

**230-X-1-.42****Inactive License.**

1. A Prime General Contractor must notify the Board in writing at least thirty (30) days prior to the expiration of its license that it is transitioning to an Inactive License.
2. A Prime General Contractor may renew its Inactive License annually by its assigned date for renewal for a fee of two hundred dollars (\$200). Failure to renew by the assigned date will require that the applicant reapply to the Board for a new active license, as there will be no extensions. There is no requirement to file a Confidential Financial Statement, a copy of liability insurance or any information from the Secretary of State upon timely renewal of, or transition to, an Inactive License.
3. Within four (4) years from the transition to an Inactive License, a Prime General Contractor may reactivate its license to active status administratively by timely filing with the Board all of the documentation required for the renewal of active licenses. Reinstatement of an active license after more than four (4) years from the transition to an Inactive License requires Board review of the application for reactivation during a regularly scheduled Board meeting.
4. The Inactive License allows the licensee to keep its current number; however, a letter or letters before the number shall denote inactive status.
5. The holder of an Inactive License shall not engage in any improvement to the real property of another where the cost of the undertaking is fifty thousand dollars \$50,000 or more.
6. A Prime General Contractor with an Inactive License may bid on private projects; however, a Confidential Financial Statement Booklet would have to be filed before the bid to establish a bid limit. An active license must be obtained prior to beginning work on the project. An inactive license cannot be used to bid on projects which are subject to Title 39 of the Alabama Code.
7. The Board will provide a transitional period for former licensees that maintained a prime general contractors license until sometime between August 1, 2009 and March 31, 2012 to obtain an Inactive License.

**Author:** Joseph C. Rogers, Jr., Arden Reed Pathak

**Statutory Authority:** Code of Ala. 1975, §34-8-2.

**History: New Rule:** Filed July 22, 2011; effective August 26, 2011.

**Amended:** Filed November 18, 2011; Effective December 23, 2011