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HOUSE BILL NO. 2538

Offered January 23, 1995

A BILL to amend and reenact §§ 54.1-1100, 54.1-1103, and 54.1-1131 of the Code of Virginia, relating to the Board for Contractors; tradesman certification and Class C contractors.

Patrons—Diamonstein and Reynolds

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That §§ 54.1-1100, 54.1-1103, and 54.1-1131 of the Code of Virginia are amended and reenacted as follows:

§ 54.1-1100. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Board" means the Board for Contractors.

"Class A contractors" perform or manage construction, removal, repair, or improvements when (i) the total value referred to in a single contract or project is \$70,000 or more, or (ii) the total value of all such construction, removal, repair, or improvements undertaken by such person within any twelve-month period is \$500,000 or more.

"Class B contractors" perform or manage construction, removal, repair, or improvements when (i) the total value referred to in a single contract or project is \$7,500 or more, but less than \$70,000 or (ii) the total value of all such construction, removal, repair or improvements undertaken by such person within any twelve-month period is \$150,000 or more, but less than \$500,000.

"Class C contractors" perform or manage construction, removal, repair, or improvements when (i) the total value referred to in a single contract or project is over \$1,000 but no more than \$7,500 or (ii) the total value of all such construction, removal, repair, or improvements undertaken by such person within any twelve-month period is no more than \$150,000. ~~"Class C contractors" shall not include electrical, plumbing, and heating, ventilation and air conditioning (HVAC) contractors.~~

"Contractor" means any person, that for a fixed price, commission, fee, or percentage undertakes to bid upon, or accepts, or offers to accept, orders or contracts for performing, managing, or superintending in whole or in part, the construction, removal, repair or improvement of any building or structure permanently annexed to real property owned, controlled, or leased by another person or any other improvements to such real property.

"Department" means the Department of Professional and Occupational Regulation.

"Designated employee" means the contractor's full-time employee who is at least eighteen years of age and who has successfully completed the oral or written examination required by the Board on behalf of the contractor.

"Director" means the Director of the Department of Professional and Occupational Regulation.

"Owner-developer" means any person who performs or supervises the construction, removal, repair or improvements of any building or structure permanently annexed to real property owned, controlled or leased by him or any other improvements to such property when either (i) the total value of all such improvements to or upon any single parcel of land is \$70,000 or more or (ii) the total value of all such improvements to or upon all real property undertaken by him within any twelve-month period is \$500,000 or more, but shall not include a person who performs or supervises the construction, removal, repair or improvement of (i) not more than one building upon his own real property and for his own use during any twenty-four-month period, (ii) a house upon his own real property as a bona fide gift to a member of his immediate family provided such member lives in the house for at least twenty-four months, (iii) industrial or manufacturing facilities for his own use, or (iv) any person who contracts with a duly licensed Class A contractor classified as a building contractor to perform such construction, removal, repair or improvements.

For purposes of this section "immediate family" includes one's mother, father, son, daughter, brother, sister, grandchild, grandparent, mother-in-law and father-in-law.

"Person" means any individual, firm, corporation, association, partnership, joint venture, or other legal entity.

"Value" means fair market value. When improvements are performed or supervised by a contractor, the contract price shall be prima facie evidence of value.

§ 54.1-1103. Necessity for license; requirements for water well drillers and landscape irrigation contractors.

A. No person shall engage in, or offer to engage in, contracting work or operate as an

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HB2538

owner-developer in this Commonwealth unless he has been licensed under the provisions of this chapter. Prior to a joint venture engaging in, or offering to engage in, contracting work or operating as an owner-developer in this Commonwealth, (i) each contracting party of the joint venture must be licensed under the provisions of this chapter or (ii) a license must be obtained in the name of the joint venture under the provisions of this chapter.

B. Except as provided in § 54.1-1117, the issuance of a license under the provisions of this chapter shall not entitle the holder to engage in any activity for which a special license is required by law.

C. When the contracting work is for the purpose of landscape irrigation or the construction of a water well as defined in § 62.1-255, the contractor shall be licensed, regardless of the contract amount, as follows:

1. A Class C certificate is required when the total value referred to in a single contract or project is no more than \$7,500, or the total value of all such water well or landscape irrigation contracts undertaken within any twelve-month period is no more than \$150,000;

2. A Class B license is required when the total value referred to in a single contract is \$7,500 or more, but less than \$70,000, or the total value of all such water well or landscape irrigation contracts undertaken within any twelve-month period is \$150,000 or more, but less than \$500,000; and

3. A Class A license is required when the total value referred to in a single contract or project is \$70,000 or more, or when the total value of all such water well or landscape irrigation contracts undertaken within any twelve-month period is \$500,000 or more.

D. When the contracting work is performed by an electrical, plumbing, or heating, ventilation and air conditioning (HVAC) contractor, the contractor shall be licensed, regardless of the contract amount, as follows:

1. A Class B license is required when the total value referred to in a single contract is \$1,000 or more, but less than \$70,000, or the total value of all such electrical, plumbing, or heating, ventilation and air conditioning (HVAC) contracts undertaken within any twelve-month period is \$150,000 or more, but less than \$500,000; and

2. A Class A license is required when the total value referred to in a single contract is \$70,000 or more, or when the total value of all such electrical, plumbing, or heating, ventilation and air conditioning (HVAC) contracts undertaken within any twelve-month period is \$500,000 or more.

§ 54.1-1131. Exemptions.

An individual certified or licensed by any one of the following agencies shall not be required to fulfill the examination requirement specified in § 54.1-1130 for tradesman certification:

1. The Board of Housing and Community Development prior to July 1, 1995.

2. Any local governing body prior to July 1, 1978.

3. An apprenticeship program which is approved by the Virginia Apprenticeship Council.

Individuals applying for tradesman certification between July 1, 1995, and July 1, 1996 1998, shall be deemed to have fulfilled the examination requirement if they are able to demonstrate the required number of years of discipline-free experience set forth in Board regulations.