

**From:** Eichler, Stefanie  
**Sent:** Wednesday, March 10, 2021 11:51 AM  
**To:** Hibbert, S. Lauren  
**Subject:** RE: H.157 in House General

Hi Lauren,

Thank you very much for your insights. Thank you for having me join the call to discuss the insurance terms.

Here are just some insurance perspectives and thoughts I'd share with everyone. (See in red)

(5) work on a structure that is not attached to a residential building; (Does this mean if a contractor is hired to build a garage that is not attached to a residential home on private land would be exempt?)

Lauren: When the Office of Professional Regulation reviewed the data from the AGOs office in our sunrise report it was clear that most of the complaints came from work done on people's primary homes. Also, work left half done on a residence can cause more significant harm. For that reason, we limited registration as a requirement only if you engage on work on a person's residential building. Of course, someone who is a home builder who contracts to build a free-standing garage would already be required to be registered. If you are only a barn builder, then you would not need to get registered until you contracted to complete work on a residence that met the threshold monetary requirement. If you would like to read the sunrise report it can be found here: <https://sos.vermont.gov/media/iehdlpkz/contractors-sunrise-report-2018-1-1.pdf>

Stefanie: I understand and that makes sense that the focus is around the primary home and homeowners being displaced due to construction defects. From an insurance perspective: A homeowners policy covers a "detached" garage, barn or shed on the same policy as the home and liability extends for the homeowner for their entire property. Liability and workers comp would be a concern when stepping foot onto a homeowners property. It isn't just the home, but the entire property is covered under the personal liability of the homeowner. As mentioned yesterday, anyone in business should have insurance as it is simply the cost of doing business. Of course, it's the homeowners responsibility to be aware of who they are hiring and to ask for insurance. Typically, any home contractor or barn builder will have insurance since they can only get so far without it. Then also comes the topic of new construction for a detached building would still require a builders risk policy as well for coverage. Usually when all the proper insurance pieces are in place, it makes a claim less problematic in the event of construction defect that causes a larger issue/claim. I wanted to share the insurance perspective from a liability and works comp standpoint with anyone doing any work on a property.

(6) work that would otherwise require registration that a person performs in response to an emergency, provided the person applies for registration within a reasonable time after performing the work. (Do you know what prompted this exclusion? I know emergency work could be defined in various ways and was curious to the purpose of this exclusion. Those contractors I know performing emergency work are very specific in their trade.)

The intent of this section is to allow for an influx of contractors in the event of an emergency like Irene. We don't want to put governmental barriers up to necessary help when there is an active emergency.

**Stefanie:** Thank you for the clarification as to what is meant by emergency. I was thinking more about a homeowner emergency situations such as a house fire, severe water damage, etc. This will usually require a company approved by the insurance carrier for remediation purposes.

Best,

Stef

**To follow NFP updates on COVID-19 | Coronavirus – click here:** [NFP Latest-insights Coronavirus Update](#)

**Stefanie Eichler, CRIS, CLCS**

Senior Advisor  
NFP.com



*Please note that coverage cannot be bound, changed or cancelled via our email or voicemail systems. This communication, including attachments, is confidential, may be subject to legal privileges, and is intended for the sole use of the addressee. Any use, duplication, disclosure or dissemination of this communication, other than by the addressee, is prohibited. If you have received this communication in error, please notify the sender immediately and delete or destroy this communication and all copies.*

**From:** Hibbert, S. Lauren  
**Sent:** Saturday, March 6, 2021 5:43 PM  
**To:** Eichler, Stefanie  
**Subject:** RE: H.157 in House General

---

Hello Ms. Eichler,

I am the Director of the Office of Professional Regulation and I helped draft the proposed legislation. Your questions were forward to me. I answered them below in green.

Thank you and I am happy to address any other questions.

Lauren

---

**From:** Ron Wild <[RWild@leg.state.vt.us](mailto:RWild@leg.state.vt.us)>  
**Sent:** Friday, February 26, 2021 3:38 PM  
**To:** Hibbert, S. Lauren  
**Cc:** Tom Stevens  
**Subject:** RE: H.157 in House General

Hi Lauren,

Can you take a look at the questions raised by our upcoming witness regarding exemptions?

Please cc Rep Stevens with your response.

Thank you,  
Ron

**From:** Eichler, Stefanie <[Stefanie.Eichler@nfp.com](mailto:Stefanie.Eichler@nfp.com)>  
**Sent:** Friday, February 26, 2021 3:12 PM  
**To:** Ron Wild <[RWild@leg.state.vt.us](mailto:RWild@leg.state.vt.us)>  
**Subject:** RE: [External] RE: H.157 in House General

Hi Ron,

Perfect, I can do that. I will definitely have some information to share as to the appropriate insurance and levels of insurance for this segment.

Could you clarify the following for me under exemptions? It would be great to have your insights, to better understand the purpose or background of the exemptions:

(5) work on a structure that is not attached to a residential building; (Does this mean if a contractor is hired to build a garage that is not attached to a residential home on private land would be exempt?)

When the Office of Professional Regulation reviewed the data from the AGOs office in our sunrise report it was clear that most of the complaints came from work done on people's primary homes. Also, work left half done on a residence can cause more significant harm. For that reason, we limited registration as a requirement only if you engage on work on a person's residential building. Of course, someone who is a home builder who contracts to build a free-standing garage would already be required to be registered. If you are only a barn builder, then you would not need to get registered until you contracted to complete work on a residence that met the threshold monetary requirement. If you would like to read the sunrise report it can be found

here: <https://sos.vermont.gov/media/iehdlpkz/contractors-sunrise-report-2018-1-1.pdf>

(6) work that would otherwise require registration that a person performs in response to an emergency, provided the person applies for registration within a reasonable time after performing the work. (Do you know what prompted this exclusion? I know emergency work could be defined in various ways and was curious to the purpose of this exclusion. Those contractors I know performing emergency work are very specific in their trade.)

The intent of this section is to allow for an influx of contractors in the event of an emergency like Irene. We don't want to put governmental barriers up to necessary help when there is an active emergency.

Thank you very much!

Stef

**To follow NFP updates on COVID-19 | Coronavirus – click here:** [NFP Latest-insights Coronavirus Update](#)

**Stefanie Eichler, CRIS, CLCS**

Senior Advisor

P: 802-521-1972 | C: 802-318-7548 | [Stefanie.eichler@nfp.com](mailto:Stefanie.eichler@nfp.com) | NFP.com



*Please note that coverage cannot be bound, changed or cancelled via our email or voicemail systems. This communication, including attachments, is confidential, may be subject to legal privileges, and is intended for the sole use of the addressee. Any use, duplication, disclosure or dissemination of this communication, other than by the addressee, is prohibited. If you have received this communication in error, please notify the sender immediately and delete or destroy this communication and all copies.*

**From:** Ron Wild <[RWild@leg.state.vt.us](mailto:RWild@leg.state.vt.us)>  
**Sent:** Friday, February 26, 2021 2:58 PM  
**To:** Eichler, Stefanie <[Stefanie.Eichler@nfp.com](mailto:Stefanie.Eichler@nfp.com)>  
**Subject:** RE: [External] RE: H.157 in House General

---

Hello again Stefanie,

I asked the Chair about specifics in your testimony.

Please review the bill (linked below) with an eye on what are the correct levels of insurance (pages 7 & 9 I think), Exemptions (page 4) and generally what's the correct insurance product for this segment?

Many thanks,  
Ron

<https://legislature.vermont.gov/Documents/2022/Docs/BILLS/H-0157/H-0157%20As%20Introduced.pdf>