

Senate Bill 124

By: Senators Seabaugh of the 28th, Johnson of the 1st, Balfour of the 9th and Meyer von Bremen of the 12th

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 41 of Title 43 of the Official Code of Georgia Annotated, relating to  
2 residential and general contractors, so as to change the method of appointing certain  
3 members of the board; to provide for certain qualifications concerning licensing for board  
4 members; to provide for the time for appointing members of the board; to provide for the  
5 time for filing of applications for exemption from examination; to provide for the time for  
6 filing applications for certain licensing; to amend Section 2 of an Act approved May 14, 2004  
7 (Ga. L. 2004, p. 786), so as to change the effective date of such Act; to provide for related  
8 matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 style="text-align:center">**SECTION 1.**

11 Chapter 41 of Title 43 of the Official Code of Georgia Annotated, relating to residential and  
12 general contractors, is amended by striking Code Section 43-41-3, relating to creation of the  
13 State Licensing Board for Residential and General Contractors, and inserting in lieu thereof  
14 a new Code Section 43-41-3 to read as follows:

15 "43-41-3.

16 (a) There is created the State Licensing Board for Residential and General Contractors  
17 consisting of 14 members, ~~ten of whom shall be appointed by the Governor for five-year~~  
18 ~~terms, two of whom shall be appointed by the Speaker of the House of Representatives for~~  
19 ~~five-year terms, and two of whom shall be appointed by the Senate Committee on~~  
20 ~~Assignments or successor by Senate Rule for five-year terms.~~ The board shall be assigned  
21 to the Secretary of State's office for administrative purposes and shall be under the  
22 jurisdiction of the division director and shall operate in accordance with and pursuant to  
23 the provisions of Chapter 1 of this title, as applicable. The board shall be comprised of two  
24 divisions: the residential contractor division, having jurisdiction of and authority over the  
25 two subcategories of residential contracting, residential-basic contractors and  
26 residential-light commercial contractors, and the general contractor division. Seven  
27 members shall be appointed and serve as members of the residential contractor division of

1 the board and seven members shall be appointed and serve as members of the general  
2 contractor division of the board. Members shall serve until the expiration of their  
3 respective terms and until their successors are appointed and qualified. Vacancies  
4 occurring during a term shall be filled by appointment of the Governor for the remainder  
5 of the unexpired term and such replacement shall meet the requirements and criteria of  
6 selection of the person previously holding the vacant position. To be eligible to serve on  
7 the respective divisions of the board, each contractor member shall be and remain actively  
8 involved in the construction contracting business and shall have been so engaged for a  
9 period of not less than five consecutive years before the date of appointment in the  
10 particular contracting business, as a residential contractor or general contractor,  
11 corresponding to the division for which such person is appointed. Any contractor members  
12 whose term continues after or who are appointed to terms commencing two years from the  
13 date that this chapter becomes effective must also have been licensed and certified by the  
14 respective division of the board to operate as a contractor in the category to which the  
15 member is appointed. The position of any appointive member of the board who, during his  
16 or her term of appointment, shall cease to meet the qualifications for original appointment  
17 shall be immediately vacated. No member of the board shall be appointed to serve more  
18 than two full terms.

19 (b) The residential contractor division shall consist of seven members, ~~one of whom shall~~  
20 ~~be appointed by the Speaker of the House of Representatives and one of whom shall be~~  
21 ~~appointed by the Senate Committee on Assignments;~~ and, except as otherwise expressly  
22 stated in this chapter, shall have jurisdiction of and authority over the practice of the two  
23 subcategories of residential contracting, residential-basic contractors and residential-light  
24 commercial contractors. Five members shall be residential contractors eligible for  
25 licensure under this chapter. ~~The members appointed by the Speaker of the House of~~  
26 ~~Representatives and the Senate Committee on Assignments or successor by Senate Rule~~  
27 ~~shall be residential contractors.~~ Effective July 1 of the second year after this chapter  
28 becomes effective, all residential contractor members shall be required to be licensed under  
29 this chapter. At least two of the residential contractor members shall be qualified to  
30 perform residential-light commercial type projects; three shall be qualified and shall  
31 predominantly perform residential-basic type projects; one shall be a residential contractor  
32 whose business predominately involves remodeling projects; one shall be a residential  
33 contractor who constructs at least an average of 20 residences per year; and all must be  
34 geographically diverse. One member shall be a public building official and one member  
35 shall be a public member. The public member shall have no ties with the residential  
36 construction industry and shall represent the interests of the public at large. The initial  
37 member terms on the residential contractor division shall be staggered so that all terms do

1 not expire simultaneously. Three members shall serve initial terms of five years, three  
 2 members shall serve initial terms of four years, and one member shall serve an initial term  
 3 of three years. The residential contractor division shall meet at least six times each year  
 4 for the purpose of transacting such business as may properly come before it.

5 (c) The general contractor division shall consist of seven members, ~~one of whom shall be~~  
 6 ~~appointed by the Speaker of the House of Representatives and one of whom shall be~~  
 7 ~~appointed by the Senate Committee on Assignments or successor by Senate Rule,~~ and,  
 8 except as otherwise expressly stated in this chapter, shall have jurisdiction of and authority  
 9 over the practice of general contracting. Five members shall be general contractors eligible  
 10 for licensure under this chapter. ~~The members appointed by the Speaker of the House of~~  
 11 ~~Representatives and the Senate Committee on Assignments or successor by Senate Rule~~  
 12 ~~shall be general contractors.~~ Effective July 1 of the second year after this chapter becomes  
 13 effective, all general contractor members shall be required to be licensed under this chapter.  
 14 At least two of the general contractor members shall be small-volume builders with an  
 15 annual contracting volume of less than \$5 million and all of whom must be geographically  
 16 diverse. One member shall be a currently licensed or registered architect or engineer and  
 17 one member shall be a public building official. The initial member terms on the general  
 18 contractor division shall be staggered so that all terms do not expire simultaneously. Three  
 19 members, including at least two contractor members, shall serve initial terms of five years;  
 20 three members, including at least two contractor members, shall serve initial terms of four  
 21 years; and one member shall serve an initial term of three years. The general contractor  
 22 division shall meet at least six times each year for the purpose of transacting such business  
 23 as may properly come before it."

## 24 SECTION 2.

25 Said chapter is further amended by striking subsection (a) of Code Section 43-41-4, relating  
 26 to appointment of members of the board, and inserting in lieu thereof a new subsection (a)  
 27 to read as follows:

28 "(a) The initial members of the board shall be appointed no later than July 30 1 of the year  
 29 in which this chapter becomes effective. The board shall meet within 30 days after its  
 30 appointment at a time and place to be designated by the Governor and organize by electing  
 31 a chairperson and a vice chairperson, each to serve for a one-year term."

## 32 SECTION 3.

33 Said chapter is further amended by striking subsection (a) of Code Section 43-41-17, relating  
 34 to effective date of licensing and sanctioning provisions, and inserting in lieu thereof a new  
 35 subsection (a) to read as follows:

1 "(a) The licensing requirements imposed by this chapter and the sanctions and  
 2 consequences relating thereto shall not become effective and enforceable until two years  
 3 after the effective date of this chapter. On and after such date, no person, whether an  
 4 individual or a business organization, shall have the right to engage in the business of  
 5 residential contracting or general contracting without a current, valid residential contractor  
 6 license or general contractor license, respectively, issued by the division under this chapter  
 7 or, in the case of a business organization, unless such business organization shall have a  
 8 qualifying agent as provided in this chapter holding such a current, valid residential  
 9 contractor or general contractor license on behalf of such organization issued to such  
 10 qualifying agent as provided in this chapter. Notwithstanding the foregoing, persons  
 11 seeking licensure under this chapter and exemption from examination under paragraphs (1)  
 12 and (2) of subsection (a) of Code Section 43-41-8 shall submit their applications, including  
 13 all necessary proof of the basis of exemption from examination for such license, starting  
 14 ~~one year~~ six months after the effective date of this chapter. The period for submission of  
 15 such applications and requests for exemption from the examination requirements shall  
 16 extend thereafter for a period of six months. Furthermore, notwithstanding the foregoing,  
 17 any person seeking licensure under this chapter and exemption from examination under  
 18 paragraph (3) of subsection (a) of Code Section 43-41-8 may submit his or her application,  
 19 including all necessary proof of the basis of such exemption starting ~~18~~ 12 months after the  
 20 effective date of this chapter and continuing thereafter."

21 **SECTION 4.**

22 An Act approved May 14, 2004 (Ga. L. 2004, p. 786), is amended by striking Section 2 and  
 23 inserting in lieu thereof a new Section 2 to read as follows:

24 "SECTION 2.

25 This Act shall become effective ~~only upon the effective date of an appropriation of funds~~  
 26 ~~for the purposes of this Act as expressed in a line item making specific reference to the full~~  
 27 ~~funding of this Act in an appropriations Act enacted by the General Assembly~~ upon the  
 28 approval of the Governor or upon its becoming law without such approval for the purposes  
 29 of appointing members of the board and on July 1, 2005, for all other purposes."

30 **SECTION 5.**

31 This Act shall become effective upon approval of the Governor or upon its becoming law  
 32 without such approval.

33 **SECTION 6.**

- 1 All laws and parts of laws in conflict with this Act are repealed.