

Contractor Licensing Requirements go into Effect July 1, 2008

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Governor Sonny Perdue signed the Licensing of General Contractors Bill, Senate Bill 115. Senate Bill 115 amends Chapter 41 of Title 43 of the Official Code of Georgia Annotated, relating to residential and general contractors.

Any person offering contracting or performing construction services or activity as a general contractor in excess of \$2,500 in materials, labor, or any combination thereof must hold the proper class of license issued by the State Licensing Board for Residential and General Contractors effective July 1, 2008.

It shall also be illegal under state law for any building department or authority having jurisdiction to issue a permit to any person offering contracting or performing construction services in excess of \$2,500 who is not properly licensed by the State Licensing Board for Residential and General Contractors effective July 1, 2008.

The Bill established three levels regarding General Contractors, the basic licensing requirements of the bill are:

1. "Residential-Basic Contractor" 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. Industrialized home (modular).
2. "Residential-Light Commercial Contractor" a person who performs any contractor work or activity performed by a residential-basic contractor and, additionally, shall include such contractor work or activity related to multifamily and multiuse light commercial buildings and structures, and their related accessory buildings and structures, which are not over three stories in height; less than 25,000 square feet in aggregate interior floor space, and are constructed of wood or light gauge metal frame, brick veneer, prefabricated, or manufactured type of construction; or are pre-engineered steel buildings not exceeding 50,000 square feet of interior floor space; provided that such buildings or structures are not of the type of building or structure that would constitute a special hazard to property or to life and safety of persons.

The types of contract work or activity not permitted under a "Residential Light Commercial Contractor" license would include: multifamily residences over three stories, transient lodgings for hire with more than 15 sleeping accommodations, any building or group of buildings which contain schools or academies for any combination of grades one through twelve having more than 15 students in attendance at any one time and all state funded kindergarten programs. Hospitals and health care centers, mental health institutions, orphanages, jails, prisons, reformatories, and all administrative, public assembly, and academic buildings or colleges, universities, and vocational-technical schools. Nursing homes, convalescent homes, and old age homes which provide lodging, personal care, or nursing care on a 24 hour basis for four or more individuals who are not members of the same family. Racetracks, stadiums, grandstands, theaters, auditoriums, restaurants, bars and lounges, nightclubs, dance halls, recreation halls, and other places of public assembly having an occupant load of 300 or more persons, except that the occupant load shall be 100 or more persons in those buildings where alcoholic beverages are served. Churches having an occupant load of 500 or more persons in a common area or having an occupant load greater than 1000 persons total occupant load for the building or structure. Department stores and retail mercantile establishments over 25,000 square feet on any one floor or having three or more floors open to the public. Group day care homes required to be licensed as such by the Department of Early Care and Learning. Personal care homes required to be licensed as such by the Department of Human Resources having more than seven beds for non family members.

3. "General Contractor" means a contractor whose services are unlimited as to the type of work which he or she may do, and who may contract for, undertake to perform, submit a bid or a proposal or otherwise offer to perform, and perform any activity or work as a contractor requiring licensure under this chapter including within its scope any work requiring licensure to include commercial construction, including private, public, institutional and industrial contraction.

The Georgia State Licensing Board for Residential and General Contractors approved the addition of a General Contractor Limited Tier License on May 7, 2008.

The General Contractor Tier License is unlimited in the type of construction, but any one contract for construction services or activity may not exceed \$500,000.

Home owners may still act as their General Contractor when constructing their personal owner occupied single family residence. However, for a homeowner to be exempt from the state licensing he or she may not construct more than one residence in any 24 month period.

Agricultural and farm buildings are exempt from the contractor licensing requirements so long as the building or structure is accessory to and used exclusively for agricultural purposes.

For a list of "Specialty Contractors" which are exempt from state contractor licensing visit http://sos.georgia.gov/plb/contractors/Specialty_contractors.htm