# **WEST VIRGINIA LEGISLATURE**

### 2016 REGULAR SESSION

## **ENGROSSED**

# House Bill 4652

(DELEGATES HOWELL, CADLE, ATKINSON, R. SMITH, STANSBURY, MOFFATT, P. WHITE, ARVON, FOSTER,

HAMRICK AND MCGEEHAN)

[Introduced February 22, 2016;

referred to the Committee on

Government Organization.]

A BILL to amend and reenact §21-11-3 and §21-11-5 of the Code of West Virginia, 1931, as amended, all relating to the creation of an intermediate contractor's license; limiting the maximum cost of the project that an intermediate contractor may undertake to \$10,000; and exempting applicants for the intermediate contractor's license from an examination.

Be it enacted by the Legislature of West Virginia:

That §21-11-3 and §21-11-5 of the Code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

#### ARTICLE 11. WEST VIRGINIA CONTRACTOR LICENSING ACT.

### §21-11-3. Definitions.

- (a) "Commissioner" means the Commissioner of the Division of Labor.
- (b) "Board" means the West Virginia Contractor Licensing Board.
- (c) "Contractor" means a person who in any capacity for compensation, other than as an employee of another, undertakes, offers to undertake, purports to have the capacity to undertake or submits a bid to construct, alter, repair, add to, subtract from, improve, move, wreck or demolish any building, highway, road, railroad, structure or excavation associated with a project, development or improvement, or to do any part thereof, including the erection of scaffolding or other structures or works in connection therewith, where the cost of the undertaking is \$5,000 or more.
- Contractor includes a construction manager who performs management and counseling services for a construction project for a professional fee.
  - Contractor does not include:
- (1) One who merely furnishes materials or supplies without fabricating or consuming them in the construction project;
- (2) A person who personally performs construction work on the site of real property which
  the person owns or leases whether for commercial or residential purposes;

(3) A person who is licensed or registered as a professional and who functions under the control of any other licensing or regulatory board, whose primary business is real estate sales, appraisal, development, management and maintenance, who acting in his or her respective professional capacity and any employee of such professional, acting in the course of his or her employment, performs any work which may be considered to be performing contracting work;

- (4) A pest control operator licensed under the provisions of section seven, article sixteena, chapter nineteen of this code to engage in the application of pesticides for hire, unless the operator also performs structural repairs exceeding \$1,000 on property treated for insect pests; or
- (5) A corporation, partnership or sole proprietorship whose primary purpose is to prepare construction plans and specifications used by the contractors defined in this subsection and who employs full time a registered architect licensed to practice in this state or a registered professional engineer licensed to practice in this state. Employees of such corporation, partnership or sole proprietorship shall also be exempt from the requirements of this article.
- (d) "Intermediate contractor" means a person who in any capacity for compensation, other than as an employee of another, undertakes, offers to undertake, purports to have the capacity to undertake or submits a bid to construct, alter, repair, add to, subtract from, improve, move, wreck or demolish any building, highway, road, railroad, structure or excavation associated with a project, development or improvement, or to do any part thereof, including the erection of scaffolding or other structures or works in connection therewith, where the maximum cost of the undertaking is \$15,000.
- (d) (e) "Electrical contractor" means a person who engages in the business of contracting to install, erect, repair or alter electrical equipment for the generation, transmission or utilization of electrical energy.
- (e) (f) "General building contractor" means a person whose principal business is in connection with any structures built, being built or to be built for the support, shelter and enclosure

of persons, animals, chattels or movable property of any kind, requiring in the construction the use of more than two contractor classifications, or a person who supervises the whole or any part of such construction.

- (f) (g) "General engineering contractor" means a person whose principal business is in connection with public or private works projects, including, but not limited to, one or more of the following: Irrigation, drainage and water supply projects; electrical generation projects; swimming pools; flood control; harbors; railroads; highways; tunnels; airports and airways; sewers and sewage disposal systems; bridges; inland waterways; pipelines for transmission of petroleum and other liquid or gaseous substances; refineries; chemical plants and other industrial plants requiring a specialized engineering knowledge and skill; piers and foundations; and structures or work incidental thereto.
- (g) (h) "Heating, ventilating and cooling contractor" means a person who engages in the business of contracting to install, erect, repair, service or alter heating, ventilating and air conditioning equipment or systems to heat, cool or ventilate residential and commercial structures.
- (h) (i) "License" means a license to engage in business in this state as a contractor in one of the classifications set out in this article.
- (i) (j) "Multifamily contractor" means a person who is engaged in construction, repair or improvement of a multifamily residential structure.
- (j) (k) "Person" includes an individual, firm, sole proprietorship, partnership, corporation, association or other entity engaged in the undertaking of construction projects or any combination thereof.
- (k) (I) "Piping contractor" means a person whose principal business is the installation of process, power plant, air, oil, gasoline, chemical or other kinds of piping; and boilers and pressure vessels using joining methods of thread, weld, solvent weld or mechanical methods.

(I) (m) "Plumbing contractor" means a person whose principal business is the installation, maintenance, extension and alteration of piping, plumbing fixtures, plumbing appliances and plumbing appurtenances, venting systems and public or private water supply systems within or adjacent to any building or structure; included in this definition is installation of gas piping, chilled water piping in connection with refrigeration processes and comfort cooling, hot water piping in connection with building heating and piping for stand pipes.

- (m) (n) "Residential contractor" means a person whose principal business is in connection with construction, repair or improvement of real property used as, or intended to be used for, residential occupancy.
- (n) (o) "Specialty contractor" means a person who engages in specialty contracting services which do not substantially fall within the scope of any contractor classification as set out herein.
- (e) (p) "Residential occupancy" means occupancy of a structure for residential purposes for periods greater than thirty consecutive calendar days.
- (p) (q) "Residential structure" means a building or structure used or intended to be used for residential occupancy, together with related facilities appurtenant to the premises as an adjunct of residential occupancy, which contains not more than three distinct floors which are above grade in any structural unit regardless of whether the building or structure is designed and constructed for one or more living units. Dormitories, hotels, motels or other transient lodging units are not residential structures.
- (q) (r) "Subcontractor" means a person who performs a portion of a project undertaken by a principal or general contractor or another subcontractor.
  - (r) (s) "Division" means the Division of Labor.
- (s) (t) "Cease and desist order" means an order issued by the commissioner pursuant to the provisions of this article.

(t) (u) The term "basic universal design" means the design of products and environments to be useable by all people, to the greatest extent possible, without the need for adaptation or specialization.

### §21-11-5. Administrative duties of the board; regulations.

- 1 (a) Pursuant to the provisions of chapter twenty-nine-a of this code, the board shall adopt 2 rules and regulations relating to the following:
  - (1) The minimum qualifications for applicants for examination and license in each of the following specified classes of contractor:
- 5 (A) Electrical contractor;

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- 6 (B) General building contractor;
- 7 (C) General engineering contractor;
- 8 (D) Heating, ventilating and cooling contractor;
- 9 (E) Intermediate contractor;
- 10 (E) (F) Multifamily contractor;
- 11  $\frac{(F)}{(G)}$  Piping contractor;
- 12 <del>(G)</del> (H) Plumbing contractor;
- 13 (H) (I) Residential contractor; or
- 14 (I) (J) Specialty contractor;
- (2) The content of examinations for applicants in each class: <u>Provided, That applicants for</u>
  the intermediate contractor class are not required to take an examination;
  - (3) Procedures for application, examination, <u>if applicable</u>, and license renewal, and the manner in which the examination, <u>if applicable</u>, will be conducted;
- (4) The continued competency of licensees for purposes of renewal and reinstatement of
  licenses; and
- 21 (5) Procedures for disciplinary action before the board.
- (b) The board shall:

(1) Hold at least one examination in each calendar quarter for each specific classification of contractor, <u>if applicable</u>, designate the time and place of such examinations, and notify applicants thereof;

- (2) Request, through the division, investigation of any alleged violation of this article or of the regulations;
- (3) Forward results of examinations to the division within twenty days following the examination;
- (4) Notify the commissioner and board members of meeting dates and agenda items at least five days prior to such meetings; and
  - (5) Take minutes and records of all meetings and proceedings.

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NOTE: The purpose of this bill is to allow contractors to obtain a limited contractor's license without the need for an examination.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.