

1 SB232
2 162599-1
3 By Senator Marsh
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 12-MAR-15

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8 SYNOPSIS: Under existing law, a person, firm, or
9 corporation constructing a building or other
10 improvement on his or her or its own property is
11 exempt from the requirements of being licensed as a
12 general contractor for the work.

13 This bill would clarify that the exemption
14 may not be altered or restricted by a municipal
15 governing or regulatory body.

16
17 A BILL
18 TO BE ENTITLED
19 AN ACT
20

21 To amend Section 34-8-7, Code of Alabama 1975,
22 relating to the licensing and regulation of general
23 contractors, and exemptions from the application of Chapter 8
24 of Title 34, Code of Alabama 1975; to clarify that the
25 exemption for owners of property improving the property may
26 not be altered or restricted by a municipal governing or

1 regulatory body, and to repeal any conflicting municipal
2 ordinance or regulation.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. Section 34-8-7, Code of Alabama 1975, is
5 amended to read as follows:

6 "§34-8-7.

7 "(a) The following shall be exempted from this
8 chapter:

9 "(1) The practice of general contracting, as defined
10 in Section 34-8-1, by an authorized representative or
11 representatives of the United States Government, State of
12 Alabama, incorporated town, city, or county in this state,
13 which is under the supervision of a licensed architect or
14 engineer provided any work contracted out by the
15 representative shall comply with the provisions of this
16 chapter for "general contractor."

17 "(2) The construction of any residence or private
18 dwelling.

19 "(3) A person, firm, or corporation constructing a
20 building or other improvements on his, her, or its own
21 property provided that any of the work contracted out complies
22 with the definition in this chapter for "general contractor."
23 A municipal governing body or municipal regulatory body may
24 not enact any ordinance or law restricting or altering this
25 exemption. Any municipal ordinance or regulation that
26 conflicts with this exemption is repealed upon the effective
27 date of the act amending this subdivision.

1 "(4) The installation, repair, maintenance, or
2 removal of facilities, equipment, or systems used in or
3 substantially related to the generation, transmission, or
4 distribution of electric power, natural gas, or
5 telecommunications in an emergency by a utility regulated by
6 the Public Service Commission, or any entity engaged in the
7 generation, transmission, or distribution of electric power,
8 natural gas, or telecommunications, or any of their respective
9 general contractors or subcontractors, provided the work is
10 performed under the supervision of a licensed architect or
11 engineer. For purposes of this subdivision, the term
12 "emergency" is defined as a situation whereby service to the
13 consumer has been interrupted or may be interrupted if work to
14 remedy the emergency is not performed and completed within 60
15 days, and such other situations that are determined to be an
16 emergency in the discretion of the board.

17 "(5) The repair, maintenance, replacement,
18 reinstallation, or removal of facilities, equipment, or
19 systems used in or substantially related to the generation,
20 transmission, or distribution of electric power, natural gas,
21 or telecommunications on a routine, regular, or recurring
22 basis by a utility regulated by the Public Service Commission
23 or any entity engaged in the generation, transmission, or
24 distribution of electric power, natural gas, or
25 telecommunications or any of their respective general
26 contractors or subcontractors, provided the work is performed
27 under the supervision of a licensed architect or engineer.

1 "(6) Routine or regular maintenance, repair,
2 replacement, reinstallation, or removal of equipment,
3 specialized technological processes, or equipment facility
4 systems as determined by the board with regard to scope,
5 frequency, and speciality of the work to be performed.

6 "(b) The aforementioned exemptions shall exclude a
7 swimming pool contractor. Provided, however, a person, firm,
8 or corporation constructing a swimming pool on his, her, or
9 its own property shall be exempted from this chapter.

10 "(c) A subcontractor, as defined in subsection (c)
11 of Section 34-8-1, is subject to and shall comply with all the
12 provisions of this chapter as specified for general contractor
13 except as follows:

14 "(1) A subcontractor shall pay one-half the fees as
15 required in this chapter for general contractor.

16 "(2) No bid limits shall be established for a
17 subcontractor.

18 "(3) A subcontractor shall submit with license
19 application and renewals a statement of financial condition as
20 prescribed by the board.

21 "(4) A subcontractor shall furnish three references
22 from any combination of the following: Licensed general
23 contractors, registered professional engineers, or registered
24 architects, or qualified person, as declared by the board, for
25 whom they have worked. If a subcontractor has only been
26 employed by one company, the subcontractor shall provide the
27 following: Three or more jobs he or she has worked on, the

1 amounts of the contracts, the time period of the contracts,
2 the location of the contracts, and a statement of experience.

3 "(5) A subcontractor is not required to be licensed
4 at the time a project is bid, but must be licensed with the
5 board prior to beginning work on the project.

6 "(6) A general contractor license and license number
7 issued by the board to subcontractors shall denote
8 subcontractor status.

9 "(7) A subcontractor is not required to sit for any
10 examination before being licensed."

11 Section 2. This act shall become effective
12 immediately following its passage and approval by the
13 Governor, or its otherwise becoming law.