

BOARD FOR CONTRACTORS COMMITTEE MEETING AGENDA

9960 Mayland Drive
Board Room 2, 2nd Floor 8:00A.M.
Tuesday, December 9, 2025

Our mission is to protect the health, safety and welfare of the public by licensing qualified individuals and businesses and enforcing standards of professional conduct for professions and occupations as designated by statute.

I. CALL TO ORDER

- a. Emergency Evacuation Procedures
- b. Determination of Quorum

II. ADMINISTRATIVE MATTERS

- a. Approval of Agenda
- b. Approval of Minutes:
 - i. October 7, 2025, Board for Contractors Committee Meeting draft minutes.

III. PUBLIC COMMENT PERIOD ***FIVE MINUTE PUBLIC COMMENT, PER PERSON***

IV. EDUCATION

V. NEW BUSINESS

- a. Examination Updates
- b. Regulatory Update
- c. Change in Examination Fees Action – Final Regulation
- d. Guidance Document #2959
- e. Water Well Abandonment
- f. Remedial Education Discussion
- g. Executive Director Report
- h. Board Member Professional Development
- i. Recovery Fund Statement

VI. COMPLETE CONFLICT OF INTEREST FORM AND TRAVEL VOUCHER.

VII. ADJOURNMENT

NEXT MEETING SCHEDULED FOR **TUESDAY, FEBRUARY 24, 2026**

- ❖ Agenda materials made available to the public do not include disciplinary case files or application files pursuant to §54.1-108 of the Code of Virginia.
- ❖ Five minute public comment, per person, with the exception of any open disciplinary or

application file.

- ❖ Persons desiring to participate in the meeting and requiring special accommodations or interpretative services should contact the Department at (804) 367-2785 at least ten days prior to the meeting so that suitable arrangements can be made for an appropriate accommodation.
- ❖ The Department fully complies with the Americans with Disabilities Act.

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PERIMETER CENTER CONFERENCE CENTER
EMERGENCY EVACUATION OF BOARD AND TRAINING ROOMS
(Script to be read at the beginning of each meeting.)

PLEASE LISTEN TO THE FOLLOWING INSTRUCTIONS ABOUT EXITING THE PREMISES IN THE EVENT OF AN EMERGENCY.

In the event of a fire or other emergency requiring the evacuation of the building, alarms will sound. When the alarms sound, leave the room immediately. Follow any instructions given by Security staff.

Board Room 1

Exit the room using one of the doors at the back of the room. **(Point)** Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Board Room 2

Exit the room using one of the doors at the back of the room. **(Point)** Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

You may also exit the room using the side door **(Point)**, turn **Right** out the door and make an immediate **Left**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Board Rooms 3 and 4

Exit the room using one of the doors at the back of the room. **(Point)** Upon exiting the room, turn **RIGHT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Training Room 1

Exit the room using one of the doors at the back of the room. **(Point)** Upon exiting the room, turn **LEFT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

Training Room 2

Exit the room using one of the doors at the back of the room. **(Point)** Upon exiting the doors, turn **LEFT**. Follow the corridor to the emergency exit at the end of the hall.

Upon exiting the building, proceed straight ahead through the parking lot to the fence at the end of the lot. Wait there for further instructions.

BOARD FOR CONTRACTORS COMMITTEE MEETING

The Board for Contractors Committee met on **Tuesday, October 7, 2025**, at the Department of Professional and Occupational Regulation (DPOR), 9960 Mayland Drive, Richmond, Virginia.

Committee members present for the meeting:

Donald Groh, Chair
Nathan Trice, Vice-Chair
Taylor Brannan (arrived at 8:24 am)
Ralph Costen
Francis “Butch” McGonegal
James Spencer
Doug Lowe

Committee member absent for the meeting:

Jerry Heinline

Staff members present for all or part of the meeting:

Marjorie King, Executive Director
Stephanie Keuther, Assistant Executive Director
Cameron Parris, Regulatory Operations Administrator
Mary Charity, Licensing Operations Administrator
Khang Le, Administrative Coordinator

DRAFT

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I. Chair, Groh called the October 7, 2025, Board for Contractors Committee Meeting to order at 8:03 A.M.

**Call
To Order**

Chair, Groh declared a quorum of Committee members to be in attendance.

**Determination
of Quorum**

Marjorie King, Executive Director reviewed the emergency egress procedures with the Committee and members of the public.

**Emergency
Egress**

II. ADMINISTRATIVE MATTERS

**Administrative
Matters**

Mr. Spencer made a motion, seconded by Mr. McGonegal, to adopt the agenda of the October 7, 2025, Board for Contractors Committee meeting.

**Approval of
Agenda**

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

Mr. Spencer made a motion, seconded by Mr. Lowe, to approve the draft minutes of the August 19, 2025, Board for Contractors Committee meeting as presented.

**Approval of
Minutes**

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

III. PUBLIC COMMENT PERIOD

**Public
Comment
Period**

Chair, Groh opened the public comment period of the meeting.

With no one wishing to come forward, Chair, Groh closed the public comment period of the meeting.

V. EDUCATION

Education

Education Provider Applications

**Education
Provider
Applications**

Stephanie Keuther, Assistant Executive Director, shared that staff recommends approval for:

CodeUpdate RVA LLC – Seeking retroactive approval to 8/20/2025 – One (1) online continuing education course for HVAC Tradesmen, one (1) online continuing education course for Plumbing Tradesmen, and one (1) online continuing education for Gas Fitting Tradesmen.

**CodeUpdate
RVA LLC**

A motion was made by Mr. Spencer, seconded by Mr. Lowe for approval.

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

Mrs. Keuther shared that staff recommends approval for:

Abraham Gibbs – One (1) classroom/virtual webinar continuing education course for Electrical Tradesmen.

**Abraham
Gibbs**

A motion was made by Mr. Spencer, seconded by Mr. Lowe, for approval.

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

Mrs. Keuther shared that staff recommends approval for:

Appalachian Energy Center at Appalachian State University – One (1) online continuing education course for Electrical Tradesmen.

**Appalachian
Energy Center
at Appalachian
State
University**

A motion was made by Mr. Spencer, seconded by Mr. Lowe, for approval.

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

Mrs. Keuther shared that staff recommends approval for:

Keeping Current LLC – Two (2) classroom continuing education courses for Electrical Tradesmen.

**Keeping
Current LLC**

A motion was made by Mr. Spencer, seconded by Mr. Lowe, for approval.

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

Mrs. Keuther shared that staff recommends approval for:

Glentronics Inc. – Two (2) classroom continuing education courses for Plumbing Tradesmen.

**Glentronics
Inc.**

A motion was made by Mr. Spencer, seconded by Mr. Lowe, for approval.

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

Mrs. Keuther shared that staff recommends approval for:

Anderson Academy – Four (4) classroom and four (4) online vocational education courses for Electrical Tradesmen.

Anderson Academy

A motion was made by Mr. Spencer, seconded by Mr. Lowe, for approval.

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

Mrs. Keuther shared that staff recommends approval for:

VTEC – Four (4) classroom vocational education and four (4) classroom continuing education courses for Certified Elevator Mechanics and Certified Accessibility Mechanics.

VTEC

A motion was made by Mr. Spencer, seconded by Mr. Lowe, for approval.

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

Mrs. Keuther shared that staff recommends approval for:

Saint Paul's Leadership Institute – One (1) vocational education course for HVAC Tradesmen and one (1) vocational education course for Electrical Tradesmen.

Saint Paul's Leadership Institute

A motion was made by Mr. Spencer, seconded by Mr. Lowe, for approval.

The motion was approved with a vote of 6-0-0. Ayes: Groh, Trice, Costen, Lowe, McGonegal, and Spencer.
Nays: None. **Abstain:** None. **Absent:** Brannan, Heinline.

VI. NEW BUSINESS

New Business

Examination Update

Examination Update

Marjorie King, Executive Director, and Stephanie Keuther, Assistant Executive Director, presented the Committee with the updated examination review schedule and reminded members of review processes.

NASCLA Examinations

NASCLA Examinations

Marjorie King, Executive Director, shared that NASCLA is currently in the process of developing a national examination for Plumbing Tradesmen and will continue to share updates with the Board.

Regulatory Update

Regulatory Update

18VAC50-22	General Regulatory Reduction	<ul style="list-style-type: none"> Regulation became effective September 1, 2025.
18VAC50-22	Eligibility Requirement Amendment	<ul style="list-style-type: none"> Regulation became effective September 1, 2025.
18VAC50-22	HB1707/SB1059 - <i>Exempt</i>	<ul style="list-style-type: none"> Regulation became effective September 24, 2025.
18VAC50-22	Renewal Notifications Amendment – <i>Fast-Track</i>	<ul style="list-style-type: none"> Staff to file fast-track action.
18VAC50-22 18VAC50-30	Change in Examination Fees	<ul style="list-style-type: none"> Public comment period concluded on September 26, 2025. No comments were received. A public hearing was held on August 19, 2025. No comments were received Board to consider adoption of final regulation at December 9, 2025, meeting.

Executive Director Report

Executive Director Report

Marjorie King, Executive Director, informed the Committee of current and past statistical data related to Board license applications, processing times, calls received, examinations, and emails.

Committee member Taylor Brannan arrived at the meeting.

Committee Member Attendance

Ms. King shared that discussion of the potential to move Remedial Education classes to every other month, rather than the current monthly schedule, will be brought to the next meeting.

Board Member Professional Development

Board Member Professional Development

Marjorie King, Executive Director, commended the Committee for their hard work and diligence and shared plans for future Board Member Professional Development.

Recovery Fund Statement

Recovery Fund Statement

Marjorie King, Executive Director, presented recovery fund statements for the months ending August and September 2025.

Ms. King also presented a forecast for the Board for Contractors Recovery Fund. Ms. King explained that the fund is expected to sustain itself for the next ten years according to the projection.

VIII. COMPLETE CONFLICT OF INTEREST FORM AND TRAVEL VOUCHER

Mr. Groh requested the Committee members complete their Conflict-of-Interest Statements and Travel Reimbursement Forms.

**Complete
Conflict of
Interest Form
and Travel
Voucher**

IX. ADJOURNMENT

Chair, Groh thanked the Committee and Staff and adjourned the meeting at 9:03 A.M.

Adjournment

The next Committee meeting will be **December 9, 2025**.

Donald Groh, Chair

Date

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TO: BOARD FOR CONTRACTORS
FROM: STEPHANIE KEUTHER, ASSISTANT EXECUTIVE DIRECTOR
SUBJECT: EXAMINATION REVIEW AND UPDATE
DATE: DECEMBER 9, 2025

On October 22, 2025, the subject matter experts (SMEs) completed their review of the PSI examination questions for the Virginia Contractor – Class A and Class B exams. This review ensured that the content aligns with current industry standards and recent regulatory changes.

PSI has informed staff that full development timelines for updated exams can take up to 13 weeks. However, PSI has indicated a willingness to fast-track priority exams, which would allow high-volume exams to be updated and administered more efficiently.

The Board’s most frequently taken contractor examinations include:

- VA Contractor – Class A or Class B
- VA Residential Building Contracting
- VA Home Improvement Contracting
- VA Commercial Building Technical Contractor
- VA Master HVAC
- VA Contractor – Class A or Class B (Spanish)

Should the Board approve, a motion is needed to adopt the SME-recommended updates and authorize PSI to fast-track implementation of these examinations.

Sample Motion:

“I move that the Board approve the updated Virginia Contractor – Class A and Class B examinations as presented and direct PSI to proceed with fast-track final development and implementation.”

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Virginia Board for Contractors

Update on Regulatory Actions – 18VAC50-22

(as of December 9, 2025)

Action: General Regulatory Reduction

Final Effective

- Regulation became effective September 1, 2025.

Action: Eligibility Requirement Amendment

Final Effective

- Regulation became effective September 1, 2025.

Action: HB1707/SB1059 – *Exempt*

Final Effective

- Regulation became effective September 24, 2025.

Action: Renewal Notifications Amendment – *Fast-Track*

Current Stage: Fast-Track – unfiled

- At the April 29, 2025, meeting, the Board authorized staff to file a fast-track action to amend its regulations to address the usage of terms inconsistent with Board practice.

Next Step: Filing of Fast-Track Action

- Staff to file fast-track action.

Update on Regulatory Fee Actions: 18VAC50-22 & 18VAC50-30

(as of December 9, 2025)

Action: Change in Examination Fees

Current Stage: Final Adoption

- Public comment period concluded on September 26, 2025. No comments were received. A public hearing was held on August 19, 2025. No comments were received.
- Board to consider adoption of final regulation at December 9, 2025, meeting.

Next Step: Final

- Staff to file Final stage.
- Executive Branch to complete review.

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1 **Project 7338 - Final**

2 **Board For Contractors**

3 **Change in Examination Fee Provisions**

4 **18VAC50-22-80. ~~Examinations~~ Examination fees.**

5 ~~All examinations required for licensure shall be approved by the board and provided by the~~
6 ~~board or a testing service acting on behalf of the board, or another governmental agency or~~
7 ~~organization. The examination fee shall consist of the administration expenses of the Department~~
8 ~~of Professional and Occupational Regulation ensuing from the board's examination procedures~~
9 ~~and contract charges. Exam service contracts shall be established through competitive~~
10 ~~negotiation. The fee for examination is subject to contracted charges to the board by an outside~~
11 ~~vendor based on a contract entered into in compliance with the Virginia Public Procurement Act~~
12 ~~(§ 11-35 et seq. of the Code of Virginia) (§ 2.2-4300 et seq. of the Code of Virginia). The current~~
13 ~~examination shall not exceed a cost of \$400 \$200 per element to the candidate. Fees may be~~
14 ~~adjusted and charged to the candidate in accordance with this contract.~~

15 **18VAC50-22-100. Fees.**

16 All fees required by the board are nonrefundable. In the event that a check, money draft, or
17 similar instrument for payment of a fee required by statute or regulation is not honored by the
18 bank or financial institution named, the applicant or regulant will be required to remit fees sufficient
19 to cover the original fee, plus an additional processing charge set by the department:

Commented [JH1]: Section changed as a result of final regulations effective 9/1/25 and 9/24/25. No additional changes needed.

Fee Type	When Due	Amount Due
Class C Initial License	with license application	\$235
Class B Initial License	with license application	\$380
Class A Initial License	with license application	\$400
Temporary License	with license application and applicable initial license fee	\$60

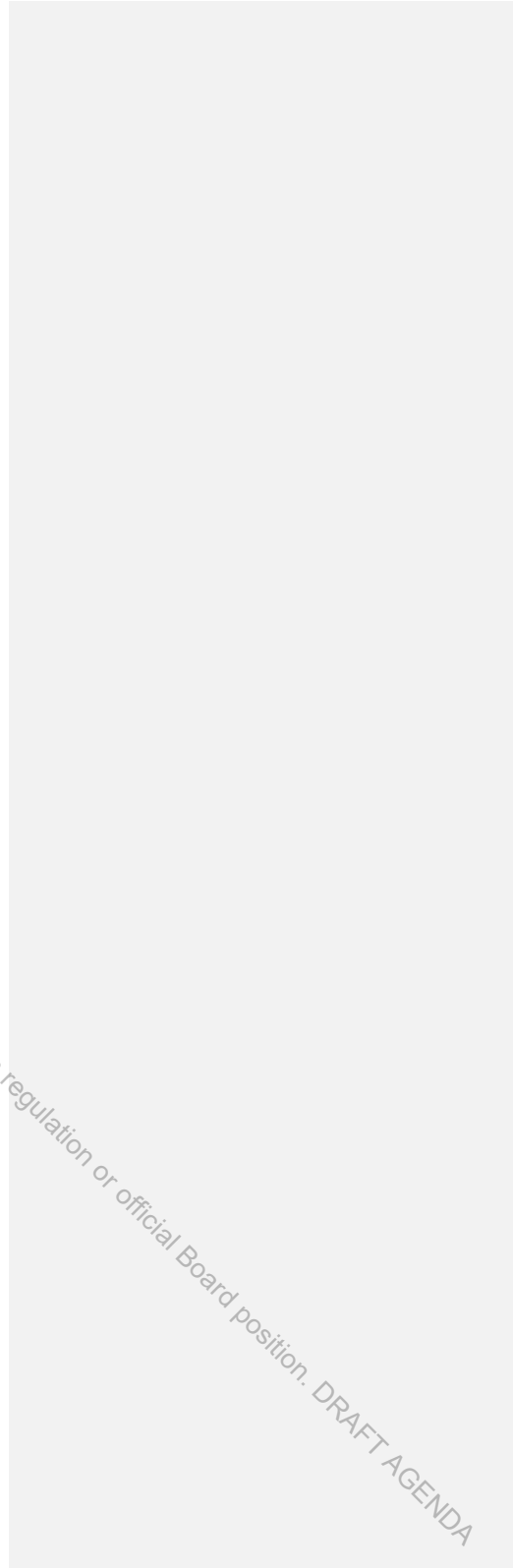
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Residential Building Energy Analyst Firm License	with license application	\$240
Change of Designated Employee	with change application	\$125
Change of Qualified Individual	with change application	\$125
Addition of Classification or Specialty	with change application	\$125

20 In accordance with § 54.1-1119 of the Code of Virginia, a \$25 Recovery Fund assessment is
 21 also required with each initial license application. No Recovery Fund assessment is required for
 22 residential building energy analyst firm license, change of designated employee, change of
 23 qualified individual, or addition of classification or specialty.

24 **18VAC50-30-100. Fees for examinations Examination fees.**

25 The fee for examination ~~fee shall consist of the administration expenses of the department~~
 26 ~~resulting from the board's examination procedures and contract charges. Exam service contracts~~
 27 ~~shall be established through competitive negotiation, is subject to contracted charges to the board~~
 28 by an outside vendor based on a contract entered into in compliance with the Virginia Public
 29 Procurement Act (§ 2.2-4300 et seq. of the Code of Virginia). The current examination [shall will
 30] not exceed a cost of \$100 \$200 for the journeyman exam, \$125 \$225 for the master exam for
 31 any of the trades, or \$400 \$200 for the backflow prevention device worker, elevator mechanic,
 32 accessibility mechanic, or water well systems provider exams. Fees may be adjusted and charged
 33 to the candidate in accordance with this contract.





Board for Contractors

AMENDED Guidance Document Revisions Effective
8/19/2025

INTERPRETATIONS AND POLICIES:

*The date in parentheses is the date the interpretation/policy was initially adopted

§ 54.1-1100. Definitions.

Contractor

(8/25)

A licensed contractor may not bid on work where the primary scope of the contract is outside the definition of the specialties/classifications permitted for the contractor's license, even if there is incidental work contained within the bid or contract that is within the scope of the contractor's license. A licensed contractor may bid on work, or enter into a contract for work, which is outside the scope of the contractor's license classification or specialty services provided that the contractor subcontracts that work to properly licensed contractors and the work of the subcontractors is incidental to the contract. For purposes of this guidance, "primary scope of the contract" means the main activities and deliverables expected from a contract. Any contracted work that is ancillary to accomplish the primary scope of the contract, but is outside the scope of the contractor's license, is considered to be incidental.

§ 54.1-1101 Exemptions

(09/20)

"For own use" means that the person performing or supervising the construction of a residential building must live in the residential building upon completion, unless they can be exempted based on the familial relationship as outlined in § 54.1-1101.8, and the person performing or supervising repair of or improvements to a commercial building must first occupy all or part of the building and operate their business from that occupancy. The Board stated that there should be no misunderstanding that a person who performs or supervises the construction of or improvements to any building with the intent to sell it must have a contractor's license.

General Definitions of Undefined Terms

New Construction

(07/97)

Any construction activity that occurs outside the original building perimeter is considered "NEW" construction.

Practical Experience in a Trade

(03/05) Activity regulated by the USBC and applicable referenced model code.

Supervision of Helpers and Laborers

(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 A-licensed tradesman is not required to be on the job site at all times, but that the helpers and laborers should 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.

Change Orders

(03/06) The term "change order," as used in 18VAC50-22-260 B.31, means 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. A change order must be signed by the consumer and the licensee or the licensee's agent.

Routine Maintenance

(10/15) The term "routine maintenance," as used in 18VAC50-22-260 B.8 of the Board for Contractors Regulations means recurring, preventative, and on-going activity necessary to delay or prevent the failure of a building, equipment, machinery, plant, structure, or system, against normal wear and tear and is generally set by the manufacturer, the USBC, or by generally accepted practices within the industry.

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

Commercial Building (CBC) and Residential Building (RBC)

(12/14) A contractor with the Commercial Building (CBC) or Residential Building (RBC) classification may perform foundation work, to include pilings.

(12/14) A contractor holding the Commercial Building (CBC) or Residential Building (RBC) classification may complete paving and concrete work which is incidental to the primary scope of the contract and adjacent to the structure being constructed (i.e., sidewalks, walkways, and driveways).

Highway/Heavy Contractors (H/H)

(12/14) Contractors holding the Highway/Heavy classification are permitted to install, maintain, or dismantle water, gas, and sewer connections and remove or repair water and sewer lines from the street to the structure and may complete the plumbing connection. For sewer lines this would be to the house or building clean-out. For water lines this would be to the stub out or connection point to the structure.

(8/25) Contractors holding the Highway/Heavy classification are permitted to install, maintain, or dismantle oil/water separators and grease interceptors (grease traps) located outside the structure. This does not include grease recovery devices, which may be installed, maintained, or dismantled by a licensed contractor with the plumbing contractor (PLB) classification.

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

Billboard/Sign Contracting (BSC)

(12/14) Contractors who erect billboards for their own use on another's property are exempt from licensing requirements.

Electronic/Communication Service Contracting (ESC)

(07/93) Attaching telecommunications equipment to existing systems does not fall within the definition of contractor.

Elevator/Escalator Contracting (EEC)

(8/25) Construction Elevators: Elevating devices used during construction are classified and regulated based on their intended use.

- Elevators that are permanently installed and designated for temporary use during construction are governed by the ASME A17.1, Section 5.10¹. These are fully regulated elevator systems that must comply with the installation, inspection, testing, and operational requirements set forth in the ASME Safety Code for Elevators and Escalators. These elevators must be installed by a licensed elevator contractor with certified elevator mechanics.
- Personnel hoists and employee elevators installed on the exterior of buildings or structures on construction and demolition sites do not require installation, maintenance, or repair work to be performed by a licensed elevator contractor with certified elevator mechanics as they do not fall under ASME. These systems are distinct from temporary construction elevators and are governed by ANSI/ASSP A10.4²

Home Improvement Contracting (HIC)

(07/05) 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.

(06/18) The term "utility out building," means a one story, detached building, less than 256 square feet, that does not require a permit to construct (i.e., shed, playhouse, gazebo).

Landscape Service Contracting (LSC)

(12/07) A landscape service contractor may install decorative fountains but must sub-contract trade-related work to an appropriately licensed contractor. They may also construct steps that are part of a landscape project but not those that serve as ingress or egress to a structure.

(12/14) General landscape services, such as mowing, trimming, placement of plant material, and tree removal, do not require license issued by the Board for Contractors.

(07/16) A contractor holding the landscape services specialty may install fencing that is not required by statute or regulation (such as swimming pool barrier, fencing around hazardous material storage, etc.)

¹ American Society of Mechanical Engineers: This code includes requirements for elevators, escalators, dumbwaiters, moving walks, material lifts, and dumbwaiters with automatic transfer devices.

² American National Standards Institute/American Society of Safety Professionals: Personnel Hoists and Employee Elevators on Construction Sites.

Manufactured Home Contracting (MHC)

(12/14) The cost of the manufactured 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 manufactured 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.

Onsite Sewage System Contracting (ADS & CDS)

(10/19) For onsite sewage system work only, the Board will consider the definition of "maintenance" in 18VAC160-40-10 and § 32.1-163 of the Code of Virginia as it pertains to the type of work that would not require a contractor's license with the ADS or CDS specialty. However, any other regulated work (i.e., contracting, installations and repairs, or operations and maintenance) performed by the individual or contractor must be done in compliance with Chapters 11 and 23 of Title 54.1 of the Code of Virginia as applicable.

18 VAC 50-22-50 and 18 VAC 50-22-60. Requirements for a Class B and Class A license

Reporting of financial history

(04/94) 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.

(04/98) 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.

(06/19) Assets used to determine whether a Class B Contractor Business meets the \$15,000 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.

18 VAC 50-22-260. Filing of charges; prohibited acts.

Failure to use residential contract (B.8)

(12/07) In situations involving houses built on speculation. If the house is purchased or if a contract to purchase the home is made prior to the issuance of the final certificate of occupancy, then the contractor must use a contract that contains all of the provisions set forth in 18 VAC 50-22-260 B 9 of the regulations. If the house is purchased after a final certificate of occupancy is issued, then it becomes a real estate transaction and no residential construction contract is required.

Electronic Transactions: Contracts and Change Orders for Residential Transactions

(8/25) A contractor may use electronic documents, electronic signatures, or electronic authorizations (as set forth in the Uniform Electronic Transaction Act (§ 59.1-479 et seq. of the Code of Virginia)). For purposes of compliance with 18VAC50-22-260.B.8 and 18VAC50-22-260.B.31, a contract or change order is considered "signed" when there is preserved documentation that the parties have affirmed an agreement.

Service Contracts

(04/16) Work done that is included in a service contract does not require an additional contract and will be considered to have met the requirements of the regulations. Work that is not included in the service contract must meet the contract requirements set forth in the regulations. Additionally, repair or replacement work, above the diagnostic service or work done to stabilize an emergency condition, must also meet the contract requirements.

18 VAC 50-30-10. Definitions.

Incidental

(12/14) Gas fitting is not incidental and must be done by a licensed gas fitter.

18VAC 50-30-39. Evidence of ability and proficiency.

(10/07) Certified trade-related building inspectors may count a single year of full-time inspection experience, and the related training, as fulfilling the 240-hour education requirement for licensure set forth in 18VAC50-30-39 of the regulations, but that inspection experience does not meet the definition of practical experience in that same section.

18 VAC 50-30-120. Renewal. (individual licenses/certifications)

(10/07) Instructors of approved continuing education training courses may receive credit for courses they teach.

General Policies

(09/05) The business name of a licensed contractor cannot reflect work that the contractor is not licensed to perform.

(06/07) General Complaint Processing - In order to more efficiently utilize agency and board resources, any pending or future complaints received against revoked licenses will be closed administratively.

(08/09) The Board will not provide extensions to the due dates of provisions of Final and Consent Orders.

- (12/09) Tradesman examination approvals are valid for one year. Extensions will not be granted.
- (10/12) Contractors with the Highway/Heavy, HVAC and Plumbing classification may install/drill horizontal geothermal trenches and piping 10 feet below grade that is associated with horizontal loop geothermal system.
- (12/14) Contractors holding the CBC, RBC or HVAC classifications or the HIC or CIC specialties may install factory engineered fireplaces, fireplace inserts, or wood stoves. Venting for any of these or similar appliances must be completed by a contractor holding the HVAC classification.
- (12/14) Tradesmen are permitted to perform work that is within the scope of the applicable section of the USBC for their trade. Work experience used by applicants for tradesman licenses must be for work that is within the scope of the applicable section of the USBC for their trade.
- (07/16) In order for an applicant to qualify for an “umbrella” specialty (HIC or CIC) they must have experience in at least three of the “breakout” specialties. For example, an applicant with experience in flooring, painting, and roofing would be eligible for the applicable improvement specialty. However, an applicant with only flooring and painting experience would be required to hold both the PTC and FLR specialties. The “breakout” specialties are: DRY, FIN, FLR, GLZ, INS, BRK, PTC, ROC, TMC, and FRM.
- (06/19) Contractors that install residential emergency generators must hold a license with the Electrical Contractor (ELE) license classification. The installation of commercial generators may be completed by contractors holding a license with the CBC license classification or CIC license specialty, with the exception that all trade-related work must be completed by a properly licensed contractor with the applicable trade-related classification or specialty.
- (09/20) The replacement of dryer vent covers does not fall within the definition of “contractor” and no license is required to perform this task. This is restricted to the replacement of existing dryer vent covers only.
- (12/22) Contractor specialty examination approvals are valid for one year. Extensions will not be granted.

Examination Policies

- (07/15) Individuals are prohibited from registering for or taking an examination that they have already successfully completed, when there is no requirement for the individual to complete the examination a subsequent time.
- (10/15) All Qualified Individuals that, as part of an application, are required to complete a technical examination, must be approved by the Board for Contractors to sit for that

examination. As part of the application process the Qualified Individual candidate will provide documentation of experience in the specialty in which they will serve as the Qualified Individual.

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(06/19) Examination candidates are allowed to use a language glossary for word-to-word translations during the examination. However, foreign language interpreters are not allowed at examination sites.

General Definitions

Retaining Walls

(8/25) The LSC specialty service is permitted under 18VAC50-22-30 to construct retaining walls for landscaping purposes. Such contractors may only construct non-structural retaining walls with less than 3' of unbalanced fill.

Contractors holding a CBC, RBC, or H/H classification may construct, remove, repair, or improve retaining walls as applicable to the scope of practice allowed by their license classification.

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DEPARTMENT OF PROFESSIONAL
& OCCUPATIONAL REGULATION

**VIRGINIA CONTRACTOR
TRANSACTION
RECOVERY ACT FUND**

FINANCIAL STATEMENTS

Cash Basis

For the Month Ended

September 30, 2025

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DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION
VIRGINIA CONTRACTOR TRANSACTION RECOVERY ACT FUND
BALANCE SHEET
GOVERNMENTAL FUNDS
9/30/2025

	Special Revenue Funds		
	Principal	Interest	Totals
ASSETS			
Cash and Cash Equivalents	\$ 3,394,925	\$ 578,226	\$ 3,973,151
Total Assets	<u>\$ 3,394,925</u>	<u>\$ 578,226</u>	<u>\$ 3,973,151</u>
FUND BALANCES			
Reserved for Payment of Future Claims	\$ 3,394,925	\$ -	\$ 3,394,925
Reserved for Administration of Recovery Act	-	578,226	578,226
Total Fund Balances	<u>\$ 3,394,925</u>	<u>\$ 578,226</u>	<u>\$ 3,973,151</u>

The accompanying notes are an integral part of this statement.

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DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION
VIRGINIA CONTRACTOR TRANSACTION RECOVERY ACT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE MONTH ENDED 09/30/2025

	CURRENT MONTH			YEAR TO DATE		
	Principal Fund	Interest Fund	Totals	Principal Fund	Interest Fund	Totals
REVENUES:						
Assessments	\$ 65,385	\$ -	\$ 65,385	\$ 198,985	-	\$ 198,985
Unclaimed Property	-		-	-		-
Investment Income		13,571	13,571		41,799	41,799
Recoveries on Paid Claims	3,170	-	3,170	\$ 4,293	\$ -	4,293
Total Revenues:	<u>68,555</u>	<u>13,571</u>	<u>82,126</u>	<u>203,278</u>	<u>41,799</u>	<u>245,077</u>
EXPENDITURES:						
Claims Expense	6,095	-	6,095	482,415	-	482,415
Other Operating Expense		-	-		-	-
Collection Expense			-	75	-	75
Postage Expense		-	-		212	212
Salary Expense	-	3,382	3,382	-	5,583	5,583
Total Expenses:	<u>6,095</u>	<u>3,382</u>	<u>9,477</u>	<u>482,490</u>	<u>5,795</u>	<u>488,285</u>
Net Change before Special Assessments	<u>62,460</u>	<u>10,189</u>	<u>72,649</u>	<u>(279,212)</u>	<u>36,004</u>	<u>(243,208)</u>
Net Change in Fund Balances	<u>62,460</u>	<u>10,189</u>	<u>72,649</u>	<u>(279,212)</u>	<u>36,004</u>	<u>(243,208)</u>
Beginning Fund Balance	<u>3,332,465</u>	<u>568,037</u>	<u>3,900,502</u>	<u>3,674,137</u>	<u>542,222</u>	<u>4,216,359</u>
Ending Fund Balance	<u>\$ 3,394,925</u>	<u>\$ 578,226</u>	<u>\$ 3,973,151</u>	<u>\$ 3,394,925</u>	<u>\$ 578,226</u>	<u>\$ 3,973,151</u>

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**DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION
VIRGINIA CONTRACTOR TRANSACTION RECOVERY ACT FUND
SUPPLEMENTAL SCHEDULE OF CLAIMS PAID**

September 30, 2025

CLAIMS PAID:	Number of Payments	Dollar Amount of Claims Paid	Related Recoveries	Net Payments
July 1 2025 - June 30, 2026	43	\$482,415.31	\$4,293.28	\$478,122.03
July 1, 2024 - June 30, 2025	74	\$712,083.53	\$38,602.14	\$673,481.39
July 1 2023 - June 30, 2024	104	\$896,543.71	\$76,333.80	\$820,209.91
July 1, 2022 - June 30, 2023	78	\$831,812.78	\$60,147.62	\$771,665.16
July 1, 2021 - June 30, 2022	43	\$615,360.43	\$11,423.70	\$603,936.73
July 1, 2020 - June 30, 2021	61	\$938,400.56	\$34,465.74	\$903,934.82
July 1, 2019 - June 30, 2020	56	\$661,233.50	\$33,085.79	\$628,147.71
July 1, 2018 - June 30, 2019	81	\$1,109,145.56	\$79,604.79	\$1,029,540.77
July 1, 2017 - June 30, 2018	77	\$864,135.32	\$22,974.27	\$841,161.05
July 1, 2016 - June 30, 2017	58	\$792,184.39	\$39,211.88	\$752,972.51
July 1, 2015 - June 30, 2016	44	\$718,165.22	\$10,994.99	\$707,170.23
July 1, 2014 - June 30, 2015	61	\$891,023.44	\$10,006.32	\$881,017.12
July 1, 2013 - June 30, 2014	81	\$1,240,818.00	\$15,547.00	\$1,225,271.00
July 1, 2012 - June 30, 2013	88	\$1,444,814.13	\$42,774.21	\$1,402,039.92
July 1, 2011 - June 30, 2012	84	\$1,269,360.67	\$73,182.06	\$1,196,178.61
July 1, 2010 - June 30, 2011	100	\$1,591,932.00	\$27,735.00	\$1,564,197.00
July 1, 2009 - June 30, 2010	93	\$1,199,116.00	\$52,636.00	\$1,146,480.00
July 1, 2008 - June 30, 2009	221	\$2,737,152.00	\$60,491.00	\$2,676,661.00
July 1, 2006 - June 30, 2008	332	\$3,744,957.00	\$84,939.00	\$3,660,018.00
July 1, 2004 - June 30, 2006	209	\$1,706,373.00	\$84,949.00	\$1,621,424.00
July 1, 2002 - June 30, 2004	172	\$1,127,366.00	\$57,084.00	\$1,070,282.00
July 1, 2000 - June 30, 2002	190	\$1,298,012.00	\$86,865.00	\$1,211,147.00
July 1, 1992 - June 30, 2000	595	\$3,508,005.00	\$89,773.00	\$3,418,232.00
July 1, 1980 - June 30, 1992	996	\$5,281,319.00	\$86,074.00	\$5,195,245.00

This schedule is presented on a cash basis and represents aggregate claims paid and related recoveries. Recoveries are often received and reported in a different year from when the claim was paid.

DRAFT AGENDA. Materials submitted for discussion are proposed topics for discussion and do not constitute regulation or official Board position. DRAFT AGENDA

FS4 - NOTES

**DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION
VIRGINIA CONTRACTOR TRANSACTION RECOVERY ACT FUNDS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain significant accounting policies employed by the Department of Professional and Occupational Regulation in administering the Virginia Contractor Transaction Recovery Act Funds.

A. Basis of Presentation

The accompanying financial statements have been prepared using governmental fund accounting as prescribed by the Governmental Accounting Standards Board (GASB). The financial statements are prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

B. Reporting Entity

These financial statements report the financial activity of the Virginia Contractor Transaction Recovery Act Fund, which is administered by the Department of Professional and Occupational Regulation. The Department exercises oversight authority over other funds which are not included in these financial statements.

C. Financial Statement Presentation

Special Revenue Funds account for transactions related to resources received and used for restricted or specific purposes. The Virginia Contractor Transaction Recovery Act Fund, which is reported as a special revenue fund, is established under Section 54.1-1118 of the *Code of Virginia* to reimburse claimants for losses incurred through improper or dishonest conduct by licensed contractors.

D. Measurement Focus and Basis of Accounting

The governmental fund financial statements are reported using the current financial resources measurement focus and the cash basis of accounting. Revenues are recognized when cash is received and expenditures are recorded when paid. The Department uses the cash basis of accounting during the year and prepares financial statements in accordance with generally accepted accounting principles at year

E. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, demand deposits, and investments in the Local Government Investment Pool (LGIP). Investments in the Local Government Investment Pool are reported as cash equivalents since they are readily convertible to cash.

2. RESTRICTED FUND BALANCES

Assets held in the Virginia Transaction Recovery Act Funds are restricted to the payment of claims in accordance with Section 54.1-1119A of the *Code of Virginia*. Interest earned on the deposits is restricted to paying administrative expenses and certain educational programs specified in Sections 54.1-1119C of the *Code of Virginia*.

3. ASSESSMENTS

The Principal Fund is financed through assessments. Each new contractor pays a \$25 assessment into the Recovery Fund at the time of application. Existing contractors pay \$50 into the Fund at the time of license renewal.

The *Code of Virginia* requires the Contractor Board to increase fees whenever the balance in the Principal Fund is less than \$400,000, although no licensee can be assessed more than \$50 during the biennium.

* These financial statements are prepared by Tara Hasan, Accounting Specialist. Please contact me at Tara.Hasan@dpor.virginia.gov if you have questions.