

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

Senate Bill 569

By Senator Rucker

[Introduced on February 21, 2025; referred
to the Committee on Government Organization; and
then to the Committee on the Judiciary]

1 A BILL to amend and reenact §30-42-15 of the Code of West Virginia, 1931, as amended; and to
 2 amend the code by adding a new article, designated §21-11B-1, §21-11B-2, and §21-11B-
 3 3, relating to establishing certain rights for purchasers of residential improvements; stating
 4 legislative purpose; defining terms; mandating contracts for residential improvements
 5 contain warranty; stating required minimum terms of warranty; setting length of warranty;
 6 establishing that warranty is cumulative of other warranties; prohibiting exclusion or
 7 limitation of express or implied warranties; mandating that arbitration proceedings be held
 8 within certain distance from location of improvements; requiring alternative dispute
 9 resolution provisions of contract be prominently displayed; and providing that failure to
 10 comply with provisions of this article is grounds for disciplinary action by Contractor
 11 Licensing Board.

Be it enacted by the Legislature of West Virginia:

CHAPTER 21. LABOR

ARTICLE 11B. RIGHTS OF RESIDENTIAL HOMEOWNERS.

§21-11B-1. Purpose.

1 This article is intended to establish certain rights for homeowners, including subsequent
 2 purchasers, who purchase residential improvements or who purchase a new residential dwelling.

§21-11B-2. Definitions.

1 The words and terms used in this article have the same meanings as those set forth in §21-
 2 11A-4 of this code, unless a different meaning clearly appears from the context.

§21-11B-3. Required terms of contracts for residential improvements.

1 (a) A contract for residential improvements shall include an express warranty by the
 2 contractor providing, at a minimum, that:

3 (1) The work has been performed in accordance with all accepted building practices;

4 (2) The work meets all applicable building codes and all other applicable codes;

5 (3) The work complies with all applicable zoning ordinances and health department
6 regulations;

7 (4) All required inspections by authorities having jurisdiction have been performed and the
8 contractor has made its own inspections to ensure code compliance;

9 (5) All materials, equipment, and appliances are new and without defect;

10 (6) Should any defect develop during the warranty period, the contractor shall repair,
11 replace, or take other appropriate action to correct the defect and any displaced adjacent work at
12 no expense to the owner;

13 (7) The warranty shall extend for a period of 10 years from the date of substantial
14 completion for improvements involving:

15 (A) Foundation;

16 (B) Septic system;

17 (C) Basement;

18 (D) Roof;

19 (E) Plumbing system; and

20 (F) Structural elements.

21 (8) The warranty shall extend for a period of two years from the date of substantial
22 completion for improvements involving:

23 (A) Windows and window systems;

24 (B) Doors, including hardware;

25 (C) Plumbing fixtures; and

26 (D) Cabinets.

27 (b) It is not necessary to the creation of the warranty that the contractor use formal words,
28 such as "warrant" or "guarantee".

29 (c) The warranty required by this article is cumulative and not exclusive, and the owner
30 shall have the benefit of any and all warranties, express and implied, that otherwise inure to the

31 benefit of the owner.

32 (d) Notwithstanding any other provision of law to the contrary, a contract for residential
33 improvements may not exclude, modify, or attempt to limit any warranties, express or implied, and
34 any attempted exclusion, modification, or limitation shall be void.

35 (e) Notwithstanding any other provision of law to the contrary, a contract for residential
36 improvements may not exclude, modify, or attempt to limit any remedy provided by law, including
37 the measure of damages available, for breach of warranty, express or implied.

38 (f) If a contract for residential improvements contains a clause mandating arbitration or
39 other alternative dispute resolution processes, that clause shall designate all proceedings to be
40 held within 50 miles of the dwelling or residence that is the subject of the dispute.

41 (g) Any arbitration or alternative dispute resolution provisions in a contract for residential
42 improvements shall be conspicuously located in the contract document, the print entirely
43 capitalized and in bold, and located so as to be distinctive from the remainder of the provisions of
44 the contract.

CHAPTER 30. PROFESSIONS AND OCCUPATIONS.

ARTICLE 42. WEST VIRGINIA CONTRACTOR LICENSING ACT.

§30-42-15. Disciplinary powers of the board.

1 (a) The board may impose the following disciplinary actions:

2 (1) Permanently revoke a license;

3 (2) Suspend a license for a specified period;

4 (3) Censure or reprimand a licensee;

5 (4) Impose limitations or conditions on the professional practice of a licensee;

6 (5) Impose requirements for remedial professional education to correct deficiencies in the
7 education, training, and skill of a licensee;

8 (6) Impose a probationary period requiring a licensee to report regularly to the board on

9 matters related to the grounds for probation; the board may withdraw probationary status if the
10 deficiencies that require the sanction are remedied;

11 (7) Order a contractor who has been found, after hearing, to have violated any provision of
12 this article or the rules of the board to provide, as a condition of licensure, assurance of financial
13 responsibility. The form of financial assurance may include, but is not limited to, a surety bond, a
14 cash bond, a certificate of deposit, an irrevocable letter of credit, or performance insurance:
15 *Provided*, That the amount of financial assurance required under this subdivision may not exceed
16 the total of the aggregate amount of the judgments or liens levied against the contractor or the
17 aggregate value of any corrective work ordered by the board or both: *Provided, however*, That the
18 board may remove this requirement for licensees against whom no complaints have been filed for
19 a period of five continuous years; and

20 (8) A fine not to exceed \$1,000.

21 (b) No license issued under the provisions of this article may be suspended or revoked
22 without a prior hearing before the board: *Provided*, That the board may summarily suspend a
23 licensee pending a hearing or pending an appeal after hearing upon a determination that the
24 licensee poses a clear, significant, and immediate danger to the public health and safety.

25 (c) The board may reinstate the suspended or revoked license of a person if, upon a
26 hearing, the board finds and determines that the person is able to practice with skill and safety.

27 (d) The board may accept the voluntary surrender of a license: *Provided*, That the license
28 may not be reissued unless the board determines that the licensee is competent to resume
29 practice and the licensee pays the appropriate renewal fee.

30 (e) A person or contractor adversely affected by disciplinary action may appeal to the
31 board within 60 days of the date the disciplinary action is taken. The board shall hear the appeal
32 within 30 days from receipt of notice of appeal in accordance with the provisions of Chapter 29A of
33 this code. Hearings shall be held in Charleston. The board may retain a hearing examiner to
34 conduct the hearings and present proposed findings of fact and conclusions of law to the board for

35 its action.

36 (f) Any party adversely affected by any action of the board may appeal that action in either
37 the circuit court of Kanawha County, West Virginia, or in the circuit court of the county in which the
38 petitioner resides or does business, within 30 days after the date upon which the petitioner
39 received notice of the final order or decision of the board.

40 (g) The following are causes for disciplinary action:

41 (1) Abandonment, without legal excuse, of any construction project or operation engaged
42 in or undertaken by the licensee;

43 (2) Willful failure or refusal to complete a construction project or operation with reasonable
44 diligence, thereby causing material injury to another;

45 (3) Willful departure from or disregard of plans or specifications in any material respect
46 without the consent of the parties to the contract;

47 (4) Willful or deliberate violation of the building laws or regulations of the state or of any
48 political subdivision thereof;

49 (5) Willful or deliberate failure to pay any moneys when due for any materials free from
50 defect, or services rendered in connection with the person's operations as a contractor when the
51 person has the capacity to pay or when the person has received sufficient funds under the contract
52 as payment for the particular construction work for which the services or materials were rendered
53 or purchased, or the fraudulent denial of any amount with intent to injure, delay, or defraud the
54 person to whom the debt is owed;

55 (6) Willful or deliberate misrepresentation of a material fact by an applicant or licensee in
56 obtaining a license or in connection with official licensing matters;

57 (7) Willful or deliberate failure to comply in any material respect with the provisions of this
58 article or the rules of the board;

59 (8) Willfully or deliberately acting in the capacity of a contractor when not licensed or as a
60 contractor by a person other than the person to whom the license is issued except as an employee

61 of the licensee;

62 (9) Willfully or deliberately acting with the intent to evade the provisions of this article by: (i)
63 Aiding or abetting an unlicensed person to evade the provisions of this article; (ii) combining or
64 conspiring with an unlicensed person to perform an unauthorized act; (iii) allowing a license to be
65 used by an unlicensed person; or (iv) attempting to assign, transfer, or otherwise dispose of a
66 license or permitting the unauthorized use thereof;

67 (10) Engaging in any willful, fraudulent, or deceitful act in the capacity as a contractor
68 whereby substantial injury is sustained by another;

69 (11) Performing work which is not commensurate with a general standard of the specific
70 classification of contractor or which is below a building or construction code adopted by the
71 municipality or county in which the work is performed;

72 (12) Knowingly employing a person or persons who do not have the legal right to be
73 employed in the United States;

74 (13) Failing to execute written contracts prior to performing contracting work in accordance
75 with §30-42-10 of this code;

76 (14) Failing to abide by an order of the board; ~~or~~

77 (15) Failing to satisfy a judgment or execution ordered by a magistrate court, circuit court,
78 or arbitration board; or

79 (16) Failing to comply with the provisions of §21-11B-1 et seq. of this code.

80 (h) In all disciplinary hearings the board has the burden of proof as to all matters in
81 contention. No disciplinary action may be taken by the board except on the affirmative vote of at
82 least six members thereof. Other than as specifically set out herein, the board has no power or
83 authority to impose or assess damages.

NOTE: The purpose of this bill is to establish certain rights for purchasers of residential improvements. The bill states a legislative purpose; defines terms; mandates contracts for residential improvements contain warranty; states required minimum terms of warranty;

sets length of warranty; establishes that warranty is cumulative of other warranties; prohibits exclusion or limitation of express or implied warranties; mandates that arbitration proceedings be held within certain distance from location of improvements; requires alternative dispute resolution provisions of contract be prominently displayed; and provides that failure to comply with provisions of article is grounds for disciplinary action by Contractor Licensing Board.

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