#### Senate Bill 503

By: Senators Brass of the 28th, Summers of the 13th, Dolezal of the 27th, Ginn of the 47th, Harbison of the 15th and others

## AS PASSED SENATE

# A BILL TO BE ENTITLED AN ACT

1 To amend Title 43 of the Official Code of Georgia Annotated, relating to professions and 2 businesses, so as to amend Chapter 41, relating to residential and general contractors; to 3 rename the general contractor license as a commercial general contractor license and to make 4 conforming amendments throughout; to change certain provisions relating to the 5 membership, qualifications, terms, and meetings of the State Licensing Board for Residential 6 and General Contractors; to require proof of qualified financial responsibility and insurance 7 coverages after taking the examination required for licensure; to change certain provision 8 relating to reciprocity; to change certain provisions relating to eligibility for licensure without 9 examination; to change the notification and designation requirements relating to qualifying 10 agents; to require each business organization that has terminated its qualifying agent to 11 furnish certain information to building inspectors; to make certain changes as to the role of 12 building inspectors; to change provisions relating to the effective date of licensing; to provide 13 for related matters; to repeal conflicting laws; and for other purposes.

## 14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

15	SECTION 1.
16	Title 43 of the Official Code of Georgia Annotated, relating to professions and businesses,
17	is amended by revising Chapter 41, relating to residential and general contractors, as follows:
18	"43-41-1.
19	It is the intent of the General Assembly, in the interest of public health, safety, and welfare,
20	to safeguard homeowners, other property owners, tenants, and the general public against
21	faulty, inadequate, inefficient, and unsafe residential and <u>commercial</u> general contractors.
22	The practice of residential and <u>commercial</u> general contracting is declared to be a business
23	or profession affecting the public interest and this chapter shall be liberally construed so
24	as to accomplish the intent and purposes stated in this Code section.
25	43-41-2.
26	As used in this chapter, the term:
27	(1) 'Board' means the State Licensing Board for Residential and Commercial General
28	Contractors.
29	(2) 'Business organization' means any partnership, corporation, limited liability entity,
30	business trust, joint venture, or other legal entity, other than an individual person, doing
31	business or seeking, offering, or contracting to do business as a contractor or otherwise
32	performing or acting as a contractor as defined in this Code section.
33	(3) 'Commercial general contractor' means a contractor whose services are unlimited as
34	to the type of work which he or she may do, subject to the financial limitations as may
35	be imposed by a subclassification created pursuant to paragraph (8) of subsection (b) of
36	Code Section 43-41-5, and who may contract for, undertake to perform, submit a bid or
37	a proposal or otherwise offer to perform, and perform any activity or work as a contractor
38	requiring licensure under this chapter including within its scope any work requiring
39	licensure under Chapter 14 of this title; provided, however, that any work contractually
40	undertaken by a commercial general contractor in the nature of electrical contracting,

41 plumbing, conditioned air contracting, low-voltage contracting, or utility contracting 42 which falls within the licensing requirements of Chapter 14 of this title may not be 43 performed by the commercial general contractor but shall only be performed by a person 44 who is duly licensed to perform such work under Chapter 14 of this title. The 45 construction of all private, commercial, institutional, industrial, public, and other 46 buildings and structures under contract with or engagement directly by an owner shall be 47 undertaken by a commercial general contractor, except as otherwise expressly set forth 48 in an archive ded form engagement.

48 <u>in or excluded from operation of this chapter.</u>

(3)(4) 'Contracting' means performing or causing to be performed any of the activities
 set forth in paragraphs (3), (4), (5), (9), (10), and (11) of this Code section which define
 the types of contractors. The offering of contracting services and the negotiation of or
 bid or proposal for engagement or a contract requiring performance of these services also
 constitutes contracting.

- 54 (4)(5) 'Contractor,' except as specifically exempted by this chapter, means a person who 55 is qualified, or required to be qualified, under this chapter and who, for compensation, 56 contracts to, offers to undertake or undertakes to, submits a bid or a proposal to, or 57 personally or by others performs the construction or the management of the construction 58 for an owner of any building, bridge, or other structure, including a person who installs 59 industrialized buildings as defined in paragraphs (3) and (4) of Code Section 8-2-111, for 60 the construction or improvement of, addition to, or the repair, alteration, or remodeling 61 of any such building, bridge, or structure for use by the owner or by others or for resale 62 to others. The term 'contractor' for purposes of this chapter shall include a person who 63 contracts to, undertakes to, or submits a bid or proposal to perform, or otherwise does 64 himself or herself perform, for an owner:
- (A) Construction management services relative to the performance by others of such
   construction activities where the person performing such construction management

24

67 services is at risk contractually to the owner for the performance and cost of the 68 construction; and

69 (B) Services of a contractor as part of performance of design-build services, whether 70 as a prime contractor, joint venture partner, or as a subcontractor to a design 71 professional acting as prime contractor as part of a design-build entity or combination. 72 Both residential and commercial general contractors, in addition to contractors licensed 73 under Chapter 14 of this title to perform such work or any component thereof, shall be 74 permitted to construct storm-water management systems comprising any storm-water 75 conveyance or storm-water detention facility that moves storm or surface water from a 76 specific point on a wholly contained construction project site to another specific point on 77 the same project site and which are wholly contained within the project site and are not 78 part of or connected to any public or private water treatment system, waste-water 79 treatment system, or storm-water system.

80 (5) 'General contractor' means a contractor whose services are unlimited as to the type 81 of work which he or she may do, subject to the financial limitations as may be imposed 82 by a subclassification created pursuant to paragraph (8) of subsection (b) of Code Section 83 43-41-5, and who may contract for, undertake to perform, submit a bid or a proposal or 84 otherwise offer to perform, and perform any activity or work as a contractor requiring 85 licensure under this chapter including within its scope any work requiring licensure under 86 Chapter 14 of this title; provided, however, that any work contractually undertaken by a 87 general contractor in the nature of electrical contracting, plumbing, conditioned air 88 contracting, low voltage contracting, or utility contracting which falls within the licensing requirements of Chapter 14 of this title may not be performed by the general contractor 89 90 but shall only be performed by a person who is duly licensed to perform such work under 91 Chapter 14 of this title. The construction of all private, commercial, institutional, 92 industrial, public, and other buildings and structures under contract with or engagement

> S. B. 503 - 4 -

directly by an owner shall be undertaken by a general contractor, except as otherwise
 expressly set forth in or excluded from operation of this chapter.

(6) An 'owner' of real property means a person or entity that has a majority ownership
interest in the real property to be improved and for whom an improvement is made or
who contracts with or engages, directly or through an agent, the contractor to perform the
construction work or services.

99 (7) 'Qualifying agent' means a person who possesses the requisite skill, knowledge, and 100 experience and has the responsibility to supervise, direct, manage, and control all of the 101 contracting activities within the State of Georgia of a contractor doing business in the 102 form of a business organization, with which he or she is affiliated by employment or 103 ownership; who has the responsibility to supervise, direct, manage, and control 104 construction activities on any project for which he or she has obtained the building permit 105 pursuant to Code Section 43-41-14; and whose technical and personal qualifications have 106 been determined by investigation and examination as provided in this chapter, except as 107 exempted under Code Section 43-41-8, as attested by the division.

(8) 'Real property' means the real estate, or an interest therein, that is improved,
including leaseholds, tenements, and easements, and improvements constructed or placed
thereon.

111 (9) 'Residential contractor' means any contractor who may contract for, undertake to 112 perform, submit a bid or a proposal or otherwise offer to perform, and perform any 113 activity or work as a contractor requiring licensure under this chapter for a fixed price, 114 commission, fee, wage, or other compensation or who undertakes any activity or work 115 on his or her own behalf or for any person or business organization that is not licensed 116 as a licensed residential contractor pursuant to this chapter where such activity or work 117 falls into the category of residential-basic contractor or residential-light commercial 118 contractor as defined in this Code section and where the total value of the work or activity 119 or of the compensation to be received by the contractor for such activity or work,

S. B. 503 - 5 - 120 whichever is the higher, exceeds \$2,500.00. The term 'residential contractor' shall 121 include both a residential-basic contractor and a residential-light commercial contractor, 122 except where otherwise expressly stated. The work or activity performed by a residential 123 contractor may include within its scope any work requiring licensure under Chapter 14 124 of this title; provided, however, that any work contractually undertaken by a residential 125 contractor in the nature of electrical contracting, plumbing, conditioned air contracting, 126 low voltage contracting, or utility contracting which falls within the licensing 127 requirements of Chapter 14 of this title may not be performed by the residential 128 contractor but shall only be performed by a person who is duly licensed to perform such 129 work under Chapter 14 of this title.

(10) 'Residential-basic contractor' means and encompasses a person who performs
 contractor work or activity relative to detached one-family and two-family residences and
 one-family townhouses not over three stories in height and their accessory buildings and
 structures.

134 (11) 'Residential-light commercial contractor' means and encompasses a person who 135 performs any contractor work or activity performed by a residential-basic contractor and, 136 additionally, shall include such contractor work or activity related to multifamily and 137 multiuse light commercial buildings and structures, and their related accessory buildings 138 and structures, which are less than four stories in height; less than 25,000 square feet in 139 aggregate interior floor space, except as otherwise provided in this chapter; and are 140 constructed of wood or light gauge metal frame, brick veneer, prefabricated, or 141 manufactured type of construction; or are preengineered steel buildings not exceeding 142 50,000 square feet of interior floor space; provided that such buildings or structures are 143 not of the type of building or structure that would constitute a special hazard to property 144 or to life and safety of persons as defined in subparagraphs (A), (C), (D), (E), (F), (G), 145 (G.1), (H), (I), and (J) and subparagraph (B), as it applies to a building of four or more 146 stories, of paragraph (1) of subsection (b) of Code Section 25-2-13.

(12) 'Specialty contractor' means a contractor whose scope of work and responsibility is
of limited scope dealing with only a specific trade and directly related and ancillary work
and whose performance is limited to such specialty construction work requiring special
skill and requiring specialized building trades or crafts, including, but not limited to, such
activities, work, or services requiring licensure under Chapter 14 of this title.

152 43-41-3.

153 (a) There is created the State Licensing Board for Residential and Commercial General 154 Contractors consisting of 15 members appointed by the Governor for five-year terms. The 155 board shall be assigned to the Secretary of State's office for administrative purposes and 156 shall be under the jurisdiction of the division director and shall operate in accordance with 157 and pursuant to the provisions of Chapter 1 of this title, as applicable. The board shall be 158 comprised composed of two divisions: the residential contractor division, having 159 jurisdiction of and authority over the two subcategories of residential contracting, 160 residential-basic contractors and residential-light commercial contractors, and the 161 commercial general contractor division. Eight members shall be appointed and serve as 162 members of the residential contractor division of the board and seven members shall be 163 appointed and serve as members of the commercial general contractor division of the 164 board. Members shall serve until the expiration of their respective terms and until their 165 successors are appointed and qualified. Vacancies occurring during a term shall be filled 166 by appointment of the Governor for the remainder of the unexpired term and such 167 replacement shall meet the requirements and criteria of selection of the person previously 168 holding the vacant position. To be eligible to serve on the respective divisions of the 169 board, each contractor member shall be and licensed in the category to which the member 170 is appointed and shall remain actively involved in the construction contracting business and 171 shall have been so engaged for a period of not less than five consecutive years before the 172 date of appointment in the particular contracting business, as a residential contractor or

> S. B. 503 - 7 -

173 commercial general contractor, corresponding to the division for which such person is 174 appointed. Any contractor members whose term continues after or who are appointed to 175 terms commencing two years from the date that this chapter becomes effective must also have been licensed and certified by the respective division of the board to operate as a 176 contractor in the category to which the member is appointed. The position of any 177 appointive appointed member of the board who, during his or her term of appointment, 178 179 shall cease to meet the qualifications for original appointment shall be immediately 180 vacated. No member of the board shall be appointed to serve more than two full terms.

181 (b) The residential contractor division shall consist of eight members and, except as 182 otherwise expressly stated in this chapter, shall have jurisdiction of and authority over the 183 practice of the two subcategories of residential contracting, residential-basic contractors 184 and residential-light commercial contractors. Six members shall be residential contractors 185 eligible for licensure licensed under this chapter; provided, however, that effective January 186 1, 2008, all residential contractor members shall be required to be licensed under this 187 chapter. At least two of the residential contractor members shall be qualified to perform 188 residential-light commercial type projects; three shall be qualified and shall predominantly 189 perform residential-basic type projects licensed as residential-light commercial contractors; 190 at least two shall be licensed as residential-basic contractors; one shall be a licensed 191 residential contractor whose business predominantly involves remodeling projects; one 192 shall be a licensed residential contractor who constructs at least an average of 20 residences 193 per year; and all must be geographically diverse. One member shall be a public building 194 official and one member shall be a public member. The public member shall have no ties 195 with the residential construction industry and shall represent the interests of the public at large. The initial member terms on the residential contractor division shall be staggered 196 197 so that all terms do not expire simultaneously. Three members shall serve initial terms of 198 five years, three members shall serve initial terms of four years, one member shall serve 199 an initial term of three years, and one member shall serve an initial term of one year. The

> S. B. 503 - 8 -

200 residential contractor division shall meet at least six times each year once every two

201 months for the purpose of transacting such business as may properly come before it. 202 (c) The commercial general contractor division shall consist of seven members and, except 203 as otherwise expressly stated in this chapter, shall have jurisdiction of and authority over 204 the practice of commercial general contracting. Five members shall be commercial general 205 contractors eligible for licensure licensed under this chapter. Effective January 1, 2008, 206 all general contractor members shall be required to be licensed under this chapter. At least 207 two of the commercial general contractor members shall be small-volume builders with an 208 annual contracting volume of less than \$5 \$10 million and all of whom must be 209 geographically diverse. One member shall be a currently licensed or registered architect 210 or engineer and one member shall be a public building official. The initial member terms 211 on the <u>commercial</u> general contractor division shall be staggered so that all terms do not 212 expire simultaneously. Three members, including at least two contractor members, shall 213 serve initial terms of five years; three members, including at least two contractor members, 214 shall serve initial terms of four years; and one member shall serve an initial term of three 215 years. The commercial general contractor division shall meet at least six times each year 216 once every two months for the purpose of transacting such business as may properly come 217 before it.

218 43-41-4.

(a) The initial members of the board shall be appointed no later than July 1, 2005. The

220 fifteenth member of the board shall be appointed not later than July 1, 2007. The board

shall meet within 30 days after its appointment at a time and place to be designated by the

222 Governor and organize by electing elect a chairperson and a vice chairperson, each to serve

for a one-year term <u>commencing on the first day of July each year</u>.

(b) The office of chairperson of the board shall be rotated between the two divisions

enumerated in this chapter, with the office of vice chairperson to be held by a member of

24

24

the division other than that in which the chairperson serves, unless the board, through its rules and regulations, provides otherwise. Any vacancy in the office of chairperson shall be filled by the members for the unexpired term. The person selected to fill the vacancy shall be a member of the same division as the chairperson whose departure has created the vacancy.

(c) The board shall meet at the call of the chairperson or upon the recommendation of a
majority of its members. Eight members of the board, including at least three members
from each of its divisions, shall constitute a quorum for transaction of business by the
board.

(d) Each division within the board shall also elect from its membership a chairperson and
a vice chairperson who shall each serve for a term of two years. Any vacancy in the office
of either the chairperson or vice chairperson shall be filled by one of the members of the
respective division for the unexpired term.

(e) Any member elected chairperson of a division may not serve more than twoconsecutive full terms of office.

241 (f) Each division shall carry out its powers and duties as provided for in this chapter with 242 the assistance of the division director and staff of the professional licensing boards division 243 of the Secretary of State's office and the officers and staff of the board. Each division of 244 the board shall operate and transact its business independently of the other division and of 245 the board at large, except as required by this chapter and to the extent of common interests 246 and functions, including staffing and administration. Each division of the board shall have 247 delegated from the board the power and authority to take all appropriate actions in the 248 organization and administration of each respective division and the effectuation and 249 implementation of the licensing and enforcement processes required under this chapter, 250 subject to ultimate oversight and review by the board.

251 (g) The divisions of the board shall meet at the call of the chairperson of the division.

24

(h) The board shall not take action on any matter specifically delegated to and under theauthority and control of the one of its divisions unless at least four of its members from the

affected division are present and participating in such action or decision.

255 (i) The division director, or his or her designee, shall keep a record of the proceedings of

the board and its respective divisions.

257 43-41-5.

(a) The board shall meet at least twice each year for the purpose of transacting such
business as may properly come before it and of overseeing the operation of its divisions.
(b) The board and its divisions shall have the power to:

(1) Request from the various departments, agencies, and authorities of the state and its
political subdivisions and their agencies and authorities such available information as
they may require in their work; and all such departments, agencies, and authorities shall
furnish such requested available information to the board and its divisions within a
reasonable time;

266 (2) Provide by regulation for reciprocity with other states or territories of the United 267 States in the licensing of residential and commercial general contractors, provided that 268 such other states have requirements substantially equal to the requirements in force in this 269 state for registration, licensure, or certification and that any such contractor holding a 270 current and valid license, certificate, or registration from another state or territory seeking 271 licensure by way of reciprocity shall demonstrate that such applicant meets, in the discretion of the respective division, the qualifications, requirements, and criteria set forth 272 273 in Code Section 43-41-6, other than the requirement to take and pass an examination as 274 set forth in subsection (d) of Code Section 43-41-6, and that such applicant is otherwise 275 in compliance with all requirements of the State of Georgia for transaction of such 276 business within this state; provided, further, that a similar privilege is offered to residents 277 of this state by the other state or territory;

> S. B. 503 - 11 -

(3) Establish and adjust fees as necessary within the limits set forth in Chapter 1 of this

279 title;

280 (4) Adopt official seals for their use and change them at pleasure;

(5) Establish the policies and procedures for regulating the businesses of residential
 contracting and <u>commercial</u> general contracting and provide interpretation and guidance
 regarding the implementation and application of such policies and procedures;

(6) Determine qualifications for licensure or certification, including such experience
 requirements as the board deems necessary;

286 (7) Promulgate and adopt rules and regulations necessary to carry out this chapter;

287 (8) Establish and define appropriate categories of <u>commercial</u> general contractor
288 licensure based upon financial criteria; and

289 (9) Allow for inactive status pursuant to Code Section 43-1-22.

290 (c) Regarding the powers and authorities conferred by this Code section relative to the 291 residential-light commercial contractor subcategory of the residential contractor 292 classification under this chapter, due to the characteristics of such subcategory, such 293 powers and authorities shall be delegated to and conferred upon, in the first instance, a 294 combined and overlapping subdivision comprising four members of both of the divisions, 295 two of whom shall be the residential-light commercial qualified members of the residential 296 contractor division and two of whom shall be the small volume qualified members of the commercial general contractor division, with neither division having sole oversight and 297 298 control of such powers and authorities. The chairperson of such combined subdivision 299 shall be rotated annually between the chairperson of the residential contractor division and 300 the chairperson of the commercial general contractor division, with the residential contractor chairperson initially serving as chairperson. The combined subdivision shall 301 302 meet at the call of such chairperson. However, regarding the actual issuance of licenses 303 under this chapter for residential-light commercial contracting and any powers and 304 authorities relative to administration, oversight, control, or disciplinary action of persons

> S. B. 503 - 12 -

issued such licenses, pursuant to Code Sections 43-41-10, 43-41-11, 43-41-13, 43-41-15,
and 43-41-16, the residential contractor division shall have full power and authority. Any
determinations made or actions taken by this subdivision shall be subject to the ultimate
review, oversight, control, power, and authority of the board.

309 (d)(1) The division director is authorized to make, or cause to be made through 310 employees or contract agents of the board, such investigations as he or she or the board 311 may deem necessary or proper for the enforcement of the provisions of this chapter. Any 312 person properly conducting an investigation on behalf of the board shall have access to 313 and may examine any writing, document, or other material relating to the fitness of any 314 licensee or applicant. The division director or his or her appointed representative may 315 issue subpoenas to compel such access upon a determination that reasonable grounds 316 exist for the belief that a violation of this chapter or any other law relating to the practice 317 of residential or <u>commercial</u> general contracting may have taken place.

(2) The results of all investigations initiated by the board shall be reported solely to the board, and the records of such investigations shall be kept for the board by the division director, with the board retaining the right to have access at any time to such records. No part of any such records shall be released, except to the board, for any purpose other than a hearing before the board, nor shall such records be subject to subpoena; provided, however, that the board shall be authorized to release such records to another enforcement agency or lawful licensing authority.

325 (3) The board shall have the authority to exclude all persons during its deliberations on
326 disciplinary proceedings and to discuss any disciplinary matter in private with a licensee
327 or applicant and the legal counsel of that licensee or applicant.

(e) A person, firm, corporation, association, authority, or other entity shall be immune
from civil and criminal liability for reporting or investigating the acts or omissions of a
licensee or applicant which violate the provisions of this chapter or any other provision of
law relating to a licensee's or applicant's fitness to practice as a licensed residential or

S. B. 503 - 13 - <u>commercial</u> general contractor or for initiating or conducting proceedings against such
 licensee or applicant, if such report is made or action is taken in good faith, without fraud
 or malice.

(f) The denial of a license on grounds other than those enumerated in this chapter, the issuance of a private reprimand, the denial of a license by reciprocity, the denial of a request for reinstatement of a revoked license, or the refusal to issue a previously denied license shall not be considered to be a contested case within the meaning of Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.' Notice and hearing within the meaning of Chapter 13 of Title 50 shall not be required, but the applicant or licensee shall be allowed to appear before the appropriate division if he or she so requests.

342 (g) If any licensee or applicant fails to appear at any hearing after reasonable notice, the 343 board may proceed to hear the evidence against such licensee or applicant and take action 344 as if such licensee or applicant had been present. A notice of hearing, initial or 345 recommended decision, or final decision of the board in a disciplinary proceeding shall be 346 served upon the licensee or applicant by certified mail or statutory overnight delivery, 347 return receipt requested, to the last known address of record with the board. If such 348 material is returned marked 'unclaimed' or 'refused' or is otherwise undeliverable and if the 349 licensee or applicant cannot, after diligent effort, be located, the division director shall be 350 deemed to be the agent for service for such licensee or applicant for purposes of this Code 351 section, and service upon the division director shall be deemed to be service upon the 352 licensee or applicant.

(h) The voluntary surrender of a license shall have the same effect as a revocation of thelicense, subject to reinstatement in the discretion of the board.

355 (i) This Code section shall apply equally to all licensees or applicants whether individuals,

356 partners, or members of any other incorporated or unincorporated associations,

357 corporations, business organizations, or other associations of any kind whatsoever.

(j) All subpoenas issued pursuant to the authority granted in this chapter shall be subject to the general rules of law with respect to distance, tender of fees and expenses, and protective orders; and any motion made with respect thereto shall be made to and passed on by a judge of the superior court of the county of residence of the person to whom the subpoena is directed.

363 43-41-6.

364 (a) Anyone seeking to be licensed as a residential contractor or as a commercial general 365 contractor in this state shall file an application on a form provided by the residential 366 contractor or commercial general contractor division, respectively, accompanied by an 367 application fee as provided by the board. Such an application may be submitted either by: 368 (1) An individual person seeking issuance of a license in his or her own name for 369 purposes of engaging in the profession of residential or <u>commercial</u> general contracting 370 in his or her own name or doing business as an individual in a trade name as a sole 371 proprietorship; or

372 (2) An individual person affiliated by ownership or employment with and acting as a
373 qualifying agent for a business organization seeking to engage in the profession of
374 residential or <u>commercial</u> general contracting in the name of the business organization
375 in accordance with and pursuant to Code Section 43-41-9.

Additionally, all applicants must submit to and successfully pass an examination prepared by, prepared for, or approved by the appropriate division, except where an applicant is otherwise qualified for licensure and has satisfied the appropriate division requirements and regulations for licensure pursuant to Code Section 43-41-8 exempting such applicant from the examination requirement or where the applicant is an individual acting as a qualifying agent for a business organization and has previously obtained and maintained continuously a license issued by the appropriate division, either as an individual doing business in his

> S. B. 503 - 15 -

- 383 or her own name or doing business as an individual in a trade name as a sole proprietor or
- as a qualifying agent for another business organization.
- 385 (b) A person shall be eligible for licensure as a residential-basic contractor by the386 residential contractor division if the person:
- 387 (1) Is at least 21 years of age;
- 388 (2) Is of a good character and is otherwise qualified as to competency, ability, and
  389 integrity, and financial responsibility;
- (3) Has at least two years of proven experience working as or in the employment of a
  residential contractor, predominantly in the residential-basic category, or other proven
  experience deemed substantially similar by the division; and
- 393 (4) Has had significant responsibility for the successful performance and completion of
- at least two projects falling within the residential-basic category in the two yearsimmediately preceding application.
- 396 (c) A person shall be eligible for licensure as a residential-light commercial contractor by397 the residential-light commercial subdivision if the person:
- 398 (1) Is at least 21 years of age;
- 399 (2) Is of a good character and is otherwise qualified as to competency, ability, and
   400 integrity, and financial responsibility;
- 401 (3) Meets eligibility requirements according to one of the following criteria:
- 402 (A) Has received a baccalaureate degree from an accredited four-year college or
  403 university in the field of engineering, architecture, construction management, building
  404 construction, or other field acceptable to the division and has at least one year of proven
  405 experience working as or in the employment of a residential contractor, <u>commercial</u>
  406 general contractor, or other proven experience deemed substantially similar by the
  407 division;
- 408 (B) Has a combination acceptable to the division of academic credits from any 409 accredited college-level courses and proven practical experience working as or in the

# S. B. 503 - 16 -

employment of a residential contractor, <u>commercial general contractor</u>, or other proven
experience deemed substantially similar by the division equaling at least four years in
the aggregate. For purposes of this subparagraph, all university, college, junior college,
or community college-level courses shall be considered accredited college-level
courses; or

415 (C) Has a total of at least four years of proven active experience working in a
416 construction industry related field, at least two of which shall have been as or in the
417 employment of a residential contractor, or other proven experience deemed acceptable
418 by the division; and

(4) Has had significant responsibility for the successful performance and completion of
at least two projects falling within the residence-light commercial category in the four
years immediately preceding application.

(d) A person shall be eligible for licensure as a <u>commercial</u> general contractor by the
 <u>commercial</u> general contractor division if the person:

424 (1) Is at least 21 years of age;

425 (2) Is of a good character and is otherwise qualified as to competency, ability, integrity,

426 and financial responsibility; and

427 (3) Meets eligibility requirements according to one of the following criteria:

(A) Has received a baccalaureate degree from an accredited four-year college or
university in the field of engineering, architecture, construction management, building
construction, or other field acceptable to the division and has at least one year of proven
experience working as or in the employment of a <u>commercial</u> general contractor or
other proven experience deemed substantially similar by the division;

(B) Has a combination acceptable to the division of academic credits from any
accredited college-level courses and proven practical experience working as or in the
employment of a <u>commercial</u> general contractor or other proven experience deemed
substantially similar by the division equaling at least four years in the aggregate. For

S. B. 503 - 17 - (C) Has a total of at least four years of proven active experience working in a
construction industry related field, at least two of which shall have been as or in the
employment of a <u>commercial</u> general contractor, or other proven experience deemed
acceptable by the division and at least one of which shall have been in or relating to
administration, marketing, accounting, estimating, drafting, engineering, supervision,
or project management, or functions deemed substantially similar by the division.

445 (e)(1) Before being entitled to take an examination or otherwise qualify for issuance of 446 a license, an applicant must show to the satisfaction of the residential contractor division 447 or commercial general contractor division from the application and proofs furnished that 448 the applicant is possessed of a good character and is otherwise qualified as to competency, ability, and integrity, and financial responsibility. The application shall 449 450 include a list of all persons, entities, and business organizations that the applicant will be 451 affiliated with as a licensed residential contractor or commercial general contractor, 452 whether by way of employment, ownership, serving as an owner or director, partnership, 453 or membership or by serving as a qualifying agent under this chapter. Applicants for a 454 general contractor license shall provide proof of a minimum net worth in an amount 455 which is specified by the general contractor division. Additionally, all applicants shall 456 provide proof of general liability insurance and of workers' compensation insurance as 457 required by the laws of this state in their name. However, if and to the extent the applicant is submitted as a person seeking to act as a qualifying agent of a particular 458 business organization, such proofs and information shall relate and pertain to such 459 business organization rather than the individual applicant, subject to the limitations set 460 461 forth in subsection (d) of Code Section 43-41-9. All applicants shall also provide their 462 social security numbers, if applying as an individual, or the federal taxpayer identification 463 numbers of any business organization for which the applicant is seeking licensure as a

> S. B. 503 - 18 -

24

464 qualifying agent. Applicants for a <u>commercial</u> general contractor's license shall also 465 provide suitable verification of tax payments in a form and manner and for the duration 466 prescribed by the <u>commercial</u> general contractor division; provided, however, that where 467 the application is seeking license as a qualifying agent of a business organization, such 468 tax verification and information shall relate and pertain to that business organization.

(2) Before qualifying for issuance of a license, but not before being entitled to take an 469 470 examination, an applicant must show to the satisfaction of the appropriate division that 471 the applicant is qualified as to financial responsibility. Applicants for a commercial general contractor license shall provide proof of a minimum net worth in an amount 472 specified by the commercial general contractor division. All applicants shall provide 473 proof of general liability insurance in an amount specified by the appropriate division and 474 proof of workers' compensation insurance as required by the laws of this state. If the 475 476 applicant is submitted as a person seeking to act as a qualifying agent of a business 477 organization, then such proof shall pertain to that business organization rather than the individual applicant, subject to the limitations set forth in Code Section 43-41-9. A 478 479 certificate by the insurer or other appropriate evidence of insurance coverages shall be 480 maintained with the appropriate division and shall be a condition of renewal.

(3) The decision of the appropriate division as to the qualifications of applicants shall,
 in the absence of fraud <u>or willful or wanton misconduct</u>, be conclusive. A certificate by
 the insurer or other appropriate evidence of such coverages shall be maintained with the
 appropriate division and shall be a condition of renewal.

485 (4) A licensee, on his or her own behalf or where acting as a qualifying agent on behalf 486 of the business organization so qualified, must notify the appropriate division in writing 487 within 30 days of any changes in the information required to be on file with such 488 division, including, but not limited to, the licensee's and, if the licensee is acting as a 489 qualifying agent for any business organization, such business organization's current 490 mailing address, insurance coverages, and affiliated entities. (f)(1) The residential contractor division and the <u>commercial general contractor division</u>
shall each conduct or cause to be conducted an examination of all qualified applicants,
except those exempted from the examination requirement pursuant to Code Section
43-41-8.

495 (2) The residential contractor division shall conduct or cause to be conducted separate 496 examinations for applicants for residential-basic and residential-light commercial licenses 497 for the purpose of determining a particular applicant's ability to make a practical 498 application of his or her knowledge of the profession of residential contracting in the 499 particular subcategory for which a license is sought; the applicant's qualifications in 500 reading plans and specifications; his or her knowledge of building codes, estimating 501 costs, construction, ethics, contracting, and other similar matters pertaining to such 502 residential contracting business; his or her knowledge as to the responsibilities of a 503 residential contractor to the public and to owners, subcontractors, and suppliers; and his 504 or her knowledge of the requirements of the laws of this state relating to residential-basic 505 and residential-light=commercial contractors, construction, workers' compensation, 506 insurance, and liens.

507 (3) The commercial general contractor division shall conduct or cause to be conducted 508 an examination to ascertain the particular applicant's ability to make a practical 509 application of his or her knowledge of the profession of commercial general contracting; 510 the applicant's qualifications in reading plans and specifications; his or her knowledge of 511 building codes, estimating costs, construction, ethics, contracting, and other similar matters pertaining to the general contracting business; his or her knowledge as to the 512 513 responsibilities of a general contractor to the public and to owners, subcontractors, and suppliers; and his or her knowledge of the requirements of the laws of this state relating 514 515 to general contractors, construction, workers' compensation, insurance, surety bonding, 516 and liens.

517 (4) If the results of the applicant's examination are satisfactory to the appropriate 518 division, or he or she is exempted from the examination requirement under Code Section 519 43-41-8, and if he or she and any affiliated business organization has met the other 520 qualifications and requirements set forth in this Code section, then the appropriate division shall issue to the applicant a license to engage in business as a residential or 521 522 commercial general contractor in this state, as provided in such license, in his or her own 523 name as a sole proprietor or as a qualifying agent for the affiliated business organization 524 and in the name of such business organization, pursuant to and in accordance with the 525 requirements set forth in Code Section 43-41-9. A residential contracting license shall 526 indicate for which of the two subcategories, residential-basic or residential-light 527 commercial, the licensee is qualified.

528 (g) Any otherwise qualified applicant failing this examination may be reexamined at any 529 regularly scheduled examination within one year of the date of original application upon 530 payment of a reexamination fee, in an amount to be set by the board, without need to 531 resubmit an application, unless any information set forth in the previously submitted 532 application is no longer accurate or complete. Anyone requesting to take the examination 533 a third fourth or subsequent time shall wait at least one calendar year after the taking of the 534 last examination date of original application and shall submit an application with the 535 appropriate examination fees.

(h) A residential contractor license, indicating whether relating to the residential-basic or
residential-light commercial category, or <u>commercial</u> general contractor license shall be
issued to an applicant who successfully completes the respective requirements therefor
upon the payment of fees prescribed by the board.

(i) Such licenses shall be renewable biennially. Licenses may be renewed subsequent to
their expiration within six months of the date of expiration by submitting a renewal as
prescribed by the board and paying a late renewal fee as determined by the board. After

S. B. 503 - 21 - 543 six months has elapsed from the date of expiration, such license may be reinstated in 544 accordance with the rules and regulations of the board.

(j) The division director shall give advance notice to each person holding a license under this chapter of the date of the expiration of the certificate of registration and the amount of the fee required for renewal at least one month prior to the expiration date, but the failure to receive such notice shall not avoid the expiration of any license not renewed in accordance with this Code section.

(k) As a condition of renewal, the appropriate division may require licensees to complete division approved continuing education of not more than three hours annually for a residential-basic license, six hours annually for a residential-light commercial license, and eight hours annually for a commercial general contractor license.

554 43-41-7.

555 A licensed residential contractor and any affiliated entities shall offer a written warranty 556 in connection with each contract to construct, or superintend or manage the construction 557 of, any single-family residence where the total value of the work or activity or the 558 compensation to be received by the contractor for such activity or work exceeds \$2,500.00. 559 The residential contractor division shall establish the minimum requirements of such 560 warranty. The parties to the warranty may agree to submit any or all disputes arising under 561 the warranty to arbitration. Such agreement to arbitrate shall be enforceable as provided 562 in Part 1 of Article 1 of Chapter 9 of Title 9, the 'Georgia Arbitration Code.'

563 43-41-8.

(a) Notwithstanding any other provision of this chapter to the contrary, the following persons desiring to qualify for a residential contractor license or a <u>commercial</u> general contractor license under the provisions of this chapter, either individually or as a qualifying agent, shall be eligible for issuance of such a license by the appropriate division without

> S. B. 503 - 22 -

examination, provided that such person submits a proper application and proofs, pays or
has paid the required fees, otherwise meets the requirements of Code Section 43-41-6 for
licensure, and is not otherwise in violation of this chapter:

571 (1) Any person who holds a current and valid license to engage in the comparable 572 category of residential or general contracting issued to him or her by any governing authority of any political subdivision of this state which requires passing an examination 573 which is substantially similar to the state examination for residential or general 574 575 contractors, provided that such person is a Georgia resident and citizen, if an individual 576 applying in his or her own behalf, or is seeking licensure as a qualifying agent for a business organization incorporated in Georgia or otherwise authorized and certified to 577 transact business in Georgia with a regular office and place of business in Georgia 578 currently and having had such office and place of business continuously for the five years 579 immediately preceding such application; provided, further, that the examination results 580 581 are made available to the appropriate division. Such application and request for exemption must be submitted within the time limits set forth in subsection (a) of Code 582 583 Section 43-41-17;

584 (2) Any person who has successfully and efficiently engaged in the comparable category 585 of residential or general contracting in this state as provided in this Code section; 586 provided, however, that such person shall be either a resident and citizen of the State of Georgia or, if applying as a qualifying agent for a business organization, such business 587 organization shall be either incorporated in Georgia or is a business organization 588 otherwise authorized and certified to transact business in Georgia with a regular office 589 and place of business in Georgia currently and having had such office and place of 590 business continuously for the five years immediately preceding such application; 591 592 provided, further, that such application and request for exemption is submitted within the 593 time limits set forth in subsection (a) of Code Section 43-41-17. To prove that he or she 594 has successfully engaged in residential-basic or residential-light commercial projects, the

person shall be required to give evidence of three successful projects located in Georgia 595 596 which were successfully completed over the period of five years immediately prior to the time of application; evidence of ten successfully completed residential-basic or 597 residential-light commercial projects located in Georgia over the period of ten years 598 599 immediately prior to the time of application; or evidence that he or she has participated in or been engaged in residential-basic or residential-light commercial construction in a 600 601 supervisory or management capacity for seven of the ten years immediately prior to the 602 time of application. To prove that he or she has successfully engaged in commercial 603 general contracting, the person submitting the application shall be required to give 604 evidence of five successful general contracting projects located in Georgia which were successfully completed over the period of five years immediately prior to the time of 605 606 application or evidence of ten successful general contracting projects located in Georgia which were successfully completed over the period of ten years immediately prior to the 607 time of application, such projects having been performed either by such person acting as 608 an individual or by a business organization in which such individual person was affiliated 609 610 by employment or ownership and over which such person had general oversight and management responsibilities; 611

612 (3)(1) Any person who holds a current and valid license to practice a comparable 613 category of residential or commercial general contracting issued by another state or 614 territory of the United States, where either such state or territory has entered into a 615 reciprocal agreement with the board and divisions for the recognition of contractor licenses issued in that state or territory, or such application is pursuant to and in 616 accordance with the regulations and requirements for reciprocity promulgated by the 617 divisions in accordance with subsection (b) of Code Section 43-41-5. Additionally, such 618 619 application shall meet the following requirements:

(A) The criteria for issuance of such license or certification by such other state or
territory, including the requirement to successfully complete an examination, were
substantially equivalent to Georgia's current license criteria;

(B) The application requirements and application form submitted to the other state or
territory upon which such license was issued are available for review by the appropriate
division and the examination results are made available to the appropriate division;

(C) The applicant shall demonstrate that he or she meets the qualifications,
requirements, and criteria set forth in subsections (a), (b), (c), and (d) through (e) of
Code Section 43-41-6; and

(D) The applicant is otherwise in compliance with all requirements of this state for
 transaction of such business within this state; provided, however, that such application
 and request for exemption shall be submitted in accordance with subsection (a) of Code
 Section 43-41-17; and

633 (4)(2) Any person who holds a current and valid license issued under this chapter to
634 engage in the comparable category of residential or <u>commercial</u> general contracting
635 which license was issued to him or her in their capacity either as an individual licensee
636 or as a qualifying agent for a business organization.

(b) Any applicant for issuance of a residential contractor or <u>commercial general contractor</u>
license under this title who shall seek exemption from the examination requirement under
this Code section, on any basis set forth above, shall have the burden of establishing to the
satisfaction and within the discretion of the appropriate division that the requirements for
such exemption have been satisfied. The decision of such division as to the satisfaction of
the requirements for such exemption from taking the examination shall, in the absence of
fraud, be conclusive.

(c) Any business organization that had an applicant submit a complete and satisfactory
application pursuant to this Code section, but was not issued a license due to the death of
the qualifying agent applicant prior to the issuance of the license, shall remain eligible for

### S. B. 503 - 25 -

647 consideration under this Code section with the submission of a new qualifying agent648 applicant for such business entity.

649 43-41-9.

650 (a) If an individual applicant proposes to engage in residential or commercial general contracting in the individual's own name or a trade name where the individual is doing 651 652 business as a sole proprietorship, the license shall be issued only to that individual. Where 653 an applicant under this chapter is seeking issuance of a residential or commercial general 654 contractor license on behalf and for the benefit of a business organization seeking to 655 engage in residential or commercial general contracting as a business organization, the 656 application for a license under this chapter must be submitted by and through an individual 657 qualifying agent for such business organization or entity and expressly on behalf of such 658 business organization or entity. In such case, the license shall be issued to the individual 659 qualifying agent and to the affiliated business organization or entity on whose behalf the 660 application was made. It shall be unlawful for any person, firm, corporation, or association 661 to operate a business organization or entity engaged in the business of residential or 662 commercial general contracting without first obtaining a license from the appropriate 663 division after the effective date of the licensing requirements as specified in subsection (a) 664 of Code Section 43-41-17. The appropriate division shall not issue a license to any 665 business organization or entity to engage in residential or commercial general contracting 666 unless such business organization or entity employs at least one currently licensed individual residential or commercial general contractor serving as its qualifying agent who 667 668 is actually engaged by ownership or employment in the practice of residential or commercial general contracting for such business organization or entity and provides 669 670 adequate supervision and is responsible for the projects of such business organization or 671 entity. A business organization may allow more than one person to act as a qualifying 672 agent for such organization, subject to each such individual qualifying agent having

> S. B. 503 - 26 -

successfully satisfied the requirements for issuance of a license under this chapter and
having obtained issuance of such a license by the appropriate division. Each such business
organization shall have at least one qualifying agent in order to be considered authorized
to engage in such contracting business.

(b) The application for a license by a qualifying agent must include an affidavit on a form provided by the board attesting that the individual applicant has final approval authority for all construction work performed by the business organization or entity within the State of Georgia and that the individual applicant has final approval authority on all construction matters, including contracts and contract performance and financial affairs related to such construction matters, for each construction job for which his or her license was used to obtain the building permit.

(c) A joint venture is considered a separate and distinct organization for licensing purposes
 under this chapter and must be qualified and licensed in accordance with the appropriate
 division's rules and regulations either:

687 (1) In its own name as a separate business organization; or

(2) By each of the members of the joint venture doing business as a residential contractor
or commercial general contractor holding, as an individual or as a business organization
acting through its qualifying agent, a valid and current residential or commercial general
contractor's license issued by the appropriate division. Each such licensed individual or
qualifying agent shall be considered a qualifying agent of such joint venture.

(d) If, during the period encompassed by a license issued to a qualifying agent acting for
and on behalf of an affiliated business organization, there is a change in any information
that is required to be stated on the application, the business organization shall, within 45
days after such change occurs, furnish the correct information to the appropriate division.
(e)(1) At least one qualifying agent shall be licensed under this chapter in order for the
business organization to obtain a license as a residential or <u>commercial</u> general
contractor. If any qualifying agent ceases to be affiliated with such business

S. B. 503 - 27 - 700 organization, for any reason, he or she shall so inform the division having jurisdiction. 701 In addition, if such qualifying agent is the only qualifying agent licensed hereunder 702 affiliated with the business organization, the business organization shall promptly notify 703 the appropriate division of the termination of the relationship with that qualifying agent 704 and shall have 120 180 days from the termination of the qualifying agent's affiliation with the business organization to employ another qualifying agent and submit an application 705 706 for licensure under the new qualifying agent. The submission of such application shall 707 serve to maintain the licensed status of the business organization pending and subject to 708 approval of such application by the appropriate division; provided that, should such 709 application be denied by that division, then, after the later of the passage of the 120 180 710 day period or the denial of the application, the business organization shall cease to be 711 considered licensed as a residential or a commercial general contractor unless and until a new application is submitted and approved by the appropriate division. In such 712 713 circumstance, the affected business organization may not thereafter engage in residential 714 or commercial general contracting until a new qualifying agent is employed; provided, 715 however, that, unless the appropriate division has granted shall grant a temporary 716 nonrenewable license to the financially responsible officer, the president or chief 717 executive officer, a partner, or, in the case of a limited partnership, the general partner, 718 who thereafter shall assume all responsibilities of a qualifying agent for the business 719 organization or entity. This temporary license shall only allow the entity to proceed with 720 incomplete contracts already in progress. For the purposes of this paragraph, an incomplete contract is one which has been awarded to, or entered into by, the business 721 organization prior to the cessation of affiliation of the qualifying agent with the business 722 723 organization being considered licensed as a residential or a commercial general contractor 724 or one on which the business organization was the low bidder and the contract is subsequently awarded, regardless of whether any actual work has commenced under the 725 contract prior to the qualifying agent business organization ceasing to be affiliated with 726

# the business organization considered licensed as a residential or a commercial general contractor.

729 (2) A person licensed under this chapter either as an individual doing business in his or 730 her name or doing business in a trade name as a sole proprietor may serve as a qualifying agent for a business organization upon application and demonstration of satisfaction by 731 such business organization of all financial and insurance requirements pursuant to Code 732 733 Section 43-41-6. A qualifying agent may serve in such capacity for more than one 734 business organization, provided that he or she shall satisfy the criteria for serving in such 735 capacity with regard to each such business organization. A qualifying agent shall inform the division having jurisdiction in writing when he or she proposes to engage in 736 737 contracting in his or her own name or in affiliation as a qualifying agent with another 738 business organization, and he or she or such new business organization shall supply the 739 same information to the division as required of applicants under this chapter. Such person shall be deemed to be a licensed residential or commercial general contractor for 740 741 the original term of his or her license for the purpose of engaging in contracting as an 742 individual in his or her own name, provided that he or she qualified for such license based 743 on his or her own personal qualifications as to financial responsibility and insurance. 744 Otherwise, such individual shall be required to submit a new application demonstrating 745 satisfaction of such financial and insurance requirements in order to engage in the 746 business of contracting under this chapter as an individual in his or her own name or 747 doing business as an individual in a trade name as a sole proprietor or by the business 748 organization he or she desires to qualify in order to obtain a license for such other 749 business organization, but such person shall be entitled to continue engaging in the 750 business of residential or commercial general contracting in accordance with and under 751 his or her previously issued license unless and until the appropriate division determines that the person seeking issuance of the license no longer meets these requirements. 752

(3) Upon a favorable determination by the division having jurisdiction, after
investigation of the financial responsibility, if applicable, and insurance of the applicant,
the division shall notify the applicant, whether the applicant was previously approved as
an individual or a qualifying agent, that the applicant is approved, without an
examination, for a new license.

758 (f) Disciplinary action and other sanctions provided in this chapter may be administered 759 against a business organization operating under a license issued through its licensed 760 qualifying agent or agents in the same manner and on the same grounds as disciplinary 761 actions or sanctions against an individual or license holder acting as its qualifying agent 762 under this chapter. The divisions or the board may deny the license to a qualifying agent 763 for any business organization if the qualifying agent or business organization has been 764 involved in past disciplinary actions or on any grounds for which individual licenses can 765 be denied.

(g) Each qualifying agent shall pay the appropriate division an amount equal to the original fee for a license applied for on behalf of a new business organization. If the qualifying agent for a business organization desires to qualify additional business organizations, the division shall require him or her to present evidence of the financial responsibility, if applicable, and insurance of each such organization.

(h) All qualifying agents for a business organization are jointly and equally responsible for
supervision of all construction related operations of the business organization, for all field
work at all sites, and for financial matters within the State of Georgia for each construction
job for which his or her license was used to obtain the building permit.

(i) Any change in the status of a qualifying agent is prospective only. A qualifying agent shall for purposes of application of this chapter and the enforcement and disciplinary mechanisms thereunder be and remain responsible for his or her actions or omissions as well as those of the business organization for which such person had acted as a qualifying agent occurring during his or her period of service as such qualifying agent as and to the 780 extent set forth in this chapter. A qualifying agent is not responsible for his or her 781 predecessor's actions, but is responsible, even after a change in status, for matters for which 782 he or she was responsible while in a particular status. Further, nothing in this chapter shall 783 be interpreted as a basis for imposition of civil liability against an individual qualifying agent by any owner or other third party claimant beyond the liability that would otherwise 784 785 exist legally or contractually apart from and independent of the individual's status as a 786 qualifying agent.

787 43-41-10.

788 (a) In addition to the powers and authorities conferred upon the board and its divisions 789 pursuant to Chapter 1 of this title, the residential contractor division and the commercial 790 general contractor division shall have the power, respectively, to reprimand any person or 791 licensee, or to suspend, revoke, or refuse to grant, renew, or restore a license to any person 792 or licensee if such person or licensee is found by the appropriate division to have engaged 793 in any fraud or deceit in obtaining a license or otherwise to have engaged in gross 794 negligence, repeated or persistent incompetence, intentional misconduct in the practice of 795 his or her profession, or willful violation of any provisions of this chapter.

796 (b) For purposes of this Code section, a person or business organization operating on an 797 expired, revoked, lapsed, or suspended license shall be considered unlicensed.

798 (c) The separate divisions may issue a stop-work order for all unlicensed work falling 799 within their respective jurisdictions upon finding probable cause to believe that 800 construction work which requires a license under this chapter is being performed by a 801 person without such a current, valid license. Such an order may be enforced by injunctive 802 relief, cease and desist orders, or other related actions within the power and authority of the 803 board and its respective divisions.

804 (d) The division having jurisdiction shall investigate and sanction any license holder found to have engaged in fraud, deceit, gross negligence, repeated or persistent incompetence, or

805

24

intentional misconduct in the practice of residential or <u>commercial general contracting</u>; and sanctions shall be assessed against any such residential or <u>commercial general contractor</u> licensed under this chapter either individually or as a business organization acting through a qualifying agent. Such charges, unless dismissed without hearing by the division as unfounded, shall be heard and determined by that division in accordance with the provisions of Chapter 13 of Title 50, the 'Georgia Administrative Procedure Act.'

(e) The divisions shall each adopt and publish in print or electronically rules and
regulations, consistent with the provisions of this chapter, governing the suspension and
revocation of licenses.

(f) Each division may reissue a license to any person whose license has been revoked or lift a suspension of a license to such person provided that four or more members of the division vote in favor of such reissuance or lifting for reasons that division deems sufficient.

819 43-41-11.

The issuance of a license by the residential contractor or the <u>commercial general contractor</u> division shall be evidence that the person named therein, including both the individual licensee and any business organization for whom such licensee is a qualifying agent, is entitled to all the rights and privileges of a licensed residential or <u>commercial</u> general contractor while such license remains unrevoked or unexpired.

825 43-41-12.

826 (a) Any person, whether an individual or a business organization, who:

827 (1) Contracts for or bids upon or engages in the construction of any of the projects or

828 works enumerated in the definitions of residential contractor or <u>commercial</u> general

829 contractor in Code Section 43-41-2 without having first complied with the appropriate

provisions of this chapter or who shall attempt to practice residential contracting or
 <u>commercial</u> general contracting in this state except as provided for in this chapter;

(2) Falsely represents, advertises, or holds himself or herself or an affiliated business
organization out as a residential contractor or <u>commercial</u> general contractor licensee
duly authorized to perform work under such classification of licensure pursuant to this
chapter;

(3) Represents or attempts to use or presents as his or her own the license of another
person or, in the case of a business organization, a person other than its qualifying agent;

(4) Gives false or forged evidence of any kind to the board or its divisions or to anymember of the board in maintaining a license;

840 (5) Uses an expired, suspended, or revoked license to continue engaging in residential
841 contracting or <u>commercial</u> general contracting;

(6) Operates a business organization engaged in contracting after 120 180 days following
the termination of its only qualifying agent without designating another primary
qualifying agent, except as provided in Code Section 43-41-9; or

(7) Intentionally and repeatedly misrepresents or manipulates the value or percentage of
work at the time of contract under subsections (e) and (f) of Code Section 43-41-17 to
avoid the licensing requirements of this chapter,

shall be guilty of a misdemeanor and shall, upon conviction, be punished for each such
offense by a fine of not less than \$500.00 \$1,000.00 or imprisonment of three months, or
both fine and imprisonment in the discretion of the court.

(b) Any architect or engineer who recommends to any project owner the award of a
contract to anyone known by such architect or engineer not to be properly licensed under
this chapter shall be subject to such penalties as provided in subsection (a) of this Code
section and also to any appropriate disciplinary action by the appropriate division.

855 (c) Except as otherwise provided in this Code section, any person who violates any856 provision of this chapter shall be guilty of a misdemeanor.

S. B. 503 - 33 -

#### 857 43-41-13.

858 Whenever it appears to the board or either division of the board that any person, whether 859 an individual or a business organization, or both, is violating any of the provisions of this 860 chapter or of the rules and regulations of the board or either division promulgated under 861 this chapter, the board or division may apply to the superior court of the county in which such individual resides or business is located for a restraining order and injunction to 862 863 restrain the violation, and the superior court shall have jurisdiction to grant the requested 864 relief, irrespective of whether criminal prosecution has been instituted or administrative 865 sanctions have been imposed by reason of the violation.

866 43-41-14.

(a)(1) Any person, whether an individual or a business organization acting through a 867 868 qualifying agent, intending to perform work as a residential or <u>commercial</u> general 869 contractor, upon making application to the building inspector or such other authority of 870 any incorporated municipality or county in this state charged with the duty of issuing 871 building or other permits for contemplated construction work requiring performance by 872 either a licensed residential contractor or a licensed commercial general contractor shall, 873 before being entitled to the issuance of such permit, furnish to such inspector or authority, 874 personally or through his or her authorized agent specifically designated to act on his or her behalf in a sworn written document submitted contemporaneously or previously 875 876 submitted and maintained by such inspector or authority, his or her residential contractor 877 or commercial general contractor license number and the identity of any business 878 organization for which such applicant is serving as qualifying agent that is undertaking 879 or contracting as a residential contractor or a commercial general contractor to construct 880 or manage the construction. It shall be unlawful for any such building inspector or other 881 authority to issue or allow the issuance of such building permit unless the applicant has 882 furnished his or her residential contractor or commercial general contractor license

> S. B. 503 - 34 -

883 number and the identity of any such business organization relative to performance of the 884 work for which a permit has been applied. A building inspector or other authority shall 885 issue such building permit under the terms of this Code section to any person, including 886 an individual licensee acting on his or her own behalf or a licensee acting as a qualifying 887 agent for a business organization and such business organization, upon evidence 888 reasonably establishing that such person is duly licensed as a residential or commercial 889 general contractor under this chapter, either individually or as a business organization 890 acting under a duly licensed qualifying agent. Any building inspector or other such 891 authority that issues such a building permit to a person known by such building inspector 892 or authority not to be properly licensed under this chapter shall be guilty of a 893 misdemeanor and, upon conviction, shall be subject to a fine of not more than \$500.00 894 <u>\$1,000.00</u>.

(2) Any business organization acting under paragraph (1) of subsection (e) of Code 895 896 Section 43-41-9 after the termination of its qualifying agent's affiliation with the business 897 organization, upon applying to the building inspector or such other authority of any 898 incorporated municipality or county in this state charged with the duty of issuing permits 899 for contemplated construction work requiring performance by a licensed residential or 900 commercial general contractor shall, before being entitled to the issuance of such permit, 901 furnish to such inspector or authority a sworn written document by the financially 902 responsible officer, the president or chief executive officer, the partner, or, in the case of 903 a limited partnership, the general partner, who has assumed all responsibilities of a 904 qualifying agent for the business organization, attesting that the permit application is made within 180 days after the termination of its qualifying agent's affiliation with the 905 business organization, or is made after submission of an application for licensure under 906 907 a new qualifying agent that is pending before the appropriate division of the board, or is 908 made under a temporary nonrenewable license granted by the appropriate division of the 909 board. It shall be unlawful for any such building inspector or other authority to issue or

910	allow the issuance of such building permit unless the applicant has furnished this sworn
911	written document. A building inspector or other authority shall issue such building
912	permit under the terms of this Code section to any business organization upon evidence
913	reasonably establishing that such business organization is acting as authorized under
914	paragraph (1) of subsection (e) of Code Section 43-41-9 after the termination of its
915	qualifying agent's affiliation with the business organization. Any building inspector or
916	other such authority that issues such a building permit to a person known by such
917	building inspector or authority not to be acting as authorized under paragraph (1) of
918	subsection (e) of Code Section 43-41-9 shall be guilty of a misdemeanor and, upon
919	conviction, shall be subject to a fine of not more than \$1,000.00.
920	(b) The licensing requirements imposed by this chapter and the effective dates of such
921	licensing requirements must be posted by any county or municipality in this state charged
922	with the duty of issuing building or other permits for construction work requiring

performance by either a licensed residential contractor or a licensed <u>commercial</u> general
 contractor in the same location in which such building or other permits are issued.

925 43-41-15.

926 If an incomplete contract exists at the time of death of a residential or commercial general 927 contractor, where the licensed contractor performing the work under such contract is an 928 individual person and not a business organization acting through a qualifying agent for 929 such organization, the contract may be completed by any person affiliated with the 930 contractor as a co-owner, partner, employee, relative, heir, successor, or assign, even 931 though not licensed under this chapter, subject to the terms of this Code section. Such 932 person shall notify the appropriate division of the board within 30 days after the death of 933 such contractor of such death and of his or her name and address, knowledge of the 934 contract, and ability technically and financially to complete it. Such person may continue 935 with performance of the contract pending approval by the division. If the division

> S. B. 503 - 36 -

936 approves, he or she may proceed with the contract to completion. If the division does not 937 approve completion by such person, due to a determination that he or she does not have 938 sufficient knowledge, expertise, or financial or other required resources, the division shall 939 give prompt written notice to the person, including the reasons for such rejection, and such 940 person shall promptly upon receipt of such notice cease further performance of the 941 contract. If the owner engages another person under a new contract to complete the 942 remaining work under the original contract, such other party must be a contractor duly 943 licensed under this chapter to perform such work. For purposes of this Code section, an 944 incomplete contract is one which has been awarded to or entered into by the contractor 945 before his or her death or on which he or she was the low bidder and the contract is 946 subsequently awarded to him or her, regardless of whether any actual work has commenced 947 under the contract before the contractor's death. If an incomplete contract exists at the time 948 of death of a sole qualifying agent of a residential contractor or a <u>commercial</u> general 949 contractor, where the contractor is a business organization licensed only under such 950 individual as its qualifying agent, then the contractor shall proceed as provided under 951 paragraph (1) of subsection (e) of Code Section 43-41-9.

952 43-41-16.

(a) The board shall have the authority to refuse to grant a license to an applicant or to
revoke the license of a person licensed by the board or to discipline a person licensed by
the board upon a finding by a majority of the board that the applicant or licensee has
committed any of the following acts:

- 957 (1) Obtaining a license by fraud or misrepresentation or otherwise knowingly giving958 false or forged evidence to the board or its divisions;
- 959 (2) Being convicted or found guilty of or entering a plea of guilty or nolo contendere to 960 a criminal act constituting a felony in any jurisdiction which directly relates to the

practice of residential or <u>commercial</u> general contracting or the ability to practice
 contracting;

963 (3) Performing any act which assists a person or entity in the prohibited unlicensed
964 practice of contracting if the licensee knows or has reasonable grounds to know that the
965 person or entity is unlicensed;

(4) Knowingly combining or conspiring with an unlicensed person by allowing his or her 966 967 license to be used with the intent to evade the provisions of this chapter. When an 968 individual license holder allows his or her license to be used to qualify one or more 969 business organizations, including where such qualifying agent for a person engaged in 970 general contracting does not actually possess and exercise the power and authority 971 required of a qualifying agent under paragraph (7) of Code Section 43-41-2 and Code Section 43-41-9, such act constitutes prima-facie evidence of an intent to evade the 972 973 provisions of this chapter;

974 (5) Failing in any material respect to comply with the provisions of this chapter or975 violating a rule, regulation, or lawful order of the board or its divisions;

(6) Abandoning a construction project in which the contractor who is the individual
license holder or a business organization for whom the license holder is a qualifying
agent is engaged or under contract as a residential or <u>commercial</u> general contractor. A
project may be presumed abandoned after 90 days if the contractor has ceased work on
or terminated performance on the project without just cause and without proper
notification to the owner, including the reason for the termination, cessation, or
abandonment;

983 (7) Signing a statement with respect to a project or contract falsely indicating that the
984 work is bonded; knowingly and falsely indicating by written statement issued to the
985 owner that payment has been made for all subcontracted work, labor, and materials and
986 for all materials furnished and installed which statement is reasonably relied upon and

actually results in a financial loss to the owner; or falsely indicating that workers'compensation and general liability insurance are provided;

(8) Committing fraud or deceit in the practice of contracting, including falsely
advertising, representing, or holding himself or herself or an affiliated business
organization out as having a valid and current license under this chapter;

(9) Committing gross negligence, repeated or persistent negligence, or negligenceresulting in a significant danger to life or property;

994 (10) Proceeding on any job without obtaining applicable local building permits and995 inspections;

(11) Using or attempting to use a license that has expired or has been suspended orrevoked;

(12) Knowingly or intentionally engaging any subcontractor to perform work within the
scope of the general or residential construction contract which requires a license under
Chapter 14 of this title who does not possess a current and valid license for such work;
or

(13) Failing to satisfy within a reasonable time the terms of a final civil judgment
 obtained against the licensee or the business organization qualified by the licensee
 relating to the practice of the licensee's profession.

(b) The appropriate division may take any one or more of the following actions against any
license holder found by the division to have committed any one or more of the acts listed
in subsection (a) of this Code section:

1008 (1) Place the license holder on probation or reprimand the license holder;

1009 (2) Revoke a license, including the license of a person as an individual as well as that of

1010 a qualifying agent of a business organization together with the interest of the business

1011 organization qualified thereby in such license; suspend such a license for a stated period

1012 of time not exceeding one year; or deny the issuance or renewal of the license;

1013 (3) Require financial restitution to a consumer for financial harm directly related to a1014 violation of a provision of this chapter;

- 1015 (4) Impose an administrative fine not to exceed \$5,000.00 for each violation;
- 1016 (5) Require continuing education; or

1017 (6) Assess costs associated with the investigation and prosecution.

1018 (c) In determining penalties in any final order of the board or a division, the board or
1019 division shall follow the penalty guidelines established by the board's or division's rules
1020 and regulations.

(d) The board or a division may assess interest or penalties on all fines imposed under this
chapter against any person or business organization which has not paid the imposed fine
by the due date established by rule, regulation, or final order.

1024 (e) If the board or a division finds any contractor has violated the provisions of this

1025 chapter, the board or division may as a part of its disciplinary action require such contractor

1026 to obtain continuing education in the areas of contracting affected by such violation.

1027 43-41-17.

1028 The licensing requirements imposed by this chapter and the sanctions and (a) 1029 consequences relating thereto shall not become effective and enforceable until July 1, 2008. 1030 On and after such date, no No person, whether an individual or a business organization, 1031 shall have the right to engage in the business of residential contracting or commercial 1032 general contracting without a current, valid residential contractor license or commercial 1033 general contractor license, respectively, issued by the division under this chapter or, in the 1034 case of a business organization, unless such business organization shall have a qualifying 1035 agent as provided in this chapter holding such a current, valid residential contractor or 1036 commercial general contractor license on behalf of such organization issued to such 1037 qualifying agent as provided in this chapter. Notwithstanding the foregoing, persons 1038 seeking licensure under this chapter and exemption from examination under paragraphs (1)

1039 and (2) of subsection (a) of Code Section 43-41-8 shall submit their applications, including 1040 all necessary proof of the basis of exemption from examination for such license, starting January 1, 2006. The period for submission of such applications and requests for 1041 exemption from the examination requirements shall extend thereafter for a period of 18 1042 1043 months. Furthermore, notwithstanding the foregoing, any person seeking licensure under this chapter and exemption from examination under paragraph (3) of subsection (a) of Code 1044 1045 Section 43-41-8 may submit his or her application, including all necessary proof of the 1046 basis of such exemption starting January 1, 2007, and continuing thereafter.

1047 (b) As a matter of public policy, any contract entered into on or after July 1, 2008, for the 1048 performance of work for which a residential contractor or commercial general contractor 1049 license is required by this chapter and not otherwise exempted under this chapter and which 1050 is between an owner and a contractor who does not have a valid and current license required for such work in accordance with this chapter shall be unenforceable in law or in 1051 1052 equity by the unlicensed contractor. For purposes of this subsection, a contractor shall be 1053 considered unlicensed only if the contractor was unlicensed on the effective date of the 1054 original contract for the work, if stated therein, or, if not stated, the date the last party to the 1055 contract executed such contract, if stated therein. If the contract does not establish such a 1056 date, the contractor shall be considered unlicensed only if the contractor was unlicensed on 1057 the first date upon which the contractor provided labor, services, or materials under the 1058 contract. Notwithstanding any other provision of law to the contrary, if a contract is 1059 rendered unenforceable under this subsection, no lien or bond claim shall exist in favor of 1060 the unlicensed contractor for any labor, services, or materials provided under the contract 1061 or any amendment thereto. This subsection shall not affect the rights of parties other than 1062 the unlicensed contractor to enforce contract, lien, or bond remedies. This subsection shall 1063 not affect the obligations of a surety that has provided a bond on behalf of an unlicensed 1064 contractor. It shall not be a defense to any claim on a bond or indemnity agreement that 1065 the principal or indemnitor is unlicensed for purposes of this subsection.

> S. B. 503 - 41 -

1066 (c) Any person who holds a license issued under this chapter may engage in the business 1067 of residential or commercial general contracting, but only as prescribed by the license, 1068 throughout the state and no municipality or county may require any such person licensed 1069 under this chapter to comply with any additional licensing requirements imposed by such 1070 municipality or county relative to the performance of construction work subject to the 1071 licensing requirements under this chapter. However, nothing in this chapter shall preclude 1072 the implementation and enforcement by any municipality or county of a local rule, 1073 regulation, ordinance, order, or other requirement in effect and operation as of July 1, 2004, 1074 that requires a person to obtain a locally issued license, registration, or certification in order 1075 to:

1076 (1) Engage in the construction of improvements to real property to the extent such1077 activities are not encompassed by this chapter or by Chapter 14 of this title; or

1078 (2) Engage in residential or <u>commercial</u> general contracting within such jurisdiction;
1079 provided, however, that:

(A) The requirements and criteria for issuance of such local license, registration, or
certification shall have been at least as strict and stringent, in the sole judgment of the
board, as those for the issuance of a corresponding state-wide license issued under this
chapter;

(B) Such local license, registration, or certification shall only apply to activities
 performed within the geographical limits of such municipality or county; and

1086 (C) Such requirement shall not prevent or foreclose any contractor not holding such 1087 local license, registration, or certification but holding a valid and current state-wide 1088 license issued under this chapter or Chapter 14 of this title from the transaction of 1089 contracting business in such local jurisdiction within the scope of his or her state-wide 1090 license.

(d) Any person qualified by the Department of Transportation to perform constructionwork on roads, streets, bridges, highways, sidewalks, or other grading, paving, or repaving

S. B. 503 - 42 - projects; airport runways or taxiways; or railroads, and services incidental thereto, for the department shall not be required to be licensed under this chapter in order to perform any such work for the department or for any other owner requiring similar work to be performed. The <u>commercial</u> general contractor division of the board, in agreement with the Department of Transportation, shall, by rule, define 'services incidental thereto' for the purposes of this subsection only and shall likewise define any other necessary terms as to the scope of the exemption provided by this subsection.

1100 (e) Nothing in this chapter shall prevent any person holding a valid license issued by the 1101 State Construction Industry Licensing Board, or any division thereof, pursuant to Chapter 1102 14 of this title from performing any work defined in the Code sections under which the 1103 license held by said person was issued. Furthermore, nothing in this chapter shall preclude 1104 a person licensed under Chapter 14 of this title to perform plumbing, conditioned air 1105 contracting, utility contracting, electrical contracting, or low-voltage contracting from 1106 offering to perform, performing, engaging in, or contracting to engage in the performance 1107 of construction work or services directly with an owner, which work would otherwise 1108 require a license under this chapter, where the total scope of the work to be performed is 1109 predominantly of the type for which such contractor is duly licensed to perform under 1110 Chapter 14 of this title such that any other work involved is incidental to and an integral 1111 part of the work performed within the scope of such license under said chapter and does 1112 not exceed the greater of \$10,000.00 or 25 percent of the total value at the time of 1113 contracting of the work to be performed; provided, however, that such contractor may not 1114 delegate or assign the responsibility to directly supervise and manage the performance of 1115 such other work to a person unless such person is licensed under this chapter and the work 1116 being performed by such person is within the scope of that person's license.

(f) Nothing in this chapter shall preclude a specialty contractor from offering or contracting to perform or undertaking or performing for an owner limited, specialty, or specific trade contractor work. However, nothing in this chapter shall permit a specialty

> S. B. 503 - 43 -

1120 contractor to perform work falling within the licensing requirements of Chapter 14 of this 1121 title where such specialty contractor is not duly licensed under such chapter to perform 1122 such work. The board shall, by rule or policy by January 1, 2008, identify specialty 1123 contractors or other criteria to determine eligibility under the exemption of this subsection. 1124 The specialty contractor otherwise exempted from license requirements under this chapter 1125 may perform work for an owner that would otherwise require a license under this chapter 1126 where the total scope of the work to be performed is predominantly of the type for which 1127 such specialty contractor is duly recognized as exempt under this subsection by the board, 1128 provided that such other work involved is incidental to and an integral part of the exempt 1129 work performed by the specialty contractor and does not exceed the greater of \$10,000.00 1130 or 25 percent of the total value at the time of contracting of the work to be performed.

(g) Nothing in this chapter shall preclude a person from offering or contracting to perform or undertaking or performing for an owner repair work, provided that the person performing the repair work discloses to the owner that such person does not hold a license under this chapter and provided, further, that such work does not affect the structural integrity of the real property. The board shall by rule or regulation further define the term 'repair' as used in this subsection and any other necessary terms as to the scope of this exemption.

1138 (h) Nothing in this chapter shall preclude any person from constructing a building or 1139 structure on real property owned by such person which is intended upon completion for use 1140 or occupancy solely by that person and his or her family, firm, or corporation and its 1141 employees, and not for use by the general public and not offered for sale or lease. In so 1142 doing, such person may act as his or her own contractor personally providing direct 1143 supervision and management of all work not performed by licensed contractors. However, 1144 if, under this subsection, the person or his or her family, firm, or corporation has previously 1145 sold or transferred a building or structure which had been constructed by such person 1146 acting without a licensed residential or commercial general contractor within the prior 24

1147 month period, starting from the date on which a certificate of occupancy was issued for 1148 such building or structure, then such person may not, under this subsection, construct 1149 another separate building or structure without having first obtained on his or her own 1150 behalf an appropriate residential or commercial general contractor license or having 1151 engaged such a duly licensed contractor to perform such work to the extent required under 1152 this chapter, or it shall be presumed that the person, firm, or corporation did not intend such 1153 building solely for occupancy by that person and his or her family, firm, or corporation. 1154 Further, such person may not delegate the responsibility to directly supervise and manage 1155 all or any part of the work relating thereto to any other person unless that person is licensed 1156 under this chapter and the work being performed is within the scope of that person's 1157 license. In any event, however, all such work must be done in conformity with all other 1158 applicable provisions of this title, the rules and regulations of the board and division 1159 involved, and any applicable county or municipal resolutions, ordinances, codes, 1160 permitting, or inspection requirements.

(i) Nothing in this chapter shall preclude an architect licensed pursuant to Chapter 4 of this
title, an interior designer registered pursuant to Chapter 4 of this title, or an engineer
registered pursuant to Chapter 15 of this title from performing work or providing services
within the scope of his or her registration for the practice of architecture or interior design
or license for practicing engineering.

1166 (i) Nothing in this chapter shall preclude an architect licensed pursuant to Chapter 4 of this 1167 title, an interior designer registered pursuant to Chapter 4 of this title, or an engineer 1168 registered pursuant to Chapter 15 of this title from offering to perform or offering or 1169 rendering design-build services to an owner; provided, however, that such offer or contract 1170 shall clearly indicate at the time of such offer or contract that all services of a commercial 1171 general contractor incident to the design-build performance shall be performed by a duly 1172 licensed commercial general contractor in compliance with other provisions of this chapter 1173 and that all services so offered or provided falling within the scope of the licensing

> S. B. 503 - 45 -

requirements of this chapter are offered and rendered by a licensed <u>commercial</u> general
contractor in accordance with this chapter.

(k) Nothing in this chapter shall apply to the construction, alteration, or repair of buildings
classified as an agricultural occupancy or that are used for agricultural storage or
agricultural purposes.

1179 (1) A contractor licensed under this chapter shall not be required to list on the face of a bid

1180 or proposal envelope the license number of any contractor licensed under Chapter 14 of

1181 this title that may or will be engaged to perform any work within the licensing requirements

of Chapter 14 of this title which comprises part of the work for which such bid or proposalis submitted.

(m) Dams, including both earth dams and concrete dams, designed for electrical
generation, water storage, or any other purpose may be constructed by either a <u>commercial</u>
general contractor licensed under this chapter or by a utility contractor licensed pursuant
to Chapter 14 of this title.

(n) Nothing in this chapter shall apply to the construction or installation of manufactured
homes as defined in paragraph (4) of Code Section 8-2-131.

1190 43-41-18.

1191 (a) As used in this Code section, the term:

1192 (1) 'Discharge' means an honorable discharge or a general discharge from active military

service. Such term shall not mean a discharge under other than honorable conditions, abad conduct discharge, or a dishonorable discharge.

1195 (2) 'Military' means the armed forces of the United States or a reserve component of the

armed forces of the United States, including the National Guard.

1197 (b) A committee composed of the division director, members of the Governor's Office of

1198 Workforce Development, and members of the licensing board representing the profession

1199 of residential-light\_commercial contracting shall determine the military specialties or

certifications the training, experience, and testing for which substantially meet or exceed
the requirements to obtain a residential-light\_commercial contractor's license. The
Governor shall designate a chairperson from among the membership of the committee.

1203 (c) Any current or former member of the military may apply to the licensing board for the 1204 immediate issuance of a license or certification based upon his or her having obtained a 1205 military specialty or certification the training or experience for which substantially meets 1206 or exceeds the requirements to obtain a residential-light-commercial contractor's license. 1207 In order to qualify under this subsection, an applicant shall make application not later than 180 days after his or her discharge. Such application shall be in such form and shall 1208 1209 require such documentation as the division director shall determine. If the applicant 1210 satisfies the requirements of this Code section, the division director shall direct the appropriate division to issue the license, and such division shall immediately issue such 1211 1212 license; provided, however, that the applicant shall satisfy all financial and insurance 1213 requirements for the issuance of such license. This Code section shall only apply to the 1214 initial issuance of a license. After the initial issuance of a license, the licensee shall be 1215 subject to any provisions relating to the renewal of the license applicable to all licensees.

- 1216 <del>43-41-19.</del>
- 1217 Reserved."
- 1218

#### **SECTION 2.**

1219 All laws and parts of laws in conflict with this Act are repealed.