

Key Points:

- *Presently, oversight of handyman and homebuilder businesses in Vermont is solely business registration through the Vermont Secretary of State and through the Home Improvement Fraud Registry maintained by the Vermont Attorney General.*
- *Homeowners have no reliable method for evaluating the knowledge or training of individuals in the home improvement/homebuilding category and face difficulty finding recourse after defects are found in residential construction.*
- *The Vermont Attorney General has compiled 600+ homeowner complaints totaling over \$1 million in the last eight years.*
- *The Vermont Attorney General has asked the Office of Professional Regulation to conduct a sunrise review of the Vermont home improvement and construction industry to determine if there is real harm to the public.*
- *The sunrise report was published Jan. 2018 and can be found [here](#).*
- *To better protect homeowners, 25 of 50 states require homebuilders to be licensed; several other states require some forms of registration and/or certification.*

Registration, Certification and/or Licensure of Home Improvement Contractors

While carefully written contracts and full insurance coverage are standard in Vermont's commercial construction industry, such protection in the single family home improvement and building arena is spotty at best. Single-family homeowners are thus at risk for harm, sometimes years after a construction project is complete. AIAVT joins other professional organizations, including HBRA-VT, to urge the State of Vermont to regulate home improvement and construction contractors. This brief is focused on smaller entities, not the larger ones that do have appropriate contracts and insurances.

Action Sought

AIAVT urges the Legislature to enact a statute that would provide oversight of the residential construction professions by the Vermont Secretary of State. We support a tiered system (see definitions of tiers below), with simple registration for handymen and certification in specialties (e.g., electrical work, lead/asbestos abatement, and energy-efficiency retrofits) for those undertaking more significant projects. We further support increased education for homeowners.

Explanation and Justification

AIAVT members have witnessed and remediated collapsed basement slabs, undersized foundations, poorly flashed windows, and other residential construction defects that have caused substantial harm to homeowners. These defects are sometimes discovered years after completion, for instance when a house is sold or renovated. One contributing factor is unclear requirements for single family home construction in most of Vermont. Another factor is the lack of knowledge among homeowners about the wisdom of having defensible contracts and asking for contractors' proof of necessary insurance. While these are substantial concerns, the largest issue standing in the way of homeowner protection in Vermont is that there is no reliable way for consumers to determine if a particular individual has a solid reputation and is educated and up-to-date in relevant project requirements and specialties. Further, without the need to demonstrate proof of knowledge, there is little incentive for homebuilders to obtain training regarding framing, insulation, ventilation, and other critical building categories and systems. Though there is one certification and database in Vermont that is relevant to home renovators and builders—administered by Efficiency Vermont—it covers training only as applies to energy efficiency-related services.

Definitions

1. **Handyman Services**—minor nonstructural, nonelectrical, nonmechanical work, usually for projects costing less than \$5,000.
2. **Home Improvement**—the addition to or alteration, conversion, improvement, modernization, remodeling, repair, or replacement of a building or part of a building that is used or designed to be used as a residence and involves one or more building systems: foundation, structure, envelope (i.e., roof, windows/doors, and exterior walls), mechanical, electrical, or plumbing.
3. **Home Construction**—the erection of a new building intended for use as a single family home.
4. **Contractor Services**—contractual agreement to provide materials and or labor to perform a service or do a job.