

A BILL TO BE ENTITLED  
AN ACT

Relating to the regulation of the inspection and construction of residences, swimming pools, and in-ground spas; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle A, Title 7, Occupations Code, is amended by adding Chapter 1203 to read as follows:

CHAPTER 1203. GENERAL AND SPECIALTY RESIDENTIAL CONTRACTORS AND RESIDENTIAL HOME INSPECTORS.

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1203.001. DEFINITIONS. In this chapter:

- (1) “Commission” means the Texas Commission of Licensing and Regulation.
- (2) “Department” means the Texas Department of Licensing and Regulation.
- (3) “General Residential Contractor” means a person engaged in the residential construction business who undertakes to construct, alter, repair, add to, subtract from, improve, move, wreck, or demolish any residential structure or appurtenances, including in-ground swimming pools or spas, on or within residential property lines.
- (4) “Specialty Residential Contractor” means a person engaged in the residential construction business by the performance of construction work requiring special skill and involving the use of specialized construction trades or crafts within residential property lines. These specialized construction trades or crafts include framing, roofing, foundation, flashing, and swimming pool and spa contractors.
- (5) “Residential Home Inspector” means a person engaged in the inspection of residences under construction in order to determine the compliance of these structures with local and state residential building, health, and safety codes, rules and regulations.

(Sections 1203.002-1203.050 reserved for expansion.)

SUBCHAPTER B. DEPARTMENT POWERS AND DUTIES

Sec. 1203.051. ADMINISTRATION. The department shall administer this chapter.

Sec. 1203.052. FORMS. The department shall prescribe application forms for provisional, temporary, original and renewal licenses and shall design the licenses.

Sec. 1203.053. LICENSE REQUIREMENTS. The department shall establish eligibility requirements, including specific examinations and passing scores and continuing education requirements as applicable, for provisional, temporary, original and renewal licenses issued to General Residential Contractors, Specialty Residential Contractors, and Residential Home Inspectors. Licenses for Specialty Residential Contractors shall be issued for the following specialized construction trades: Framing, Flashing, Foundation, Roofing, and Swimming Pool and Spa Contractors.

Sec. 1203.054. INSURANCE REQUIREMENTS. The department shall set insurance requirements for a license holder under this chapter.

Sec. 1203.055. RULES REGARDING USE AND DISPLAY OF LICENSE. The commission shall adopt rules relating to the use, display, and advertisement of a license.

Sec. 1203.056. CONTRACTS FOR ENFORCEMENT. The department may contract with another state agency or a political subdivision of the state to enforce this chapter and rules adopted under this chapter.

Sec. 1203.057. PERSONNEL. The department may employ personnel necessary to administer this chapter.

Sec. 1203.058. DIRECTORY OF LICENSE HOLDERS.

- (a) The department shall publish annually a directory of license holders.
- (b) The department may sell the directory on payment of a reasonable fee set by the commission.

(Section 1203.059-1203.100 reserved for expansion)

SUBCHAPTER C. LICENSE REQUIREMENTS.

Sec. 1203.101. LICENSE REQUIRED. A person may not act as a General Residential Contractor, Specialty Residential Contractor, or Residential Home Inspector in this state for compensation unless the person holds either a temporary, provisional, original or renewal license as required under this chapter.

Sec. 1203.102. SCOPE OF LICENSE. A license is valid throughout this state, and the license holder is not required to hold a municipal license or certificate to be a General Residential Contractor, Specialty Residential Contractor, or Residential Home Inspector in any municipality in this state.

Sec. 1203.103. APPLICATION AND ELIGIBILITY FOR TEMPORARY LICENSE.

- (a) A temporary license application must be made on a form prescribed by the department.
- (b) To be eligible for a temporary license, the applicant must be at least 18 years old and must present to the department satisfactory evidence of experience necessary to be a General Residential Contractor, Specialty Residential Contractor, or a Residential Home Inspector.
- (c) The temporary license application must be accompanied by:
  - (1) A statement of the applicant's experience.
  - (2) Evidence of the insurance coverage required by this chapter.
  - (3) The application fee.
- (d) A temporary license is valid for 90 days and may not be renewed.

Sec. 1203.104. APPLICATION AND ELIGIBILITY FOR PROVISIONAL OR ORIGINAL LICENSE.

- (a) A provisional or original license application must be made on a form prescribed by the department.
- (b) To be eligible for a provisional or original license, the applicant must be at least 18 years old, must present to the department satisfactory evidence of experience necessary to be a General Residential Contractor, Specialty Residential Contractor, or a Residential Home Inspector, and must have passed the applicable licensing examination for a General Residential Contractor, Specialty Residential Contractor, or Residential Home Inspector.
- (c) The provisional or original license application must be accompanied by:
  - (1) A statement of the applicant's experience.
  - (2) Evidence of the insurance coverage required by this chapter.
  - (3) The application fee.
  - (4) Proof of passage of the applicable licensing examination.

Sec. 1203.105. APPLICATION AND ELIGIBILITY FOR RENEWAL LICENSE.

- (a) A renewal license application must be made on a form prescribed by the department.
- (b) To be eligible for a renewal license, the applicant must be at least 18 years old, must present to the department satisfactory evidence of experience necessary to be a General Residential Contractor, Specialty Residential Contractor, or a Residential Home Inspector, must have passed the applicable licensing examination for a

General Residential Contractor, Specialty Residential Contractor, or a Residential Home Inspector, must not have had a license revoked or suspended by the Department or Commission, and must have met the Continuing Education Requirements as mandated by the Department or Commission.

#### SUBCHAPTER D. PENALTIES AND ENFORCEMENT

##### Sec. 1203.151. EMERGENCY ORDERS.

- (a) The department may issue an emergency order as necessary to enforce this chapter or a rule adopted under this chapter if the department determines that an emergency exists or formerly existed requiring immediate temporary action to protect the health and safety of the public. The order may be issued without notice and hearing or with notice and hearing as the department considers practicable under the circumstances.
- (b) If an emergency order is issued under this section without a hearing, the department shall set the time and place for a hearing to affirm, modify, or set aside the emergency order.

Sec. 1203.152. CEASE AND DESIST ORDERS. The department may issue a cease and desist order regarding a violation of this chapter or a rule adopted under this chapter.

##### Sec. 1203.153. OFFENSE; CRIMINAL PENALTY.

- (a) A person commits an offense if the person knowingly or intentionally acts as a General Residential Contractor, Specialty Residential Contractor, or a Residential Home Inspector without holding a license under this chapter.
- (b) An offense under this section is a Class A Misdemeanor.

#### SECTION 2.

- (a) The Texas Department of Licensing and Regulation shall issue a license for a General Residential Contractor, Specialty Residential Contractor, or a Residential Home Inspector under Subchapter C, Chapter 1203, Occupations Code, as added by this Act to a person who:
  - (1) Provides proof satisfactory to the department that the person has been engaged in business as a General Residential Contractor, Specialty Residential Contractor, or a Residential Home Inspector during the three years preceding the date of the license application;
  - (2) Applies to the department not later than July 31, 2010;
  - (3) Pays the required fee;
  - (4) Passes the applicable licensing examination; and
  - (5) Shows evidence of insurance coverage required by Section 1203.054, Occupations Code, as added by this Act.
- (b) A person who is issued a license under this section is subject to all other provisions of Chapter 1203, Occupations Code, as added by this Act, including provisions for the renewal of the license.

SECTION 3. Not later than March 1, 2010, the Texas Commission on Licensing and Regulation shall adopt any rules necessary to administer Chapter 1203, Occupations Code, as added by this Act.

#### SECTION 4.

- (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2009.
- (b) Section 1203.101 and Subchapter D, Chapter 1203, Occupations Code, as added by this Act, take effect September 1, 2010.