

1 SB294  
2 206254-1  
3 By Senator Whatley  
4 RFD: Governmental Affairs  
5 First Read: 10-MAR-20

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8 SYNOPSIS: Under existing law, state and local home  
9 building and home improving requirements do not  
10 apply to certain individuals, including the owner  
11 of a property who is acting as his or her own  
12 contractor and providing all material supervision  
13 himself or herself when building or improving a  
14 single-family or two-family residency on the  
15 property, so long as the home is not built to be  
16 offered for sale.

17 This bill would further provide for the  
18 exemptions from the state and local building  
19 requirements of individuals building or improving  
20 upon their own home when not offered for sale.

21 This bill would also mandate compliance with  
22 certain requirements by a person who builds or  
23 improves his or her home under the owner-builder  
24 exemption before the person may enter into a  
25 contract for the sale of the home to a potential  
26 purchaser.

1 A BILL  
2 TO BE ENTITLED  
3 AN ACT  
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5 Relating to home building; to provide further  
6 exemptions for a person who builds or improves his or her own  
7 home; to provide certain requirements for the sale of a home  
8 built or improved pursuant to the exemption.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. (a) An owner of property, when acting as  
11 his or her own contractor and providing all material  
12 supervision himself or herself, when building or altering,  
13 repairing, or making improvements to a one-family or  
14 two-family residence on the owner's property for the occupancy  
15 or use of the owner and not to be offered for sale, as  
16 provided under Section 34-14A-6, Code of Alabama 1975, is  
17 exempt from all of the following:

18 (1) Any building permit requirement, including an  
19 owner/builder permit requirement.

20 (2) Any otherwise applicable state or local building  
21 codes.

22 (3) Any requirement under Chapter 8, Chapter 14A,  
23 Chapter 31, Chapter 36, or Chapter 37 of Title 34, Code of  
24 Alabama 1975.

25 (4) Any rule adopted by the State Licensing Board  
26 for General Contractors, the Home Builders Licensure Board,  
27 the Board of Heating, Air Conditioning, and Refrigeration

1 Contractors, the Board of Electrical Contractors, and the  
2 Plumbers and Gas Fitters Examining Board.

3 (4) Any state or local inspection requirements.

4 (5) Any state or local inspection fee requirements.

5 (6) Any workers' compensation insurance  
6 requirements.

7 (7) Any state or local permit requirements.

8 (8) Any certificate of occupancy requirements.

9 (9) Any rule of the Division of Construction  
10 Management of the Department of Finance.

11 (b) (1) The exemptions under subsection (a) do not  
12 apply if, during the process of building, the owner elects not  
13 to own or occupy the home when the home is completed.

14 (2) A home is deemed to be built to be offered for  
15 sale if the home is sold or offered for sale within one year  
16 of completion of any construction performed under this  
17 section.

18 (c) Any subcontractor hired by an owner of property  
19 operating under this section is required to obtain all  
20 required licenses and permits for any work done by the  
21 subcontractor.

22 (d) Prior to signing a contract for the sale of a  
23 home built, altered, repaired, or improved pursuant to any  
24 exemption under this section, the owner of the home shall do  
25 all of the following:

26 (1) Ensure the home complies with all local building  
27 codes and requirements.

1                   (2) Ensure the home has been inspected in accordance  
2 with the Standards of Practice adopted by the Division of  
3 Construction Management of the Department of Finance pursuant  
4 to Chapter 355-18-1 of the Alabama Administrative Code.

5                   (3) Obtain a certificate of occupancy by the  
6 appropriate building official.

7                   (4) Provide a notice in writing to the potential  
8 purchaser that the home was built, altered, repaired, or  
9 improved pursuant to this section.

10                  Section 2. This act shall become effective on the  
11 first day of the third month following its passage and  
12 approval by the Governor, or its otherwise becoming law.