclosures.*

Be it enacted by the General Assembly of Virginia:

1. That § 54.1-1102 of the Code of Virginia is amended and reenacted as follows:

§ 54.1-1102. Board for Contractors membership; offices; meetings; seal; record.

A. The Board for Contractors shall be composed of 16 members as follows: one member shall be a licensed Class A general contractor; the larger part of the business of one member shall be the construction of utilities; the larger part of the business of one member shall be the construction of commercial and industrial buildings; the larger part of the business of one member shall be the construction of single-family residences; the larger part of the business of one member shall be the construction of home improvements; one member shall be a subcontractor as generally regarded in the construction industry; one member shall be in the business of sales of construction materials and supplies; one member shall be a local building official; one member shall be a licensed plumbing contractor; one member shall be a licensed electrical contractor; one member shall be a licensed heating, ventilation and air conditioning contractor; one member shall be a certified elevator mechanic or a licensed elevator contractor; one member shall be a certified water well systems provider; one member shall be a professional engineer licensed in accordance with Chapter 4 (§ 54.1-400 et seq.); and two members shall be nonlegislative citizen members. The terms of the Board members shall be four years.

The Board shall meet at least once each year and at such other times as may be deemed necessary. Annually, the Board shall elect from its membership a chairman and a vice-chairman to serve for a one-year term. Nine members of the Board shall constitute a quorum.

B. The Board shall promulgate regulations not inconsistent with statute necessary for the licensure of contractors and tradesmen and the certification of backflow prevention device workers, and for the relicensure of contractors and tradesmen and for the recertification of backflow prevention device workers, after license or certificate suspension or revocation. The Board shall include in its regulations a requirement that as a condition for initial licensure as a contractor, the designated employee or a member of the responsible management personnel of the contractor shall have successfully completed a Board-approved basic business course, which shall not exceed eight hours of classroom instruction. In addition, the Board shall (i) require a contractor to appropriately classify all workers as employees or independent contractors, as provided by law and (ii) provide that any contractor who is found to have intentionally misclassified any worker is subject to sanction by the Board.

C. The Board ~~may~~ *shall* adopt regulations requiring all Class A, B, and C residential contractors, excluding subcontractors to the contracting parties and those who engage in routine maintenance or service contracts, to use legible written contracts including the following terms and conditions:

1. General description of the work to be performed;
2. Fixed price or an estimate of the total cost of the work, the amounts and schedule of progress payments, a listing of specific materials requested by the consumer, and the amount of down payment;
3. Estimates of time of commencement and completion of the work; and

4. Contractor's name, address, office telephone number, and license or certification number and class. In transactions involving door-to-door solicitations, the Board ~~may~~ *shall* require that a statement of protections be provided by the contractor to the homeowner, consumer, or buyer, as the case may be.

In transactions involving solar facilities regulated by subsection A of § 15.2-2288.7, the Board shall require that the following disclosures be included as a cover sheet to the written contract and signed by both the consumer and the contractor:

- a. The license number of the contractor authorized to install, modify, repair, remove, or improve upon residential roofing materials;*
- b. A description of the solar facility and the make and model of its major components;*
- c. The total cost of the solar facility project;*
- d. Any guarantee by the seller of the energy production output that such solar facility will provide;*
- e. Any available tax credits or rebates;*
- f. A description of the risks involved in installing on or removing from such solar facility on the roof of the dwelling that includes a description of any warranty for the repair of damage to such roof;*
- g. A disclosure of the transferability of the obligations under such contract to any third party, future or present; and*

60 *h. An explanation of any interest, installation fees, document preparation fees, service fees,*
61 *escalation rates, cancellation fees, roof repair costs, or other costs to be paid by the consumer.*

62 D. The Board shall adopt a seal with the words "Board for Contractors, Commonwealth of Virginia."
63 The Director shall have charge, care, and custody of the seal.

64 E. The Director shall maintain a record of the proceedings of the Board.

65 **2. That the provisions of this act shall become effective on July 1, 2025.**