



**STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
TENNESSEE BOARD FOR LICENSING CONTRACTORS
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2014 Legislative Updates

Pursuant to T.C.A. § 4-3-1306(d), you are receiving this notice because you have elected to receive notification by e-mail of certain changes or potential changes to the law(s) applicable to your profession.

The Tennessee General Assembly has recently made changes to statutes which may impact you as a holder of a license with the Tennessee Board for Licensing Contractors. These are the changes from the 2014 legislative session as set out in the following Public Chapters to specifically amend the Tennessee Code Annotated as follows:

[Public Chapter No. 528](#), amends Tenn. Code Ann. § 62-6-111, by providing a means to prevent licenses being issued in the same name of an existing licensee. In addition, a license cannot be issued in a name so similar to another licensee if it is likely to cause confusion. However, the law allows granting a license to those having an exclusive right to use the name as a registered trademark, such as a licensed franchise. This law became effective on March 12, 2014.

[Public Chapter No. 644](#), amends Tenn. Code Ann. § 62-6-119, relative to the bid document requirements. The law did not affect the information currently required to be listed. Therefore, the name, license number, expiration date and license classification of the prime contractor, as well as their subcontractors for electrical, plumbing, HVAC, geothermal and masonry must continue to be listed. However, the awarding authority now has forty-eight (48) hours, excluding weekends and state-recognized holidays, to have corrections made to any typographical errors or omissions found, such as the spelling of the bidder's names or transposed license numbers. This law will become effective on July 1, 2014.

[Public Chapter No. 355](#), amends Tenn. Code Ann. §§ 62-6-102, 103 and 605, relative to licensing requirements. This change specifically requires a contractor to have a contractor's license even if the contractor is working as a subcontractor when performing a roofing project where the total cost of the project is \$25,000.00 or more. Acceptable license classifications to bid roofing projects would be as follows: BC (residential, commercial and industrial); BC-B

(commercial); BC-b (small commercial); BC-A (residential); BC-12 (roof decks); and BC-21 (roofing-includes gutters and vinyl siding). This Act became law on May 13, 2013, but did not go into effect until January 1, 2014.

[Public Chapter No. 815](#), amends Title 40, Chapter 29, relative to restoration of citizenship. This Act allows certain persons beginning on January 1, 2015, who have had their rights of citizenship restored to petition the court for a certificate of employability. If a person obtains such a certificate, an agency may not deny the issuance, restoration or renewal of an occupational license solely on the person's past record of criminal activity but, instead, must consider each such applicant on a case-by-case basis. The certificate of employability preempts any existing rule that authorizes or requires the denial or refusal to issue, restore or renew a license based on the person's past record of criminal history; however, any agency may promulgate new rules which allow or require such a denial or refusal to issue, restore or renew a license notwithstanding the certificate based on the time elapsed since the criminal offense or the nature of the offense having a direct bearing on the fitness or ability to perform any duty or responsibility necessarily related to the sought license. Further, employers that hire individuals holding a certificate of employability may be provided with defenses to certain civil actions based on such hiring. This law became effective on April 28, 2014.

[Public Chapter No. 881](#), amends Tenn. Code Ann. §§ 62-76-201 and 202, and Tenn. Code Ann. §§ 68-1-129 and 130, relative to each board and commission created under Title 62. This Act requires each board and commission in consultation with the division of Regulatory Boards develop a plan to create an apprentice program for use by such board or commission. The details of the plan shall include specific items set out in the Public Chapter and shall be submitted to the speaker of the senate, the speaker of the house of representatives, the government operations committees of the senate and the house of representatives, the commissioner of commerce and insurance, the commissioner of health and the commissioner of labor and workforce development on or before December 31, 2014. If any board or commission has statutorily created apprenticeship programs or previously had such programs, it shall submit a similar report detailing information about such programs as set out in the Public Chapter. This law became effective on May 1, 2014.

In addition to the legislative changes, the proposed rules from the July 30, 2013 rulemaking hearing were approved and went into effect on February 20, 2014. These changes have been published with the Secretary of State's office and may be reviewed at: <http://www.tn.gov/sos/rules/0680/0680.htm>

The following rule changes went into effect on February 20, 2014:

Rule 0680-01-.29 – Limited Residential License - Allows a contractor to apply for a BC-A/r restricted residential license classification up to \$125,000, in lieu of the former \$70,000. There is not a 10% bid tolerance to exceed the monetary limit designated on their license, which is based upon the financial statement's working capital and net worth, as well as experience. The applicant for a BC-A/r must participate in a course approved by the Board.

Rule 0680-01-.27 Misconduct – Clarifies that when a licensee assists with unlicensed activity, by pulling building, electrical, plumbing, or like permits for an unlicensed general contractor or

consenting for their license number to be used the Board may consider such an act as misconduct for which disciplinary action may be taken.

If you have questions or concerns, you may contact the Board at: (615) 741-8307 or by email at: Contractors.Home-Improvement@tn.gov. You may also review our website for updates and licensing resources at: <http://www.tn.gov/regboards/contractors/>.