

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

House Bill 2171

**FISCAL
NOTE**

BY DELEGATE ELDRIDGE

[Introduced February 8, 2017; Referred
to the Committee on Industry and Labor then the
Judiciary.]

1 A BILL to amend and reenact §21-11-6 of the Code of West Virginia, 1931, as amended, relating
 2 to permitting contractors to perform work on a construction project without having a
 3 contractor’s license when the total cost of that project is less than \$5,000.

Be it enacted by the Legislature of West Virginia:

1 That §21-11-6 of the Code of West Virginia, 1931, as amended, be amended and
 2 reenacted to read as follows

ARTICLE 11. WEST VIRGINIA CONTRACTOR LICENSING ACT.

§21-11-6. Necessity for license; exemptions.

1 (a) No person may engage in this state in any act as a contractor, or submit a bid to
 2 perform work as a contractor, as defined in this article, unless such person holds a license issued
 3 under the provisions of this article. No firm, partnership, corporation, association or other entity
 4 shall engage in contracting in this state unless an officer thereof holds a license issued pursuant
 5 to this article.

6 (b) Any person to whom a license has been issued under this article shall keep the license
 7 or a copy thereof posted in a conspicuous position at every construction site where work is being
 8 done by the contractor. The contractor's license number shall be included in all contracting
 9 advertisements and all fully executed and binding contracts. Any person violating the provisions
 10 of this subsection shall be subject, after hearing, to a warning, a reprimand, or a fine of not more
 11 than \$200.

12 (c) Except as otherwise provided in this code, the following are exempt from licensure:

13 (1) Work done exclusively by employees of the United States Government, the State of
 14 West Virginia, a county, municipality or municipal corporation, and any governmental subdivision
 15 or agency thereof;

16 (2) The sale or installation of a finished product, material or article or merchandise which
 17 is not actually fabricated into and does not become a permanent fixed part of the structure;

18 (3) Work performed personally by an owner or lessee of real property on property the

- 19 primary use of which is for agricultural or farming enterprise;
- 20 (4) A material supplier who renders advice concerning use of products sold and who does
21 not provide construction or installation services;
- 22 (5) Work performed by a public utility company regulated by the West Virginia Public
23 Service Commission and its employees;
- 24 (6) Repair work contracted for by the owner of the equipment on an emergency basis in
25 order to maintain or restore the operation of such equipment;
- 26 (7) Work performed by an employer's regular employees, for which the employees are
27 paid regular wages and not a contract price, on property owned or leased by the employer which
28 is not intended for speculative sale or lease;
- 29 (8) Work personally performed on a structure by the owner or occupant thereof; ~~and~~
- 30 (9) Work performed when the specifications for such work have been developed or
31 approved by engineering personnel employed by the owner of a facility by registered professional
32 engineers licensed pursuant to the laws of this state when the work to be performed because of
33 its specialized nature or process cannot be reasonably or timely contracted for within the general
34 area of the facility; and
- 35 (10) Work performed when the actual and total cost of the project is less than \$5,000,
36 including labor, materials and all other expenses related to the project.

NOTE: The purpose of this bill is to permit contractors to perform work on a construction project without having a contractor's license when the total cost of that project is less than \$5,000.

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