

The House Committee on Governmental Affairs offers the following substitute to HB 184:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 43-41-3 of the Official Code of Georgia Annotated, relating to  
2 creation of State Licensing Board for Residential and General Contractors, so as to change  
3 the manner of appointment of members of the board; to provide for related matters; to  
4 provide an effective date; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Code Section 43-41-3 of the Official Code of Georgia Annotated, relating to creation of State  
8 Licensing Board for Residential and General Contractors, is amended by striking the Code  
9 section and inserting in lieu thereof a new Code Section 43-41-3 to read as follows:

10 "43-41-3.

11 (a) There is created the State Licensing Board for Residential and General Contractors  
12 consisting of 14 members, ~~ten of whom~~ who shall be appointed by the Governor for  
13 five-year terms, ~~two of whom shall be appointed by the Speaker of the House of~~  
14 ~~Representatives for five-year terms, and two of whom shall be appointed by the Senate~~  
15 ~~Committee on Assignments or successor by Senate Rule for five-year terms.~~ The board  
16 shall be assigned to the Secretary of State's office for administrative purposes and shall be  
17 under the jurisdiction of the division director and shall operate in accordance with and  
18 pursuant to the provisions of Chapter 1 of this title, as applicable. The board shall be  
19 comprised of two divisions: the residential contractor division, having jurisdiction of and  
20 authority over the two subcategories of residential contracting, residential-basic contractors  
21 and residential-light commercial contractors, and the general contractor division. Seven  
22 members shall be appointed and serve as members of the residential contractor division of  
23 the board and seven members shall be appointed and serve as members of the general  
24 contractor division of the board. Members shall serve until the expiration of their  
25 respective terms and until their successors are appointed and qualified. Vacancies  
26 occurring during a term shall be filled by appointment of the Governor for the remainder  
27 of the unexpired term and such replacement shall meet the requirements ~~and criteria of~~

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

14 (b) The residential contractor division shall consist of seven members, ~~one of whom shall~~  
15 ~~be appointed by the Speaker of the House of Representatives and one of whom shall be~~  
16 ~~appointed by the Senate Committee on Assignments,~~ and, except as otherwise expressly  
17 stated in this chapter, shall have jurisdiction of and authority over the practice of the two  
18 subcategories of residential contracting, residential-basic contractors and residential-light  
19 commercial contractors. Five members shall be residential contractors eligible for  
20 licensure under this chapter. ~~The members appointed by the Speaker of the House of~~  
21 ~~Representatives and the Senate Committee on Assignments or successor by Senate Rule~~  
22 ~~shall be residential contractors.~~ Effective July 1 of the second year after this chapter  
23 becomes effective, all residential contractor members shall be required to be licensed under  
24 this chapter. At least two of the residential contractor members shall be qualified to  
25 perform residential-light commercial type projects; three shall be qualified and shall  
26 predominantly perform residential-basic type projects; one shall be a residential contractor  
27 whose business predominately involves remodeling projects; one shall be a residential  
28 contractor who constructs at least an average of 20 residences per year; and all must be  
29 geographically diverse. One member shall be a public building official and one member  
30 shall be a public member. The public member shall have no ties with the residential  
31 construction industry and shall represent the interests of the public at large. The initial  
32 member terms on the residential contractor division shall be staggered so that all terms do  
33 not expire simultaneously. Three members shall serve initial terms of five years, three  
34 members shall serve initial terms of four years, and one member shall serve an initial term  
35 of three years. The Governor in making such initial appointments shall specify the term  
36 for which each such appointee shall serve. The residential contractor division shall meet

1 at least six times each year for the purpose of transacting such business as may properly  
2 come before it.

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

## 23 SECTION 2.

24 This Act shall become effective upon its approval by the Governor or upon its becoming law  
25 without such approval.

## 26 SECTION 3.

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