

The State Licensing Board for Residential and General Contractors met on **August 10, 2005** at the Professional Licensing Boards Division, 237 Coliseum Drive in Macon, Georgia for the purpose of conducting business.

Members Present:

- Allen Richardson, Chairman
- Roger Huggins, Vice Chairman
- Steve Cash
- Mark Herbert
- Guy Middleton
- Philip Thayer
- Bob Barnard
- Timothy Ansley
- Dan Cash
- David Cyr
- Hoppy Hopkins
- Morgan Wheeler

Others Present:

- Reagan Dean, Board Attorney
- Kyle Floyd, Executive Director
- Gina Thompson, Board Secretary
- Debra Helms, Administrative Clerk
- Mollie Fleeman, Division Director
- Bettie Sleeth, HBAG
- Tyler Newman, HBAG
- Laura Meadows, Assistant Secretary of State
- David Hendrick, Esq. Hendrick, Phillips, Salzman and Flatt
- Mike Dunham, AGC

Chairman Richardson established that a quorum was present, and called the meeting to order at 9:00 A.M.

Mark Herbert made a motion to approve the minutes of the Board's July 20, 2005 meeting. The motion was seconded by Morgan Wheeler and the Board voted unanimously to approve the minutes.

Bob Barnard made a motion to approve the Residential Contractor Division minutes of the August 2, 2005 meeting. The motion was seconded by Mark Herbert and the Division voted unanimously to approve the minutes.

David Cyr made a motion to approve the General Contractor Division minutes of the August 3, 2005 meeting. The motion was seconded by Morgan Wheeler and the Division voted unanimously to approve the minutes.

Chairman Richardson suggested that the members soon divide into each division for discussion on the general liability requirements in the application process, as well as for discussions on rules specific to each division.

Chairman Richardson asked Kyle Floyd, Executive Director, to introduce Laura Meadows, Assistant Secretary of State, to the board members and visitors present.

Ms. Meadows congratulated each Board member on his appointment and expressed excitement at the Board's creation. She also noted that she reports directly to Cathy Cox, Secretary of State, and that if she is needed by the Board members that she is available. She asked for any questions and then concluded her talk.

Chairman Richardson thanked Ms. Meadows on behalf of all the Board members.

Chairman Richardson made a recommendation to break into each division to discuss the general liability insurance aspects of the law for licensure, as well as the rules that had been discussed at the prior meeting.

A motion was made by Bob Barnard and seconded by Mark Herbert to accept and post the rules titled as follows: Rule 553-1-.01, Organization of Board; Rule 553-1-.02, Officers; Rule 553-05-.01, Procedural Rules; Rule 553-6-.01, Fees; Rule 553-1-.03, Forms; and Rule 553-1-.04, Public Information. The Board voted unanimously to post these rules.

The Board divided into its respective divisions at 10:10 A.M.

Residential Contractor Division

Chairman Richardson established that a quorum was present for the Residential Contractor Division and called the meeting to order at 10:10 A.M.

The Division discussed the licensure requirements to practice as a residential contractor and agreed to add a clause to the liability insurance requirement stating "of not less than \$300,000." Chairman Richardson discussed the premiums on several different levels of liability insurance.

The Division discussed the definitions of residential, residential-basic, and residential-light commercial.

The Division held a discussion concerning qualifying agents, how many a company can have, and the responsibility of each qualifying agent.

The issue of having an "inactive" license status was discussed by the Division and it was pointed out that the joint secretary rules would have to be amended to allow for that.

Reagan Dean, Board Attorney, discussed the interpretation of O.C.G.A. § 43-41-8 (a)(2) concerning Georgia corporations and whether or not they have to comply with the "having had such office and place of business continuously for five years immediately preceding such application." It was determined that the issue should be discussed before the full Board.

Reagan Dean, Board Attorney, discussed adding "including criminal history" to any rules concerning background checks.

The Division discussed the issue of how a residential contractor can obtain a license when he or she is new to the profession and can't provide the necessary financial proof. Chairman Richardson looked favorably upon setting up licensing categories; however, he noted that this will require changes in the law.

Kyle Floyd, Executive Director, discussed O.C.G.A. § 43-41-11 and O.C.G.A. § 43-41-16 with the Division as to whether any rules needed to be promulgated for these chapters.

The Division discussed fees for applications, licenses and examinations.

There being no further business to discuss, the Division Meeting was adjourned by Chairman Richardson at 12:15 p.m., to rejoin as a full Board at 12:30 p.m.

General Contractor Division

Chairman Huggins called the General Contractor Division to order at 10:30 A.M.

The Division decided to define a “successful project” by having applicants provide a letter of reference from one architect, and at least one owner of the project, said letters would be attached to the application and submitted to the Division with the application.

Morgan Wheeler discussed requirements for exams from other state jurisdictions and it was determined that all exams were being conducted by ICC. It was noted that a representative from ICC will be speaking to the Board on Sept. 21, 2005.

Chairman Huggins ordered a break for lunch at 12:10 P.M.

Residential Contractor and General Contractor Division

Chairman Richardson called the meeting of the full board to order again at 12:35 P.M. as members returned from both divisions.

Chairman Richardson informed the full board that the Residential Contractor Division had set the general liability requirement for the residential-light commercial contractor subcategory at \$500,000, and the residential-basic category at \$300,000. Bob Barnard made a motion, Mark Herbert seconded, and the Division voted unanimously to approve the amounts.

Chairman Richardson questioned whether the General Contractor Division had set its general liability requirement. Timothy Ansley made a motion, David Cyr seconded, and the Division members, except for Hoppy Hopkins who voted against setting an amount, voted to approve the amount at \$500,000.

Bob Barnard made a motion, Steve Cash seconded, and the Residential Contractor Division voted unanimously to rescind the previous motion approved by the Division setting general liability requirements.

It was determined that the requirements for the general liability insurance for the residential-light commercial subcategory should be set by the members of that subcategory. Steve Cash made a motion that Timothy Ansley seconded setting the amount at \$500,000. The members of the residential-light commercial subcategory, except for Hoppy Hopkins, who voted against setting an amount, voted to approve the amount.

Bob Barnard made a motion which Mark Herbert seconded to set the requirement for general liability insurance for the residential-basic category at \$300,000. The Residential Contractor Division voted unanimously to approve the amount.

Mollie Fleeman discussed that the Board could create a rule for inactive status of licensure, but that it would also require a change in the Joint Secretary rules.

Discussion was conducted on the defining of “repair” and “specialty trade”. David Hendrick, Esq. of Hendrick, Phillips, Salzman and Flatt, discussed the intent of the legislature on these terms.

Chairman Richardson requested Bob Barnard talk with a representative from the Georgia Realtors Commission on the specialty trade and repair terms and report back to the Board.

Chairman Richardson requested a vote to post the Examination Exemption Rules, Rules 553-2-.01 through 553-2-.06 and 553-2-.13, for the Residential Contractor Division as discussed by the Division during its breakout meeting. Mark Herbert made the motion, Bob Barnard seconded, and the Board voted unanimously to post notice of these rules.

Discussion was conducted on holding separate future meetings for each division. No determination was made at this time. It was determined that the next board meeting on August 17, 2005 would be for the General Contractor Division only so that the division could discuss the rules as submitted by Kyle Floyd and consider a vote to post, if possible. It was also agreed that the residential-light commercial members would review rules for that subcategory on that date, with the members of that category from the residential division taking part via conference call.

There being no further business to come before the Division, the meeting was adjourned at 1:55 P.M. on August 10, 2005 by the Chairman.