

**Virginia Board for Contractors Guidance Document**  
**Effective Date: 9/26/06**

**Board for Contractors Policies & Interpretations**

**§ 54.1-1100. Definitions.**

**Contractor**

(4/91) A licensed contractor can bid on a contract which contains work outside his license classification(s) as long as he subcontracts those items for which he is not qualified to licensed contractors with the appropriate license classifications, and the work of the second party is incidental to the contract.

**§ 54.1-1101 Exemptions**

(7/93) Franchise operations of multi-state corporations need to be individually licensed if the local firm makes the contract and receives the profits.

(8/00) “For own use” means that the person building or supervising the construction of a residential building must live in the residential building, and the person building or supervising the construction of a commercial building must operate their business in that building to be exempted, unless they can be exempted based on the familial relationship as outlined in § 54.1-1101.8.

The Board stated that there should be no misunderstanding that a person who builds or supervises the building of a residential or commercial building with the intent to sell it must have a contractor’s license.

**§ 54.1-1108.1 Waiver of examination; designated employee.**

(10/00) The Designated Employee for a Class B contractor who was previously exempted from the requirement to take the examination would be required to take the examination when applying for a Class A contractor license because these are different license classes with different knowledge and experience requirements.

(8/01) A Designated Employee who met the examination requirements after 1991, but before 1997, must take the Building Technical (BLD) examination only if he is applying to be the Designated Employee of a firm with a higher license class than the level of the examination he has completed.

**§ 54.1-1110 Grounds for denial or revocation of license or certificate.**

- (11/00) Substantial Identity – Compliance and Investigations will check the individual record of the Designated Employees and Responsible Managers for the licensed contractor business under investigation to determine if any of these individuals are affiliated with any other contractor license. If so, a substantial identity charge will be added to the Report of Findings and reported to the Board immediately following the decision to revoke or suspend the licensed contractor business. The Board will determine whether an investigation should be opened against the other contractor business license(s) which have the same Designated Employees and Responsible Managers. If the Designated Employees and Responsible Managers are not affiliated with any other contractor business license(s) at the time of the revocation, the Board will direct whether Substantial Identity (SI) Stop Codes should be placed on the individual record of the Designated Employees and Responsible Managers of revoked or non-renewed contractors. In the event that an individual with an SI Stop Code attempts to obtain another contractor business license, a licensing IFF will be required for any future application where this individual applying as the Designated Employee or Responsible Manager.

## **18 VAC 50-22-10. Definitions**

### **Supervision**

- (12/05) The definition of “supervision” states that a licensed tradesman must “periodically” observe and evaluate the performance of helpers and laborers performing trade related tasks. That definition does not mean that a licensed tradesman is required to be on the job site at all times, but that the helpers and laborers be observed and evaluated periodically at a reasonable time frame for the qualifications of the person completing the work and the risk associated with the work being performed.

## **18 VAC 50-22-20. Definitions of license classifications.**

### **Building Contractors (BLD)**

- (10/92) A contractor holding the Building classification (BLD) may complete paving work which is “incidental” to building (i.e., sidewalks, walkways, and driveways).

### **Highway/Heavy Contractors (H/H)**

- (7/97) Highway/Heavy contractors, when in the course of running water/sewer lines from the street (or other service points), may complete the plumbing connection to a residential, commercial, or industrial site.

## **18 VAC 50-22-30. Definitions of specialty services.**

### **Billboard/Sign Contracting (BSC)**

- (4/98) Contractors who erect billboards for their own use on another's property are exempt from licensing requirements. Note: This was based on Lamar Signs' contention that they lease land and erect billboards on the leased land, "for their own use," and should thus be exempt from having to hold a license.

### **Electronic/Communication Service Contracting (ESC)**

- (7/93) Attaching telecommunications equipment to existing systems does not fall within the definition of contractor.

### **Equipment/Machinery Contracting (EMC)**

- (1/03) Contractors who perform work on boilers that come under the authority and certification of the Department of Labor and Industry (DOLI), will be issued licenses with the EMC specialty. These boilers are specifically exempted from the regular building code, but are installed, certified and inspected under the authority of DOLI. Residential and small commercial boilers will continue to require either the PLB or HVA classifications.

### **Home Improvement Contracting (HIC)**

- (3/00) Any additional construction requires the BLD classification and existing construction is covered by the HIC specialty.
- (7/05) HIC contractors may pour footings for decks only and foundations for small out buildings.
- (7/05) HIC contractors are not permitted to do framing work that is outside the footprint (horizontal and vertical) and boundaries of the original structure. They may not add roofing to decks, patios, or other portions of a structure that does not already have an existing roof.
- (7/05) Utility out building is defined as a building less than 150 square feet.
- (9/06) Home Improvement Contractors (HIC) cannot perform trade-related work. Trade-related work must be done by a licensed tradesman or by a licensed contractor with the required trade classification.

### **Landscape Service Contracting (LSC)**

- (10/90) A contractor's license is not required when the activity undertaken involves the placement of plant material consisting of trees, shrubs and flowers. If the activity includes changing the grade (topography) of the land, a license would then be required.

### **Modular/Manufactured Building Contracting (MBC)**

- (1/99) The cost of the mobile home must be included in the contract when determining what Class of license is required by the contractor, unless the contractor separately delineates the cost of the mobile home and the cost of the installation, in which case the Class of license of the contractor can be based solely on the cost of installation.

### **18 VAC 50-22-40. Requirements for a Class C license**

#### **C. Reporting of financial history**

- (7/97) If the Qualified Individual (QI) for the Contractor Business is not a member of the firm's Responsible Management, but is merely an employee of the firm, the Board may, at its discretion, not consider the financial history of the Qualified Individual.

#### **E. Reporting of criminal history**

- (1/92) Applications for licensure of those individuals that were previously licensed as a contractor in Virginia, who provide their criminal history records and demonstrate no additional felony convictions, or misdemeanor convictions involving lying, cheating or stealing, from the time their previous license/registration was issued, shall be licensed administratively.

### **18 VAC 50-22-50. Requirements for a Class B license**

#### **E. Reporting of financial history**

- (4/94) The value of land used in the determination of net assets may be done with either the assessed tax value or the appraised value from a certified appraiser, and, in either case, the applicant must furnish documents to establish the chosen value.
- (7/97) If the Qualified Individual (QI) for the Contractor Business is not a member of the firm's Responsible Management, but is merely an employee of the firm, the Board may, at its discretion, not consider the financial history of the Qualified Individual.

#### **G. Reporting of criminal history**

- (1/92) Applications for licensure of those individuals that were previously licensed as a contractor in Virginia, who provide their criminal history records and demonstrate no additional felony convictions, or misdemeanor convictions involving lying, cheating or stealing, from the time their previous license/registration was issued, shall be licensed administratively.

### **18 VAC 50-22-60. Requirements for a Class A license**

#### **E. Reporting of financial history**

- (4/94) The value of land used in the determination of net assets may be done with either the assessed tax value or the appraised value from a certified appraiser, and, in either case, the applicant must furnish documents to establish the chosen value.
- (7/97) If the Qualified Individual (QI) for the Contractor Business is not a member of the firm's Responsible Management, but is merely an employee of the firm, the Board may, at its discretion, not consider the financial history of the Qualified Individual.
- (4/98) Assets used to determine whether a Class A Contractor Business meets the \$45,000.00 net worth requirement must be in the name of the business entity applying for the license. If a CPA reviewed balance sheet is used to document the business' net worth, it must have been completed within twelve months of the date of application. There may be no jointly owned property or assets for Sole Proprietors.

### **G. Reporting of criminal history**

- (1/92) Applications for licensure of those individuals that were previously licensed as a contractor in Virginia, who provide their criminal history records and demonstrate no additional felony convictions, or misdemeanor convictions involving lying, cheating or stealing, from the time their previous license/registration was issued, shall be licensed administratively.

### **General Policies**

- (1/92) Examination candidates are allowed to use a language glossary for word-to-word translations during the examination.
- (10/94) Contractor businesses that install factory built fireplaces and chimneys are required to hold either the BLD or HVAC classifications or the HIC or CIC specialties.
- (7/00) Foreign language interpreters are not allowed at examination sites.
- (8/00) A licensed plumber is authorized to pull wire necessary to install a water well/pump but cannot make the connection to the electrical panel under the exemption in the definition of "Water Well/Pump Contracting."
- (5/01) Tradesman and Contractor License applicants have a one-year time limit to pass all portions of an examination required for licensure. The one-year time limit begins on the date the license applicant failed a portion of the examination.
- (1/05) Framing contractors must hold the BLD classification.
- (3/05) Contractors who install emergency generators must hold a license with the Electrical Contractor (ELE) license classification.

- (3/05) The license expiration date for a Master Tradesman who upgrades from a Journeyman Tradesman license in the same trade, and who is only licensed in that one trade, shall occur on the last day of the month two years after the date the Master Tradesman license is issued by the Board.
- (3/05) Master of Journeyman Tradesmen, whose license is past reinstatement, must meet all current entry requirements, including passing all required tests.
- (9/05) The business name of a licensed contractor cannot reflect work that the contractor is not qualified to perform.
- (9/05) A licensed Tradesman need pass the Regulatory portion of the Tradesman examination only one time. If, however, the Tradesman Regulations are significantly amended, then the Board may consider amending this policy.
- (3/06) A Home Improvement Contracting (HIC) specialty license is needed to install an unvented gas prefabricated fireplace. An HVAC contracting or tradesman license is needed to install or modify a venting system. A contractor licensed to perform masonry work is authorized to install brick, concrete, block, stone, marble, slate or other types of masonry chimneys.
- (9/06) The Board has four categories of approved education courses: 1) Contractor Prelicense Education; 2) Contractor Remedial Education; 3) Tradesman Prelicense (Formal Vocational Training) Education; and 4) Tradesman Continuing Education. Particular course names are within the jurisdiction of the education provider.
- (9/06) The Board authorized retroactive approval of a Prelicense (Remedial) Education Course for those individuals who completed this course prior to June 27, 2006, for up to one year prior to the date of Contractor Business License application.
- (9/06) The Board recognizes as practical experience in the electrical trade any industrial electrical work that is governed by the National Electrical Code.
- (4/97) **Building Code Complaints**  
All building code violations must be exhausted through the building official's office prior to being sent to the Board.
- (4/97) **Warranty Period Complaints**  
A complaint concerning warranty items will not be investigated during the warranty period. If, after the warranty period has expired, the consumer has gotten no satisfaction from the contractor, then a "misconduct" complaint will be filed.
- (6/02) **Reference materials brought to examination sites (Tradesman)**

No restrictions will be placed on reference materials brought to examination sites, provided they meet the exam site criteria (i.e. no tabbing, marked pages, loose-leaf sheets, etc.)

## **General Definitions**

### “Change Order” (3/06)

Any modification in the original contract including, but not limited to: 1) Time to complete the job; 2) Change in materials; 3) Change in cost; or, 4) Change in the scope of work. The Change Order must be signed by all contracting parties.

### “New Construction” (7/97)

Any construction activity that occurs outside the original building perimeter shall be designated as “NEW” construction.

### “Own Use” (10/00)

The person building or supervising the building of a residential construction project must live in the residential building, and the person building or supervising the building of a commercial construction project must operate his business in that building.

### “Practical Experience in a Trade” (3/05)

Activity regulated by the USBC and applicable referenced model code.

### “Routine Maintenance” (4/98)

Work which does not require a city or county permit.

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## **Criminal History Application Review Matrix**

Applications for licensure indicating a criminal history, which fall into the following categories may be issued administratively without review by the Board for Contractors.

1. Felony convictions more than ten years old with no subsequent reportable convictions, unless the conviction resulted in incarceration where the release date is less than three years from the application date. This does not include convictions involving murder, manslaughter, sexual assault, rape, robbery, or indecent liberties.
2. Misdemeanor convictions more than three years from the date of application.
3. Misdemeanor convictions for possession of a controlled substance with no other convictions.

4. Felony convictions for possession of controlled substance more than two years old, where the applicant has completed a deterrence program.
5. Felony convictions of Title 46 of the *Code of Virginia* (Traffic Code) more than three years old.
6. Misdemeanor convictions for simple assault (except domestic assault), disorderly conduct, and/or trespassing.
7. Convictions of larceny, breaking and entering, and/or burglary, more than five years old with no subsequent convictions, provided they did not result in incarceration where the release date is less than three years from the application date.
8. DUI convictions where the applicant has completed VASAP or another similar program accepted by the court or DMV after the latest conviction.

## **Financial History Application Review Matrix**

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Applications for licensure indicating an adverse financial history, which fall into the following categories may be issued administratively without review by the Board for Contractors.

1. Judgments and claims from medical providers as a result of treatment of the applicant or a dependant of an applicant.
2. Judgments and past due debts against a Qualified Individual (who is not a member of Responsible Management or the Designated Employee)
3. IRS and Virginia Department of Taxation debts where a payment plan is in place and at least four payments have been made in accordance with the plan.
4. Child support arrearages where payment arrangements have been made and a documented history of payment, including garnishment, of at least six months, has been made in accordance with the arrangements.
5. Past due debts, including personal bankruptcy, and judgments of the officers of a corporation or members of an LLC, which were personal in nature and did not involve the business of contracting (i.e., bills owed to suppliers, subcontractors, etc.)
6. Past due debts, including personal bankruptcy, of sole proprietors and partners of a partnership, which were personal in nature (not business related), and where either payment has been made or a payment plan has been implemented and in which a history (at least two payments) can be documented.