

certain conditions are met, any owner whose contractor violates any provisions of the law, may receive payment for some or all of their damages from this fund. The responsible contractor must repay the fund for these payments, or else he risks suspension or revocation of his registration and administrative penalties and fines.

WHAT ARE THE PENALTIES IF A REGISTRANT VIOLATES REQUIREMENTS OF THE LAW AND REGULATIONS?

The law provides for penalties against contractors who violate any of the provisions of the Act, so be sure to read the Regulations. These penalties include:

- Director may suspend or revoke a registration or assess an administrative penalty up to \$2,000 for violations of this chapter.
- Attorney General or District Attorney may bring action for fines up to \$5,000 or imprisonment up to two years for certain violations of this Act, in addition to administrative penalties.

WHAT ARE SOME OF THE KEY PROVISIONS?

- Any contract with an owner above \$1,000 must be in writing and contain certain provisions specified in the law.
- Contractors/subcontractors cannot act as mortgage brokers or represent lenders.
- Building permits, contracts, and advertising for residential contracting must contain the registration number of the contractor.
- Contractor/subcontractor is responsible for conduct of employees, salespersons, & subcontractors within the scope of their contract with the owner.
- All Building Permits shall clearly state that persons contracting with unregistered contractors do not have access to the guaranty fund.

- Provisions can be made in the contract for contractors to use alternative dispute resolution through any private arbitration service approved by the Secretary of Consumer Affairs and Business Regulations.

- Action to enforce provisions of this chapter or to seek damages can be brought in the superior court, the district court, or the small claims court.

WHAT ARE OWNERS' RESPONSIBILITIES?

- Owners not using registered contractors or obtaining their own permits cannot receive payment from the guaranty fund.
- Owner must have a court or arbitrator judgment and have made diligent efforts to collect damages before he can make a claim against the guaranty fund,
- Maximum award from the Fund of the lesser of actual damages or \$10,000 for any one job, and up to \$75,000 against any one contractor.
- Owners must have a written contract for work over \$1,000.

For complete details see:

Chapter 453, Acts of 1991 (Added c 142A to Mass. General Laws)

780CMR-6; Home Improvement Contractor Registration and Enforcement Regulations; Board of Building Regulations and Standards.

201CMR14.00; Home Improvement Contractor Arbitration; Department of Consumer Affairs and Business Regulations.

201CMR15.00; Home Improvement Contractor Guaranty Fund; Department of Consumer Affairs and Business Regulations.

A CONTRACTOR'S GUIDE

to registering under the

HOME IMPROVEMENT CONTRACTOR

LAW

Chapter 453, Acts of 1991

MGL c 142A

780 CMR - 6

The law is effective for all work commenced on or after July 1, 1992

Contractor Registration Applications will be accepted starting the month of June, 1992

HOME IMPROVEMENT CONTRACTOR REGISTRATION

One Ashburton Place - Room 1301
Boston, MA 02108
(617) 727-8598

WHO MUST REGISTER?

All persons, individuals, proprietorships, partnerships, corporations, who solicit, bid on, or perform residential contracting as a contractor or subcontractor on an existing one to four-unit owner-occupied residential building.

WHO IS EXEMPT FROM REGISTRATION?

- workers who work for contractors or subcontractors for a wage;
- in general, all licensed professionals or tradesmen who take an exam as a condition of their licensure, when they are working within the scope of their license, such as architects, electricians, plumbers (except construction supervisors);
- the Commonwealth or its subdivisions;
- schools offering voc-ed courses or training in home construction or improvements;
- owners doing their own renovations;
- persons who perform work on any bona-fide single job costing \$1,000 or under;
- part time contractors or subcontractors whose gross revenue was less than \$5,000 in the previous 12 months;
- persons enrolled as full-time students for last and next academic term, and 2/3 of whose employees are so enrolled, and whose gross revenue is anticipated to be or has been under \$5,000;
- persons who install central heating, A/C systems, energy conservation devices, provide conservation services on behalf of a public utility, landscaping, interior painting, paper hanging, finished floor covering, tile, fencing, freestanding masonry walls, above-ground swimming pools, shutters, awnings, patios, driveways.

WHAT IS THE RENEWAL PERIOD?

Every two years.

WHAT WORK IS COVERED?

Residential contracting is defined as "the reconstruction, alteration, renovation, repair, modernization, conversion, improvement, removal, demolition, or construction of an addition to any pre-existing owner-occupied building containing at least one but not more than four dwelling units, which building or portion thereof is used or designed to be used as a residence or dwelling unit, or to structures which are adjacent to such residence or building."

DO I NEED A WRITTEN CONTRACT?

All agreements with owners for work costing over \$1,000 must have a written contract. The contract must contain certain provisions detailed in 780CMR-6.

WHAT ARE THE FEES?

Two money orders or certified checks must accompany your application:

A registration fee in the amount of \$100. Licensed Construction Supervisors in good standing who register are exempt from only the registration fee upon presentation of documentation that their license fee has been paid and their license is in good standing.

A contribution to the Guaranty Fund. This is a one-time contribution (unless the fund runs low, and all registrants are assessed). The amount of the contribution is based upon the registrant's number of construction-related employees who worked 20 hours or more in the weekly pay period prior to the date of application, as follows:

Zero to 3 employees	\$ 100
4 to 10 employees	200
11 to 30 employees	300
More than 30	500

WHEN CAN I FILE AN APPLICATION?

Applications will be accepted after June 1, 1992.

WHERE DO I GET APPLICATION FORMS?

Your local building department and some construction material suppliers and lumber yard should have application forms. Check there first. Otherwise, call (617) 727-8598; One Ashburton Place, Room 1301, Boston, MA 02108.

WHERE DO I SEND THE APPLICATION FORMS AND CHECK(S)?

Send all application material to:

Director

Home Improvement Contractor Registration
One Ashburton Place - Room 1301
Boston, MA 02108

WHERE DO I GET ANSWERS TO QUESTIONS ABOUT THE LAW AND REGULATIONS?

About contractor registration:

- Your homebuilder and contractor's association may be able to answer your questions.
- You should get a copy of the registration regulations - 780CMR-6; these will be available after June 5, 1992 from the State House Bookstore, Room 116, State House, Boston, MA 02133. (617) 727-2834. The cost is \$1.25; plus \$1.00 for postage.
- Your local Building Official.
- If all else fails, call Home Improvement Contractor Registration (617) 727-8598.

About the Arbitration Program & Guaranty Fund

Call the Department of Consumer Affairs and Business Regulations - (617) 727-7780.

WHAT IS THE GUARANTY FUND?

It is a fund maintained by the Commonwealth, supported by registrant contributions. After