THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 3038 Session of 1994

INTRODUCED BY GIGLIOTTI, BELFANTI, LaGROTTA, BELARDI, MIHALICH, COLAIZZO, YANDRISEVITS, E. Z. TAYLOR, THOMAS, VEON, BURNS, TANGRETTI, OLASZ, SURRA, STURLA, PESCI AND MELIO, SEPTEMBER 27, 1994

REFERRED TO COMMITTEE ON PROFESSIONAL LICENSURE, SEPTEMBER 27, 1994

AN ACT

1	Regulating and requiring the licensure of construction
2	contractors; establishing the Construction Contractor
3	Licensing Board; creating the Construction Contractor
4	Licensing Board Fund; providing penalties; and making an
5	appropriation.

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- TABLE OF CONTENTS
- 7 Section 1. Short title.
- 8 Section 2. Legislative findings.
- 9 Section 3. Definitions.
- 10 Section 4. Construction Contractor Licensing Board.
- 11 Section 5. Duties of board.
- 12 Section 6. Licensing requirements and exemptions.
- 13 Section 7. Application procedures.
- 14 Section 8. License expiration.
- 15 Section 9. Unlawful use, assignment and transfer of license.
- 16 Section 10. Prerequisites to obtaining building permit.
- 17 Section 11. Notice included with invitations to bid and
- 18 specifications.

- 1 Section 12. License renewal, lapse and reinstatement.
- 2 Section 13. Disciplinary powers of board.
- 3 Section 14. Administrative duties of department.
- 4 Section 15. Rules.
- 5 Section 16. Construction Contractor Licensing Board Fund.
- 6 Section 17. Recordkeeping.
- 7 Section 18. Violations.
- 8 Section 19. Reciprocity.
- 9 Section 20. Appropriation.
- 10 Section 21. Effective date.

11 The General Assembly of the Commonwealth of Pennsylvania

12 hereby enacts as follows:

13 Section 1. Short title.

14 This act shall be known and may be cited as the Construction 15 Contractors Licensing Act.

16 Section 2. Legislative findings.

17 The General Assembly finds and declares as follows:

18 (1) There are many instances when individual persons are
19 misclassified as independent contractors for the purpose of
20 allowing an employer to avoid the payment of applicable
21 payroll taxes, Social Security taxes, workers' compensation
22 premiums and unemployment compensation benefits for that
23 employee.

(2) The misclassification of workers as independent
contractors results in significant uncollected taxes that are
lost to the Commonwealth and in the evasion of payments for
legally required workers' compensation and unemployment
compensation insurance.

29 (3) The misclassification of workers places an undue 30 burden on all contractors, large and small, who lawfully 19940H3038B4165 - 2 - 1 classify their workers correctly.

2 (4) Skyrocketing workers' compensation costs in this
3 Commonwealth are an indirect result of misclassification of
4 workers as independent contractors.

5 (5) The problems associated with the misclassification 6 of workers affect not only the responsible employers, who are 7 placed at a competitive disadvantage, but also the workers 8 and the taxpayers of this Commonwealth.

9 (6) Workers who are misclassified as independent 10 contractors face a serious risk operating without employer-11 paid workers' compensation coverage, and the burden of paying 12 for those workers who become injured ultimately shifts to the 13 taxpayers of this Commonwealth.

14 (7) At a time when national attention is being given to 15 reforming our health care system and providing insurance 16 coverage for the uninsured, worker misclassification stands 17 out as an area where the Commonwealth can take action to 18 greatly improve the health and well-being of Commonwealth 19 workers.

20 Section 3. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

24 "Board." The Construction Contractor Licensing Board25 established under section 4.

26 "Contractor." A person engaged in the business of 27 construction, repair, alteration, dismantling or demolition of 28 bridges, highways, roads, streets, buildings, airports, dams, 29 drainage or irrigation ditches, sewers, water or gas mains, 30 water filters, tanks, towers, oil, gas or water pipelines and 19940H3038B4165 - 3 -

every other type of structure, project, development or 1 improvement coming within the definition of real or personal 2 property. The term includes the construction, alteration or 3 4 repair of property to be held either for sale or rental and 5 shall include subcontractor, prime contractor, public contractor, nonresident contractor, specialty contractor or any 6 7 other type of construction contractor where the cost of the contract is \$500 or more. The term includes a construction 8 9 manager who performs management and counseling services for a 10 construction project for a professional fee.

11 "Department." The Department of Labor and Industry of the 12 Commonwealth.

13 "Fund." The Construction Contractor Licensing Board Fund14 established under section 17.

15 Section 4. Construction Contractor Licensing Board.

16 (a) Board established.--There is hereby established within 17 the department the Construction Contractor Licensing Board. The 18 board shall consist of ten members as follows:

19 (1) The Secretary of Labor and Industry, who shall be a20 nonvoting, ex-officio member.

(2) The Secretary of Commerce, who shall be a nonvoting,
 ex-officio member.

(3) Four members appointed by the Governor, by and with the advice and consent of the Senate, who are owners of businesses engaged in the various contracting industries with no less than ten years' experience as a contractor; with one member appointed from each of the following contractor classes:

29

(i) One general building contractor.

30 (ii) One electrical contractor.

19940H3038B4165

- 4 -

(iii) One plumbing and piping contractor.
 (iv) One heating, ventilating and cooling

contractor.

4 (4) Two members, appointed by the Governor, by and with 5 the advice and consent of the Senate, who are building code 6 officials and who are not members of any contracting 7 industry.

8 (5) Two members, appointed by the Governor, by and with the advice and consent of the Senate, who are representatives 9 10 of organized labor, familiar with the construction industry. 11 (b) Terms and vacancies.--Initially, two members shall be appointed for one year, two members for two years, two members 12 13 for three years and two members for four years, as designated by 14 the Governor at the time of appointment. Thereafter, terms shall 15 be for four years. A member who has served all or part of two 16 consecutive terms shall not be subject to reappointment unless 17 four years have elapsed since the member last served. Vacancies 18 shall be filled by appointment by the Governor for the unexpired 19 term of any member whose office is vacant and shall be made 20 within 60 days of the occurrence of the vacancy. A vacancy on 21 the board shall not impair the right of the remaining members to 22 exercise all the powers of the board.

23 (c) Chairperson, expenses and quorum.--The board shall elect 24 as chairperson one of the voting members of the board. The board 25 shall meet at least once quarterly and at other times as called 26 by the chairperson or a majority of the board. Board members shall receive no remuneration for their service but shall be 27 28 reimbursed for their actual expenses incurred in the performance 29 of their duties. A majority of the membership of the board shall 30 constitute a quorum of the board.

19940H3038B4165

3

- 5 -

1 Section 5. Duties of board.

2 (a) Rules and regulations.--The board shall adopt rules and3 regulations relating to the following:

4 (1) The minimum qualifications for applicants for
5 examination and license in all classes of contractor.

6 (2) The content of examinations for applicants in each 7 class.

8 (3) Procedures for application, examination and license 9 renewal and the manner in which the examination will be 10 conducted.

11 (4) The continued competency of licensees for purposes12 of renewal and reinstatement of licenses.

13 (5) Procedures for disciplinary action before the board.

14 (6) Application and annual license fees of not more than15 \$150.

16 (b) Other duties.--The board shall:

17 (1) Hold at least one meeting in each calendar quarter18 and notify applicants thereof.

19 (2) Request, through the department, investigation of20 any alleged violation of this act or of the regulations.

(3) Forward results of examinations to the departmentwithin 20 days following the examination.

23 (4) Notify the department and board members of meeting
24 dates and agenda items at least five days prior to meetings.

25 (5) Take minutes and records of all meetings and
26 proceedings.

27 (6) Hire an executive director and support staff as may28 be necessary.

29 Section 6. Licensing requirements and exemptions.

30 (a) General rule.--On or after October 1, 1994, a person may 19940H3038B4165 - 6 - 1 not engage in this Commonwealth in any act as a contractor
2 unless the person holds a license issued under this act. No
3 firm, partnership, corporation, association or other entity may
4 engage in contracting in this Commonwealth unless an officer
5 thereof holds a license issued under this act.

6 (b) License posting. -- Any person to whom a license has been 7 issued under this act shall keep the license or a copy thereof posted in a conspicuous position at every construction site 8 where work is being done by the contractor. The contractor's 9 license number shall be included in all contracting 10 11 advertisements and all fully executed and binding contracts. Any person violating the provisions of this subsection shall be 12 13 subject, after hearing, to a warning, a reprimand or a fine of not more than \$500. 14

15 (c) Exemptions.--The following are exempt from licensure: (1) Work done exclusively by employees of the Federal Government, the Commonwealth, a county, municipality or municipal corporation or any governmental subdivision or agency thereof.

(2) A person who furnishes materials or supplies without
 fabricating or consuming them in the construction project.

(3) Work performed personally by an owner or lessee of
real property or property which is primarily used for
agricultural or farming enterprise.

(4) A material supplier who renders advice concerning
use of products sold and who does not provide construction or
installation services.

(5) Work performed by a public utility regulated by thePennsylvania Public Utility Commission.

30 (6) Repair work contracted for by the owner of the 19940H3038B4165 - 7 - equipment on an emergency basis in order to maintain or
 restore the operation of the equipment.

3 (7) Work performed by an employer's regular employees, 4 for which the employees are paid regular wages and not a 5 contract price, on business property owned or leased by the 6 employer.

7 (8) A person who personally performs construction work
8 on the site of a real property which the person owns or
9 leases whether for commercial or residential purposes.

(9) Work performed, when the specifications for the work 10 11 have been developed or approved by engineering personnel employed by the owner of a facility, by registered 12 13 professional engineers licensed under the act of May 23, 1945 14 (P.L.913, No.367), known as the Engineer, Land Surveyor and 15 Geologist Registration Law, when the work to be performed, 16 because of its specialized nature or process, cannot be 17 reasonably or timely contracted for within the general area 18 of the facility.

19 Section 7. Application procedure.

20 (a) General rule.--A person desiring to be licensed as a 21 contractor under this act shall submit to the board a written 22 application requesting licensure, providing the information the 23 board may require on a form supplied by the board, and shall pay 24 a license fee.

(b) Exception.--A person holding a business registration certificate to conduct business in this Commonwealth as a contractor prior to September 30, 1994, may register with the board, certify by affidavit the requirements of section 15(b) and pay a license fee not to exceed \$150 and shall be issued a contractor's license without further examination.

19940H3038B4165

- 8 -

1 Section 8. License expiration.

2 A license issued under this act expires one year from the 3 date on which it is issued.

4 Section 9. Unlawful use, assignment and transfer of license.
5 A license may not be issued for any purpose by any person
6 other than the person to whom the license is issued. A license
7 may not be assigned, transferred or otherwise disposed of so as
8 to permit the unauthorized use thereof. Any person who violates
9 this section is subject to the penalties imposed under section
10 14.

11 Section 10. Prerequisites to obtaining building permit.

12 A person making application to the building inspector or 13 other authority in this Commonwealth charged with the duty of 14 issuing building or other permits for the construction of any 15 building, highway, sewer or structure or for any removal of 16 materials or earth, grading or improvement shall before issuance 17 of the permit either furnish satisfactory proof to the inspector 18 or authority that the person is licensed under this act to carry 19 out or superintend the same or file a written affidavit that the 20 person is not subject to licensure as a contractor or 21 subcontractor under this act. The inspector or authority shall 22 not issue a building permit to any person who does not possess a 23 valid contractor's license when required by this act. Section 11. Notice included with invitations to bid and 24 25 specifications.

Any architect or engineer preparing any plan and specification for contracting work to be performed in this Commonwealth shall include in the plan specification and invitation to bid and a reference to this act, informing any prospective bidder that the contractor's license number must be 19940H3038B4165 – 9 – included on any bid submission. A subcontractor shall furnish
 his contractor's license number to the contractor prior to the
 award of the contract.

4 Section 12. License renewal, lapse and reinstatement.
5 (a) General rule.--A license which is not renewed on or
6 before the renewal date shall lapse. The board may establish by
7 regulations a delayed renewal fee to be paid for issuance of any
8 license which has lapsed. However, a license which has lapsed

9 for a period of two years or more may not be renewed.

(b) Satisfaction of requirements.--In the event that continuing education or other requirements are made a condition of license reinstatement after lapse, suspension or revocation, the requirements must be satisfied before the license is reissued.

15 Section 13. Disciplinary powers of board.

16 (a) Authority of board.--The board has the authority to17 impose the following disciplinary actions:

18 (1) Permanently revoke a license.

19 (2) Suspend a license for a specified period.

20 (3) Censure or reprimand a licensee.

21 (4) Impose limitations or conditions on the professional22 practice of a licensee.

(5) Impose requirements for remedial professional
education to correct deficiencies in the education, training
and skill of a licensee.

(6) Impose a probationary period requiring a licensee to report regularly to the board on matters related to the grounds for probation. The board may withdraw probationary status if the deficiencies that require the sanction are remedied.

19940H3038B4165

- 10 -

(b) License suspension.--The board may summarily suspend a
 licensee pending a hearing or pending an appeal after a hearing
 upon a determination that the licensee poses a clear,
 significant and immediate danger to the public health and
 safety.

6 (c) License reinstatement.--The board may reinstate the 7 suspended or revoked license of a person if, upon a hearing, the 8 board finds and determines that the person is able to practice 9 with skill and safety.

10 (d) Surrender of license.--The board may accept the 11 voluntary surrender of a license. However, the license may not 12 be reissued unless the board determines that the licensee is 13 competent to resume practice and the licensee pays the 14 appropriate renewal fee.

15 (e) Appeal deadlines. -- A person or contractor adversely 16 affected by disciplinary action may appeal to the board within 17 60 days of the date the disciplinary action is taken. The board 18 shall hear the appeal within 15 days from receipt of notice of appeal. Hearings shall be held in Harrisburg. The board may 19 20 retain a hearing examiner to conduct the hearings and present 21 proposed findings of fact and conclusions of law to the board for its action. 22

(f) Appeal procedures.--Any party adversely affected by any
action of the board may appeal the action in accordance with 2
Pa.C.S. (relating to administrative law and procedure).

26 (g) Causes for disciplinary action.--The following are 27 causes for disciplinary action:

(1) Abandonment, without legal excuse, of any
 construction project or operation engaged in or undertaken by
 the licensee.

19940H3038B4165

- 11 -

(2) Willful failure or refusal to complete a
 construction project or operation with reasonable diligence,
 thereby causing material injury to another.

4 (3) Willful departure from or disregard of plans or
5 specifications in any material respect without the consent of
6 the parties to the contract.

7 (4) Willful or deliberate violation of the building laws
8 or regulations of this Commonwealth or of any political
9 subdivision thereof.

(5) Willful or deliberate failure to pay any moneys when 10 due for any materials free from defect or for services 11 12 rendered in connection with the person's operations as a 13 contractor when the person has the capacity to pay or when the person has received sufficient funds under the contract 14 15 as payment for the particular construction work for which the services or materials were rendered or purchased or the 16 17 fraudulent denial of any amount with intent to injure, delay 18 or defraud the person to whom the debt is owed.

19 (6) Willful or deliberate misrepresentation of a
20 material fact by an applicant or licensee in obtaining a
21 license or in connection with official licensing matters.

(7) Willful or deliberate failure to comply in any
material respect with this act or the regulations of the
board.

(8) Willful or deliberate action in the capacity of a
contractor when not licensed, or as a contractor by a person
other than the person to whom the license is issued except as
an employee of the licensee.

29 (9) Willful or deliberate action with the intent to
30 evade the provisions of this act by:

19940H3038B4165

- 12 -

(i) Aiding or abetting an unlicensed person to evade
 the provisions of this act.

3 (ii) Combining or conspiring with an unlicensed4 person to perform an unauthorized act.

5 (iii) Allowing a license to be used by an unlicensed 6 person.

7 (iv) Attempting to assign, transfer or otherwise
8 dispose of a license or permitting the unauthorized use
9 thereof.

10 (10) Engaging in any willful, fraudulent or deceitful 11 act in the capacity as a contractor whereby substantial 12 injury is sustained by another.

13 (11) Performing work which is not commensurate with a 14 general standard of the specific classification or contractor 15 or which is below a building or construction code adopted by 16 the municipality in which the work is performed.

17 Limitations.--In all disciplinary hearings, the board (h) 18 has the burden of proof as to all matters in contention. A 19 disciplinary action may not be taken by the board except on the 20 affirmative vote of at least five members thereof. Except for violations under section 13, no disciplinary action shall be 21 22 taken by the board for any cause unless the licensee has been 23 finally adjudicated in a court of record as having perpetrated the act. Except as specifically set out under this act, the 24 25 board shall have no power or authority to impose or assess 26 damages.

27 Section 14. Administrative duties of department.

(a) Duties of department.--For and on behalf of the board,
the department shall perform the following administrative
duties:

19940H3038B4165

- 13 -

1 (1) Collect and record all fees. (2) Maintain records and files. 2 3 (3) Issue and receive application forms. 4 (4) Notify applicants of the results of the board 5 examination. 6 (5) Arrange space for holding examinations and other 7 proceedings. 8 Issue licenses and temporary licenses as authorized (6) by this act and the board. 9 10 (7) Issue duplicate licenses upon submission of a 11 written request by the licensee attesting to loss of or the 12 failure to receive the original and payment by the licensee 13 of a fee established by regulation and adopted by the 14 department. 15 (8) Notify licensees of renewal dates at least 30 days before the expiration date of their license. 16 17 (9) Answer routine inquiries. 18 (10) Maintain files relating to individual licensees. 19 (11)Arrange for printing and advertising. 20 (12) Purchase supplies. 21 (13) Employ additional assistance when needed. 22 (14) Perform other services that may be requested by the 23 board. Provide inspection, enforcement and investigative 24 (15) services to the board. 25 26 (16) Issue cease and desist orders to persons engaging 27 in contracting within this Commonwealth without a valid 28 license. Applicant affidavit.--Following successful completion of 29 (b) 30 the examination and prior to the issuance of the license, the

19940H3038B4165

- 14 -

applicant shall provide the following information, along with an
 affidavit certifying the information:

3

(1) The classification of work performed.

4 (2) A list of unsatisfied judgments resulting from any
5 bond claims and litigation involving the applicant or the
6 applicant's principals within the prior five years.

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19940H3038B4165

(3) The applicant's Social Security number.

8 (4) A statement that the applicant is in compliance with 9 the applicable provisions of the act of June 2, 1915 10 (P.L.736, No.338), known as the Workers' Compensation Act.

11 (5) A statement that the applicant is in compliance with 12 the applicable provisions of the act of December 5, 1936 (2nd 13 Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment 14 Compensation Law.

15 (6) The applicant's State withholding tax account16 number.

17 (7) The applicant's Federal employer identification18 number.

19 (8) A statement, under oath, of experience and 20 qualifications and the names of three persons who are 21 knowledgeable about the applicant's experience and 22 qualifications.

(9) A statement from the Bureau of Workers' Compensation
that the applicant has secured workers' compensation
satisfactory to that bureau.

(10) A good and valid surety bond in the amount of
\$10,000 issued by a surety company authorized to do business
in this Commonwealth.

- 15 -

(11) Proof of public liability, personal injury and
 property damage insurance in the amount of \$500,000.

1 (12) A statement that the applicant has not been 2 convicted of a felony under the act of April 14, 1972 3 (P.L.233, No.64), known as The Controlled Substance, Drug, 4 Device and Cosmetic Act, or of an offense under the laws of 5 another jurisdiction which, if committed in this Commonwealth, would be a felony under The Controlled 6 Substance, Drug, Device and Cosmetic Act, unless all of the 7 8 following are met:

9 (i) At least ten years have elapsed from the date of 10 conviction.

(ii) The applicant satisfactorily demonstrates to the board that he has made significant progress in personal rehabilitation since the conviction, so that licensure of the applicant should not be expected to create a substantial risk of harm to the health and safety of the public or a substantial risk of further criminal violations.

18 (iii) The applicant otherwise satisfies the 19 requirements contained in or authorized by this act. As 20 used in this subparagraph, the term "convicted" includes 21 a judgment, an admission or guilt or a plea of nolo 22 contendere.

23 Section 15. Rules.

The board may promulgate rules and regulations to administer and enforce this act. The board may disseminate educational or any other materials designed to improve performance standards of any contractor group to contractors within this Commonwealth. The board may adopt and use a seal with the words "Construction Contractor Licensing Board of the Commonwealth." Section 16. Construction Contractor Licensing Board Fund.

19940H3038B4165

- 16 -

1 All moneys received under this act shall be deposited in a 2 special account hereby created in the State Treasury, to be 3 known as the Construction Contractor Licensing Board Fund. 4 Expenditures from the fund shall be for the purposes set forth in this act and are not authorized from collections but are to 5 be made only in accordance with appropriation by the General 6 Assembly. Amounts collected which are found from time to time to 7 exceed the funds needed for purposes set forth in this act may 8 be transferred to other accounts or funds and redesignated for 9 10 other purposes by appropriation of the General Assembly. 11 Section 17. Recordkeeping.

12 (a) Public inspection of records. -- The board shall maintain 13 at the principal office, open for public inspection during 14 office hours, a complete indexed record of all applications, 15 licenses issued, licenses renewed and all revocations, 16 cancellations and suspensions of licenses. Applications shall 17 show the date of application, name, qualifications, place of 18 business and place of residence of each applicant and whether 19 the application was approved or refused.

20 (b) Confidentiality requirements.--

All investigations, complaints, reports, records, 21 (1)22 proceedings and other information received by the department 23 and board and related to complaints made to the department or board of investigations conducted by the department or board 24 25 under this act, including the identity of the complainant or 26 respondent, shall be confidential and shall not be knowingly 27 and improperly disclosed by any member or former member of 28 the board, the department or staff, except as follows:

29 (i) Upon a finding that probable cause exists to 30 believe that a respondent has violated this act, the 19940H3038B4165 - 17 - complaint and all reports, records, nonprivileged and nondeliverable materials introduced at any probable cause hearing held pursuant to the complaint are thereafter not confidential. However, the confidentiality of the information shall remain in full force and effect until the respondent has been served with a copy of the statement of charges.

8 (ii) Any subsequent hearing held in the matter for 9 the purpose of receiving evidence or the arguments of the 10 parties or their representatives shall be open to the 11 public, and all reports, records and nondeliberative 12 materials introduced into evidence at the subsequent 13 hearing, as well as the board's orders and department's 14 orders, are not confidential.

(iii) The department or board may release any
information relating to an investigation at any time if
the release has been agreed to in writing by the
respondent.

19 (iv) The complaint, as well as the identity of the 20 complainant, shall be disclosed to a person named as 21 respondent in any complaint filed immediately upon the 22 respondent's request.

(v) Where the department or board is otherwise
 required by this act to disclose information or to
 proceed in a manner that disclosure is necessary and
 required to fulfill the requirement.

(2) If, in a specific case, the department or board finds that there is a reasonable likelihood that the dissemination of information or opinion in connection with a pending or imminent proceeding will interfere with a fair 19940H3038B4165 - 18 - 1 hearing or otherwise prejudice the due administration of 2 justice, the department or board shall order that all or a 3 portion of the information communicated to the department or 4 board to cause an investigation and all allegations of 5 violations or misconduct contained in a complaint shall be 6 confidential, and the person providing the information or 7 filing a complaint shall be bound to confidentiality until 8 further order of the board.

9 (c) Penalty.--If a person violates the provisions of 10 subsection (b) by knowingly and willfully disclosing any 11 information made confidential under this section or by the 12 department or board, the person commits a misdemeanor of the 13 third degree and shall, upon conviction, be sentenced to pay a 14 fine of not less than \$500 nor more than \$5,000 or to 15 imprisonment for not more than one month, or both.

16 (d) Report.--The department shall certify to the auditor and 17 to the General Assembly a detailed statement of all moneys 18 received and spent during the preceding fiscal year.

19 Section 18. Violations.

(a) Cease and desist orders.--Upon a determination that a 20 21 person is engaged in contracting business in this Commonwealth 22 without a valid license, the board or department shall issue a 23 cease and desist order requiring the person to immediately cease 24 all operations in this Commonwealth. The order shall be 25 withdrawn upon issuance of a license to the person. After a 26 hearing, the board may impose a penalty of not less than \$500 27 nor more than \$1,000 upon any person engaging in contracting 28 business in this Commonwealth without a valid license.

29 (b) Continuing violations.--Any person continuing to engage 30 in contracting business in this Commonwealth without a valid 19940H3038B4165 - 19 -

license after service of a cease and desist order commits a 1 misdemeanor of the third degree and shall, upon conviction, be 2 sentenced to pay a fine of not less than \$1,000 nor more than 3 4 \$5,000 or to imprisonment for not more than one month, or both. 5 (c) Injunctions.--The board may institute proceedings in the court of common pleas of the county in which an alleged 6 7 violation of this act occurred or is now occurring to enjoin the violation. 8

Additional penalty. -- Any person who undertakes any 9 (d) construction work without a valid license when the license is 10 11 required by this act, when the total cost of the contractor's 12 construction contract on any project upon which the work is 13 undertaken is \$500 or more, shall, in addition to any other 14 penalty provided, be assessed by the board an administrative 15 penalty of not more that \$200 a day for each day the person is 16 in violation.

17 (e) Procedure.--Hearings and judicial review of board action
18 shall be conducted in accordance with 2 Pa.C.S. (relating to
19 administrative law and procedure).

20 Section 19. Reciprocity.

21 To the extent that other states which provide for the 22 licensing of contractors provide for similar action, the board, in its discretion, may grant licenses of the same or equivalent 23 24 classification to contractors licensed by other states, without 25 written examination upon satisfactory proof furnished to the 26 board that the qualifications of the applicants are equal to the 27 qualifications of holders of similar licenses in this 28 Commonwealth, upon certification to the department as required 29 under section 14(b) and upon payment of the required fee. 30 Section 20. Appropriation.

19940H3038B4165

- 20 -

1 The sum of \$85,000, or as much thereof as may be necessary, 2 is hereby appropriated to the Construction Contractor Licensing 3 Board in the Department of Labor and Industry for the payment of costs of processing licenses and renewals, for the operation of 4 5 the board and for other general costs of board operations relating to this act. The appropriation granted shall be repaid 6 by the board within three years of the beginning of issuance of 7 8 licenses by the board.

9 Section 21. Effective date.

10 This act shall take effect in 60 days.