

Sunset Report
Alabama Licensing Board for General Contractors
Montgomery, Alabama

October 1, 2021 through September 30, 2025

ALABAMA DEPARTMENT OF
EXAMINERS of Public Accounts

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October 28, 2026

Representative Margie Wilcox
Chairman, Sunset Committee
Alabama State House
Montgomery, Alabama 36130

Dear Representative Wilcox:

This report was prepared to provide information for use by the Sunset Committee in conducting its review and evaluation of the operations of the Alabama Licensing Board for General Contractors in accordance with the ***Code of Alabama 1975***, Section 41-20-9.

The report contains unaudited information obtained from the management, staff, and records of the Alabama Licensing Board for General Contractors in addition to information obtained from other sources.

Please contact me if you have any questions concerning this report.

Sincerely,

Rachel Laurie Riddle
Chief Examiner

Examiner
Rodney Wagstaff

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PROFILE

Purpose/Authority

The Alabama Licensing Board for General Contractors (the "Board") was established by Act Number 297, Acts of Alabama 1935. The Board's primary function is to license and regulate the practice of construction, alteration, maintenance, repair, rehabilitation, remediation, reclamation, or demolition of any building, highway, sewer, structure, site work, grading, paving, or project or any improvement in the State of Alabama where the cost of the undertaking is $100,000.00 or more as well as the construction of, repair, or renovation of any swimming pool where the cost of the undertaking exceeds $5,000.00. The Board operates under the authority of the ***Code of Alabama 1975***, Sections 34-8-1 through 34-8-10; 34-8-20 through 34-8-28; and 34-8-50 through 34-8-55.

The following Acts passed since the last sunset review have been codified in the current statutory authority.

Act Number 2023-99, Acts of Alabama, relating to the Alabama Sunset Law was passed to continue the existence and functioning of the State Licensing Board for General Contractors until October 1, 2024, with certain modifications to amend Section 34-8-7, ***Code of Alabama 1975***, to exempt routine landscape maintenance work from the practice of general contracting.

Act Number 2024-139, Acts of Alabama, relating to the Alabama Sunset Law was passed to continue the existence and functioning of the State Licensing Board for General Contractors until October 1, 2027.

Act Number 2024-277, Acts of Alabama, relating to the Alabama Licensing Board for General Contractors was passed to amend Sections 34-8-1 and 34-8-7, ***Code of Alabama 1975***, to increase the threshold cost of undertaking where an individual is deemed to engage in the business of general contracting; and to exempt labor brokers and other temporary labor providers from certain licensing requirements.

Act Number 2024-443, Acts of Alabama relating to building codes was passed to designate Sections 34-14A-1 through 34-14A-20 as Article 1 of Chapter 14A of Title 34, ***Code of Alabama 1975***; to amend Sections 34-14A-1, 34-14A-2, 34-14A-7, 34-14A-12, and 34-14A-20, ***Code of Alabama 1975***, to provide for the establishment of the Alabama Residential Building Code and its authority; to further provide for the practice of residential home building; to further provide for the duties of the Home Builders Licensure Board; to add Sections 34-14A-12.1 and 34-14A-12.2 to the ***Code of Alabama 1975***, to add Article 2, commencing with Section 34-14A-41, to Chapter 14A of Title 34, ***Code of Alabama 1975***, to establish the Alabama Residential Building Code Division within the Home Builders Licensure Board and provide for its duties; to establish the Alabama Residential Building Code Fund in the State Treasury and provide for its administration; to add Article 3, commencing with Section 34-14A-80, to Chapter 14A of Title 34, ***Code of Alabama 1975***, to establish the Alabama Residential Building Code Advisory Council and provide for its membership and duties; to add Article 3, commencing with Section 34-8-50, to Chapter 8 of Title 34, ***Code of Alabama 1975***, to establish the Alabama Commercial Energy Code Advisory Committee within the State Licensing Board for General Contractors and provide for its membership and duties; to repeal Article 5, commencing with Section 41-23-80, of Chapter 23, Title 41, ***Code of Alabama 1975***, relating to the Alabama Energy and Residential Codes Board within the Alabama Department of Economic and Community Affairs; and to provide requirements for certain local building codes adopted or amended after a certain date.

The following Act passed since the last sunset review and has not been codified in the current statutory authority. A copy of the Act can be found in Appendix II of this report.

Act Number 2026-396, Acts of Alabama, relating to general contracting was passed to amend Section 34-8-7, ***Code of Alabama 1975***, to provide additional services to the list of exemptions to the requirements of the general contracting law.

Characteristics	
Members and Selection	Five members appointed by the Governor. ***Code of Alabama 1975***, Section 34-8-20
Term	Members serve five-year, staggered terms expiring December 31 of those years. ***Code of Alabama 1975***, Section 34-8-20
Qualifications	Board members must meet the following requirements: • Be a resident of Alabama. • Be a general contractor with at least ten years' experience in the field as a contractor. • At least one member shall have as a larger part of his or her business the construction of highways. • At least one member shall have as a larger part of his or her business the construction of public utilities. • At least one member shall have as a larger part of his or her business the construction of buildings. • At least one member shall have as a larger part of his or her business the performance of construction work as a subcontractor. ***Code of Alabama 1975***, Section 34-8-20
Consumer Representation	No specific statutory requirement.
Racial Representation	No specific statutory requirement. One minority member currently serving.
Geographical Representation	No specific statutory requirement.
Other Representation	In appointing members to the Board, the Governor shall select those persons whose appointments, to the extent possible, ensure that the membership of the Board is inclusive and reflects the racial, gender, geographic, urban/rural, and economic diversity of the state. ***Code of Alabama 1975***, Section 34-8-20

Compensation	Each member of the Board shall receive $200.00 per day for attending sessions of the Board or its committees, and for time actually spent in necessary travel in attending meetings of the Board or its committees and in addition shall be reimbursed for necessary travel expenses as are paid to state employees. ***Code of Alabama 1975***, Section 34-8-22
Attended Board Member Training	Two current Board members One former Board member Executive Director Deputy Director Special Investigations Chief
<u>Operations</u>	
Administrator	Tiffany Loveless serves as the Board's Executive Director, as an unclassified merit system employee appointed by the Board with an annual salary of $113,359.20.
Location	445 Dexter Avenue, Suite 3060 Montgomery, AL 36104 Office hours: Monday – Friday 8:00 a.m. – 5:00 p.m.
Real Property Ownership	The Board does not own real property.
Employees	Eighteen employees.
Legal Counsel	Mary Goldthwaite, Assistant Attorney General, employee of the Attorney General's Office, provides legal services to the Board.
Subpoena Power	The Board does not have subpoena power except as provided by the Administrative Procedures Act, ***Code of Alabama 1975***, Section 41-22-12 for hearings and contested cases.
Internet Presence	www.genconbd.alabama.gov The website contains information including the Board's current statutes and rules, applications for initial and renewal licensure, a license roster search feature, consumer concerns/complaints information, and Board information. The Board's meeting minutes are not available online. At the time of testing, renewal applications for General Contractors and Sub-Contractors were dated 2025. However, all information contained in the applications was current. These have been updated.

Financial	
Source of Funds	The Board's funds are derived from license fees and fines.
State Treasury	Yes, Special Revenue Fund 0368. ***Code of Alabama 1975***, Section 34-8-25
Required Distributions	Any funds remaining in the State Treasury to the credit of the Board at the end of each year shall be paid into the General Fund on or before January 15 in each succeeding year. The Board has the right, to retain a sum, not in excess of 33% of its budget of the previous year, to meet any emergency that may arise which may affect its efficient operation. *See Significant Issue 2026-007.* ***Code of Alabama 1975***, Section 34-8-25 The Board is required to distribute $100.00 from the fees required for application and renewal for certification and registration of general contractors and $50.00 from the fees required for application and renewal of the license of a subcontractor to all accredited public institutions of higher education offering American Council for Construction Education (ACCE) accredited courses in building science and those offering courses in building science which are in the candidate status of the ACCE. Additionally, distributions are to be made to institutions of higher education offering courses that lead to a bachelor of civil engineering degree which offers courses in highway engineering and construction at the undergraduate and graduate levels and whose civil engineering program is accredited by the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology. The Board retains 5% of the amount to be distributed as a fee for the associated administrative expenses. ***Code of Alabama 1975***, Section 34-8-28
Unused Funds	The Board retains unused balances after required distributions.
Licensure	
Licensees	As of February 25, 2026, there were 10,615 total licensees. General Contractors: 6,779 Subcontractors: 3,836 ***Source:*** Executive Director

Licensure Qualifications	All applicants for licensure must be a citizen of the United States or legally present and must complete the application and pay applicable fees. <u>General Contractor Qualifications</u> • Provide proof of current liability insurance • Provide a current financial statement, no more than one year old at time of application • Pass an examination <u>Subcontractor Qualifications</u> • A statement of financial condition • Three references from any combination of a licensed general contractor, a registered professional engineer, a registered architect or a person declared qualified by the Board. ***Code of Alabama 1975***, Sections 34-8-2 and 34-8-7(c)
Examinations	Examination of contractors is, by law, at the discretion of the Board. An examination(s) must be successfully completed before a license is issued. There are various types of examinations depending on the nature of the contracting work for which a license is sought. Examinations are computerized and are administered and scored by PSI Examination Services. Each applicant is charged an examination fee by the examination provider. Payment of the fee allows applicants a one-year window in which to schedule an examination. Applicants are allowed unlimited testing attempts within the one-year window. Examinations are given in Birmingham, Huntsville, Mobile, and Montgomery. Applicants may also test at any PSI exam site if they are out of state. The Board does not have access to examination pass/fail rates based on educational institutions attended. Pass/fail information based on type of examination are presented in Appendix IV of this report. ***Code of Alabama 1975***, Sections 34-8-3 and Section 34-8-7(c)(7) ***Administrative Rule*** 230-X-1-.34 & 230-X-1-.35 ***Source***: Executive Director

Reciprocity	Other States Any applicant applying for a license or license amendment, who desires that the trade examination portion of the Board's rules and regulations be waived, shall cause the state licensing Board for general contractors of the state in which he is licensed in good standing to certify in writing that such Board will grant the same waiver of such laws of that state to general contractors licensed by this Board. Other Boards in Alabama If an applicant for license as a contractor is licensed by another regulatory Board in this state in the same classification, sub classification, or specialty classification as that for which the applicant seeks license from this Board, the Board may waive examination requirement if it is determined in its discretion that the examination given by the other Board meets the requirements which would be tested by this Board's examination. ***Administrative Rule*** 230-X-1-.34(10) A license may be issued based on reciprocity to any applicant holding a current license in another state recognized by this Board as a reciprocity state, who: • Has had a license for a one-year period from the current application date. • Is free of official disciplinary actions taken against them during the one-year period of licensure. • Is requesting a comparable classification from this Board as it is held in the reciprocity state. • Applicants for license based on reciprocity must comply with all other Alabama licensing requirements including the passing of the business law portion of the examination however, for good cause, the Board may waive any other licensing requirements. ***Administrative Rule*** 230-X-1-.40 The Board has reciprocal license agreements with Arkansas, Mississippi, Louisiana, Tennessee, and North Carolina.

Renewals	Licenses are renewed annually. The license to engage in the business of general contracting in the State of Alabama expires during the month designated as each licensee's renewal month, and shall become invalid on the last day of that month. All renewal applications for prime contractors and subcontractors are due 30 days prior to expiration. A licensee who renews but does not submit current financial information may be granted an extension of time for a period of ninety days, but no longer. If the required financial information is not received by the end of the ninety-day extension period, the applicant will be required to pay a $50.00 late penalty prior to renewing the license. All licensees not holding a current license for more than one year must file a new application for license. Online renewals are not available. ***Code of Alabama 1975***, Section 34-8-2 ***Administrative Rules*** 230-X-1-.01; 230-X-1-.19; 230-X-1-.38; and 230-X-1-.39 ***Source:*** Executive Director
Licensee Demographics	Data not collected by the Board. ***Source:*** Deputy Director
Continuing Education	No requirements.

ORGANIZATION



PERSONNEL

Employees

Schedule of Employees By Merit System Classification/Sex/Race						
	#	W/M	B/F	W/F	Salary or Salary Range	Vehicle Assigned
Merit System						
Executive Director	1			1	$113,359.20	
Deputy Director	1			1	$61,063.20	1 (1)
Special Investigations Chief	1	1			$88,524.00	1
Special Investigator	3	3			$65,726.40 - $72,504.00	3
Personnel Manager	1		1		$52,761.60	
IT Operations Technician	1		1		$54,052.80	
Administrative Support Assistant I	1		1		$35,025.60	
Administrative Support Assistant II	6		4	2	$33,064.80 - $49,008.00	
Administrative Support Assistant III	2			2	$54,052.80 - $55,375.20	
Retired State Employee	1		1		$42.56/hour	
Total	**18**	**4**	**8**	**6**		

W/M = White Male, B/F = Black Female, W/F = White Female

(1) Deputy Director vehicle is used for daily commute and travel to meetings/conferences.

Legal Counsel

The Board has an agreement with the Attorney General's Office for Assistant Attorney General Mary Goldthwaite to provide legal assistance to the Board. The current agreement is effective from February 1, 2024 through June 30, 2027. The pay rate is $150.00 per hour for all time spent providing legal services to or on behalf of the Board. Additionally, the agreement stipulates that the Board will also compensate the Attorney General's Office at the rate of $50.00 per hour for paralegal services to or on behalf of the Board. The Board agrees to compensate the Office for travel at the same rate as state employees.

PERFORMANCE CHARACTERISTICS

Number of Licensees per Employee (FY 2025) – 646

Number of Licensees for the Past Four Fiscal Years

Type of License	Fiscal Year			
	2022	2023	2024	2025
General Contractors	6,238	6,036	6,152	6,362
Subcontractors	3,356	3,651	3,543	3,974
Total	**9,594**	**9,687**	**9,695**	**10,336**

Operating Disbursements per Licensee (FY 2025) – $157.81

Fines/Penalties as a Percentage of Operating Receipts

	FY 2022	FY 2023	FY 2024	FY 2025
Total Receipts	$1,437,917.49	$1,624,030.65	$1,834,198.21	$1,680,414.61
Fines	$377,502.50	$481,000.00	$716,500.00	$569,500.00
Percentage	**26.25%**	**29.62%**	**39.06%**	**33.89%**

Notification of Board Decisions to Amend Administrative Rules

The Board complied with notification procedures prescribed in the Administrative Procedure Act, which includes publication of proposed rules in the Administrative Monthly, and public hearings on proposed rules. Licensees are not specifically notified of proposed changes.

Inspections

There is no specific statutory requirement for performing inspections. However, the Board conducts site visits to ensure general contractors and subcontractors are licensed and classified to perform the required contracting duties. They also ensure general contractors did not exceed maximum bid limits as it relates to their classification. If a violation is discovered when conducting a site visit, the investigator submits the violation report to the Board as a complaint. These complaints are listed as agency-initiated complaints within the Board's database.

Schedule of Site Visits Fiscal Years 2022 through 2025				
Site Visits	**2022**	**2023**	**2024**	**2025**
Pass	658	520	706	1,028
Fail	73	77	117	119
Total	**731**	**597**	**823**	**1,147**
Source: Executive Director As of February 26, 2026				

COMPLAINT HANDLING

The ***Code of Alabama 1975***, Section 34-8-4, authorizes the Board to enforce the laws of Alabama general contracting and the ***Code of Alabama 1975***, Section 34-8-26, requires the secretary-treasurer to investigate and report to the Board each complaint filed relative to violations.

Initial Contact/Documentation	Complaints are accepted by telephone, mail, email, or fax. Complaints can be made by anyone. The Board has an official complaint form on its website but accepts complaints submitted in any form if there is sufficient information to proceed. If a complaint concerning fraud, deceit, negligence, or misconduct is received, the complaint must be written and sworn to by the complainant before submission to the Board (***Code of Alabama 1975***, Section 34-8-4(b)). The investigator, upon receipt of the complaint, notifies the complainant by telephone that the complaint was received.
Anonymous Complaints Accepted	Yes
Investigative Process/Probable Cause Determination	The complaint is given to an investigator, who obtains statements and documents to determine if the complaint is founded or unfounded. If determined to be founded, the complaint, along with the report is presented to the Board at a regular scheduled meeting. In the case of alleged fraud, deceit, negligence, or misconduct, the investigator submits a report to the Investigative Committee, which consists of the investigator, the Executive Director, and a Board member. The Investigative Committee reviews the report and determines whether there is cause to move forward on the complaint. Any Board member involved in the investigation is recused from any other involvement of that complaint.
Negotiated Settlements	Yes
Notification of Resolution to the Complainant	The complainant is not notified at the conclusion/resolution of the complaint unless specifically requested.

Source: Executive Director

Complaint Data

Schedule of Complaints Resolved Fiscal Year 2022 through 2025					
Year/Number of Complaints Received	**Year/Number Resolved**				
	2022	**2023**	**2024**	**2025**	**2026** (1)
2022 / 187	156	31			
2023 / 170		147	23		
2024 / 172			155	17	
2025 / 180				148	32
(1) As of February 26, 2026 ***Source:*** Executive Director					

There are no pending complaints for complaints filed during the Sunset examination period.

Average Time to Resolve Complaints – 26 business days.

Disposition of Resolved Complaints

Number of Actions (1)	**Resolution**
1,174	Fine
170	Warning
52	No Action
11	No Violation
2	Fine with Valid Explanation
1	Fine / Pending (2)

(1) Complaints can involve multiple respondents receiving differing disciplinary actions.
(2) Closed pending outcome of litigation between contractor and owner.

REGULATION IN CONJUNCTION WITH OTHER ENTITIES

The following State entities may also regulate the practice of licensed contractors: Alabama Department of Environmental Management, Alabama Onsite Wastewater Board, Alabama Department of Workforce (Elevator Safety Board and Boilers and Pressure Vessels Board), Alabama Department of Agriculture and Industries, Alabama Department of Transportation, Alabama Homebuilders Licensure Board, Alabama Plumbers and Gas Fitters Examining Board, Alabama Electrical Contractors Board, Alabama Department of Insurance (State Fire Marshal's Office), Alabama Electronic Security Board, Alabama Manufactured Housing Commission, and Alabama Board of Heating, Air Conditioning, and Refrigeration Contractors.

FINANCIAL INFORMATION

Source of Funds

License fees and fines are deposited into the Licensing Board for General Contractors' Special Revenue Fund 0368 maintained in the State Treasury.

Required Distributions

General Fund Required Distribution – The ***Code of Alabama 1975***, Section 34-8-25 requires any funds remaining in the State Treasury to the credit of the State Licensing Board for General Contractors in excess of 33% of the Board's budget for the previous fiscal year must be transferred to the General Fund. *See Significant Issue 2026-007.*

Institutions of Higher Education Distributions – The ***Code of Alabama 1975***, Section 34-8- 28(a) requires that one hundred dollars from the fees required for application and renewal for certification and registration of general contractors and fifty dollars from the fees required for application and renewal of the license of subcontractors be distributed by the State Licensing Board for General Contractors at the end of each fiscal year to the following:

1) All accredited public institutions of higher education offering American Council for Construction Education courses in building science.
2) All accredited public institutions of higher education offering courses in building science which are in the candidate status of the American Council for Construction Education.
3) Institutions of higher education offering courses leading to a Bachelor of Civil Engineering degree which offers courses in highway engineering and construction at the undergraduate and graduate levels and whose civil engineering program is accredited by the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology (ABET).

The ***Code of Alabama 1975***, Section 34-8-28(b) and 34-8-28(c) provides that revenue derived from the additional fees for all licenses shall be distributed for (1) building science (general construction) purposes and (2) civil engineering (highway engineering or construction, or both) purposes. Contractors shall be given an opportunity to select which program they want to support.

The ***Code of Alabama 1975***, Section 34-8-28(g) provides that the Board shall retain five percent of the amount to be distributed as a fee for administrative expenses associated with the collection and distribution of funds.

The Board transferred the following amounts to public institutions of higher education that met the criteria stated in the ***Code of Alabama 1975***, Section 34-8-28(a):

Schedule of Distributions to Institutions of Higher Education
Fiscal Year 2022 through Fiscal Year 2025

College/University	FY 2022	FY 2023	FY 2024	FY 2025
Alabama A&M University	$17,846.13	$19,141.94	$22,970.67	$24,692.81
Auburn University	534,443.72	534,756.48	568,587.84	555,722.13
Jefferson State Community College	22,840.62	25,198.20	24,229.75	22,683.76
University of Alabama at Birmingham	49,396.36	47,867.17	50,120.03	46,915.82
University of Alabama at Tuscaloosa	152,395.76	144,854.43	143,511.73	153,401.09
University of Alabama in Huntsville	28,054.91	27,997.78	29,066.37	27,448.19
University of South Alabama	31,180.68	30,815.62	34,360.99	33,028.17
Total	**$836,158.18**	**$830,631.62**	**$872,847.38**	**$863,891.97**

The schedules of distributions to institutions of higher education based on designation of licensees for the fiscal years are presented in Appendix V of this report.

Schedule of Fees

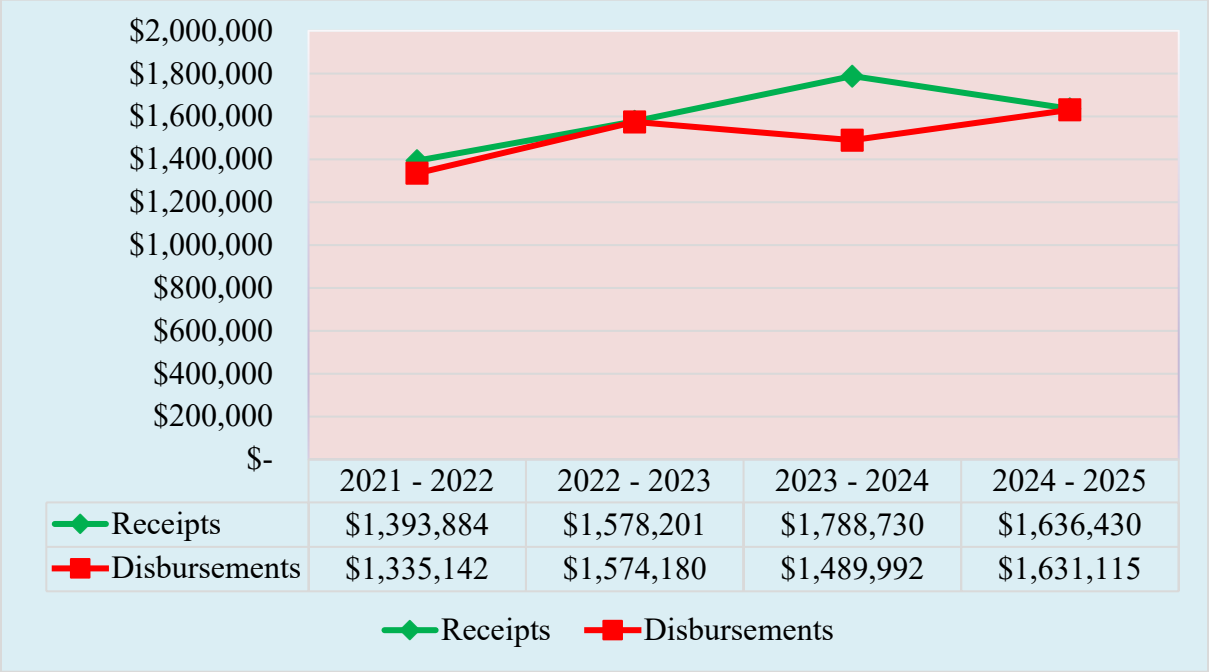
Fee	Statutory Authority	Rule	Amount Authorized	Amount Collected
Initial Licensure Fees				
General Contractor	34-8-2(a)	Set by Statute	$300.00	$300.00
Subcontractor	34-8-7(c)	Set by Statute	½ of General Contractor Fee	$150.00
Renewal of Licensure Fees				
General Contractor	34-8-2(a)	Set by Statute	$200.00	$200.00
Subcontractor	34-8-7(c)	Set by Statute	½ of General Contractor Fee	$100.00
Late Renewal Fee	34-8-2(a)	Set by Statute	$50.00	$50.00
General Contractor Inactive Status	34-8-2(b)	Set by Statute	$200.00	$200.00
Other Fees				
Request for Bid Limit Increase	34-8-2(b)	230-X-1-.43	≤ $75.00	$50.00
Verification of Out-of-State License	34-8-2(b)	230-X-1-.43	≤ $75.00	$50.00
Change/Add Classification (1st Change)	34-8-2(b)	230-X-1-.43	≤ $75.00	$75.00
Change/Add Classification (Each Additional Change)	34-8-2(b)	230-X-1-.43	≤ $75.00	$50.00

Schedule of Receipts, Disbursements and Balances

October 1, 2021 through September 30, 2025

	2021-2022	2022-2023	2023-2024	2024-2025
Receipts				
License Fees	$ 1,016,381.61	$ 1,074,123.00	$ 1,072,185.00	$ 1,032,924.50
Additional Fees - Higher Education	874,665.00	918,677.00	909,360.01	879,700.53
Contract Fees		2.51	31.20	23.14
Fines and Penalties	377,502.50	481,000.00	716,500.00	569,500.00
Prior Year Refunds				38.27
Salvage Equipment Sales		23,075.53	14.00	33,943.70
Total	2,268,549.11	2,496,878.04	2,698,090.21	2,516,130.14
Disbursements				
Personnel Costs	698,011.62	783,266.64	732,420.42	762,153.65
Employee Benefits	316,361.43	324,005.95	321,263.41	328,797.84
Travel In-State	13,653.66	16,957.98	18,507.01	22,828.38
Travel Out-of-State	864.61	6,606.95	9,219.60	7,411.92
Repairs & Maintenance	5,453.65	210.00	125.00	484.84
Rentals and Leases	109,884.71	117,950.67	130,316.22	182,344.51
Utilities & Communication	43,516.99	35,129.66	34,445.81	44,289.80
Professional Services	61,041.96	63,058.89	67,241.07	59,822.50
Supplies, Materials & Operating Expenses	71,796.32	85,606.46	96,988.81	74,113.01
Transportation Equipment Operations	14,500.04	16,696.91	25,635.93	15,595.70
Transportation Equipment Purchases			49,986.00	120,252.64
Other Equipment Purchases	56.94	124,689.43	3,842.66	13,019.83
Transfer to General Fund	104,779.40		26,857.29	
Higher Education Institution Distributions	836,158.18	830,631.62	872,847.38	863,891.97
Total	2,276,079.51	2,404,811.16	2,389,696.61	2,495,006.59
Excess (Deficiency) of Receipts over Disbursements	(7,530.40)	92,066.88	308,393.60	21,123.55
Cash Balance at Beginning of Year	1,825,559.66	1,818,029.26	1,910,096.14	2,218,489.74
Cash Balances at End of Year	1,818,029.26	1,910,096.14	2,218,489.74	2,239,613.29
Less Reserved for:				
Unpaid Obligations	(142,050.96)	(92,033.60)	(73,128.61)	(83,638.38)
Transfer to Higher Education	(830,631.62)	(872,847.39)	(863,892.00)	(835,715.53)
Transfer to General Fund		(61,021.73)	(382,462.33)	(411,170.06)
Unobligated Cash Balance Year End	$ 845,346.68	$ 884,193.42	$ 899,006.80	$ 909,089.32

Operating Receipts vs. Operating Disbursements [1]



	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025
Receipts	$1,393,884	$1,578,201	$1,788,730	$1,636,430
Disbursements	$1,335,142	$1,574,180	$1,489,992	$1,631,115

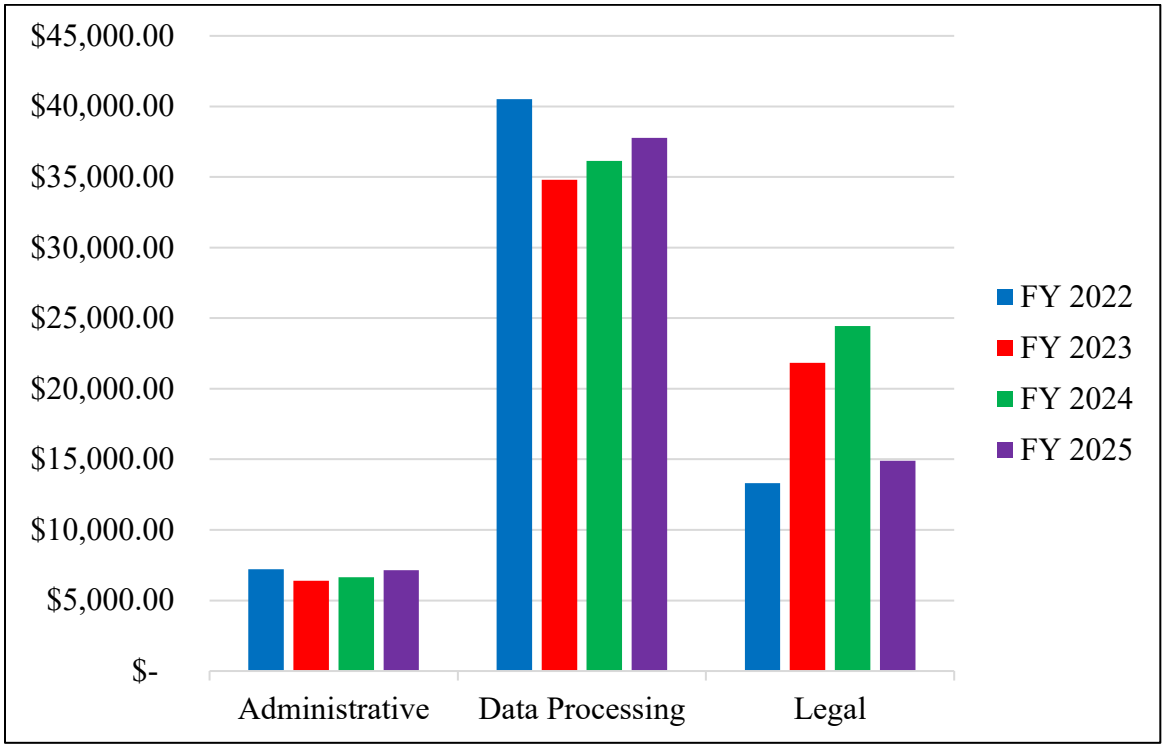
[1] The chart does not include amounts collected as additional fees or the distributions thereof to Alabama Public Institutions of Higher Education and amounts transferred to the General Fund.

Summary Schedule of Professional Service Disbursements*

As of September 30th				
Type of Service	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Administrative	$7,202.29	$6,400.64	$6,639.00	$7,153.18
Data Processing	40,519.67	34,813.25	36,152.07	37,774.32
Legal	13,320.00	21,845.00	24,450.00	14,895.00
Total	**$61,041.96**	**$63,058.89**	**$67,241.07**	**$59,822.50**

*Detailed information presented in Appendix III of this report.

Professional Service Disbursements



SIGNIFICANT ISSUES

Significant Issue 2026-001: The Board did not verify six employees' employment eligibility through E-Verify within three business days after the employees started work for pay. Three employees' employment eligibility was verified four to eleven business days after the employees started work, and three employees' employment eligibility was not verified, until the Board was notified of the error.

The ***Code of Alabama 1975***, Section 31-13-15(b) states, "Effective April 1, 2012, every business entity or employer in this state shall enroll in E-Verify and thereafter, according to federal statutes and regulations governing E-Verify, shall verify the employment eligibility of the employee through E-Verify. A business entity or employer that uses E-Verify to verify the work authorization of an employee shall not be deemed to have violated this section with respect to the employment of that employee." Further, the E-Verify Manual Chapter 2 Section 2 states, "E-Verify cases must be created no later than the third business day after the employee starts work for pay."

Additionally, the Board did not complete a Form I-9 for six employees within three business days after the employees started work for pay.

The Federal Immigration Reform and Control Act of 1986 prohibits employers from hiring any individual, including a U. S. citizen, for employment in the U. S. without verifying his or her identity and employment authorization on Form I-9. Employers or their authorized representative must complete and sign the form within 3 business days of the employee's first day of employment.

Significant Issue 2026-002: The Board did not ensure a former employee complied with the requirements for receiving a retention bonus. The former employee signed an agreement on May 28, 2024, and received a $10,000.00 retention bonus on August 1, 2024. The agreement stipulated the employee remain employed with the Board for a minimum of two years from the payment date of the retention bonus. The agreement further stated that failure to remain employed with the Board for the agreed upon time will result in the Board recouping all monies from the last paycheck and being liable for any remaining amount beyond the monies recovered. The employee separated from state service on September 7, 2024, a month after being paid the retention bonus. The former employee was not paid for their annual leave, compensatory time, or personal leave balances. As a result, the employee became responsible for $5,548.45 which is the difference between the leave owed to them ($4,451.55) and the amount owed back to the Board ($10,000.00).

The State Personnel Department's ***Administrative Rule*** 670-X-8-.04(5) states, "An appointing authority may give a Retention or Incentive Bonus, in conformance with guidelines and limits as prescribed by the State Personnel Department, in an effort to retain an employee or to provide an incentive to an employee who occupies an essential or critical position with the agency. This bonus will be a lump sum payment in addition to all salaries and wages and will not be used in the calculation of retirement or other benefits."

Additionally, the State Personnel Department's Personnel Procedures Manual Section VIII states, "An employee who is awarded a Retention Bonus must sign an agreement to remain with the employing agency for a minimum of one year, up to a maximum of two years. This agreement should include a statement that should the employee fail to stay the entire period of time; the agency will recoup the monies from the employee's last payments as well as require any remaining amount be paid by the employee."

<u>Significant Issue 2026-003</u>: The Board did not accurately report its encumbrances and accounts payable at the end of the fiscal years 2024, and 2025 to the Comptroller's Office. As a result of the inaccurate calculation of encumbrances and accounts payable, incorrect amounts were transferred to the General Fund. Additionally, the Board did not make the statutorily required transfers to the General Fund on or before January 15 in each succeeding year.

The Board did not accurately report its year-end encumbrances and accounts payable, as encumbered amounts exceeded actual expenditures in subsequent fiscal years.

- The Board encumbered $73,128.61 at the end of fiscal year 2024 but only expended $49,627.58 in the next fiscal year.
- The Board encumbered $83,638.38 at the end of fiscal year 2025 but only expended $52,861.36 in the next fiscal year.

The inaccurate encumbrances and accounts payable amounts resulted in incorrect amounts being transferred to the General Fund. Additionally, the transfers to the General Fund were not made timely. Excess money from fiscal year 2023 was not transferred until January 26, 2024; excess money from fiscal year 2024 was not transferred until November 11, 2025; and excess money from fiscal year 2025 had not been transferred at all.

- At the end of fiscal year 2023, the Board was authorized to retain $884,193.42, with an Unreserved Cash Balance of $948,242.97. This meant a transfer of $64,049.55 was due to the State General Fund; however, the Board transferred only $26,857.29.
- At the end of fiscal year 2024, the Board was authorized to retain $899,006.79, with an Unreserved Cash Balance of $1,304,970.15. This meant a transfer of $405,963.36 was due to the State General Fund; however, the Board transferred $422,886.80.
- At the end of fiscal year 2025, the Board was authorized to retain $909,089.28, with an Unreserved Cash Balance of $1,351,036.36. This meant a transfer of $441,947.08 was due to the State General Fund; however, the Board did not make the required transfer until notified of the error by Examiners.

Once notified of the errors, the Board transferred $20,268.82 on April 14, 2026, and $441,947.08 on May 19, 2026, to satisfy outstanding amounts owed to the General Fund.

The ***Code of Alabama 1975***, Section 34-8-25 states, "Any funds remaining in the State Treasury to the credit of the State Licensing Board for General Contractors at the end of each year shall be paid into the General Fund of the state on or before January 15 in each succeeding year. The board has the right, however, to retain a sum not in excess of 33 percent of its budget of the previous year to meet any emergency that may arise which may affect its efficient operation."

Additionally, Attorney General's Opinion 82-00572 to the Alabama Environment Management Commission states, in part, "***Code of Alabama 1975***, Section 41-4-93, provides that, 'All unencumbered balances of all appropriations shall revert to the state…'. The implication of this section is that funds can be encumbered so they will not revert to the State. Of course, that implication does not defeat the overall purpose of the law. The purpose of the law is to forbid state departments and agencies from carrying forward unspent or unencumbered appropriations. An agency cannot 'creatively' encumber all of its unspent funds for next year's normal operational expenses…"

Significant Issue 2026-004: The Board has not complied with the requirements established in the *Code of Alabama 1975*, Sections 34-8-52 through 34-8-55, as added by Act Number 2024-443, Acts of Alabama. Effective October 1, 2024, the ***Code of Alabama 1975***, Sections 34-8-52 through 34-8-55 requires the Board to establish the Alabama Commercial Energy Code Advisory Committee within the State Licensing Board for General Contractors and provides for its membership and duties. These sections establish the following:

- Who is appointed to the Alabama Commercial Energy Code Advisory Committee and the starting term dates, term lengths, and number of reappointments for committee members
- When the committee should hold its first meeting and how often meetings should be held and the selection and term length of the chair and vice chair
- The functions to be performed by the committee; and
- The deadline for the committee to submit to the Board the proposed Alabama Commercial Energy Code for adoption and the biennial review and propose adoption of the code or amendments to the code.

Significant Issue 2026-005: The Board has not updated their *Administrative Rules* to reflect the changes to the *Code of Alabama 1975*, Section 34-8-1, as amended by Act Number 2024-277, Acts of Alabama. This section defines the cost thresholds where an individual is deemed to engage in the business of general contracting. Effective October 1, 2024, the threshold increased from $50,000.00 to $100,000.00, yet the Board's *Administrative Rules* continue to reference the $50,000.00 threshold.

The ***Code of Alabama 1975***, Section 34-8-1(a) states, "For the purpose of this chapter, a "general contractor" is defined to be one who, for a fixed price, commission, fee, or wage, undertakes to construct or superintend or engage in the construction, alteration, maintenance, repair, rehabilitation, remediation, reclamation, or demolition of any building, highway, sewer, structure, site work, grading, paving, or project or any improvement in the State of Alabama where the cost of the undertaking is **one hundred thousand dollars ($100,000) or more**. A person who does any of the activities described in this subsection shall be deemed to have engaged in the business of general contracting in the State of Alabama.

The Board's ***Administrative Rules*** 230-X-1-.07, 230-X-1-.09, and 230-X-1-.26(1) all reference the former threshold of $50,000.00. Such conflicts may create confusion for individuals seeking licensure from the Board, especially given that the defined purpose of the ***Administrative Rules*** is to establish a minimum procedural framework for all state agencies when undertaking actions that impact the rights and responsibilities of the public, to increase public access to governmental information, and to increase public accountability of administrative agencies.

Significant Issue 2026-006: The Board did not notify the Secretary of State of a vacancy occurring as a result of a resignation as soon as possible or within 15 days after the occurrence of the vacancy. As a result, this could cause potential candidates not to receive sufficient notice and cause the Board not to receive input from all interested candidates to fill the vacancy.

The ***Code of Alabama 1975***, Section 36-14-17(c) states, "The chair of an existing board shall notify the Secretary of State by electronic means of a vacancy as follows: (2) For a vacancy occurring for any reason other than the expiration of a term, as soon as possible, and in any case within 15 days after the occurrence of the vacancy."

Significant Issue 2026-007: The Board did not comply with the *Code of Alabama 1975*, Section 34-8-21, as it relates to Board members' oaths of office. The oaths of office for five Board members appointed to the Board were not filed with the Secretary of State.

The ***Code of Alabama 1975***, Section 34-8-21 states, "Each member of the board shall before entering upon the discharge of the duties of his or her office take and file with the Secretary of State the oath required by Section 279 of the Constitution of Alabama."

Significant Issue 2026-008: The Board did not comply with the terms of an interagency agreement entered into with the Alabama Board Electrical Contractors (the "ABEC") to provide administrative services. The Board entered into an interagency agreement with the ABEC to provide administrative management assistance on a day-to-day basis for a period of September 14, 2024 through September 15, 2026. According to the agreement, the Board was to be compensated $15,000 per month to provide the ABEC with office space, the administrative services of employees to assist with licensing, bookkeeping and executive director services. The Board was to bill the ABEC on a monthly basis. This interagency agreement was terminated in June 2025, prior to its expiration date. The Board provided services the ABEC for eight and a half months but only billed the ABEC once for $7,500.00. The total amount that should have been billed for services provided was $127,500.00. There was no documentation in the minutes of the Board's meetings to support a decision to not adhere to the terms of the interagency agreement nor was the cancellation of the interagency agreement noted in the Board's minutes.

STATUS OF PRIOR FINDINGS/SIGNIFICANT ISSUES

All prior findings/significant issues have been resolved.

MATTERS OF CONCERN FROM QUESTIONNAIRES

Matter of Concern 2026-001: Three of the four (75%) Board members responding to our survey stated unlicensed out of state contractors and subcontractors are the most significant issue currently facing Board. One member stated that due to a good economy in Alabama, unlicensed out of state contractors and subcontractors are doing projects at construction sites. The Board has recently hired an additional investigator to address the considerable increase in out-of-state contractors and subcontractors. Another member stated the Board can fine these contractors, but do not have the power to do anything beyond that.

Matter of Concern 2026-002: Two of the four (50%) Board members responding to our survey stated a change to the Board's laws needed are an increase in fines for those that do not follow the law and get a proper license. One member stated the Board's fines have not been increased for a long time and are out of date compared to the other states surrounding Alabama.

STATUS OF PRIOR MATTERS OF CONCERN FROM QUESTIONNAIRES

Prior Matter of Concern 2022-001: A request to participate in a survey was sent to one hundred General Contractor licensees and one hundred Sub-Contractor licensees. Eighteen General Contractor licensees and ten Sub-Contractor licensees responded. A combined 10 of the 28 respondents (35%) expressed continued concerns regarding personnel issues including the availability of both skilled and unskilled labor, an aging workforce, and finding qualified employees.

Current Status: Unresolved. Twelve of the 21 (57%) General Contractor licensees and 6 of the 19 (32%) Sub-Contractor licensees responding to our survey expressed continued concerns regarding the availability of qualified/skilled labor.

QUESTIONNAIRES

Board Member Questionnaire

A letter was sent to all five members of the Alabama Licensing Board for General Contractors requesting participation in our survey. Four participated in our survey. The percentages are based on the number who responded to the question.

1. **What do you consider the most significant issue(s) currently facing the State Licensing Board for General Contractors and how is the Board addressing these issues?**

   Board Member #1 – "With the good economy in Alabama we have a considerable number of contractors from out of state. These contractors bring subcontractors who are unlicensed. We have recently hired an additional investigator to manage the number of construction sites across the state."
   Board Member #2 – "The staff is doing an excellent job, and is well managed by [redacted]. I have concern that if [redacted] was not able to perform her duties, the organization would not function fully. Succession planning and training would be a good idea."
   Board Member #3 – "Out of State unlicensed Contractors. We can fine these contractors but do not have the power to do anything beyond that."
   Board Member #4 – "Out of State contractors doing projects in Alabama and not being licensed with the State of Alabama or knowingly bringing in unlicensed subcontractors.
   ALBGC Inspectors are very knowledgeable and do a great job checking to make sure these companies follow the law. We had only three inspectors but have added a fourth to cover sections of the State better."

2. **What, if any, changes to the Board's laws are needed?**

   Board Member #1 – "We are looking at the fine structure."
   Board Member #2 – "I am not aware of any needed changes."
   Board Member #3 – "Specialty Classifications could be adjusted to consolidate and more benefit the licensee."
   Board Member #4 – "Some treeks will be made to administer the new Exemptions if passed in this Legislative session. Also next year License application, renewals from contractors needs to be increased a small amount. These are fees contractors pay that part of the fee has been agreed upon by industry to send to colleges with construction programs , to train new workers. The increase would allow us to include Community Colleges that have programs to help with new worker training programs. We also need to increase the Fines for those that do not follow the Law and get a proper License. Our fines have not been increased for a long time and are out dated compared to the other States surrounding Alabama"

3. **Do you think the Board is adequately funded?**

   Yes 4 100%

4. **Do you think the Board is adequately staffed?**

Yes	**4**	**100%**

5. **Does the Board receive regular reports on its operations from the Executive Director?**

Yes	**4**	**100%**

6. **Has the Board experienced any significant change to its operations?**

No	**4**	**100%**

7. **Does the Board plan to make any significant changes to its operations?**

Yes	**2**	**50%**
No	1	25%
Unknown	1	25%

8. **Do you have any additional comments you would like to make?**

Board Member #1 – "Our Board functions well with 5 members. If the Board is required to expand it will be difficult to find qualified members from some areas of the state. We hope to have residential swimming pool construction removed from our Board's jurisdiction. Our Board has no other jurisdiction in residential construction and is only called for pools when there is a problem, too late to help the home owner."
Board Member #2 – "no"
Board Member #3 – "It is a privilege to work and serve at the pleasure of the Governor."
Board Member #4 – "The Board members that I work with are very professional, hard working and work together well. One of the best Boards that i have seen. The staff at ALGCLB has been there several years, which is a good sign, work well to accomplish the job of Contractor License in a timely, well organized manor. Executive Director is good, she has a good back up in the Deputy Director. Both are hard working and some of the better State employees that I have worked with. The Inspectors cover a lot of ground for only four of them, but each are good skilled people that do an excellent job, not only inspecting licenses but helping all contractors that have questions or need a helping hand to comply or increase their License categories as they grow their businesses. That is what the Board is for, is to serve ."

General Contractor Questionnaire

A letter was sent to one hundred licensees requesting participation in our survey. Twenty-one participated in the survey. The percentages are based on the number who responded to the question.

1. **What do you consider the most significant issue(s) facing your profession in Alabama?**

   Respondent #1 – "Lack of qualified workers."
   Respondent #2 – "I think it's a combination of 1) unpredictable price fluctuations driven by supply chain instability and 2) certain contractors allocating work to undocumented laborers at below market wages, which makes it difficult for those following the rules to compete."
   Respondent #3 – "The lack of qualified workers"
   Respondent #4 – "the lack of people getting into to trades like electrical:
   Respondent #5 – "Lack of use of Coal in our (state) energy independence stance that President Trump has been pushing. There is a large group of contractors and vendors that would benefit from our state energy producers using Coal that is mined from our state. This would economically impact directly and indirectly the towns, and cities,and counties of this Great State!!"
   Respondent #6 – "Workforce"
   Respondent #7 – "I think the work environment in Alabama is fine"
   Respondent #8 – "Non licensed contractors"
   Respondent #9 – "Labor"
   Respondent #10 – "Hispanic workers being deported"
   Respondent #11 – "None encountered at this time"
   Respondent #12 – "The most significant issue we have faced is the ongoing labor shortage, but this is not unique to Alabama."
   Respondent #13 – "skilled labor"
   Respondent #14 – "It seems we have a substantial increase in out of state contractors. This creates a strange dynamic making our contractors have to travel for work instead of being able to work at home city, county or region. When they "finish," they leave."
   Respondent #15 – "Quality labor shortage"
   Respondent #16 – "employees, overall cost"
   Respondent #17 – "The steady increasing cost of Aluminum"
   Respondent #18 – "Keeping up with technology changes and finding qualified employees."
   Respondent #19 – "Labor force shortage"
   Respondent #20 – "Finding employees to do general labor."
   Respondent #21 – "That so many companies get away without being licensed. The steps for license renewal are also very long, the continue education requirements are hard to meet. Only certain classes count and we end up having to pay hundreds of dollars to take classes online each year. How come your experience in your trade doesn't count?"

2. **Do you think regulation of your profession by the State Licensing Board for General Contractors is necessary to protect the public welfare?**

Yes	**19**	**90%**
No	2	10%

3. **Do you think any of the Board's laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	4	19%
No	**13**	**62%**
Unknown	4	19%

4. **Are you adequately informed by the Board of changes to and interpretations of the Board's positions, policies, rules, and laws?**

Yes	**11**	**52%**
No	5	24%
Unknown	5	24%

5. **Does the Board respond to your inquiries in a timely manner?**

Yes	**12**	**57%**
Unknown	9	43%

6. **Has the Board performed your licensing and renewal in a timely manner?**

Yes	**21**	**100%**

7. **Do you have any additional comments you would like to make?**

Respondent #1 – "None"
Respondent #2 – "I very much appreciate the Board. However, its requirement that forces companies to pay accounting firms $5,000-10,000 for a compilation to renew their license annually could be better served. I understand it being an initial requirement, and I believe that it is a good and important initial requirement to demonstrate financial stability, but it'd be MUCH better for both the Board and contractors if the renewal requirement was to have a surety bond - or something similar. A contractor's financial standing can deteriorate, which could, in theory, put the public at risk, but the bond would protect their collective interest in the event of insolvency, and it would also be much cheaper for them than the financial compilation. Furthermore, a financial statement compilation does NOT provide certainty, assurance, or any opinion on the accuracy of the data, and is the lowest level of assurance service rendered. The bond is protection for the public, less expensive for contractors and thus a combined win."
Respondent #3 – "It would be helpful if the board worked with the Department of Construction Management to inform license holders of changes in state requirements."
Respondent #4 – "N/A"
Respondent #5 – "The financial statements should be changed from annually to bi- annually. The cost of preparation of the financial reports is a large expense for small contractors. Thank you"
Respondent #6 – "No"
Respondent #7 – "Just to make me aware of any new regulations via email"
Respondent #8 – "Not at this time"
Respondent #9 – "They have always been accommodating."

Respondent #10 – "no"
Respondent #11 – "No"
Respondent #12 – "As a company, we perform work in 30+ states. Alabama is one of our preferred states to perform electrical work in when compared to other states."
Respondent #13 – "reciprocity with all southeastern states, additional online test prep resources,"
Respondent #14 – "Our licensing board is doing a good job considering the limited staffing. Ms. [redacted] in particular, has gone out of her way to be helpful."
Respondent #15 – "N/A"
Respondent #16 – "Not at this time."
Respondent #17 – "N/A"
Respondent #18 – "I would like to see the process of renewal done online."
Respondent #19 – "N/A"
Respondent #20 – "Not at this time."
Respondent #21 – "no"

Subcontractor Questionnaire

A letter was sent to one hundred licensees requesting participation in our survey. Nineteen participated in the survey. The percentages are based on the number who responded to the question.

1. **What do you consider the most significant issue(s) facing your profession in Alabama?**

   Respondent #1 – "NA"
   Respondent #2 – "None"
   Respondent #3 – "Hiring skilled labor."
   Respondent #4 – "No issues"
   Respondent #5 – "Lack of Skilled Workforce"
   Respondent #6 – "availability of labor and cost of materials"
   Respondent #7 – "Tariffs"
   Respondent #8 – "We do not have any significant issues as of right now in AL."
   Respondent #9 – "Labor"
   Respondent #10 – "Unlicensed people doing electrical work and no requirement to have at least a journeyman in charge of every job."
   Respondent #11 – "Lack of labor pool"
   Respondent #12 – "n/a"
   Respondent #13 – "Unlicensed and uninsured companies with illegal employees ability to under bid projects"
   Respondent #14 – "Businesses operating with no licensing, insurances, etc"
   Respondent #15 – "n/a"
   Respondent #16 – "hard to say ---besides the traveling from KY to Alabama to work on job sites."
   Respondent #17 – "No issues to report"
   Respondent #18 – "Labor workforce and continuation of federal funding for infrastructure improvements."
   Respondent #19 – "Have to get a business license in every city we work in."

2. **Do you think regulation of your profession by the State Licensing Board for General Contractors is necessary to protect the public welfare?**

Yes	**14**	**74%**
No	5	26%

3. **Do you think any of the Board's laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	3	16%
No	7	37%
Unknown	**9**	**47%**

4. **Are you adequately informed by the Board of changes to and interpretations of the Board's positions, policies, rules, and laws?**

Yes	**11**	**58%**
No	2	10%
Unknown	6	32%

5. **Does the Board respond to your inquiries in a timely manner?**

Yes	**11**	**58%**
Unknown	8	42%

6. **Has the Board performed your licensing and renewal in a timely manner?**

Yes	**18**	**95%**
No	1	5%

7. **Do you have any additional comments you would like to make?**

Respondent #1 – "NA"
Respondent #2 – "Steel Erectors don't need to be state licensed. Only a few states have this requirement and it is unnecessary as we are working under the license of a General Contractor already."
Respondent #3 – "No"
Respondent #4 – "No"
Respondent #5 – "Requiring our financial review makes renewal difficult."
Respondent #6 – "n/a"
Respondent #7 – "No"
Respondent #8 – "No"
Respondent #9 – "No"
Respondent #10 – "Response is much better. A couple years back I often felt as if I was a nuisance. The web site calendar is out of date."
Respondent #11 – "Have visited this office, everyone was very polite and helpful"
Respondent #12 – "no"
Respondent #13 – "no"
Respondent #14 – "N/A"
Respondent #15 – "no"
Respondent #16 – "nothing additional to add"
Respondent #17 – "No"
Respondent #18 – "No"
Respondent #19 – "No thank you!"

Complainant Questionnaire

A letter was sent to thirty-three complainants requesting participation in our survey. Three participated in the survey. The percentages are based on the number who responded to the question.

1. **Was the receipt of your complaint acknowledged by the Board?**

Yes	**3**	**100%**

2. **Approximately how long after filing your complaint did the Board contact you?**

Within 15 days	**2**	**67%**
Within 60 days	1	33%

3. **Did the Board communicate the results of its investigation into your complaint to you?**

Yes	**2**	**67%**
Unknown	1	33%

4. **Do you think the Board did everything it could to resolve your complaint?**

Yes	**3**	**100%**

5. **Do you have any additional comments you would like to make?**

Respondent #1 – "The investigators have always been very thorough and great at their jobs. The only suggestion is we need more of them with smaller coverage areas."
Respondent #2 – "While initially there wasn't a lot the General Contractors Board could do for me with the complaint, I do feel like it helped the homeowner in the end. I would like to see some changes made to help when an authority having jurisdiction files a complaint that it carries more weight. This is something that I feel could be addressed across all the state boards. I don't think it means the accused are automatically guilty. But at least have it carry the same weight as a consumer."
Respondent #3 – "I work for the City of Huntsville and find the General Contractors board the most helpful and responsive of all the state boards I deal with."

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APPENDICES

Appendix I: Applicable Statutes

Article 1 General Provisions.

Section 34-8-1 Definitions.

(a) For the purpose of this chapter, a "general contractor" is defined to be one who, for a fixed price, commission, fee, or wage, undertakes to construct or superintend or engage in the construction, alteration, maintenance, repair, rehabilitation, remediation, reclamation, or demolition of any building, highway, sewer, structure, site work, grading, paving, or project or any improvement in the State of Alabama where the cost of the undertaking is one hundred thousand dollars ($100,000) or more. A person who does any of the activities described in this subsection shall be deemed to have engaged in the business of general contracting in the State of Alabama.

(b) For the purpose of this chapter, a "general contractor" is defined to include one who, for a fixed price, commission, fee, or wage exceeding five thousand dollars ($5,000), undertakes to construct, superintend the construction of, repair, or renovate, any swimming pool. Any person who engages in the construction, superintending of the construction, repair, or renovation of any swimming pool in the State of Alabama, where the cost of the undertaking exceeds five thousand dollars ($5,000), shall be deemed to have engaged in the business of general contracting in the State of Alabama and shall be subject to this chapter.

(c) For the purpose of this chapter, a "subcontractor" is defined to be one who constructs, superintends, or engages in the construction, alteration, maintenance, repair, rehabilitation, remediation, reclamation, or demolition of any building, highway, sewer, structure, site work, grading, paving, or project or any improvement in the State of Alabama where the cost of the undertaking is one hundred thousand dollars ($100,000) or more under contract to a general contractor, as defined in subsection (a), or another subcontractor.

(Acts 1935, No. 297, p. 721, §1; Code 1940, T. 46, §65; Acts 1959, No. 571, p. 1429, §1; Acts 1989, No. 89-648, p. 1278, §1; Acts 1996, No. 96-640, p. 1013, §1; Acts 1997, No. 97-270, p. 486, §1; Act 2003-142, p. 441, §3; Act 2009-725, p. 2168, §1; Act 2024-277, §1.)

Section 34-8-2 Licensure and Classification of Contractors.

(a) Any person desiring to be licensed or desiring a renewal of an existing license as a general contractor in this state shall be a citizen of the United States or, if not a citizen of the United States, a person who is legally present in the United States with appropriate documentation from the federal government, and shall make and file with the board, not less than 30 days prior to any regular meeting thereof, a written application on a form as prescribed for examination by the board and the application shall be accompanied by three hundred dollars ($300) for a new application or two hundred dollars ($200) in case of a renewal. If a licensee fails to renew his or her license within 90 days following expiration of the previous license, a late penalty of fifty dollars ($50) shall be collected, upon renewal, in addition to the renewal fee. The applicant shall apply for a license covering the type or types of contracts on which he or she wishes to perform, and shall provide proof of liability insurance. The board shall classify contractors according to the type or types of contracts on which they may perform, within maximum bid limits, on the following basis: The applicant's request, his or her last annual financial statement prepared by a certified public accountant (C.P.A.) or by any independent licensed public accountant approved by the Licensing Board for General Contractors, his or her previous experience, equipment, and the facts in each case. An applicant shall not be so classified as to permit him or her to bid on or to perform a type of work not included in his or her request for a license.

If the application is satisfactory to the board, then the applicant may be required to take an examination to determine his or her qualifications. If the result of the examination of the applicant is satisfactory to the board, the board shall then issue to the applicant a certificate to engage in general contracting in the State of Alabama, stipulating in each license issued the type or types of work the contractor is permitted to bid on or to perform under his or her license and also setting out a letter symbol indicating the maximum limits on which he or she is permitted to bid or to perform in a single contract. The maximum bid limits shall be set by the formula of not more than 10 times either the net worth or working capital, whichever is the lesser amount, as shown by the applicant's latest financial statement and designated in the classification set out herein that is the closest to this amount. Should the financial statement of the applicant fail to substantiate the limits requested, further consideration may be given to either of the following: (1) the present market value in lieu of book value of listed assets when properly supported with substantiating evidence, including a combined statement of the applicant that includes other wholly owned or substantially owned interests, or (2) the applicant may furnish a bond acceptable to the board equal in the amount of the applicant's negative working capital or net worth plus the amount of such net worth and working capital to satisfy the requested bid limit. When an applicant's statement qualifies for an amount in excess of classification "E", the limits shall then be set as classification Unlimited or "U". The following letter symbols indicate the maximum amount bid limits allowed a licensee on any one single contract undertaking:

A - Not to exceed $100,000.00 B - Not to exceed 250,000.00 C - Not to exceed 500,000.00 D - Not to exceed 1,000,000.00 E - Not to exceed 3,000,000.00 U – Unlimited

(b) Any person failing to pass the examination may be reexamined at any regular or called meeting of the board. The certificate of authority to engage in the business of general contracting in the State of Alabama shall expire 12 months following its issuance or renewal and shall become invalid on that date unless renewed. The board may provide for a transitional period following May 19, 1999, during which licenses may be renewed for less than 12 months, or more than 12 months, in order to implement a staggered license renewal schedule in which licenses would be renewed each month throughout the year. Once the transitional period is completed, each license shall be renewed for a 12-month period. The board may promulgate rules and regulations relating to the procedures for renewal of licenses. Upon the renewal of a license, the board shall reclassify or confirm the license both as to the types of work and bid limits as specified in this section. A licensee may apply for and, on proof satisfactory to the board, may receive an increase in the amount of his or her bid limit, change his or her classification, or verify his or her license with a reciprocating state for fees not greater than seventy-five dollars ($75) as set by the board. Application for renewal of a license, together with the payment of a fee of two hundred dollars ($200), received by the board at least 30 days prior to expiration, shall serve to extend the current license until the board either renews the license or denies the application. A licensee may apply for inactive status by notifying the board in writing at least 30 days before the expiration of his or her license. The fee for inactive status is two hundred dollars ($200). The board shall provide by rule for the activities that may be engaged in by an inactive status licensee and for a procedure for reinstatement as an active license holder. At the discretion of the board, a limited license may be issued for a particular project.

(c) The sum or fee of three hundred dollars ($300) accompanying original applications and sum or fee of two hundred dollars ($200) accompanying applications for renewals under this section are for the administration and enforcement of this chapter and shall not be refunded to the applicant.

(Acts 1935, No. 297, p. 721, §9; Code 1940, T. 46, §73; Acts 1959, No. 571, p. 1429, §1; Acts 1961, Ex. Sess., No. 150, p. 2093, §1; Acts 1975, No. 485, p. 1115, §1; Acts 1982, No. 82-400, p. 603, §4; Acts 1986, No. 86-557, p. 1133, §3; Acts 1991, No. 91-197, p. 361, §3; Acts 1996, No. 96-640, p. 1013, §1; Act 99-199, p. 251, §3; Act 2008-134, p. 199, §3; Act 2009-725, p. 2168, §1; Act 2011-165, p. 308, §3.)

Section 34-8-3 Method of Examination.

When the board conducts an examination of an applicant for a license, as much as three days may be devoted to written or oral examination, within the discretion of the board, to ascertain the ability of the applicant to make a practical application of his or her knowledge of the profession of general contracting; and the board shall investigate thoroughly the financial responsibility and past record of all applicants, which will include an effort towards ascertaining the qualifications of an applicant in reading plans and specifications, estimating costs, construction ethics, and other similar matters. The board shall take all applicants under consideration after having examined them and go thoroughly into the records, oral, and written examinations prior to granting any certificate of license. If an applicant is an individual, examination may be taken by his or her personal appearance for examination, or by the appearance for examination of one or more of his or her responsible managing employees, and if a copartnership or corporation, or any other combination or organization, by the examination of one or more of the responsible managing officers or members of the executive staff of the applicant's firm according to its own designation.

(Acts 1935, No. 297, p. 721, §9 1/2; Code 1940, T. 46, §74; Acts 1959, No. 571, p. 1429, §1.)

Section 34-8-4 Fines; Revocation of Licenses.

(a) The board may levy and collect an administrative fine of not less than five hundred dollars ($500) nor more than five thousand dollars ($5,000) for any violation of any provision of this chapter or the rules and regulations of the board.

(b) The board may also revoke the certificate of license of any general contractor licensed hereunder who is found guilty of any fraud or deceit in obtaining a license or gross negligence, incompetence or misconduct in the conduct of business. Any person may prefer charges of the fraud, deceit, negligence, or misconduct against any general contractor licensed hereunder. The charges shall be in writing and sworn to by the complainant and submitted to the board. The charges, unless dismissed without hearing by the board as unfounded or trivial, shall be heard and determined by the board within 90 days after the date on which they were preferred. The hearing shall be held at the office of the State Licensing Board for General Contractors in Montgomery, Alabama. A copy of the charges, together with the notice of the time and place of hearing, shall be legally served on the accused by the secretary of the board, any sheriff in the state or by registered or certified mail, at least 10 days before the fixed date for the hearing. In the event that the service cannot be effected 10 days before the hearing, then the date of hearing and determination shall be postponed as may be necessary to permit the carrying out of the aforementioned condition. At the hearing the accused shall have the right to appear personally and by counsel and to cross-examine witnesses against him, her, or them and to produce evidence of witnesses in his, her, or their defense. If, after the hearing, the board votes in favor of finding the accused guilty, the board shall revoke the license of the accused. The board may reissue a license to any person, firm, or corporation whose license has been revoked. The board shall immediately notify the Secretary of State and the clerk of each incorporated city, town, or county in the state of its findings in the case of the revocation or of the reissuance of a revoked license. A certificate of license to replace any certificate lost, destroyed, or mutilated may be issued subject to the rules and regulations of the board.

(Acts 1935, No. 297, p. 721, §10; Code 1940, T. 46, §75; Acts 1959, No. 571, p. 1429, §1; Acts 1982, No. 82-400, p. 603, §4; Acts 1991, No. 91-197, p. 361, §3; Acts 1996, No. 96-640, p. 1013, §1; Act 99-199, p. 251, §3.)

Section 34-8-5 Effect of Issuance of Certificate of License.

The issuance of a certificate by the board shall be evidence that the person, firm, or corporation named therein is entitled to all the rights and privileges of a licensed general contractor to perform work of the types and amounts specified in the license issued to him, her, or it while the license remains unrevoked or unexpired.

(Acts 1935, No. 297, p. 721, §11; Code 1940, T. 46, §76; Acts 1959, No. 571, p. 1429, §1.)

Section 34-8-6 Prohibited Acts; Penalties; Cease and Desist Orders.

(a) Any person, firm, or corporation not being duly authorized who shall engage in the business of general contracting in this state, except as provided for in this chapter, and any person, firm, or corporation presenting or attempting to file as its own the license certificate of another, or who shall give false or forged evidence of any kind to the board, or to any member thereof, in obtaining a certificate of license, or who falsely shall impersonate another, or who shall use an expired or revoked certificate of license shall be deemed guilty of a Class A misdemeanor and for each offense for which he or she is convicted shall be punished as provided by law. Furthermore, any person including an owner, architect, engineer, construction manager, or private awarding authority who considers a bid from anyone not properly licensed under this chapter shall be deemed guilty of a Class B misdemeanor and shall for each offense of which he or she is convicted be punished as provided by law.

(b) Every person, firm, or corporation licensed pursuant to this chapter shall include his or her license number in all construction contracts, subcontracts, bids, and proposals. Any person, firm, or corporation violating this provision shall be guilty of a Class B misdemeanor and shall for each offense of which he or she is convicted be punished as provided by law.

(c) In addition to or in lieu of the criminal penalties and administrative sanctions provided in this chapter, the board may issue an order to any person, firm, or corporation engaged in any activity, conduct, or practice constituting a violation of this chapter, directing the person, firm, or corporation to forthwith cease and desist from the activity, conduct, practice, or the performance of any work then being done or about to be commenced. The order shall be issued in the name of the State of Alabama under the official seal of the board. If the person, firm, or corporation to whom the board directs a cease and desist order does not cease or desist the proscribed activity, conduct, practice, or performance of work immediately, the board shall cause to issue in any court of competent jurisdiction and proper venue, a writ of injunction enjoining the person, firm, or corporation from engaging in any activity, conduct, practice, or performance of work as prohibited by this chapter. Upon showing by the board that the person, firm, or corporation has engaged or is engaged in any activity, conduct, practice, or performance of work prohibited by this chapter, the courts shall issue a temporary restraining order restraining the person, firm, or corporation from engaging in such unlawful activity, conduct, practice, or performance of work pending the hearing on a preliminary injunction, and in due course a permanent injunction shall issue after the hearing, commanding the cessation of the unlawful activity, conduct, practice, or performance of work complained of, all without the necessity of the board having to give bond. A temporary restraining order, preliminary injunction, or permanent injunction issued pursuant to this subsection shall not be subject to being released on bond. In the suit for an injunction, the board may demand of the defendant a fine of up to five thousand dollars ($5,000) plus costs and attorney fees for each offense. A judgment for penalty, attorney fees, and costs may be rendered in the same judgment in which the injunction is made absolute. The trial of the proceeding by injunction shall be summary and by the trial judge without jury. Anyone violating this chapter who fails to cease work, after a hearing and notification from the

board, shall not be eligible to apply for a contractor's license for a period not to exceed one year from the date of official notification to cease work. It shall be within the power of the board to withhold approval, for up to six months, of any application from anyone who prior to the application has been found in violation of this chapter.
(d) The submission of the contractor's current license number before considering the bid shall be sufficient evidence to relieve the owner, architect, engineer, construction manager, or awarding authority of any liability under this chapter.
(Acts 1935, No. 297, p. 721, §12; Code 1940, T. 46, §77; Acts 1959, No. 571, p. 1429, §1; Acts 1996, No. 96-640, p. 1013, §1; Act 99-199, p. 251, §3; Act 2009-725, p. 2168, §1.)

Section 34-8-7 Exemptions from Chapter; Subcontractor Requirements.
(a) The following shall be exempted from this chapter:
(1) The practice of general contracting, as defined in Section 34-8-1, by an authorized representative of the United States Government, State of Alabama, incorporated town, city, or county in this state, which is under the supervision of a licensed architect or engineer, provided any work contracted out by the authorized representative shall comply with the definition in this chapter for general contractor.
(2) The construction of any residence or private dwelling.
(3) A person, firm, or corporation constructing a building or other improvements on his, her, or its own property, provided that any of the work contracted out complies with the definition in this chapter for general contractor. A municipal governing body or municipal regulatory body may not enact any ordinance or law restricting or altering this exemption. Any municipal ordinance or regulation that conflicts with this exemption is repealed effective June 11, 2015.
(4) The installation, repair, maintenance, or removal of facilities, equipment, or systems used in or substantially related to the generation, transmission, or distribution of electric power, natural gas, or telecommunications in an emergency by a utility regulated by the Public Service Commission, or any entity engaged in the generation, transmission, or distribution of electric power, natural gas, or telecommunications, or any of their respective general contractors or subcontractors, provided the work is performed under the supervision of a licensed architect or engineer. For purposes of this subdivision, the term "emergency" is defined as a situation whereby service to the consumer has been interrupted or may be interrupted if work to remedy the emergency is not performed and completed within 60 days, and such other situations that are determined to be an emergency in the discretion of the board.
(5) The repair, maintenance, replacement, reinstallation, or removal of facilities, equipment, or systems used in or substantially related to the generation, transmission, or distribution of electric power, natural gas, or telecommunications on a routine, regular, or recurring basis by a utility regulated by the Public Service Commission or any entity engaged in the generation, transmission, or distribution of electric power, natural gas, or telecommunications or any of their respective general contractors or subcontractors, provided the work is performed under the supervision of a licensed architect or engineer.
(6) Routine or regular maintenance, repair, replacement, reinstallation, or removal of equipment, specialized technological processes, or equipment facility systems as determined by the board with regard to scope, frequency, and specialty of the work to be performed.
(7) Routine landscape maintenance work that includes cutting grass; trimming, replacing, and removal of bushes, shrubs, and similar items; the placement and removal of pine straw, mulch, bark, and similar ground covers; and other routine ground maintenance.

(8) The provision of temporary labor by a labor broker or other temporary labor provider that provides workers to a general contractor to perform work under the supervision and control of that general contractor. For the purposes of licensing, temporary workers are deemed to fall under the license of the general contractor to whom they are provided. This exemption does not allow labor brokers or other temporary labor providers to act as subcontractors or to assume a scope of work for a project as a subcontractor.
(b) The exemptions provided in subsection (a) shall exclude a swimming pool contractor. Provided, however, a person, firm, or corporation constructing a swimming pool on his, her, or its own property shall be exempted from this chapter.
(c) A subcontractor, as defined in Section 34-8-1(c), is subject to and shall comply with this chapter as specified for a general contractor except as follows:
(1) A subcontractor shall pay one-half of the fees required in this chapter for a general contractor.
(2) No bid limits shall be established for a subcontractor.
(3) A subcontractor shall submit with license application and renewals a statement of financial condition as prescribed by the board.
(4) A subcontractor shall furnish three references from any combination of the following: Licensed general contractors, registered professional engineers, or registered architects, or qualified person, as declared by the board, for whom they have worked. If a subcontractor has only been employed by one company, the subcontractor shall provide the following: Three or more jobs he or she has worked on, the amounts of the contracts, the time period of the contracts, the location of the contracts, and a statement of experience.
(5) A subcontractor is not required to be licensed at the time a project is bid, but must be licensed with the board prior to beginning work on the project.
(6) A general contractor license and license number issued by the board to subcontractors shall denote subcontractor status.
(7) A subcontractor is not required to sit for any examination before being licensed.
(Acts 1935, No. 297, p. 721, §13; Code 1940, T. 46, §78; Acts 1959, No. 571, p. 1429, §1; Acts 1989, No. 89-648, p. 1278, §2; Acts 1996, No. 96-640, p. 1013, §1; Acts 1997, No. 97-270, p. 486, §1; Act 99-199, p. 251, §3; Act 2009-725, p. 2168, §1; Act 2011-165, p. 308, §3; Act 2015-480, p. 1648, §1, Act 2023-99, §3; Act 2024-277, §1.)

Section 34-8-8 Copy of Chapter to Be Included in Plans of Owners, Architects, and Engineers; Inclusion of License Number on Bid.
(a) All owners, architects, engineers, construction managers, and private awarding authorities preparing plans and specifications for work to be contracted in Alabama pursuant to this chapter shall include in their invitations to bidders, including but not limited to all public and private advertisements, and their specifications a copy of the portions of this chapter as are deemed necessary to convey to the invited bidder, whether he or she is a resident or nonresident of this state and whether a license has been issued to him or her or not, the information that it will be necessary for him or her to show evidence of license before his or her bid is considered. Any person including an owner, architect, engineer, construction manager, or private awarding authority who violates this section shall be guilty of a Class B misdemeanor and shall for each offense of which he or she is convicted be punished, fined, or both, in accordance with Sections 13A-5-7 and 13A-5-12.

(b) All owners, architects, engineers, construction manager, or private awarding authority receiving bids pursuant to this chapter shall require the person, firm, or corporation to include his or her current license number on the bid. The owner, architect, engineer, construction manager, or private awarding authority shall reject all bids that do not contain the current license number of the general contractor submitting the bid. All persons who violate this subsection shall be guilty of a Class C misdemeanor and shall for each offense for which he or she is convicted be punished, fined, or both, in accordance with Sections 13A-5-7 and 13A-5-12.
(Acts 1935, No. 297, p. 721, §14; Code 1940, T. 46, §79; Acts 1959, No. 571, p. 1429, §1; Acts 1996, No. 96-640, p. 1013, §1; Act 2009-725, p. 2168, §1.)

Section 34-8-9 Issuance of Building Permits.
Any person, firm, or corporation, upon making application to the building inspector or such other authority of any incorporated city, town, village, or county in Alabama charged with the duty of issuing building or other permits for the construction, alteration, maintenance, repair, rehabilitation, remediation, reclamation, or demolition of any building, highway, sewer, structure site work, grading, paving or project or any improvement where the cost of the undertaking is fifty thousand dollars ($50,000) or more, shall, before he or she shall be entitled to the issuance of permits, furnish satisfactory proof to the inspector or authority that he or she is duly licensed under this chapter. It shall be unlawful for the building inspector or other authority to issue or allow the issuance of the building permit unless and until the applicant has furnished evidence that he or she is either exempt from this chapter or is duly licensed under this chapter to carry out or superintend the work for which the permit has been applied. The building inspector, or other authority, violating the terms of this section shall be guilty of a Class C misdemeanor and shall for each offense of which he or she is convicted be punished in accordance with Sections 13A-5-7 and 13A-5-12.
(Acts 1935, No. 297, p. 721, §15; Code 1940, T. 46, §80; Acts 1947, No. 402, p. 293, §1; Acts 1959, No. 571, p. 1429, §1; Acts 1987, No. 87-175, p. 236, §3; Acts 1996, No. 96-640, p. 1013, §1; Acts 1997, No. 97-270, p. 486, §1.)

Section 34-8-10 Indictment or Complaint.
In all prosecutions for the violation of the provisions of Section 34-8-6 for engaging in the business of general contracting without a certificate of authority, it shall be sufficient to allege in the indictment, affidavit, or complaint that "A. B. unlawfully engaged in business as a general contractor, without authority from the licensing board for contractors so to do."
(Acts 1935, No. 297, p. 721, §16; Code 1940, T. 46, §81; Acts 1959, No. 571, p. 1429, §1.)

Article 2 State Licensing Board.

Section 34-8-20 Creation; Composition; Appointment and Removal of Members.
In order to safeguard life, health, and property and to promote the general public welfare by requiring that only properly qualified persons be permitted to engage in general contracting, there shall be a State Licensing Board for General Contractors, consisting of five members, who shall be citizens of this state and appointed by the Governor. Each of the members shall be a general contractor, within the meaning of this chapter, with at least 10 years' experience in the field as a contractor. At least one member of the board shall have as a larger part of his or her business the construction of highways.

At least one member of the board shall have as a larger part of his or her business the construction of public utilities. At least one member shall have as a larger part of his or her business the construction of buildings. At least one member of the board shall have as a larger part of his or her business the performance of construction work as a subcontractor. The members of the board shall be appointed for one, two, three, four, and five years respectively, their terms of office expiring on December 31 of those years. Thereafter, on the thirty-first day of December in each year the Governor shall appoint to fill the vacancies caused by the expiration of the term of office a member for a term of five years. In appointing members to the board, the Governor shall select those persons whose appointments, to the extent possible, ensure that the membership of the board is inclusive and reflects the racial, gender, urban/rural, and economic diversity of the state. Each member shall hold over after the expiration of his or her term until his or her successor shall be duly appointed and qualified. If a vacancy shall occur on the board for any cause, the vacancy shall be filled by the appointment of the Governor, and the Governor may remove any member of the board at any time, with or without cause.
(Acts 1935, No. 297, p. 721, §2; Code 1940, T. 46, §66; Acts 1959, No. 571, p. 1429, §1; Acts 1996, No. 96-640, p. 1013, §1; Act 99-199, p. 251, §§2, 3; Act 2003-142, p. 441, §3; Act 2008-134, p. 199, §3; Act 2015-190, §1.)

Section 34-8-21 Oath of Board.
Each member of the board shall before entering upon the discharge of the duties of his or her office take and file with the Secretary of State the oath required by Section 279 of the Constitution of Alabama.
(Acts 1935, No. 297, p. 721, §3; Code 1940, T. 46, §67; Acts 1959, No. 571, p. 1429, §1.)

Section 34-8-22 Officers; Bonds; Compensation and Expenses; Rules and Regulations.
When the Governor appoints the board, he or she shall designate and commission one member as the chairperson, another as vice-chairperson, and another as secretary-treasurer. The board may make the bylaws, rules, and regulations as it shall deem best, provided the same shall not conflict with the laws of the State of Alabama. The secretary-treasurer shall give bond in the sum as the board shall determine with the surety as shall be approved. The bond shall be conditioned upon the faithful performance of the duties of the office and for the faithful accounting of all moneys and other properties as shall come into his or her hands. Each member of the board shall receive two hundred dollars ($200) per day for attending sessions of the board or its committees, and for time actually spent in necessary travel in attending meetings of the board or its committees and in addition shall be reimbursed for necessary travel expenses as are paid to state employees incurred in carrying out this chapter. All expenses certified by the board as properly and necessarily incurred in the discharge of its duties, including authorized compensations, office rent, and supplies shall be paid out of the State Licensing Board for the General Contractors' Fund in the State Treasury in the manner provided in Section 34-8-25, provided, that no funds shall be withdrawn or expended except as budgeted and allotted according to the provisions of Article 4 of Chapter 4 of Title 41, and only in the amounts as stipulated in the general appropriation bill.
(Acts 1935, No. 297, p. 721, §4; Code 1940, T. 46, §68; Acts 1951, No. 835, p. 1466, §1; Acts 1959, No. 571, p. 1429, §1; Acts 1980, No. 80-698, p. 1404, §1; Acts 1996, No. 96-640, p. 1013, §1.)

Section 34-8-23 Seal.
The board shall adopt a seal for its own use. Such seal shall have the words "License Board for Contractors, State of Alabama," and the secretary shall have the charge, care, and custody thereof.
(Acts 1935, No. 297, p. 721, §5; Code 1940, T. 46, §69; Acts 1959, No. 571, p. 1429, §1.)

Section 34-8-24 Meetings; Quorum.

The board shall have four regular meetings in each year, one in January, one in April, one in July, and one in October, for the purpose of transacting business which may properly come before it, and as many special or adjourned meetings as the board may deem necessary, on call of the chair of the board. Special or adjourned meetings may be held at the time the board provides in the bylaws or at a time the board may provide by reasonable resolution. Due notice of each regular meeting and the time and place thereof shall be given to each member by mail at least one week prior to the meeting. Three members of the board shall constitute a quorum.

(Acts 1935, No. 297, p. 721, §6; Code 1940, T. 46, §70; Acts 1959, No. 571, p. 1429, §1; Acts 1986, No. 86-557, p. 1133, §3; Acts 1996, No. 96-640, p. 1013, §1.)

Section 34-8-25 Records and Accounts.

The secretary-treasurer shall keep a record of the proceedings of the board, shall receive and account for all the moneys derived from the operation of this chapter and shall deposit, or cause to be deposited, all such moneys in the State Treasury to the credit of the State Licensing Board for General Contractors; and the funds shall be subject to withdrawal only upon warrant of the state Comptroller to be issued upon certificate or voucher certified by the secretary-treasurer of the board. Any funds remaining in the State Treasury to the credit of the State Licensing Board for General Contractors at the end of each year shall be paid into the General Fund of the state on or before January 15 in each succeeding year. The board has the right, however, at all times to retain a sum not in excess of 33 percent of its budget of the previous year to meet any emergency that may arise which may affect its efficient operation.

(Acts 1935, No. 297, p. 721, §7; Code 1940, T. 46, §71; Acts 1951, No. 835, p. 1466, §2; Acts 1975, No. 485, p. 1115, §1; Acts 1991, No. 91-197, p. 361, §3; Act 2008-134, p. 199, §3.)

Section 34-8-26 Register of Applicants; Roster of Contractors; Annual Report; Investigation and Report of Complaints.

The secretary-treasurer shall keep a record of the proceedings of the board and a register of the applicants for license, showing for each the date of application, name, qualifications, place of business, and whether the license was granted or refused. The books and register of this board shall be prima facie evidence of all matters recorded therein, and a certified copy of such books or register, under the seal of the board, attested by its secretary, shall be received in evidence in all courts in this state in lieu of the original.

A roster showing the names and places of business of all licensed general contractors shall be prepared by the secretary of the board as soon as convenient after the board first meets each year. Such roster, which shall include a copy of the licensing law, shall be printed by the board out of funds of the board, as provided in Section 34-8-25, and a copy mailed to and placed on file by the clerk of each incorporated city and town in the state and to and by the probate judge of each county in the state.

On or before March 1 of each year, the board shall submit to the Governor a report of its transactions for the preceding year and shall file with the Secretary of State a copy of such report, together with a complete statement of receipts and expenditures of the board, attested by the affidavit of the chairman and secretary and a copy of the roster of licensed general contractors.

It shall be the duty of the secretary-treasurer to investigate and report to the board each complaint filed relative to violation of this chapter.

(Acts 1935, No. 297, p. 721, §8; Code 1940, T. 46, §72; Acts 1959, No. 571, p. 1429, §1.)

Section 34-8-27 Appeals.

Any party aggrieved by any decision of the State Licensing Board, either in denying an application for license as a general contractor or in revoking a license, may appeal to the Circuit Court of Montgomery County by filing a bond with the clerk of the court, conditioned to pay all costs of the appeal. Upon notice of the appeal being served upon the Licensing Board, an issue shall be made up by the court between the appellant and the Licensing Board, in which the appellant shall allege in what respect the action of the Licensing Board was erroneous and prejudicial to him or her; whereupon the court shall hear the evidence and, without regard to the decision of the Licensing Board, shall render such decision as the court is of the opinion the Licensing Board should have rendered in the first instance.

(Acts 1935, No. 297, p. 721, §17; Code 1940, T. 46, §82; Acts 1959, No. 571, p. 1429, §1.)

Section 34-8-28 Distribution of Funds; Annual Report.

(a) An amount of one hundred dollars ($100) from the fees required for application and renewal for certification and registration of general contractors in Section 34-8-2, and an amount of fifty dollars ($50) from the fees required for application and renewal of the license of a subcontractor pursuant to Section 34-8-7, shall be distributed by the State Licensing Board for General Contractors to all accredited public institutions of higher education offering American Council for Construction Education accredited courses in building science, and to all accredited public institutions of higher education offering courses in building science which are in the candidate status of the American Council for Construction Education and to institutions of higher education offering courses leading to a bachelor of civil engineering degree which offers courses in highway engineering and construction at the undergraduate and graduate levels and whose civil engineering program is accredited by the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology (ABET). Funds identified by the general contractors and subcontractors for building science shall be distributed pro rata among institutions based upon the number of full-time equivalent students enrolled in the department of building science at the institution. Funds identified by the general contractors and subcontractors for civil engineering shall be distributed pro rata among institutions based upon the number of full-time equivalent civil and pre-civil engineering students enrolled at the institution. These funds shall be distributed 30 days after certifications of enrollment packages have been received from all eligible public institutions of higher education.

(b) Revenue derived from the additional fees for all licenses shall be distributed for (1) building science (general construction) purposes and (2) civil engineering (highway engineering or construction, or both) purposes. Contractors shall be given an opportunity to select which program they want to support.

(c) Revenues derived from the additional fees for all licenses that are not specifically designated by contractors for one of the purposes above, shall be distributed between the programs defined in subsection (a) in a pro rata manner based on the number of full-time equivalent students enrolled in each program at each institution.

(d) Each institution receiving funds pursuant to this article for building science purposes shall utilize the funds for research projects relating to the construction industry, for faculty development, for program enhancement, and for continuing education programs related to construction. The funds shall be administered by a committee appointed by the dean responsible for the building science program, and shall include the head of the department of building science, or comparable position, faculty representatives, and representatives of the building science industry advisory committee of the institution.

(e) Each institution receiving funds pursuant to this article for civil engineering purposes shall utilize the funds to enhance activities in the highway engineering or construction area, or both. This includes, but is not limited to, scholarships, fellowships, research, faculty development, and continuing education. Funds received pursuant to this article shall be administered by a committee appointed by the dean of engineering. The committee should undertake, as part of its mission, to work with the public and private sectors of the highway industry to encourage student participation in co-op and summer industry employment programs as well as to lead students toward career employment in the highway industry upon graduation.
(f) Each institution receiving funds pursuant to this article shall provide to the board an annual report on or before January 31 for the preceding fiscal year during which the institution received the funds. This report shall disclose the total amount of funds received by the institution pursuant to this article and shall provide an accurate accounting for the utilization of the funds. The report shall disclose sufficient detail to demonstrate compliance with the utilization specifications prescribed in subsections (d) and (e). Responsibility for the reports shall be retained by the administrative committees formed pursuant to subsections (d) and (e) and the dean appointing the committee.
(g) The board shall retain an amount of five percent of the amount to be distributed pursuant to subsection (a) as a fee for administrative expenses associated with the collection and distribution of the funds.
(h) The provisions of this amendatory section are remedial and curative and shall be retroactive to January 1, 1998.
(Acts 1991, No. 91-473, p. 857, §§1-4; Acts 1993, No. 93-614, p. 1006, §1(11); Acts 1996, No. 96-640, p. 1013, §1; Act 2003-142, p. 441, §3; Act 2011-165, p. 308, §3.)

Article 3 Alabama Commercial Energy Code Division.

Section 34-8-50 Definitions.

As used in this article, the following terms have the following meanings:
(1) ALABAMA COMMERCIAL ENERGY CODE. The commercial energy code adopted by the board, and any subsequent amendments, editions, changes, or recompilations thereof.
(2) BOARD. The State Licensing Board for General Contractors.
(3) COMMITTEE. The Alabama Commercial Energy Code Advisory Committee.
(4) DIVISION. The Alabama Commercial Energy Code Division established within the State Licensing Board for General Contractors.
(Act 2024-443, §6.)

Section 34-8-51 Division Established; Duties; Personnel; Funding.

(a) The Alabama Commercial Energy Code Division is established within the State Licensing Board for General Contractors.
(b) The division shall be responsible for administering meetings of the committee and advising the board on recommendations made by the committee for adoption of the Alabama Commercial Energy Code.
(c) The executive director of the board may employ staff as necessary to carry out the duties of the division.
(d) The board may apply for funds from federal grant programs and other applicable funding sources authorized by law.
(e) The division and its duties shall expire upon sunset of the board unless expressly reauthorized by the Legislature.
(Act 2024-443, §6.)

Section 34-8-52 Alabama Commercial Energy Code Advisory Committee - Established; Composition; Terms.

(a) The Alabama Commercial Energy Code Advisory Committee is established within the Alabama Commercial Energy Code Division of the State Licensing Board for General Contractors.

(b) The committee shall consist of the following members:

(1) The Commissioner of Insurance, or his or her designee.

(2) The Director of the Division of Construction Management within the Department of Finance, or his or her designee.

(3) The State Fire Marshal, or his or her designee.

(4) One member appointed by the State Licensing Board for General Contractors.

(5) One member appointed by the state Board for Registration of Architects.

(6) One member appointed by the state Board of Licensure for Professional Engineers and Land Surveyors.

(7) One member appointed by the Alabama Board of Electrical Contractors.

(8) One member appointed by the Board of Heating, Air Conditioning, and Refrigeration Contractors.

(9) One member appointed by the Governor to represent the private, investor-owned, electric utility industry.

(10) One member appointed by the Alabama Rural Electric Association of Cooperatives.

(11) One member appointed by the Code Officials Association of Alabama.

(12) One member appointed by the Alabama League of Municipalities.

(13) One member appointed by the Association of County Commissions of Alabama.

(c) The members appointed to the committee shall be legal residents of the state and the appointing authorities shall coordinate appointments to reflect the racial, gender, geographic, urban, rural, and economic diversity of the state.

(d) Each member of the committee shall be appointed for a five-year term, with initial terms to begin on January 1, 2025, and may be reappointed for a second five-year term.

(Act 2024-443, §6.)

Section 34-8-53 Alabama Commercial Energy Code Advisory Committee - Meetings; Quorum; Subcommittees; Bylaws.

(a) The first meeting of the committee shall be called by the executive director of the board as soon as practicable after January 1, 2025. The executive director of the board, or his or her designee, shall preside until a chair and a vice chair are selected by the committee. The committee shall elect annually from its own members a chair, a vice chair, and other officers as it may deem desirable.

(b) The committee shall hold a regular meeting at least once during each calendar year at a time and place designated by the board or specified by the committee. Special or additional meetings may be held upon the call of the chair, a call signed by at least seven members, or the call of the executive director of the board. All meetings of the committee shall be held in accordance with the Alabama Open Meetings Act, Chapter 25A of Title 36.

(c) A majority of the members of the committee shall constitute a quorum at all meetings, and adoption or resolution of any business shall require the concurrence of a majority of all members of the committee.

(d) The committee may establish subcommittees among its membership, as it deems necessary, to assist in the conduct of its business.

(e) The committee may adopt bylaws for the conduct of the meetings, procedures, and execution of the purpose, functions, powers, and duties delegated to it by the board.

(Act 2024-443, §6.)

Section 34-8-54 Alabama Commercial Energy Code Advisory Committee - Functions.

The committee shall make recommendations to the board with respect to the acceptance, adoption, and implementation of the Alabama Commercial Energy Code. In so doing, the committee may perform any of the following functions:

(1) Propose to the board for consideration of adoption of an Alabama Commercial Energy Code or amendments to the code no less than two years after the date of publication of the most recent version of the code.

(2) Evaluate, assess, advise, and counsel the board or division on the Alabama Commercial Energy Code and the impact of the code upon the economy and the environment.

(3) Solicit and enlist the cooperation of all appropriate private-sector and community-based organizations for input and information to carry out its duties and implement this article.

(4) Make continuing studies, evaluations, and surveys, on its own initiative or upon the request of the board, of the needs and impacts of the Alabama Commercial Energy Code.

(5) Make recommendations to the division for the enactment of additional legislation or rules as it deems necessary.

(6) Work with the State Energy Office to review applicable federal regulations regarding the commercial energy code.

(Act 2024-443, §6.)

Section 34-8-55 Proposal, Review. and Publication of Alabama Commercial Energy Code.

(a) By December 31, 2025, the committee shall submit to the board for adoption the proposed Alabama Commercial Energy Code. Thereafter, the committee shall review and propose adoption of the code or amendments to the code no less than two years after the date of publication of the most recent version of the code.

(b) The proposed Alabama Commercial Energy Code, and any amendments, changes, editions, or recompilations thereof, shall be based upon the most recent versions of the International Energy Conservation Code (IECC) or the ANSI/ASHRAE/IES Standard 90.1.

(c) The board shall review the proposed Alabama Commercial Energy Code from the committee and publish the final version of the Alabama Commercial Energy Code.

(Act 2024-443, §6.)

Appendix II: Legislation Not Yet Codified

ACT #2026-396

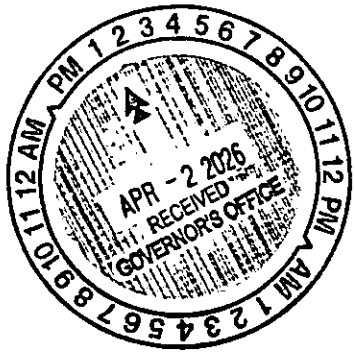
SB279

4UFVAR3-3

By Senator Chambliss

RFD: County and Municipal Government

First Read: 10-Feb-26



Enrolled, An Act,

Relating to general contracting; to amend Section 34-8-7, Code of Alabama 1975, to provide additional services to the list of exemptions to the requirements of the general contracting law.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 34-8-7, Code of Alabama 1975, is amended to read as follows:

"§34-8-7

(a) The following shall be exempted from this chapter:

(1) The practice of general contracting, as defined in Section 34-8-1, by an authorized representative of the United States Government, the State of Alabama, or an incorporated town, city, or county in this state, which is under the supervision of a licensed architect or engineer, provided any work contracted out by the authorized representative shall comply with the definition in this chapter for general contractor.

(2) The construction or repair of any residence or private dwelling or any residential swimming pool.

(3) A person, firm, or corporation constructing a building or other improvements on his, her, or its own property, provided that any of the work contracted out complies with the definition in this chapter for general contractor. A municipal governing body or municipal regulatory body may not enact any ordinance or law restricting or

altering this exemption. Any municipal ordinance or regulation that conflicts with this exemption is repealed effective June 11, 2015.

(4) The installation, repair, maintenance, or removal of facilities, equipment, or systems used in or substantially related to the generation, transmission, or distribution of electric power, natural gas, or telecommunications in an emergency by a utility regulated by the Public Service Commission, or any entity engaged in the generation, transmission, or distribution of electric power, natural gas, or telecommunications, or any of their respective general contractors or subcontractors, provided the work is performed under the supervision of a licensed architect or engineer. For purposes of this subdivision, the term "emergency" is defined as a situation whereby service to the consumer has been interrupted or may be interrupted if work to remedy the emergency is not performed and completed within 60 days, and such other situations that are determined to be an emergency in the discretion of the board.

(5) The repair, maintenance, replacement, reinstallation, or removal of facilities, equipment, or systems used in or substantially related to the generation, transmission, or distribution of electric power, natural gas, or telecommunications on a routine, regular, or recurring basis by a utility regulated by the Public Service Commission or any entity engaged in the generation, transmission, or distribution of electric power, natural gas, or telecommunications or any of their respective general

contractors or subcontractors, provided the work is performed under the supervision of a licensed architect or engineer.

(6) Routine or regular maintenance, repair, replacement, reinstallation, or removal of equipment, specialized technological processes, or equipment facility systems as determined by the board with regard to scope, frequency, and specialty of the work to be performed.

(7) Routine landscape maintenance work that includes cutting grass; trimming, replacing, and removal of bushes, shrubs, and similar items; the placement and removal of pine straw, mulch, bark, and similar ground covers; and pressure washing services and other routine ground maintenance.

(8) The provision of temporary labor by a labor broker or other temporary labor provider that provides workers to a general contractor to perform work under the supervision and control of that general contractor. For the purposes of licensing, temporary workers are deemed to fall under the license of the general contractor to whom they are provided. This exemption does not allow labor brokers or other temporary labor providers to act as subcontractors or to assume a scope of work for a project as a subcontractor.

(9) Routine or regular maintenance, repair, or removal of the following, as determined by the board with regard to scope, frequency, and specialty of the work to be performed:

a. Existing security and access control systems.

b. Existing lighting and filter systems.

c. Existing plumbing, air conditioning, and electrical systems.

d. Existing paint on painted surfaces.

(10) Routine cleaning, waste disposal, and janitorial services, including the cleaning, stripping, and waxing of floors.

~~(b) The exemptions provided in subsection (a) shall exclude a swimming pool contractor. Provided, however, a person, firm, or corporation constructing a swimming pool on his, her, or its own property shall be exempted from this chapter.~~

~~(c)~~ (b) A subcontractor, as defined in Section 34-8-1(c), is subject to and shall comply with this chapter as specified for a general contractor except as follows:

(1) A subcontractor shall pay one-half of the fees required in this chapter for a general contractor.

(2) No bid limits shall be established for a subcontractor.

(3) A subcontractor shall submit with license application and renewals a statement of financial condition as prescribed by the board.

(4) A subcontractor shall furnish three references from any combination of the following: Licensed general contractors, registered professional engineers, or registered architects, or qualified person, as declared by the board, for whom they have worked. If a subcontractor has only been employed by one company, the subcontractor shall provide the following: Three or more jobs he or she has worked on, the amounts of the contracts, the time period of the contracts, the location of the contracts, and a statement of experience.

(5) A subcontractor is not required to be licensed at the time a project is bid, but must be licensed with the board prior to beginning work on the project.

(6) A general contractor license and license number issued by the board to subcontractors shall denote subcontractor status.

(7) A subcontractor is not required to sit for any examination before being licensed."

Section 2. This act shall become effective on October 1, 2026.

President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB279
Senate 25-Feb-26
I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris,
Secretary.

House of Representatives
Passed: 02-Apr-26

By: Senator Chambliss

APPROVED 4.9.2026

TIME 12:50 pm

Kay Ivey
GOVERNOR

Alabama Secretary Of State

Act Num....: 2026-396
Bill Num...: S-279

Recv'd 04/09/26 03:47pmKCW

SPONSOR

1 Chamblee

CO-SPONSORS

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4	21
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SENATE ACTION

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 279.

yeas 34 nays 0 abstain 0

PATRICK HARRIS,
Secretary

I hereby certify that the notice & proof is attached to the Bill, SB _____ as required in the General Acts of Alabama, 1975 Act No. 919.

PATRICK HARRIS,
Secretary

CONFERENCE COMMITTEE

Senate Conferees _____

_____

_____

HOUSE ACTION

DATE: 2-26 20 26

RD 1 RFD C+SB

REPORT OF STANDING COMMITTEE

This bill having been referred by the House to its standing committee on C+SB was acted upon by such committee in session, and returned therefrom to the House with the recommendation that it be Passed, w/amend(s) ____ w/sub____.

This 11th day of March 2026.

Chairperson

DATE: 3-11 20 26

RF RD 2 CAL

DATE: 20__

RE-REFERRED ☐ RE-COMMITTED ☐

Committee _____

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 279.

YEAS 96 NAYS 1

JOHN TREADWELL,
Clerk

FURTHER HOUSE ACTION (OVER)

Appendix III: Professional Services by Vendor

	FY 2022	FY 2023	FY 2024	FY 2025
Administrative Services				
Personnel Department Services				
State Personnel Department	$ 5,718.00	$ 6,267.00	$ 6,639.00	$ 6,300.00
Security & Monitoring Services				
Furlongs Security Solutions, LLC	69.34			
Sanitation Services				
Gilmore Moving & Storage, Inc.	1,315.80			698.70
Information & Research Services				
United States Department of Homeland Security		25.00		50.00
Mailing Services				
Department of Finance	99.15	108.64		104.48
Total Administrative Services	**7,202.29**	**6,400.64**	**6,639.00**	**7,153.18**
Data Processing Services				
Comptroller Services				
Department of Finance	3,917.94	4,232.00	4,183.00	4,363.00
Data Processing Personnel Services				
Office of Information Technology	21,320.66	17,877.68	18,305.21	21,284.52
Finance & IT Planning/Oversight				
Office of Information Technology	1,006.72	995.28	856.57	1,139.24
Information & Research Services				
Crescerance, Inc.	3,000.00			
Inter-Departmental Professional Services				
Department of Finance	1,654.08	1,279.20	968.30	193.66
Security & Monitoring Services				
Business Systems & Consultants	2,092.08	2,092.08	2,092.08	2,092.08
SBS Billing				
Department of Finance	7,528.19	8,337.01	9,746.91	8,701.82
Total Data Processing Services	**40,519.67**	**34,813.25**	**36,152.07**	**37,774.32**
Legal Services				
Legal - Professional				
Office of the Attorney General	13,320.00	21,845.00	24,450.00	14,895.00
Total Legal Services	**13,320.00**	**21,845.00**	**24,450.00**	**14,895.00**
Total Professional Services	**$ 61,041.96**	**$ 63,058.89**	**$ 67,241.07**	**$ 59,822.50**

Appendix IV: Examination Results

Period: October 1, 2021 through February 25, 2026

Examination Type	Taken	Passed	Pass Percentage
AL Building Construction (Commercial)	103	42	41%
AL Building Contractor Under Four Stories	284	85	30%
AL Business Law	2238	1730	77%
AL Carpentry and Framing Contractor	6	3	50%
AL Commercial Swimming Pool Contractor	135	68	50%
AL Concrete Contractor	132	44	33%
AL Concrete Pavement Contractor	1	0	0%
AL Conveying Contractor	2	2	100%
AL Doors, Windows, and Glass with Specialty Hardware Contractor	11	3	27%
AL Drainage and Culvert Contractor	68	41	60%
AL Erosion Control and Mowing Contractor	32	16	50%
AL Gas and Oil Projects Contractor	19	8	42%
AL Heavy Railroad Construction Contractor	21	15	71%
AL Highways and Streets Contractor	35	19	54%
AL Hot and Cold Asphalt Plant Mix Paving Contractor	62	36	58%
AL Insulation Contractor	3	2	67%
AL Low Voltage Special Systems (Under 50 Volts)	27	15	56%
AL Marine Construction Contractor	26	14	54%
AL Masonry Contractor	4	1	25%
AL Metal Building Erection Contractor	17	4	24%
AL Metal Stud and Drywall Contractor	9	4	44%
AL Millwork and Finish Carpentry Contractor	2	2	100%
AL Municipal and Utility Contractor	64	24	38%
AL Oil and Gas Field Projects Contractor	5	2	40%
AL Painting and Wall Covering Contractor	14	9	64%
AL Pipelines Contractor	3	3	100%
AL Power Projects and Plants Contractor	16	8	50%
AL Precast and Prestressed Concrete Contractor	5	2	40%
AL Remodeling, Alteration, and Maintenance Repair	244	39	16%

Period: October 1, 2021 through February 25, 2026

Examination Type	Taken	Passed	Pass Percentage
AL Roofing and Sheet Metal Contractor	133	73	55%
AL Runway Contractor	1	0	0%
AL Sewer Projects Contractor	17	9	53%
AL Sitework Contractor	115	64	56%
AL Special Coatings and Waterproofing Contractor	6	2	33%
AL Structural and Miscellaneous Steel Contractor	22	9	41%
AL Telecommunication Projects Contractor	16	8	50%
AL Water Projects Contractor	16	6	38%

Appendix V: Schedule of Distributions to Institutions of Higher Education

FY 2021 Funds Disbursed in FY 2022				
College/University	**Building Science**	**Civil Engineering**	**Undesignated**	**Total**
Alabama A&M University	$	$ 10,888.68	$ 6,957.45	**$ 17,846.13**
Auburn University	400,871.49	57,419.71	76,152.52	**534,443.72**
Jefferson State Community College	20,793.61		2,047.01	**22,840.62**
University of Alabama at Birmingham		30,138.82	19,257.54	**49,396.36**
University of Alabama at Tuscaloosa		92,983.14	59,412.62	**152,395.76**
University of Alabama in Huntsville		17,117.50	10,937.41	**28,054.91**
University of South Alabama		19,024.66	12,156.02	**31,180.68**
Total	**$ 421,665.10**	**$ 227,572.51**	**$ 186,920.59**	**$ 836,158.20**

FY 2022 Funds Disbursed in FY 2023				
College/University	**Building Science**	**Civil Engineering**	**Undesignated**	**Totals**
Alabama A&M University	$	$ 11,379.41	$ 7,762.53	**$ 19,141.94**
Auburn University	385,462.93	60,295.17	88,998.38	**534,756.48**
Jefferson State Community College	22,414.69		2,783.51	**25,198.20**
University of Alabama at Birmingham		28,455.85	19,411.32	**47,867.17**
University of Alabama at Tuscaloosa		86,112.39	58,742.04	**144,854.43**
University of Alabama in Huntsville		16,643.99	11,353.79	**27,997.78**
University of South Alabama		18,319.13	12,496349	**30,815.62**
Total	**$ 407,877.62**	**$ 221,205.94**	**$ 201,548.06**	**$ 830,631.62**

FY 2023 Funds Disbursed in FY 2024				
College/University	**Building Science**	**Civil Engineering**	**Undesignated**	**Totals**
Alabama A&M University	$	$ 13,182.90	$ 9,787.77	**$ 22,970.67**
Auburn University	400,482.94	66,062.05	102,042.85	**568,587.84**
Jefferson State Community College	21,398.20		2,831.55	**24,229.75**
University of Alabama at Birmingham		28,763.96	21,356.07	**50,120.03**
University of Alabama at Tuscaloosa		82,361.59	61,150.14	**143,511.73**
University of Alabama in Huntsville		16,681.23	12,385.14	**29,066.37**
University of South Alabama		19,719.82	14,641.17	**34,360.99**
Total	**$ 421,881.14**	**$ 226,771.55**	**$ 224,194.69**	**$ 872,847.38**

FY 2024 Funds Disbursed in FY 2025				
College/University	**Building Science**	**Civil Engineering**	**Undesignated**	**Totals**
Alabama A&M University	$	$ 13,550.29	$ 11,142.52	**$ 24,692.81**
Auburn University	393,788.22	57,928.99	104,004.92	**555,722.13**
Jefferson State Community College	19,843.26		2,840.50	**22,683.76**
University of Alabama at Birmingham		25,745.27	21,170.55	**46,915.82**
University of Alabama at Tuscaloosa		84,179.54	69,221.55	**153,401.09**
University of Alabama in Huntsville		15,062.32	12,385.87	**27,448.19**
University of South Alabama		18,124.36	14,903.81	**33,028.17**
Total	**$ 413,631.48**	**$ 214,590.77**	**$ 235,669.72**	**$ 863,891.97**

CHIP GRIZZLE
Chairman
BIRMINGHAM

MARC DEMPSEY
Vice Chairman
FLORENCE

MICHAEL B. TEW
Secretary-Treasurer
MOBILE

AL STANLEY
Member
HUNTSVILLE

MICHAEL TERRELL
Member
OPELIKA

Appendix VI: Board Members

ALABAMA LICENSING BOARD FOR GENERAL CONTRACTORS
(www.genconbd.alabama.gov)

TIFFANY LOVELESS
EXECUTIVE DIRECTOR

445 DEXTER AVENUE, SUITE 3060
MONTGOMERY, ALABAMA 36104

TELEPHONE NO. 334-272-5030
FAX NO. 334-395-5336

February 25, 2026

Rodney Wagstaff
401 Adams Ave, Suite 280
Montgomery, AL 36104

Dear Mr. Wagstaff,

Listed below are the current members of the Alabama Licensing Board for General Contractors:

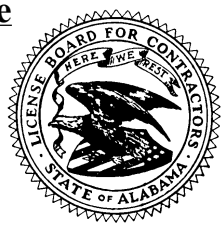
Board Member Name	City of Residence	Term Expires
Hon. Marc Dempsey	Florence, AL	12/31/2027
Hon. Mike Tew	Dauphin Island, AL	12/31/2028
Hon. Algernon Stanley	Huntsville, AL	12/31/2029
Hon. Michael Terrell	Auburn, AL	12/31/2026
Hon. Alex Whaley, II	Goshen, AL	12/31/30

Respectfully,

Tiffany Loveless
Executive Director

MARC DEMPSEY, *Chairman*, FLORENCE
MICHAEL B. TEW, *Vice Chairman*, MOBILE
AL STANLEY, *Secretary-Treasurer*, HUNTSVILLE
MICHAEL TERRELL, *Member*, OPELIKA
ALEX WHALEY II, *Member*, TROY

Appendix VII: Board's Response



ALABAMA LICENSING BOARD FOR GENERAL CONTRACTORS
(www.genconbd.alabama.gov)

TIFFANY LOVELESS
EXECUTIVE DIRECTOR

445 DEXTER AVENUE, SUITE 3060
MONTGOMERY, ALABAMA 36104

TELEPHONE NO. 334-272-5030
FAX NO. 334-395-5336

October 14, 2026

Response to Significant Issues and Matters of Concern
2026 Sunset Review

The Alabama Licensing Board for General Contractors appreciates the opportunity to respond to the significant issues and matters of concern identified by the Department of Examiners of Public Accounts.

During the review period, the Board experienced significant operational challenges, including extended medical absences of the Executive Director, employee retirements and resignations, and continued difficulties recruiting and retaining qualified personnel. These circumstances placed additional responsibilities on remaining staff and contributed to several of the issues identified during the examination.

While these challenges do not relieve the Board of its statutory and administrative responsibilities, they have highlighted the need to strengthen internal procedures and improve continuity of operations. The Board is undertaking a substantial restructuring of its office operations, including efforts to fill vacancies, redistribute responsibilities, cross-train employees, and establish backup personnel for essential functions. These changes are intended to improve accountability, reduce reliance on individual employees, and ensure critical operations continue during personnel absences or transitions.

The Board remains committed to addressing the identified deficiencies, strengthening internal controls, and maintaining compliance with applicable laws and requirements.

Significant Issues

Significant Issue 2026-001: Employment Eligibility Verification

The Board has corrected the identified deficiencies regarding employment eligibility verification and Form I-9 compliance. Personnel changes have also been made, and procedures have been adjusted to ensure that future verifications are completed within the required timeframes.

Significant Issue 2026-002: Retention Bonus Repayment

There was confusion regarding responsibility for collecting the repayment of the retention bonus, as it was initially understood that the State Personnel Department would handle the collection process. Once the outstanding balance was brought to the Board's attention, repayment was requested from the former employee. The former employee made the final payment which was deposited on October 8th.

Significant Issue 2026-003: Encumbrances, Accounts Payable, and General Fund Transfers

The inaccuracies identified in the calculation of encumbrances, accounts payable, and transfers to the State General Fund resulted from miscalculations made by the Executive Director. The necessary corrections and transfers have been completed. Board staff have worked with the Department of Examiners of Public Accounts to address these issues and will continue to do so to ensure compliance with applicable financial reporting requirements and statutory deadlines.

Significant Issue 2026-004: Alabama Commercial Energy Code Advisory Committee

Implementation of the Alabama Commercial Energy Code Advisory Committee has been delayed primarily due to staffing limitations and competing operational responsibilities during the review period.

The legislation establishing the committee assigned significant new administrative and organizational responsibilities to the Board beyond its existing licensing and enforcement duties. With the extended medical absences of the Executive Director and ongoing personnel shortages, the Board has not had sufficient staff capacity to implement these additional responsibilities within the anticipated timeframe.

The Board recognizes its statutory obligations and the importance of establishing the committee. As part of its ongoing restructuring efforts, the Board is evaluating how to allocate the personnel and administrative resources necessary to support the committee's organization and ongoing activities.

The Board remains committed to working toward implementation of the requirements established by Act 2024-443.

Significant Issue 2026-005: Administrative Rule Updates

The Board is currently reviewing and preparing amendments to its administrative rules, including the rules identified in the examination report, to reflect changes in statutory requirements. These amendments, along with other proposed rule updates, are scheduled for consideration at the Board's October 2026 meeting.

Significant Issue 2026-006: Notification of Board Vacancies

This was the first instance in which a Board member resigned before the expiration of their appointed term. As a result, the Board's existing procedures did not adequately address the notification requirements associated with a mid-term vacancy.

The Board has since updated its processes to ensure that future vacancies are reported to the Secretary of State's Office within the required timeframe.

Significant Issue 2026-007: Board Members' Oaths of Office

Prior to being notified of this issue in 2026, the Board had not been submitting members' oaths of office to the Alabama Secretary of State's Office. The Board recognizes this requirement and will incorporate verification and filing of the required oaths into its existing appointment and onboarding procedures.

Significant Issue 2026-008: Interagency Agreement with the Alabama Board of Electrical Contractors

During the period covered by the interagency agreement with the Alabama Board of Electrical Contractors (AECB), discussions occurred with the Board and Board Chairman regarding compensation for administrative services provided under the agreement.

Several circumstances affected the administration of the agreement, including extended medical absences of the Executive Director, which impacted the level and continuity of services the Board was able to provide. These circumstances ultimately contributed to AECB's decision to terminate the agreement prior to its scheduled expiration.

Based on these factors, it was determined through discussions with the Board and Chairman that the Board would not pursue additional compensation from AECB.

The Board recognizes the importance of formally documenting decisions involving interagency agreements, particularly when those decisions involve changes to payment arrangements or early termination. Moving forward, the Board will work to ensure that modifications, financial arrangements, and termination decisions are appropriately documented and reflected in its official records.

Matters of Concern from Questionnaires

Matter of Concern 2026-001: Unlicensed Out-of-State Contractors and Subcontractors

The challenges associated with unlicensed out-of-state contractors and subcontractors have been discussed at several Board meetings. In addition to its enforcement efforts, the Board has placed an emphasis on education and outreach to improve awareness of Alabama's licensing requirements.

Board staff actively participate in industry conferences, association meetings, and educational events, including lunch-and-learn sessions, to explain licensing requirements for general contractors and subcontractors. These efforts help contractors better understand their obligations before bidding on or performing work in Alabama.

The Board will continue working with industry organizations and other stakeholders to promote compliance and address unlicensed contracting activity.

Matter of Concern 2026-002: Penalties for Unlicensed Contracting

The need to review and potentially increase penalties for violations of Alabama's general contractor licensing laws has been discussed at several Board meetings.

The Board has drafted legislation in recent years to address this issue and will continue working through the legislative process to pursue appropriate changes to its enabling statutes. The Board remains committed to evaluating its enforcement authority and identifying legislative changes that would strengthen its ability to protect the public and promote compliance within the construction industry.

Status of Prior Matters of Concern

Prior Matter of Concern 2022-001: Availability of Skilled and Qualified Labor

The availability of skilled and qualified workers continues to be a significant challenge throughout the construction industry and across many other sectors, including state government.

Recruiting and retaining qualified individuals who are interested in long-term employment has become increasingly difficult, and the Board has experienced similar challenges within its own workforce.

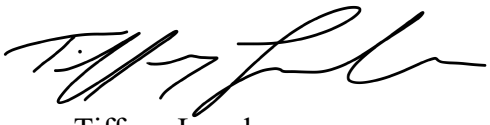
The Board recognizes the importance of supporting workforce development and will continue participating in outreach efforts with trade organizations, industry associations, and other stakeholders to promote careers in construction.

The Board has also drafted legislation that would establish a mechanism for providing funding to trade schools and two-year colleges offering construction-related education and training programs. The Board will continue working through the legislative process to pursue this initiative and other opportunities to support the development of a skilled construction workforce.

Closing

The Board appreciates the opportunity to provide these responses and remains committed to the effective administration of Alabama's general contractor licensing laws, responsible management of its resources, and continued improvement of its operations.

Respectfully submitted,



Tiffany Loveless
Executive Director