

SA13-18

HB5149

General Law	280-290, 405-407, 440-442, 458-497, 520, 527-530A, 531-534, 556-579	91
House	3180-3208	29
Senate	4942-4957, 5043-5044	18
		138

**JOINT
STANDING
COMMITTEE
HEARINGS**

**GENERAL
LAW
PART 2
270 - 579**

2013

James Maroney, Representative Joe Serra.

Representative Rose.

REP. ROSE: Good afternoon, Senator Doyle, Representative Baram, members of the General Law Committee. Thank you for raising this bill to a public hearing and for allowing my testimony in support of House Bill 5149. In order for me to buy or sell my home, I turn to a professional real estate agent. That person has attended 60 hours of classroom instruction and passed a competency test. How is it possible that when I look to hire a contractor to either do a remodeling job, an addition or even build me a new home, our state does not require them to have any kind of proof of skills, training or instructions.

As our law stands now, any of us in this room can send up \$220 to the DCP and become a registered contractor. As a homeowner, when I hire a registered contractor, I have some sense of security in their professionalism and abilities. This is simply just not the case. However, if I hire an electric ion, plumber HVAC contractor, they are required to have an extensive series of licensing requirements such as progression in their licenses as well as continuing education requirements. If I hire that same home improvement contractor, they need no experience, training or education.

H.B. 5149 will require any contractor that is not held in HIC registration for the past five consecutive years to take a prep class in order to pass a competency exam. This test will include content such as current code, contract writing and how to bid a job. This bill will help new businesses learn the law and codes as well as protecting them when it comes to using proper contracts, how to bid competitively and

how to do a bid. As building codes change, the CEU classes, which would be 12 hours per year will enforce that knowledge and ensure that all contractors are aware of what the current state building codes are.

In addition, the DCP will upon registration require proof of insurance as well as running a background check. Some will oppose this bill. They feel that the consumer is the one that needs the education. How will the DCP possibly sit down every consumer and educate them on what the laws and regulations for the state of Connecticut are? The very reason we hire a home improvement contractor, a professionally licensed contractor is that we put our trust and guidance in their expertise. The onus is on the contractor to conduct himself in a professional and well-informed manner. If I go to a surgeon, I'm expecting that he or she has the knowledge and expertise to treatment. Why would I not expect that from my home improvement contractor.

Others will say we need to enforce existing laws. The only safety net we have for the homeowner is the guarantee fund. The homeowner after having to go to civil litigation at their expense, once they win their case, they can turn to our guarantee fund. The damage cap is 15 -- oh boy -- is \$15,000. According to OLR, we are receiving approximately 307 complaints each year and when the fund is paid out, over \$2.3 million. I expect that the true overall number is easily in the tens of millions of dollars since there are thousands of cases being litigated throughout the state of Connecticut as we speak.

I'll skip some of my testimony here.

We've all seen the Money Pit with Tom Hanks and

as a contractor comes up with countless excuses for why a job is taking so long or they need to remove a staircase or rip apart a yard, we all laugh at this comedy, but it's very real and it's a possible scenario. We assume that these individuals know what they're doing, but only requiring a small fee there is no guarantee that assures us that they have any form of proficiency. Homeowners in our state deserve better. As legislators, we are charged with protected the health and safety of our constituents. The way we currently register contractors, we are failing those homeowners all across the state of Connecticut. The time is now to bring this industry into a level professionalism while truly protecting our consumers.

For years we have served an injustice not to the consumer but to the trade in general, it's time for the state to expect more for our consumers and to help those who are starting in the business. Thank you. And I'll be happy to answer any questions.

SENATOR DOYLE: Thank you, Representative Rose.

Any questions?

Representative Altobello.

REP. ALTOBELLO: Thank you, Mr. Chairman.

Good afternoon, madam. At one point in your testimony, you were talking about requiring a background check. What type of background are you talking about?

REP. ROSE: It can be a background check that's commonly done through the state of Connecticut police department. Quite often, contractors are going into homes where women and children

are there. We -- they could be convicted felons, rapists that we're allowing into our homes to conduct work.

REP. ALTOBELLO: Well, I think that's somewhat of a general statement, but -- and if the background check were negative, then --

REP. ROSE: They would be denied a license.

REP. ALTOBELLO: They would be denied a license. So that's -- thank you. Thank you very much.

Thank you, Mr. Chairman.

SENATOR DOYLE: Thank you.

Any further questions?

Representative Carter.

REP. CARTER: Thank you very much, Mr. Chairman.

And thank you, Representative, for your testimony. As the law stands now, we send the \$220 fee to the Department of Consumer Protection. Are there any requirements at all besides filling out forms or is there any requirement to be a contractor at all? Just to pay the fee?

REP. ROSE: Basically, no. You and I can go into business tomorrow together.

REP. CARTER: Okay. How many CEU credits -- or do you with respect to like HVAC contractors do they go through a year?

REP. ROSE: To be honest with you, I don't know if it goes according to the -- how many -- if they're a journeyman -- because there are so many levels of licensing. I know the building

officials, plumbing, electrical, all of the inspectors -- building inspectors are required to take classes. We offer about 100 classes a year right now through the state of Connecticut and there is about 6700 people who attend those classes annually.

REP. CARTER: I noticed you're asking for 12 hours per year. What was that based on? Was that based on another career field or -- why twelve?

REP. ROSE: That was based on recommendations from the National Association of Remodeling Contractors.

REP. CARTER: Okay. Thank you very much for your time.

Thank you, Mr. Chairman.

REP. AMAN: Yes, Hi. A matter -- for full disclosure, I'm a homebuilder and a licensed builder so just so I know where my questions are coming from. You say you want to license the remodeling contractor. Who would you be licensing?

REP. ROSE: This is the beginning steps of the bill. It would be the same people that are -- that are licensed now, home improvement contractor.

REP. AMAN: So if a home improvement contractor, one of the major outfits out of the California who has branches here in Connecticut, would you be licensing the CEO in California or would you be licensing the people that are coming to your home?

REP. ROSE: You would be licensing the same person that's getting licensed now.

REP. AMAN: So they license -- the person holding

7
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

the license would not necessarily be the person doing the work on your home?

REP. ROSE: The person holding the license would be the one that's ultimately responsible for the work on your home.

REP. AMAN: Okay. And would the person who is ultimately responsible have to have a knowledge of construction?

REP. ROSE: Yes.

REP. AMAN: So if you have some of the -- for instance, Home Depot does a lot of remodeling. From what you said, the CEO of Home Depot would have to be the licensed contractor, and therefore, the CEO of Home Depot would have to have an intimate knowledge of contracting.

REP. ROSE: It was my understanding that Home Depot subs out their work so it would be their subcontractors who would normally have to be licensed anyway.

REP. AMAN: So you would have each of the subcontractors licensed but anybody that worked directly for Home Depot wouldn't. I don't want to put you on the spot on it. It's the -- I just want the committee to understand the problem that you have when you start talking about licensing contractors and one of the biggest ones is who do you actually license. I would much rather see on my homes that I'm building that the job superintendent be licensed rather than Bank of America who is running the job because they took over the foreclosed property. The other problem that I have with licensing contractors is people talk about the construction background, and unfortunately, especially for remodelers, it is not a science. It is definitely an art because

every time you start tearing a house apart and doing things, there is no cookie cutter approach where you can say this what you do.

It's much easier for me building a new home than it is for me when I'm involved in remodeling in that on a new home, I'm starting from scratch, and yes, I can follow a steady procedure and try to because it's the efficient of running of a business. The other problem that I see is the vast majority of subcontractors who have run into trouble and caused a homeowner's trouble -- and I am consumer protection will back me up on this even though I haven't asked them -- is that it's the financial side of the business that puts them under. They know how to put on a roof beautifully. They know how to tear off the shingles, put on news ones, do the flashing, do the under -- all that work they know how to do, they haven't got a clue on how to price a job including especially the soft costs.

And the vast majority of the time when you talk to contractors or homeowners that got into trouble, it's not the quality of work. It's the fact that the contractor ran out of money halfway through the job because they unbid it. And of course, the homeowner is sitting there delighted because they got the best possible price for the job that they have. So I would look a the final language on this, but I -- I have some very practical problems of who do you license and what do you test them on to be able to serve this point. And I'd also the committee to look at the Florida experiment with licensing all the remodelers, contractors. Florida probably has the, from what I have heard and seen, the most stringent contracting licensing requirements and probably the worst record as fair as shoddy workmanship goes

anywhere in the country.

Because one of the results that they found is the better builders, better contractors are saying I'm just not going to work there or I'm not going to do it and so what you end up having is people are contracting with people who don't have licenses, they say I don't have a license so I can't pull a building permit so you don't even get the building department out to look at a project. And we have the same problem in some of our cities here that a lot of the reputable contractors are saying I'm not going to work in the center city, it's just not worth the hassles that I get involved in so therefore who is left is exactly the person you don't want to have doing the work. So I will look at the language of the bill, but I have a lot of reservations about it.

REP. ROSE: Thank you. I appreciate your comments.

SENATOR DOYLE: Any other questions?

Representative Esposito.

REP. ESPOSITO: Good afternoon. How are you? The bill states that the remodeling contractor, yet, throughout your testimony you say that when electricians and plumbers and HVAC come in, they're licensed, but they're working for the remodeler so they are licensed. So who are we trying to license? The owner of the companies because most of the trades when they come in are going to have a license anyway so that part is covered so I don't quite understand what the extent the -- I mean, what the licensing requirement that you're looking to get, who does it apply it.

If Bill owns the company but he doesn't go out in the field and work, does he have to have the

license for the electricians and plumbers or the plumbers and electricians are already licensed so they're going to be able to work for him. So where would your licensing come in? Who would have to have the knowledge?

REP. ROSE: This bill -- thank you for your question. This bill is not changing any one entity of who is getting licensed and who -- it's very confusing. Who is registered now would -- the registration would become a license so whoever is the home improvement contractor who holds the home improvement contractor's registration, it would now be converted to a home improvement contractor's license. Your subcontractors, such as your electrician, plumbing, heating, that doesn't change. That industry is already well regulated as far as the training that they go through, the continuing education classes, the different varying steps of grades for their licensing requirements.

REP. ESPOSITO: Which goes to my point then, what is the license for? Just a home remodeler himself who is going to be writing the contract?

REP. ROSE: It's a reg -- right now they're registered. Our contractors are registered with the state of Connecticut. This is changing to licensing where they have to some -- they have to go through -- pass the competency test to show some working basic knowledge of building code. As Representative Aman said, not -- a lot of remodeling jobs aren't cookie cutter jobs, but they're still building codes that drive how that job has to be completed. You can't cut a main beam in the house without doing the proper reinforcement, yet, I'm sure testimony this afternoon will prove, this happens over and over again.

REP. ESPOSITO: Okay. But even after they pull the permits, there is still an inspection process where the town official comes out to inspect that there is compliance with the electrical and the insulation and the plumbing and the general, overall construction. I mean, in the enforcement of the building officials that aren't doing the inspections or there is shoddy workmanship that's slipping through the cracks so this -- this is another layer of questioning I guess that we have address in this bill.

REP. ROSE: That's an excellent, excellent point. I happen to work for the City of Bridgeport Building Department. I've been there for over 15 years. We take in hundreds of building permits a year. Unless the contractor or the homeowner actually calls our office to schedule an appointment for an inspection, we don't just randomly go out and inspect jobs. It would be impossible. We don't have the staff.

So many, many times, somebody will come in and pull out of an edition and never call our office and it's not until the time of when they go to sell their house that they bank discovers there was an addition and there is no permit on that addition. Now, we've got to backtrack and get out, sometimes ask them to tear walls down so we can check the electrical and plumbing. So if they're not proactive in calling the building departments to schedule inspections, many, many of these jobs are going uninspected, and that's if they pull a permit.

REP. ESPOSITO: I'm trying not to be argumentative. But I mean, then -- having done some home remodeling through buying homes, we were inspected regularly as we progressed in the completion of the renovation and whether we called or didn't call, we didn't get the final CO and we couldn't even occupy the house until

we had the final CO for it. So at this point in time, it sounds more of an enforcement action than it is for anything else. So if they're not getting out there to inspect and the builder is not calling for the inspection, I don't know whether the onus falls on the town or the builder to have the inspection done, but in your case, where you said there is hundreds of permits being pulling, maybe it's a staffing problem that your town should look at.

REP. ROSE: It's a huge staffing problem in all the towns, and unfortunately, that's not going to solve the issue that these homeowners have when they have work done to their homes and it's done incorrectly and they're left with leaking roofs and walls that are falling down and the contractor has taken off without any remedy of the situation.

SENATOR DOYLE: Any other first-time questions?
Second question? Representative Carter?

REP. ROSE: Thank you very much.

SENATOR DOYLE: Thank you. The next speaker is Representative Betsy Ritter then Senator Meyer, Representative James Maroney, Representative Joe Serra.

Good afternoon, Representative Ritter.

REP. RITTER: Good afternoon, Senator Doyle, Representative Baram and I guess I'll say gentleman of the committee. I understand that not all of your members are here. I am here to support House Bill 5345, AN ACT CONCERNING HOMEMAKER COMPANION AGENCIES AND CONSUMER PROTECTION. And I want to thank you very much for agreeing to hear this bill proposal.

My concern for this need for these increased

Thank you.

SENATOR DOYLE: Thank you.

Any questions from the committee?

Seeing none, thank you very much.

DAVID EDWARD BAUER: Thank you, sir.

SENATOR DOYLE: Next speaker is Ken Carney. I guess he's coming up with Scott Ferguson together for the three minutes. And then we have Tyler and some people and then Richard Beyer, Robert Heffernan, Raphie Podolsky, Ben Zimmer, Brian Johnson.

SCOTT FERGUSON: Good afternoon. My name is Scott Ferguson. I'm here on behalf of Ken Carney who is in Florida on vacation with his family. Baybrook Remodelers specializes in residential additions, kitchens, bathrooms, decks, siding, roofing, windows and general remodeling. Ken employs 42 tradesmen and supports eight primary subcontractors. He started his company as Baybrook Remodelers in 1992 at the age of 22.

Ninety-five percent of the work is referral based. He has been able to provide a retirement plan and health benefits to his employees. He has never missed a payroll and his company continues to grow each year. He does not have the skills that my tradespeople people have.

And I'm going to continue reading exactly his words instead of -- okay.

But I do have a very good business sense and I am able to make sure that the contracts and rules are followed and enforced. I have been

HB5149

able to build my business by providing excellent customer service and by providing my employees with a great living and work environment.

If licensing the individual trades were a law in 1992 I would not be in business today. If H.B. 5149 passes I am pretty sure that I will be forced out of business.

It has been my experience that the public is best served by home improvement contractor that provides multiple people with different skills. Baybrook Remodelers employees estimators, salespeople, a project manager and tradesmen.

Most of the issues concerning the home improvement industry in Connecticut are the result of poor business practices, not shoddy workmanship. The home improvement industry needs more people who specialize in running a business. A trade licensing law will keep people like me out of the home improvement business.

The supporters of H.B. 5149 claim that licensing the trades will allow more people to start out in business and will provide protection to the public. The supporters of H.B. 5149 have not considered the fact that most complaints in our industry are the result of poor business practices. Testing and licensing a contractor will not make him a better businessperson. The public will suffer if all businesspeople are kept out of the contracting business as a result of H.B. 5149.

The supporters have not considered that not all tradespeople want to be in their own business. Working in a particular trade eight hours a day is far more attractive to most of them running -- than running a home improvement

129
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

business. Most contractors cannot effectively estimate jobs, sell jobs, pull permits, order materials, follow all the state and federal rules and work in the field all day.

The supporters of H.B. 5149 have not considered the tradespeople who do not speak English or the people who simply do not do well with testing and paperwork. These people will not attempt to be licensed and the pool of available quality tradespeople will shrink. Some people claim that the licensing works; just look at the numbers of plumbers, electricians and HVAC trades.

And finally, if H.B. 5149 passes it will have unintended consequences that will hurt the public, increase the price of labor, alienate a percentage of existing contractors and terminate the businesses of some contractors -- who bar everyone from the contracting business who does not have the skill to work in the field. From Ken Carney, Baybrook Remodelers.

SENATOR DOYLE: Thank you.

Any questions from the committee? Thank you very much for your patience today.

And the next speaker is Tyler Fiske. Is Tyler Fiske here?

So we've got three people coming up, so hopefully they'll consolidate their comments.

After this group we have Richard Beyer, Robert Heffernan, Rafie Podolsky, Ben Zimmer, Brian Johnson, Peter Foote.

RICHARD DUNCAN: Good afternoon. Yes, Chairman Baram, Chairman Doyle and members of the General Law Committee, for the record my name

HB5908

162
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

Seeing none, thank you very much.

PETER FOOTE: A good public speaker. Aren't I?

SENATOR DOYLE: Yes. Brief. Brief. We like that.

Bill Ethier, Tim Phelan, Kevin Pimentel,
Abner Burgos.

Is Billy here? Bill.

WILLIAM H. ETHIER: Thank you, Senator Doyle,
Representative Baram, members of the General
Law committee. My name is Bill Ethier. I'm
the Executive Director of the Homebuilders and
Remodelers Association of Connecticut. We have
about 900 member companies across the state
that employ tens of thousands of folks. And my
members build between 70 and 80 percent of all
the new housing in the state each and every
year and countless -- conduct countless home
remodeling projects.

SB 319
HB 5616

We're here in opposition to the contractor
licensing bills, 322 and 5149, with a basic
reason -- and I've submitted written testimony
that I hope you read -- that we believe it
would be unworkable for the enormous scope and
variety of the home improvement contractor
industry and it would not solve the issues that
most consumers complain about when they do
complain about contractors.

I've provided in my testimony some information,
background information on information that we
provide to consumers. We get a lot of calls in
our office looking for remodelers and builders.
The information that we provide to them on how
to choose a reputable contractor, information
about the voluntary certifications that we
offer, education so that some contractors can
set themselves apart from others in the

industry. And then also information about the huge scope of the industry, how many registered contractors, number of complaints and so forth.

Basically, though, a number of issues. With licensing this industry, we believe it could have the adverse effect of legitimizing the marginal contractor. It's not like an electrician's license or a plumber's license. So it would provide the public, we believe, a false sense of assurance of competence and professionalism.

But most importantly, if you dig into the records at DCP -- and we've done this and we've sat down with the enforcement people at the agency -- and the last time a couple years ago, but it would be the same issues -- the vast majority of complaints against home improvement contractors, the biggest category are workmanship issues. And there's another set of categories about just outright fraud, guys that take a deposit and walk away from the industry. We want them out of the industry as well, but no amount of testing and licensing is going to fix those issues.

There have been a number of also huge technical issues that haven't been answered yet, issues such as, you know, exactly what's going to be taught in these classes, what type of tests is going to be had, and particularly for the wide variety of types of work that's done with home improvement.

We heard, I think, one of the proponents say that, well, there should be at least a basic knowledge of building codes. Why does a painter have to know about the building code? Why does a landscaper have to know about the building code? A driveway installer? Somebody who puts in fences? All of them have to be

registered home improvement contractors. So there, you know, with the huge variety and scope of the industry we really need to define what's going to be tested for.

And what additional expense is going to be incurred by the home improvement industry and for what? For the little benefit of consumer protection?

I would finally say that if history is any guide, if you do pass these bills out of committee the agency I believe will attach a huge fiscal note on them. And the argument that the fees that contractors would pay, would pay for it, frankly, I've been up here long enough to know that it's a record of broken promises that with dedicated funds, they're raided by the general treasury. I think the -- any fees that you could increase that would pay for this would in a heartbeat be taken to the general treasury.

And I'll close. Just if I could just turn your attention really quick -- and I'll just mention that we're also here opposing two other bills; submitted written testimony on 319 and 5616. Both of those bills would prevent home improvement contractors from having basically alternative dispute resolution clauses in their contracts.

So I see you touching your microphone, so that's a good signal. It's better than the bell. So I'll be quiet.

SENATOR DOYLE: Thank you.

Any questions from the committee members?

Representative Baram.

And that's why there's so much direct concern to the legislators.

And the consumers hit us up with more issues. If you go -- somebody mentioned a hotel. People go to a hotel once or twice a year. Every week we go there and the consumers see it and they come right to us, so that's why -- I mean, you understand it, but that's the truth of the matter.

Any questions from the committee?

Representative Baram.

REP. BARAM: Thank you, Mr. Chairman.

Just quickly. Do you know if any other states treat debit like cash and have any law like is being proposed today?

CHRIS HERB: I am unaware of any other states that do that.

REP. BARAM: Thanks.

SENATOR DOYLE: Thank you.

Any further questions? Seeing none, thank you very much.

Okay. At this point in time the next 11 people are speaking on -- they're all in favor of the same bill, 5149.

I don't know if it's possible we can kind of come up together and kind of present a united front. I mean, I can't force you to do that, but it's all -- it's getting -- the hour is getting a little late and I don't know if people want to somehow --

181
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

In the past we had people come up together and present a united front. Does that sound reasonable? You're entitled to, but I can't stop you. But I'm suggesting that as a possibility.

A VOICE: (Inaudible.)

SENATOR DOYLE: Yeah. If you're willing to do -- is anyone could go, but the first person is Philip --

A VOICE: (Inaudible.)

SENATOR DOYLE: Thank you for help (inaudible).

But I'm just saying if people want to come up, is there a way to provide -- present a united front? That would be helpful. Thank you, Phil.

PHILIP HERZEGOVITCH: Okay. Senator Doyle and members of the General Laws Committee, thanks for allowing me to come before the body and offer my testimony regarding H.B. 5149. Now you guys have my testimony, so I'm going to depart a little bit from it and answer some of the questions that have been posed with previous testimony.

Regarding the testing and limiting of marginalized contractors, if we test we eliminate marginalized contractors because the guys that are in the margins out there on the sides that don't have knowledge won't be able to pass the test. So we're eliminating them. We're not empowering them to enter the industry and limiting the other contractors that are established and have a wide knowledge base required for home improvement contracting.

The other thing is the home improvement

contractor, the title is very nebulous and a little too broad, because what it entitles is the guy that cuts my lawn that goes and registers as a home improvement contractor can come and mess with the structure of my house without any knowledge of it. So there's nothing to differentiate between a guy that comes in and does landscaping and the guy that's going to come in and put an addition on the house that's going to require structure and understanding of the interaction between a new structure and an old structure.

Now I have two examples in my testimony, one was a house, that I recently looked at for a client, that was 160 years old. Now this house was owned by an old lady. She was in her eighties and she's looking to sell because she wants to get out, but she can't sell the thing now because over the last 30 years there have been modifications to the house, mostly without permits, but done by a licensed home improvement contractor. She doesn't understand the difference between license and registration and she's looking to the contractor as the knowledgeable person.

Well, this knowledgeable person cut major structural tie beams on this house and this was a post-and-beam house. The house is now bellied out in the middle and has a swayback roof. They put on a deck that although the deck was originally permitted it was never inspected and the deck is now twice as big, but it was put on footings, and by footings, I mean a block that's one foot by one foot on the surface on the ground, not a proper footing.

So the person didn't understand and it wasn't followed through with inspections because what did she know? Somebody said, yeah. I have a permit for it, and it doesn't follow through

from there. So now she's stuck with a substandard deck, a substandard addition. The addition as a stone fireplace in it on cantilevered beams that can't support the weight. Maybe it was originally permitted as an addition, but no fireplace in there. But now it has a fireplace; never been inspected. Right?

This is what is the bad part of the HIC registration, is that there is no expectation of professionalism of a knowledge base and these problems keep creeping up. I see problems all the time. I look at it from a remodeling standpoint.

I come from remodeling. I don't build new houses. I repair existing ones and I add on to existing ones. And I get to see all the bad things that were done before that were hidden up, hidden. You know, it also states here that, you know --

SENATOR DOYLE: Phil, can I ask you a question?

PHILIP HERZEGOVITCH: Yeah. I'm sorry.

SENATOR DOYLE: Well, no. Just (inaudible). Are you coming individually? Or for the group? You can go longer if it's your -- if you're for the group. Or if your individually, we've got to --

PHILIP HERZEGOVITCH: I'm individual.

SENATOR DOYLE: Okay. All right. So if you could please summarize.

PHILIP HERZEGOVITCH: I'm part of NARI of Connecticut, but I've come here to offer testimony individually on this. Okay?

184
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

Now it's also -- I've heard that people say,
well, you know --

SENATOR DOYLE: Phil, I'm sorry. Then the
three-minute bell for individual. So I'm
just --

PHILIP HERZEGOVITCH: Okay. I'm sorry. That was
the three-minute bell? I thought it was --

SENATOR DOYLE: Yeah. For any, you know, for any
individual that's three minutes. So we'll
stick to that's. So if you could please
summarize then we can as questions. Thank you.

PHILIP HERZEGOVITCH: Okay. Then I'm done. All
right. If anybody has any questions?

SENATOR DOYLE: Any questions from the committee?

Representative Rovero.

REP. ROVERO: Quick -- I'm sorry. Quick question.
This elderly person that had all these
troubles, construction problems that you're
saying (inaudible).

PHILIP HERZEGOVITCH: You're going to have to speak
up. I can't hear you. I'm sorry.

REP. ROVERO: This lady, this elderly person you're
talking about that had all the problems with
the construction --

PHILIP HERZEGOVITCH: Right. Correct.

REP. ROVERO: -- and unsafe conditions that she had
performed and so forth. Wouldn't it have been
picked up by building official?

PHILIP HERZEGOVITCH: You would think so, because
she was selling House. You would expect that

it was checked out by building inspector to look at the house.

REP. ROVERO: No, I'm talking about when she had these jobs performed.

PHILIP HERZEGOVITCH: No, because the building inspector only comes if you call. You get an initial permit. All she may have understood was he said he had a permit, but it's up to the builder to call the town and say, listen, I'm done with framing. I need you to come and do the framing inspection. I'm done with electrical. I need you to come and do the electrical inspection and sign off.

So she has no COs on any of the stuff that was started with permits and the other stuff that didn't have a permit, it's out in the wind. She has no recourse whatever.

REP. ROVERO: So if we were a little stricter on the permit aspect of it and building officials a little more tougher on you building -- on your home improvement people, this would solve most of the problems?

PHILIP HERZEGOVITCH: Say again?

REP. ROVERO: If we had a building official that was a little tougher on you home improvement people would this solve most of the problems?

PHILIP HERZEGOVITCH: I don't think so. The building official has to actually come out there to be tough. Right? So if there's nothing that tells that him he has to come out, the only thing that triggers the inspector coming out is me calling in and saying, listen, I'm done with framing. All right? You can come out and inspect it. All right?

And the only incentive for me is to get that CO, because most of the time I have in my contracts that I don't get the final payment unless the customer gets a CO.

REP. ROVERO: But most of my dealings with building officials, what they gave a CO, they came out and looked at what was done.

PHILIP HERZEGOVITCH: Yeah, but these things didn't have COs.

SENATOR DOYLE: So let me clarify --

REP. ROVERO: They didn't get a building permit?

PHILIP HERZEGOVITCH: No, you get the building permit at the beginning and get the CO at the end.

SENATOR DOYLE: Can I interrupt?

I think, and maybe I'm wrong, if you don't pull a permit right they don't come out, but it's my understanding if you properly pull a permit, in most communities they come out.

PHILIP HERZEGOVITCH: Not necessarily. You have to go and call them and tell them. And if they let it go, let's say you didn't start it that year and it lapses --

SENATOR DOYLE: No, no. I understand that. All right. Then that's a misunderstanding. I always thought if you pull a permit, the town building inspector should come out.

PHILIP HERZEGOVITCH: Technically you're supposed to be saying -- yeah.

SENATOR DOYLE: I mean, they have a duty to come out once you engaged that, was my understanding.

187
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

PHILIP HERZEGOVITCH: Yeah. Well, that's also -- I guess, that depends on their workload and depends on the locality.

SENATOR DOYLE: Okay.

PHILIP HERZEGOVITCH: Okay? I'm sure there's (inaudible).

SENATOR DOYLE: I'm sorry. Representative Rovero has the floor.

PHILIP HERZEGOVITCH: Okay.

SENATOR DOYLE: Okay. Any further questions?

Representative Baram.

REP. BARAM: Thank you, Mr. Chairman.

A quick question.

PHILIP HERZEGOVITCH: Yes?

REP. BARAM: Somebody posed the concern earlier, how would you test home improvement contractors given the diversity of experience? I mean, you have people who are carpenters, people who may do stonework.

With all the different aspects of home improvement, how --

PHILIP HERZEGOVITCH: It is so broad as a home improvement contractor --

REP. BARAM: -- how could you have a meaningful exam that would give consumers any greater assurance?

PHILIP HERZEGOVITCH: Well, you know, to start off

with we have the Home Improvement Act, which states that we have to create contracts with our clients that are over a certain dollar amount. We have to have contracts and the contracts have to have start date, end date, declare that they have the three days, three business days to rescind the contract. We can't have X amount of beyond X amount of dollars as a down payment, and so on.

Well, who's to say that that person that just got a registration is following those rules? Even if the test consists of knowledge of the Home Improvement Act, that would be a step up from absolutely nothing. And right now it's absolutely nothing. There's nothing that stops anybody from just sending in their registration form showing a minimal insurance policy and going into business. Right?

Well, I personally carry a million, 3 million on my insurance liability because I work on houses in Fairfield County which average a million dollars a house. If I don't protect that, but (inaudible) is what? A hundred thousand. Who's -- what's going to happen with a hundred thousand? That might work for a landscape contractor, but it doesn't work for somebody that actually puts on additions that can just jeopardize the structure of a house.

REP. BARAM: Thank you, .

SENATOR DOYLE: Thank you.

Any further? Any further questions? Seeing none --

PHILIP HERZEGOVITCH: Okay. Thank you very much.

SENATOR DOYLE: -- the next speaker is John Arnone, then David Grecco, Edward Whit, Lucas

189
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

Papageorge, R.J. Aley, Jim Carpenter, Shawn
Kruse, Susan Fixary. John Arnone.

Is John Arnone here?

A VOICE: He's is here. He's going to go after me.
(inaudible) I have to leave, that's why.

SENATOR DOYLE: We'll, I'd rather -- and we have an
order. Is John Arnone here?

A VOICE: Okay.

SENATOR DOYLE: Oh, he's not here. Okay. That's
fine. David Grecco. All right. David, could
you please. Yeah. Just, we have an order.
So, David Grecco.

Thank you.

DAVID GRECCO: No problem. Good afternoon. My name
is David Grecco and I am also in support of
H.B. 5149. I've been a remodeling contractor
in Norwalk, Connecticut for 18 years, that I've
been registered.

I remember my early years as a contractor.
After I decided to start my own business with
the trial-and-error method, because there was
no formal class or education or anything, and
having many -- making many mistakes and not
learning job costing and estimating or any
anything for that matter, other than trial and
error.

And I've evolved my business into a strong
business now in lower Fairfield County. Had
the specific state classes been available to me
when I first started I would have taken
advantage of them and I would have excelled at
a much faster pace. I hold memberships at
NARI, Better Business Bureau, Remodeling

Contractors Association, LEED certified by the government.

This is redundant. I know, I'll be brief. You know, I can't tell you how many times I go into people's houses; and have had a contractor who was registered do work for them, take a huge deposit, start work, totally screw up the customer's house and leave it unfinished, to walk off the job.

And the customer calls me in, or one of my colleagues and we have to go in and with no budget now because the customer has already spent some of their budget money on someone who started a project and didn't finish it properly or they fired and he took off. You know, we have to try and put the pieces back together and complete the project.

And I think it's time that we raise the standard. A real estate agent has to be licensed, an electrician, a plumber, an HVAC contractor. And I think we should raise the standards for home improvement contractors and create some kind of a licensing process where, you know, they're held to a higher standard.

SENATOR DOYLE: Thank you.

Any questions from the committee? Seeing none, thank you very much.

The next speaker is Edward White. Is Edward here?

A VOICE: (Inaudible.)

SENATOR DOYLE: Okay. Lucas Papageorge. Is Lucas here?

LUCAS PAPAGEORGE: Thank you for being patient with

us. I know it's late.

I'm here in support of H.B. 5149. I have extensive experience in the construction industry. I have an engineering degree. I've been in the business for 13 years now. I testify or give legal -- give contracting advice to local detective offices for municipalities and for lawyers and legal cases, so I've seen a wide variety of construction mishaps, and mostly dealing with registered contractors that don't have a clue.

Most of my customers, most good customers will actually ask for your home improvement license. They want to know if you're licensed and they want to know if you have insurance. They do that due diligence, and the government is doing a disservice by representing that as a license or that they checked anything.

The fact is the person paid \$220. They probably have a hundred dollar -- a hundred-thousand-dollar liability insurance which doesn't cover most of the work that the general contractor does, or that will be doing, or the cost of the damage he could incur. If in -- a hundred-thousand in a Fairfield County house is not much.

It also does not cover -- which a lot of people don't know -- it does not cover errors in work. It will cover a mistake. If you shoot a hole in the pipe and you leak water on the floor, they'll pay for the floor to get fixed. They don't pay for the pipe to get repaired.

If you got a structural member out and the house falls down, they'll pay for the damage below that, but they don't pay for the structure that was done wrong or without a permit. That's not covered by any liability

policies. So the homeowner is left with very little course of action. To go they could take them to court, that costs money. It takes about two years to go through and that's if the contractor has any assets.

Once they exhaust those efforts they could go to the Home Improvement Act and get a collection on a guarantee fund. That takes about another year and the limit is 1500 -- \$15,000, which does not cover most of their damages. That barely covers their legal costs that they got to that point for. So it's a very bad system right now.

Most contractors that get into the business, a lot of them are subcontractors, drywallers, painters. They see what general contractors do. They know a couple friends; this guy does tile, this guy does frame. I'll give them all together and I'll be a general contractor. It started with the best intentions, but they get in over their heads.

When you do actually pull the permit and call for your inspection, it's called -- the first inspection you have is called "all trades." It's after the framing is done, the plumbing is done, the electrical is done, the heating is done and all the fire stopping. At that point when they -- when the inspector finds an error it could be a major error. These contractors don't have the money or the budgets to fix those errors. It's too late. So they usually walk on the job and that's it.

So any questions, I'm happy to answer.

SENATOR DOYLE: Thank you.

Any questions from the committee?

Senator Witkos.

SENATOR WITKOS: Thank you.

I'm trying to get my arms around whether you're trying to focus on a general contractor or the subs based on your testimony?

LUCAS PAPAGEORGE: We're looking at -- we have to review and we're going -- I plan on working -- all of us here work on planning on working closely with Kim to finalize the bill -- and if it makes it through committee, hopefully.

But we're focusing on the general contractor, the painters, the landscapers, the masons, the drywall contractors. They can keep their home improvement license because a painter might come into your house just to do paintwork, but there's no structure there, there's no permit there. So once you get to that threshold of, I need a permit for this project, you should need the general contractor's license.

SENATOR WITKOS: If you are a -- sell yourself as a general contractor, is there anything additionally that you need besides just your home improvement contract license? Or do you have to have -- is there a license out there that says I'm GC?

LUCAS PAPAGEORGE: There's no license at this time unless you get into major construction, and that's a major construction license. And that would be over, I believe, 150,000 square feet, but I'm not correct.

SENATOR WITKOS: Okay. How prevalent is it? You know, I'm just -- I guess, when doing these jobs they're not a couple-hundred dollar jobs, from what I'm hearing here. And if people are doing these major renovations to their house

and structural things, these are thousands and thousands of dollars.

And for a homeowner just to look to say, are you licensed? Are you registered? Yeah. Okay. I mean, don't you think part of it's their responsibility to do some homework to contact the Better Business Bureau? Do you have some references that we can contact? I certainly do that in my own home if I'm doing some projects, get a couple different estimates.

LUCAS PAPAGEORGE: Absolutely.

SENATOR WITKOS: You know, I don't think it's just the State's responsibility to say, well, every single person that's going to appear on this list we're almost saying is reputable because you're licensed now. I mean, I think there's always going to be some bad apples out there and people have to do their own work. If you could comment on that.

LUCAS PAPAGEORGE: The plumbers, the electricians are licensed. There are bad apples with that, too, but it's much less. The lawsuits are much less. We're putting a burden on our legal system right now. We're putting the onus on municipalities to do the inspections and to catch the people. And they don't have the time or the money to do that, which all falls back to the taxpayer.

And I teach a class that tells homeowners, yes, check, but anybody could join the Better Business Bureau. When you join you have pretty much an A rating until you get complaints. And then you could -- you'll stop paying, you get dropped. And then they start a new company and they join the Better Business Bureau again and they have an A rating again. So there's really

no protection there.

Most people look at pictures. They look at -- they give you a couple phone numbers. They say they're past customers. How do you prove that?

In my class I tell them a good contractor should have current customers that you could -- that have a good enough relationship where they'll let you walk through the house. But that's in my own sales pitch and that's how I try and get people to find reputable contractors.

But also by sales pitch is to tell people the home improvement contractor, that the registration is not a license and it doesn't mean anything basically.

SENATOR WITKOS: And one of the previous testifiers -- doesn't the building inspector have the right if somebody comes in and they went and got their permit, and somebody didn't call and reach out to them and said, oh, you know, time to come and inspect, because the electrical is roughed in, the plumbing is roughed in, the insulation is in, but we already sheetrocked?

Doesn't the building inspector have the right to come in and say, open up a wall, I want to see the work that was done in there, and then whoever did it eats it?

LUCAS PAPAGEORGE: Absolutely.

SENATOR WITKOS: So aren't there safeguards already in place where the building inspector can require that review?

LUCAS PAPAGEORGE: Only if you call him. The building inspector is not required to come out

by the international -- or the national residential code. The building inspector is not required to come out to do inspections if it's not called. They have a stack -- every building department in the state has a stack; probably a couple thousand open permits that were never inspected or CO'd.

SENATOR WITKOS: Well, I can imagine we couldn't put the onus on a lone -- especially if the industry is thriving -- a lone building inspector just to kind of guess what stage each of the project are along. So the onus, I would think, is on the general contractor to reach out to the building inspector to say, I'm at this phase. When can you schedule me in?

LUCAS PAPAGEORGE: I can tell you, probably almost everybody here in our contract, we have -- we don't get final payment until you have your CO.

SENATOR WITKOS: Right.

LUCAS PAPAGEORGE: That's in our contract and that's to make sure that we get the CO for them.

That wasn't always in my -- I just got a CO for a guy I did seven years ago, because the town was supposed to mail it out and they didn't. I had to go there. Luckily I'm still in business. He's selling his house. He wouldn't have been able to sell. That was part of the learning curve.

But by giving the classes and giving the way it gives a pathway to success for these guys getting into the business so it will help them not get into a spot where they can get lawsuits.

The building starts, it comes up, you've got the sheetrock on and everything else. Yeah, he

heats it. What if he can't eat it? What if his family doesn't have money to pay their mortgage that month? He's not going to do the work if he can't pay himself and eat.

SENATOR WITKOS: Yeah. And I guess that goes back to the general contractor for the person that he's -- the sub he's hiring, he should know better, but is the consumer getting smarter by holding back a certain percentage of the final payment until the CO is issued? So --

LUCAS PAPAGEORGE: Well, you take my class there, but --

SENATOR WITKOS: Well, I would hope that, you know, that becomes a standard, just like Representative Baram had asked about another bill that deals with, yes, the Home Builders Association, if there's a difference in payment -- or not payment, there's a resolution.

People are becoming more savvy, because we're talking a lot of money in most cases. It exceeds one person's paycheck, or a weekly paycheck for things that happened. So --

LUCAS PAPAGEORGE: Absolutely. Our average job is about 70, 80 thousand dollars and we do project up to 5, 6 hundred thousand on a regular basis.

SENATOR WITKOS: Thank you, Mr. Chairman.

REP. BARAM: Thank you.

Any other questions? Thank you very much.

LUCAS PAPAGEORGE: Thank you.

REP. BARAM: Next is R.J. Aley and then Jim Carpenter, Shawn Kruse, and Susan Fixary.

A VOICE: R.J. is not here.

REP. BARAM: R.J. is not here. Next is Jim Carpenter.

A VOICE: (Inaudible.)

REP. BARAM: Okay. Shawn Kruse.

SHAWN KRUSE: Good evening, members of the committee. My name is Shawn Kruse. My company is Kruse Home Improvement, LLC, out of Bristol. I'm also the current president of our local NARI Chapter and the Connecticut Remodeling Contractors Association. I'm here as well in support of H.B. 5149 for a couple different reasons.

To start off with, I think it's just going to help elevate the credibility, the level of professionalism that the customers can come to expect in the industry basically by raising the baseline standard to which all contractors are held to.

I mean, you've heard a couple of times before, but you can pretty much go across the street to the Department of Consumer Protection, you pay your \$220 and I can come to your house and, you know, cut out a load-bearing wall without having, you know, been tested or having any prior knowledge of how to do that. You know, it just seems a little strange.

You can run a 2 hundred, a 3 hundred-thousand-dollar remodeling job; all the people working under you are your subcontractors. These guys that had to apprentice, they've had to take classes. They have had to test. They've got to maintain continuing education requirements to hold those

licenses.

And you as the general contractor are not required to have really any, any knowledge of the systems that they're installing. I mean, I think it's important to have at least a basic working knowledge of what those systems are, how to know if they're doing a good job or a bad job, because really you're the advocate for the customer and it's your job to make sure that those things are being taken care of properly and going in the right way.

I can tell you that ten years ago when I started I would have greatly appreciated having had to go through some kind of a testing process and having the opportunity to get some formal education just to avoid some of those pitfalls that we all step in, you know, when we're figuring out as we go. There's really just nothing out there.

You know, at this point there are starting to become some more classes and certifications and things like that available, but you've got to go actively seek those out. And as far as I'm concerned, I mean, some additional requirement or education, it really -- it can't hurt anybody.

These customers are coming to you as the contractor. They're looking to you for guidance. They're looking to you for ideas. Really, I keep coming back to the word "advocate." You're their advocate so I think in order to educate them properly we have to hold us, ourselves to a little bit higher standard than what's currently out there.

You know, in the final incarnation of this bill, you know, I think that there definitely should be some provisions that, aside from

addressing the quality, the craftsmanship, the workmanship on the job, it has to do with there should be something in there about business practices. There should be something about ethics.

There must be something about how to properly write a contract because probably, you know, 90 percent of the contractors out there are not writing contracts that are legal. You know, they probably couldn't get paid if somebody wanted to hold back a payment and not pay them. They could be out tens of thousands of dollars. So you know, really it's just a no-brainer to protect everybody, everybody involved in the transaction.

SENATOR DOYLE: Please summarize.

SHAWN KRUSE: Yeah. I mean, that's pretty much the major points that I have, I'm happy to clarify anything or take any questions.

SENATOR DOYLE: Sure. Senator Witkos.

SENATOR WITKOS: Thank you, Mr. Kruse, for your testimony.

What would you perceive to be, if this body were to adopt a licensing for home improvement contractors? With the current field that we have, I mean, I'm sure there's hundreds out there. Would you believe that all should go through a class or a certification process? Or everybody is grandfathered at this point and it's anybody new? I'd like to hear your comments on that.

SHAWN KRUSE: No, I think there should be probably some kind of, either a graduated system where, you know, a general contractor certainly is going to have to know, you know, top-tier.

They're going to have to have a knowledge of every trade below them, at least some familiarity with everything that's going on potentially on a job.

You know, if you're a guy doing roofing or hanging sheetrock I do think that you should probably have to go through some kind of a business portion, some kind of a basic ethics class just to educate yourself about how to properly conduct business.

You know, those guys probably know their trade very well and I don't think that they have to go, you know, they don't have been know how many receptacles, you know, have to be across a ten-foot span of a countertop or something like that. So either a graduated system with different tiers of testing, or at the very least, you know, a general contractor needs to have some kind of testing and some kind of standardized way of being measured.

SENATOR WITKOS: So your testimony would be, nobody is grandfathered and whatever the State develops as a -- if we're is a general contractor, if that's the focus with a graduated level; if you want to practice in that profession these are the requirements you're going to have to meet and then you'll be given your license.

SHAWN KRUSE: Well, I would say that maybe they don't have to, you know, necessarily take the classes that go along with it. I mean, if they've been doing it for 15 years or 20 years they should have that knowledge and just be able to go take a test. And if you can take the test and pass, you're in.

SENATOR WITKOS: How do you address -- and we've heard testimony from folks about a lot of

people know the trade but they have difficulty in testing and reading, but they're probably some of the best carpenters out there. How do we -- what would you propose for somebody that falls into that category?

SHAWN KRUSE: That's -- honestly that's a good question. I mean, you know, if you have trouble reading and writing you're probably going to have trouble, you know, putting a legitimate contract in front of somebody, too, and, you know, running a successful business. So I don't really know how to answer that, I guess.

SENATOR WITKOS: Thank you.

Thank you, Mr. Chair.

SENATOR DOYLE: Thank you. Any more questions from the committee? Seeing none, thank you.

The next speaker is Susan Fixary. Is Susan here?

A VOICE: (Inaudible.)

SENATOR DOYLE: Susan, thank you. Then Carter Joffe, Susan Loin, Steven Guveyan.

Susan.

SUSAN FIXARY: Good afternoon -- and maybe I should say good evening, Chairman Doyle, Chairman Baram, members of the council. I have been an HIC home improvement contractor for 30 years. In a man's world I do not go on the job with hammer and saw, but I do have the knowledge. I do have the support of a very talented group of men and women, not as many women as I would like to see.

HB5149

Over the past 30 years I've seen this pool of talent dwindle because there isn't an educational system that supports the extension of these trades. These masons, carpenters, excavators, they get up in the morning, they freeze to death, they get hypothermia. They're on their hands, they're on their knees, and what you think they're going to tell their kids? You don't want to be me. Become an IT guy. Go to Wall Street. Make the big bucks. I can't walk. I can't hold anything.

So now I'm on another go-around. Who do I find? My electrician retired. My plumbers have retired and here I am. So now I look for a new crop of people and they're not there. They're simply not there. The trade associations can only do so much.

To me, licensing is just one step in the process of reestablishing a very vital function here in the State of Connecticut, which is housing, good housing, long-term housing. We are regulated by the feds. We are regulated by our municipalities and the states. You ask us to do these things.

As a licensing organization, I would think that we would answer -- we would be in a better position to answer your regulations if we're licensed. How do you get your regulations out to the public without knowing who you have to contact? So having a license would enable this information to flow.

We have 16 high schools in Connecticut only who train kids in carpentry. We have -- and, too, and we have Job Corps, Hartford and New Haven. New Haven has just shut down. They're not taking any more people, so it's an educational thing.

We are -- Massachusetts has a program of license and exams. Minnesota, Florida, New York and Rhode Island is going to go before we do. We are encased and we don't have control of our building. And licensing isn't just a part of the comprehension of it. The comprehensiveness, licensing, education and enforcement. It's frustrating and confusing at best.

And it's -- I talked to an inspector. He said, this is like the wild west with people coming and going. Licensing is just a tip of the iceberg.

SENATOR DOYLE: Thank you.

Senator Witkos.

SENATOR WITKOS: You know, I'm glad you're the first person that came out and talked about education. And I wrote down in my notes when you were talking, Oliver Wolcott Technical School, one of the technical high schools in my districts. And the kids just come out of there ready to go to work and the talent that they've received -- and as you said, there's many of them throughout the state of Connecticut.

The programs are so well-received, there's waiting lists to get into these different trade programs and I wish we could do more. I know there's monies in the past few years going to the technical schools, but that's certainly a great way to build the next level and the next generation of tradespeople, both male and female.

So thank you for looking out for that --

SUSAN FIXARY: Well, what you're licensed you give them a stature. There's an elevation there of

a certain respect that a lot of these trades don't feel by virtue of being either in Connecticut, a highly educated environment. And, you know, it's a worthiness that people need.

And if we can train them Connecticut will be better off for it. Otherwise you will lose people from the state. If they can't get shelter because people aren't qualified, they'll go someplace else.

SENATOR DOYLE: Thank you.

Representative Baram.

REP. BARAM: Thank you, Mr. Chairman.

You're the first person that actually suggested that other states have a licensing certification process for home improvement contractors. If you could get us some materials, particularly you said Massachusetts, so that we could see how they do it.

Because I think people are just grappling with the issue. Again, how do you do this educationally with the diversity of tradespeople? How do you accomplish that?
So --

SUSAN FIXARY: Well, there's specialty licenses and so on. I'd be more than happy to send you --

REP. BARAM: It would be interesting to see if other states have tackled this, how they do it..

Thank you.

SUSAN FIXARY: Also, if I can just say one more thing?

206
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

SENATOR DOYLE: Yes. Sure.

SUSAN FIXARY: With regard to landscaping, I've also been charge of landscaping my projects. Landscapers, it includes drainage, a knowledge of wetlands, a knowledge of intercoastal waterways, fertilizer -- which explodes. There are things that landscapers need to know because of the regulations that have been imposed upon us.

SENATOR DOYLE: But of course it depends on how it's defined.

SUSAN FIXARY: Exactly.

SENATOR DOYLE: Because there are -- if you're a pure lawn cutter, you know, you don't need that necessarily. But then if you -- yeah, maintainer, I should say. Yeah. A lawn maintainer.

Representative Carter.

REP. CARTER: Thank you very much, Mr. Chairman.

And thanks for your testimony. You mentioned the trade associations haven't really done anything.

SUSAN FIXARY: Oh, no I didn't.

REP. CARTER: Well, they haven't enough, you said. So why haven't the trade associations stepped up to take charge of this training in your opinion?

SUSAN FIXARY: Oh, no. No. No. No. No. I was -- obviously missed let you. The trade associations can only do so much because it's a volunteer situation. If you don't belong to the trade association, nobody is going, you

know, you have -- There are plenty of people there out working that don't belong to the trade associations. Either they don't have time or they don't feel they're of any value. And they are valuable to a certain degree, but you have to seek them and be willing to be a part of their organization.

So licensing requires you to participate in knowledge, requires you to know what OSHA says or what the EPA says. It requires you. So to pass a test is simply competency. To be licensed you have ongoing commitment and it's a two-way street.

I can give you my knowledge and my commitment as a contractor, but government has to, by licensing, perform a responsibility by enforcing the knowledge necessary to benefit all of us. The consumer, the government, the contractor, everyone has to be happy here.

REP. CARTER: Right, and I understand that. I mean, I guess I'm looking at the trade association avenue and I'm thinking to myself, if you are to decide to join your trade association, let's say you paid an extra \$220 a year, which you would have paid towards licensing towards your trade association, would that in effect give them ability to put together a program and train everybody and give you a competitive advantage?

Now you're a trained, versus just taking everybody out there that needs to be licensed and the government is going to spend the money to create this big training program. You see where I'm going? I mean, there can the -- yeah.

SUSAN FIXARY: I understand. The government wouldn't be doing this. The government would

208
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

be initiating the need for it. That need then translates into training. People in Massachusetts are independent trainers in Massachusetts who picked up the ball and they are X -- they are previous contractors and they are doing this training. They are doing this.

REP. CARTER: So somebody like yourself could go into training some of these?

SUSAN FIXARY: Absolutely. You know, when I get sick and tired of the cold and the dust I just might do it that, but it's like the trade association could probably better handle that question more. But for me, people take the path of least resistance.

REP. CARTER: Sure.

SUSAN FIXARY: If there is a licensing opportunity I think that's going to start to show benefits long term. It took seven years for Minnesota to finally implement their program.

REP. CARTER: Thank you.

Thank you, Mr. Chairman.

SENATOR DOYLE: Thank you.

Any further questions from the committee?
Seeing none, thank you.

The next speaker is Carter Joffe. Is Carter here? Yes. Then Susan Loin. Steve Guveyan, Mike Riley, Ronald DaMotta.

Carter.

CARTER JOFFE: I was going to say good afternoon, but it's good evening. My name is Carter Joffe. I'm the Vice President of the National

HB5149

Association of the Remodeling Industry and the Remodeling Contractors Association. I am based out of Weston. My company is Spectrum Builders, LLC. I've been in business for 25 years and I am in support of H.B. 5149.

When I started out as a contractor -- a carpenter, rather I should say -- a long time ago it gave the basis for familiarity with all building codes -- most, and how to build a building. I wrote my own contracts. I had no clue what I was doing. Basics of Basics, didn't know any better. Had no help, no training, no classes, nothing that could help me.

What's amazing is that you need a license to drive. You need a license to cut somebody's hair, but all I have to do is send in 220 bucks, my name and address and they'll give me a registration to come rebuild your entire house.

I could take the entire thing down to the studs and rebuild the entire thing. You know, I need no knowledge whatsoever to do this. I can get a permit and the town will say, here you go. I can get insurance and, you know, like, go for it. Start building. And it's just amazing that anybody who moves to the state can just do that at any time and there's no knowledge whatsoever that you need to have.

I'm a contractor and I'm supposed to know the basic building codes for most of my subcontractors, which I do. You know, the electrician is supposed to do this, this and this. If he misses that, you're supposed to say, hey, you forgot that over there. Because otherwise you're going to fail an inspection, which is going to cost you more time and money, your client more time and money and slow the

whole job down.

For the licensing of H.B. 5149 it would require classes in business practice, codes and writing contracts. This is a, you know, the contract code in Connecticut is very specific. If you don't have a dozen specific things in your contract it's not a legal contract. So all that stuff will be taught to people before you even start business.

And I think it would save a lot of headaches, a lot of money in the municipalities, a lot of lawsuits. People just jump into business and they think they know what they're doing and they really don't, but they're great at their trade. They're a good carpenter, they're a good framer, they're a good roofer and they've seen it all happen. And they start doing this other stuff and, you know, they just don't know what they're doing.

I've been hired many, many, many times to come finish up projects -- I'll be brief -- that other builders have screwed up. And they've been fired or had to take apart just-finished brand-new homes built from scratch. The builder didn't have a clue what he was doing and inspectors missed it because it's just such a huge complicated system. You can't pick up every little detail if some -- if a contractor doesn't know what he's doing.

Anybody with a pickup truck and toolbelt can claim to be a contractor. And only contractors would be tested, not subcontractors. Not your carpenter, not your roofer, not your framer, just the guy who's at the top who's supposed to know to run the entire job.

And the license wouldn't you make reputable, but it would at least guarantee the homeowner a

minimum of qualifications to come in and rip somebody's most valuable asset in their life apart -- and not destroy it.

SENATOR DOYLE: Thank you.

Any questions from the committee?

Senator Witkos.

SENATOR WITKOS: Thanks.

Actually two questions. One, if it's just on the top and not the sub, say, I was a general contractor and I wanted to have somebody come in and just reroof my roof, but then I decided through conversations, well, put a couple of dormers in there. So now we may have two different trades in there.

At what one point does -- one be considered a general contractor if you have just two subs? Is it more than one constitutes a general contractor? Or is it three? Or at what level do you become a general contractor versus just a regular contractor or a sub?

CARTER JOFFE: If you're a subcontractor or an individual contractor, say, you're the roofer and the roofing is your trade, as soon as you step into somebody else's trade. Like, you start ripping apart the roof and framing, now you're doing roofing and framing.

You're doing multiple trades, business, then you should be -- you should have gotten a permit at that point, because now you're not just taking off the roof. Now you're affecting the structure and it should be inspected. So at that point you should either call a contractor or you should have been a general contractor.

212
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

SENATOR WITKOS: No, if we're focusing on the licensing on a general contractor and, say, you do -- you get a permit, you're going to roof and then you're going through the process and you say, well, now is a good time. We'll put a couple dormers in there.

CARTER JOFFE: Yeah.

SENATOR WITKOS: So go back and we modify the permit and do the right thing. What constitutes when you have to have a licensed general contractor? Is it now because we have two different trades coming in, and we have a roofer and we have a builder?

CARTER JOFFE: Yes.

SENATOR WITKOS: Okay. And my other question is, you said many times you've gotten called to repair jobs that they've screwed it up, or they got fired. There's a mechanism I believe in our statutes for investigation and enforcement of folks that basically didn't do a good job.

Do you -- is a part of your business practice to report, or tell the homeowner urging them to report the previous builder that they didn't do the job, so that way maybe they can have their individual home license striped or taken away?

CARTER JOFFE: It's just a registration. It's not a license.

SENATOR WITKOS: Or license -- or registration.

CARTER JOFFE: Well, I think if somebody had a license and they were afraid of having their license yanked, they would be a lot less likely to do a hack job and then just say, oh, I messed up. sorry. I'm out of here. Because

you're going to lose a license, something that you really have to pay for, take classes for and work for; you're much less likely to try to screw somebody and just walk away.

SENATOR WITKOS: Well, I guess my point is, is if you're taking away their ability to earn income -- so if you take away license or registration, if they're registered as a home improvement contractor --

And does your industry, when they get -- when you go in, because you're going to do a fix, do you urge the homeowner or do you yourselves report that person to the State to say, hey, maybe you ought to do an investigation here and yank this contractor's, home improvement contractor, their registration? So now they can't work legally in the state of Connecticut.

CARTER JOFFE: Sure. I don't know if most people do it, but you tell them, you've got to report this guy, you know, he missed your house up. You know, it's their responsibility to track it down because they're the ones that's going to go after legal recourse and the, you know, \$15,000 is minimal compared to the damage somebody could do. It's just --

SENATOR WITKOS: But there's a vested interest from your community also to do that?

CARTER JOFFE: Right. (Inaudible.)

SENATOR WITKOS: Do you follow-up or do you also make a dual complaint? Take pictures or anything like that?

CARTER JOFFE: Sometimes. It just depends if the work was done way long ago and they just -- the previous owner comes in and a new owner comes in. The previous contractor from, say, the

214
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

previous owner finds this butchered\botched work, I don't know who it is.

A couple times I have followed up on stuff because, you know, they fired the guy and said this is the guy that screwed it up. Please fix it. And you know, you could report them all but there's only so many guys that are going to come check on it.

SENATOR WITKOS: Thank you, Mr. Chairman.

SENATOR DOYLE: Thank you.

Any further questions from the committee?

Representative Rovero.

REP. ROVERO: You know, it sounds like it's getting real complicated with a general contractor that has several subcontractors under him. Are we getting to the point where we should require anybody with a GC license to be a graduate engineer with a PE license?

CARTER JOFFE: No. I don't think so.

REP. ROVERO: No I'm serious now? You don't think it's at that point? Because as you're talking about a GC that's -- he's got electricians, plumbers. He's got sheetrock people. He's got everything under him.

CARTER JOFFE: Right.

REP. ROVERO: You know, it's always getting where in my mind I'm saying, God, I think if I'm going to have all this done I want a graduate engineer with (inaudible) or PE licenses to go along with it that I know I'm going to get what I deserve. We're not to that point yet?

215
mb/rgb/gbr GENERAL LAW COMMITTEE

February 21, 2013
1:00 P.M.

CARTER JOFFE: No. I mean, for any one of us doing this kind of job is what we do every day, all day. It's not complicated to us because it's what we do. It's not rocket science. You just have to have the knowledge.

REP. ROVERO: Okay. Well, we heard some people say that there's not many people left with the knowledge, they're getting out of the business. And you're saying it's not rocket science, but we want to get everybody registered. I'm getting confused here. So -- but do you know what I'm saying?

CARTER JOFFE: It's a very complicated and involved process to build a house. It just needs experience and some education to learn how to do it. You don't need an engineer's license.

An engineer wouldn't even know how to build a house. He'll know the specific stuff. He'll know how to size the beams. He'll know how to, you know, do the specs, but he wouldn't have a clue how to build a house -- if they don't teach that. It's there, loads and bearing and all that other kind of stuff, they're not contracted.

REP. ROVERO: Okay. But the loads and bearings and so forth are probably the most important part of the house.

REP. ROVERO: It's a very important part of the house. As a contractor I know how to read that and install that stuff so the house doesn't come down.

REP. ROVERO: Okay. Thank you very much
Mr. Chairman.

SENATOR DOYLE: Thank you.

Any further questions from the committee?
Seeing none, thank you.

The next speaker is Susan Loin. Then Steven Guveyan, Mike Riley, Ronald DaMotta, Cameron Champlin, Joyce Wojtas, Jim Fleming, Dennis Patouhas and Steven Fortin.

SUSAN LOIN: I'm nervous, so I'm going to read. All right.

Senator Doyle, Representatives Baram and members of the General Law committee, I come here to support 5149, which is AN ACT CONCERNING THE TESTING AND LICENSING OF HOME IMPROVEMENT CONTRACTORS. I'm an executive director of Remodeling Contractors Association and that means what we are is the Connecticut Chapter of the National Association of the Remodeling Industry. There's a lot of stuff I was going to say, but I don't want to be redundant because I know time is running out.

The HIC registration has been around 30 years and some may argue that all that is needed is that the DCP spend more money to educate consumers. The problem with this is that even educated consumers who knew they had to hire a registered contractor have been taken.

We can't expect all homeowners to be educated in carpentry, structural integrity, architectural design, et cetera. That is why they hire a remodeling contractor. But that's also why a remodeling contractor should be required to get educated for licensing.

We believe that by licensing contractors we can solve several problems that currently exist. Now one of them is shabby work. If you don't know about it, the building inspectors have had a great time passing pictures among each other

of shabby work that they have found on the job. And because of that I've got, like, five pages of pictures that they send back and forth to each other of what they found on jobs.

And as I said, ask building inspectors what they find jobs and they will tell you that the contractor did not build to code because they didn't know the code. Contractors who lose money -- this is interesting, because keep this in mind -- we're an association that's contractors helping contractors in starting.

So new people starting out, the contractors, they lose money because a homeowner won't pay because a contractor did follow the Home Improvement Act to the detail. And we had somebody, a special investigator from the DCP speak last month, a couple of weeks ago to our members about what was happening, what he's found out in different contractors that went under because they didn't follow the code.

The other thing that people who are not serious about being a contractor but just want a way the pull in some quick money to be, this what kind of deter them a little. And I've had experience; I know of an accountant who kind of lost his job, but he knew from years ago what to do with building. He came in and he now is a remodeling contractor and he only did it until he got his accounting -- another accounting job.

Okay.

SENATOR DOYLE: Okay. Yeah. Please summarize.
That's okay. Sure.

SUSAN LOIN: I will. You've asked about the testing. It's already set up. Nobody has to set the testing. Many states all around -- in

California and Alaska, they already have the testing. It's online testing. It shows everything that is.

Massachusetts has the -- we did all the research, I have all the links to all the states, everything that we have to set up. I didn't hand them in because I --

SENATOR DOYLE: Yeah. We'd like that information, though, if you could please? If you could just give us one copy and then we'll give to the clerk and then we'll make copies for the --

SUSAN LOIN: Oh, okay. And it's not even all that I could give you. I could e-mail you all the links.

SENATOR DOYLE: We'll take -- whatever you're willing to give we'll take. Thank you.

SUSAN LOIN: Okay. All right. Well, then any -- and then by the way, you, to answer a question you had about the trades association, we're pulling in a tech school and we're having them come in next month and into a remodeler's place. And we're going to teach them, what is it to start a business. What do you do with the industry? And how do you succeed in getting a business going?

Because to us we say the same thing as Susan said. And she's not a member of our association, by the way. But she said -- to say -- the thing of it is, we do need to bring these kids in. And I have a love for teens anyway, so that's one of my goals.

But any questions that I can answer I'd be more than happy.

SENATOR DOYLE: Thank you.

Any questions from the committee? Seeing none, thank you very much. And if you could get us that information and if you e-mail a hardcopy, we'd appreciate it.

SUSAN LOIN: I will need an address. If I can go up and --

SENATOR DOYLE: Yeah. The clerk over there, one of those fine gentleman will help you.

Thank you.

The next speaker is Steve Guveyan. Is Steve here?

STEVE GUYEVAN: Yes, thank you.

SENATOR DOYLE: Mike Riley, Ronald DaMotta, Cameron Champlin, Joyce Wojtas, Jim Fleming, Dennis Patouhas, Steven Fortin.

STEVE GUYEVAN: Good evening. Senator Doyle, Representative Baram, members of the committee, I'm Steve Guveyan from the Connecticut Petroleum Council. Our shop represents the major oil companies, refiners, terminal operators and larger companies in the oil industry.

We testify tonight in opposition to House Bill 5907, the biodiesel bill. We are not here on gasoline credit cards and debit cards. I think you've covered that in wonderful depth.

Our opposition to the bill requiring biofuels is primarily based on the cost. What this bill is saying is, if passed, we would require diesel fuel to have a biofuel component, which means adding something pretty much plant-based blended into the diesel. So whether it's

Connecticut Heating & Cooling Contractors Association

2842 Main Street #259, Glastonbury, CT 06033 • Phone (860) 533-1163

www.chcca.net

MEMBERS OF: CBIA – NFPA – ICC

Established 1972



TESTIMONY OF JENNIFER JENNINGS EXECUTIVE DIRECTOR BEFORE THE GENERAL LAW COMMITTEE FEBRUARY 21, 2013

2013

PRESIDENT
Eric D'Eramo
ENCON
1265 Woodend Road
Stratford, CT 06610
(203) 375-5228

PRESIDENT ELECT
Seamus Warakomski
Tn City Heating & Cooling
362 New Haven Avenue
Milford, CT 06460
(203) 874-5228

VICE PRESIDENT
Vacancy

TREASURER
Ralph Fico
Duct Diagnostics
195 Elizabeth Street
Derby, CT 06418
(203) 231-0605

EXECUTIVE DIRECTOR
Jennifer Jennings

DIRECTORS

Robert Besaw
Edgerton, Inc
(203) 268-6279

Jim Chard
F J Chard & Son
(860) 675-8076

Gary Cortiss
Control Aire Supply
(800) 443-2473

Hank Cullinane
Clover Corp
(860) 528-0081

Jeff Leone
Air Temp Mechanical
(860) 953-8888

Bryan Mackenzie
R & B Refrigeration
(203) 453-6831

Steve Szyplulski
The Star Supply Co
(203) 772-2240

LOBBYIST
Andrew Markowski
Statehouse Associates, LLC

The Connecticut Heating & Cooling Contractors Association (CHCC) submits the following comments supporting SB-322 & HB-5149, An Act Concerning Home Improvement Contractors & An Act Concerning Testing & Licensing Of Home Improvement Contractors:

Members of the heating and cooling industry support these bills which would require home improvement contractors to pass a state exam and demonstrate knowledge of their trade before performing work on individuals' homes. This is no more burdensome of a requirement than the long established state licensing system that currently exists for all occupational and building trades.

State law establishes a licensing system for several occupational trades overseen by the Examining Boards for Heating, Piping, and Cooling Work; Electrical Work; Plumbing and Piping Work; Elevator Installation, Repair, and Maintenance Work, Automotive Glass Work and Flat Glass Work, and Fire Protection Sprinkler Systems Boards. Each trade has different levels of expertise—apprentice, journeyman, and contractor. Workers must meet education, training, and experience requirements to qualify for each level. Some trades also include a mandatory continuing education requirement. Members of the heating and cooling trades who hold unlimited licenses are qualified to perform any and all work related to their trade. The occupational licensing boards, which are comprised of both union and non-union contractors as well as the general public, also provide an important mechanism for ensuring the consistent and fair enforcement of the state's licensing laws. Because the boards provide balanced representation of the industry, license holders respect their decisions. Currently, no such system or requirements exist for home improvement contractors other than a simple registration process. Almost anyone can register to be a home improvement contractor, despite lacking any relevant credentials or experience, thus putting homeowners at risk.

Passage of this legislation is necessary and desired by all tradespersons in the industry to ensure that homeowners are safe and that work is done only by competent, skilled and trained tradespersons. Far too many contractors do not maintain the proper licenses or qualifications, creating public safety concerns. These laws must be vigorously enforced to protect consumers and employees. Strong enforcement of the state's licensing and apprenticeship laws relative to the heating and cooling industry along with all licensed trades is paramount. Ensuring that individuals performing work are held to high standards helps maintain the highest possible level of safety, training and professionalism for our industry, and for consumers, and home improvement contractors should be no exception.

CHCC thanks Committee for its consideration of our comments and urges passage of these bills.

CHCC would also like to comment on HB-5908, An Act Requiring Safety And Certification Standards For the Spray Foam Insulation Industry. As an industry that is engaged in the installation, maintenance and repair of heating and cooling equipment and general climate control measures, the use of spray foam insulation is something we have knowledge of and experience dealing with. To the extent that this legislation should move forward and safety and certification requirements are to be developed by DCP, DPH and DEEP, CHCC would ask to be part of that conversation so that we may offer our input and expertise on the matter. Furthermore, we would caution against enacting any requirements that are duplicative, unnecessary or unduly burdensome on licensed HVAC contractors. Thank you for your consideration of our comments.



**HOME BUILDERS & REMODELERS ASSOCIATION
OF CONNECTICUT, INC.**

3 Regency Drive, Suite 204, Bloomfield, CT 06002
Tel: 860-216-5858 Fax: 860-206-8954 Web: www.hbact.org

P 21 A
Your Home
Is Our
Business

February 21, 2013

To: Senator Paul Doyle, Co-Chairman
Representative David Baram, Co-Chairman
Members of the General Law Committee

From: Bill Ethier, CAE, Chief Executive Officer

Re: SB 322, AAC Home Improvement Contractors
HB 5149, AAC Testing and Licensing of Home Improvement Contractors

PS: 18
LN: 12

The HBRA of Connecticut is a professional trade association with about nine hundred (900) member firms statewide employing tens of thousands of CT's citizens. Our members, all small businesses, are residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to our diverse industry and to consumers. While our membership has declined over the course of our seven-year Great Recession from its high of 1,500 members, we build between 70% to 80% of all new homes and apartments in the state each year and engage in countless home remodeling projects.

We oppose SB 322 and HB 5149 because we firmly believe a licensing program for the huge home improvement contractor (HIC) industry would be both unworkable and not solve the issues consumers have with HIC projects. In summary, rather than change to a licensing and testing scheme, we urge greater consumer education about and greater enforcement of the existing HIC registration act. Also, statutory recognition of widely-accepted industry voluntary designations that signify experience and educational attainment would help set apart those contractors for the public's benefit.

Most contractors are reputable and try to do good quality work for their customers. We represent these contractors and try to teach consumers how to hire and work with a quality contractor (*see attached article, "How to Select a Reputable Builder or Remodeler in Connecticut"*). We have no interest in protecting illegitimate contractors or promoting poor quality work and strive to weed those ills out of our industry. We provide our members with education and opportunities to stay on top of the latest technologies, construction techniques, business management skills, etc. Through our national organization, distributed through our five local chapters in CT, we also promote and support the attainment of voluntary designations signifying a higher level of experience and education (*see attached, NAHB: Designation Overviews & Resources*).

While the raw number of complaints about HICs at the Department of Consumer Protection ("DCP") is large compared to other regulated businesses, the percentage of complaints relative to the huge scope of the home improvement industry is very small. At the industry's peak around 2007, there were roughly 28,000 registered HICs in CT. We estimate there may have been close to another 5,000 to 10,000 operating illegally

Testimony, Home Builders & Remodelers Association of Connecticut, Inc.
SB 322, AAC Home Improvement Contractors,
HB 5149, AAC Testing and Licensing of Home Improvement Contractors
February 21, 2013, page 2

without an HIC registration. As of Feb. 4, 2013, there are 22,116 HICs and 1,216 home improvement salespersons. CT has between 1.4 and 1.5 million households. Each HIC performs on average 8 projects per year, so there are conservatively about 200,000 home improvement projects in CT each year. During better economic times, the number of home improvement projects is likely to exceed 250,000. At 2,000 complaints received by DCP, **less than 1% of all projects produce consumer complaints to DCP.**

We strongly believe that licensing and testing all contractors will provide no greater protection to consumers and will have the adverse affect of legitimizing the marginal contractor while imposing more regulatory burdens and costs on reputable contractors. The current HIC registration law and the state's other regulatory and legal methods of controlling the construction business provide substantial protection for home owners. For many construction jobs, the other regulatory control on contractors that does not exist for any other business or profession is our system of permitting and inspections under our building, safety and public health codes. Only small jobs and maintenance and repair jobs escape these code regulations. Additionally, on all jobs consumers have a wide array of avenues to seek relief from contractors who do not perform, such as breach of contract, breach of warranty, unfair trade practices act, violation of the home improvement registration act that makes the contract unenforceable for the contractor and probably several other causes of action that could be brought to bear on the contractor.

Most importantly, the vast majority of complaints against contractors are based on workmanship issues, communication issues (i.e., the contractor and consumer had different expectations about the job) and issues surrounding unscrupulous contractors (e.g., running away with a deposit). No amount of licensing and testing can solve these issues. We are not aware of any contractor licensing scheme anywhere in the nation that does an effective job of improving the professionalism of the contractor industry or the quality of home improvement work by those providing inferior workmanship, who conduct unscrupulous business practices, or for a variety of reasons fail as a viable business. In short, for no additional consumer protection, these bills will impose substantial new costs and burdens on doing business in Connecticut.

Reducing competition in an industry, as called for by some contractors, is not a legitimate use of a licensing program. If the result of licensing and testing is to limit entry into the business and reduce the number of entities in the construction business, then the costs of providing home improvement services will go up. But, as with all regulatory schemes, some contractors will fall through the cracks (i.e., they'll pass the test yet still not satisfy consumers, or worse – smart crooks will pass the test). We have found no evidence that contractors under a licensing program have any greater compliance with the law than what is currently exhibited under our registration and guaranty fund program. Thus, consumers will not benefit from licensing home improvement contractors.

What exactly would each contractor be tested for? These bills contemplate education and taking a test to ensure a contractor has the knowledge to properly perform the work authorized by the license. Given that home improvement projects involve a huge array of types of work, from painting to siding, carpentry to flooring, drywall to roofing, i.e.,

Testimony, Home Builders & Remodelers Association of Connecticut, Inc.
SB 322, AAC Home Improvement Contractors,
HB 5149, AAC Testing and Licensing of Home Improvement Contractors
February 21, 2013, page 3

everything between the foundation and ridge vent, would a separate license and accompanying fee be required for each "class" of work? Indeed, most home improvement jobs entail various types of work. A single business that engages in multiple types of work could be saddled with extremely high licensing costs. **HICs already pay into the guaranty fund, so how much more would these licensing fees cost. How much more would a cash bond cost (as required in SB 322), and why? And are such bonds available at a reasonable cost? What limits would be placed in these bills to curtail the high potential of a run-a-way regulatory scheme?**

Finally, these bills will produce a huge fiscal note on the state budget. No amount of fees charged to contractors would be sufficient to pay for the costs of administering the program largely because the fees charged would not stay in the department. And if history is any guide, any promise to do so, say through a dedicated fund, is only good for one session of the legislature. We won't buy another shallow promise to use the fees we pay for a specific purpose.

In the Alternative:

Stronger enforcement and education of both contractors and consumers about the current HIC registration act will go a long way to solve complaint problems in this industry. Efforts by the Department of Consumer Protection, such as sting operations that solicit HIC work, have brought many illegal contractors who were working in this industry into the registration program. We applaud these efforts. The best course of action to protect consumers from bad contractors is to teach consumers how to avoid such contractors, to ask the right questions and to deal with all contractors in certain ways. The state needs to do more to teach consumers about the current registration program. **Therefore, the legislature should specifically authorize DCP to educate consumers and contractors about the requirements of the HIC registration law. Education is the first line of defense for effective enforcement.**

You should repeal the raid of the HIC guaranty fund, which all contractors pay into, by the general treasury that deprives DCP of the resources it needs to better enforce the home improvement act and, if authorized, to educate consumers and contractors about the act. While we know this is difficult within the state's tight budget, it's the right thing to do.

You should raise the \$15,000 limit placed on a consumer's use of the guaranty fund to provide more protection to consumers who cannot satisfy a larger judgment against a contractor. See C.G.S. section 20-432(k).

The legislature should authorize an industry specific complaint form and new related database. The HBRA of Connecticut has worked closely with DCP over the years to address the genesis of consumer complaints against home improvement contractors. We believe a more adequate database of consumer complaints regarding this industry could be created and used to make more informed decisions regarding the causes of such complaints. It is in the industry's, consumer's and the state's best interest to determine this information. In past years, we have proposed to DCP that a complaint form specific to

Testimony, Home Builders & Remodelers Association of Connecticut, Inc.
SB 322, AAC Home Improvement Contractors,
HB 5149, AAC Testing and Licensing of Home Improvement Contractors
February 21, 2013, page 4

HICs be used by DCP to help better determine the causes of such complaints. We are told our proposal does not fit with the state's current e-license computer contract, but we are convinced that the state will be in a much better position to develop appropriate policies, and if necessary new laws, only once we have such a database.

Finally, you should consider giving statutory recognition to widely accepted industry voluntary designations that are awarded when certain contractors achieve experience and educational attainment. These designations include, as shown on the attached:

- Certified Graduate Remodeler (CGR), and
- Graduate Master Remodeler (GMR)

We also believe the voluntary approach taken by the sponsor of these national designations for remodelers, including the PREP (Professional Remodeler Experience Profile) noted on the attached is the right way to conduct quality, professional education of our industry. As noted, the PREP is the required first step. Candidates do not pass or fail the PREP; but PREP results determine the course of study for CGR candidates. The PREP assessment measures a candidate's knowledge in five core areas of remodeling business management:

- Marketing and Advertising
- Business Management
- Estimating
- Contracts, Liability and Risk Management
- Project Management

The PREP is critically necessary because all contractors have different experiences, different educational levels and different skill sets. A one-size fits-all approach can never satisfy the variety of educational needs or desires in our industry. As it relates to SB 322 and HB 5149, we have absolutely no faith the government can take on assessing contractors adequately and correctly determining individual courses of study and then administering the appropriate level of education and testing for tens of thousands of HICs in our state. The result if CT tried would be a nightmare.

Consumer education coupled with strong enforcement of the current HIC registration law and statutory recognition of nationally accepted remodeler designations will more effectively and more quickly reach the goals that lie under this licensing effort. We urge you to pursue that path and not support SB 322 or HB 5149.

Thank you for the opportunity to provide you with our views on this important issue. We remain committed to working with you and DCP to improve the regulation of our industry.

Attachments: *How to Select a Reputable Builder or Remodeler in Connecticut*
NAHB: Designation Overviews & Resources

Home Builders & Remodelers Association of Connecticut, Inc.

How To Select A Reputable Builder or Remodeler In Connecticut

(Copyright, 2010)

The first step home buyers should take in their search for a new home or remodeling job that provides lasting satisfaction is to select a professional builder or remodeler who is known for quality construction and strong customer service.

Many home builders construct fewer than 10 homes per year and remodelers, too, as small local business persons, rely heavily on referrals from previous customers to generate new business.

And all home building or remodeling companies are only as good as their reputation. Most companies are in business to stay and they can only do so to the extent that they have satisfied customers. And many builders and remodelers live in the communities in which they build so you probably see them or their families at the local supermarket or elsewhere.

Steps in Selecting a Reputable Builder or Remodeler

- Homebuyers and home owners should begin their search by discovering who is building in the area where they live or want to live. Below are several sources you might find helpful:
 1. Talk to friends, relatives and colleagues at work who have recently purchased a new home or had one built or remodeled.
 2. Local chapters of the National Association of Home Builders, which represents both home builders and remodelers, can provide names of companies who are members (See the Local Chapters in Connecticut).
 3. You can search for all HBRA members in CT on its web site, www.hbact.org, by clicking Find a Member under the Resources menu.
 4. Area real estate agents who are knowledgeable about and familiar with new home construction, can offer builders' names and insights into quality and customer satisfaction.
- To narrow their prospective list of builders or remodelers, in Connecticut all homebuilders must be registered with the Department of Consumer Protection (DCP) as New Home Construction Contractors (NHCC). All residential remodelers must be registered with the same state agency as Home Improvement Contractors (HIC). It is very important that consumers check with DCP to make sure the home builder's or remodeler's registration is current and applicable to the job to be undertaken, recognizing that some contractors are registered under both the NHCC and HIC programs. The general licensing number at DCP to call to check on registration status is 1-860-713-6000 (in the Hartford area) or 1-800-842-2649. The DCP website is <http://www.state.ct.us/dcp/>.
- In April, 2010, the Environmental Protection Agency (EPA) enacted new Lead Renovation, Repair and Painting regulations impacting any work done on any home

built before 1978. If your home was built before 1978, any work done that will disrupt more than 6 square feet of painted surface indoors (about the size of a window), or 20 square feet outside, must be performed by a contractor who is lead-safe certified, so ask for a certification number or proof that the contractor or remodeler has taken the course. Since the regulations are new, many contractors and remodelers may have taken the course, but not yet received a company certification yet due to paperwork backlogs at EPA. *(Updated July 2010)*

- To further narrow the prospective list of builders or remodelers, buyers should look closely at each builder's or remodeler's finished work and work in progress, including models, occupied homes (if interested in a custom-built home) and homes under construction.
- Meet with the builder, remodeler or the person who would be in charge of building your home to learn more about the company and the homes or projects they build. Are your questions answered clearly and completely? Remember that your relationship with the builder or remodeler will continue through any warranty period, so choose someone with whom you will be comfortable for the long term.
- As part of the interview process, review the contract, warranty and warranty standards that the builder or remodeler provides. Note the amount of detail provided. The same attention to detail usually flows through the construction of the home or project. Don't hesitate to ask questions about any items that you don't understand.
- Many builders today provide a homeowner manual that guides buyers through the homebuilding and purchase process. Many remodelers provide consumer guides that are applicable to their line of work or the project to be undertaken (e.g., understanding design/build contracts). These types of manuals or brochures can familiarize you with the procedures the builder or remodeler follows in working with his/her clients and is often an indication of the contractor's commitment to customer satisfaction.
- To determine how a company treats its customers, it is important for prospective homebuyers or homeowners to talk to previous buyers of the builder's homes or remodeler's clients. Visit new home communities on weekends when people are more likely to be outside and ask several different people how the company was to work with and how satisfied they are with their home. Ask for reference lists as well and follow through by calling or visiting the references.

A Well-Written Contract

- Disputes between parties often involve good faith issues that their contracts do not adequately address, either because the parties did not consider these issues or because they failed to write them in the contract.
- A well-written contract is a critical tool for reducing liability and making clear a complete understanding between the parties of what is to be expected. It should: 1) be a product of the parties' negotiations, 2) describe in detail the rights and obligations of the parties, and 3) fairly allocate the risks inherent in the project.

- Such a contract provides the parties with a mutual understanding of contract terms and conditions, thereby improving the chances that each party's expectations will be met.
- A well-written contract helps prevent disputes from arising during construction because the parties have settled potentially troublesome matters such as the scope of work, the materials to be used, and the time and method of payment before the project begins.
- Although a well-written contract requires communication between the parties, it is no substitute for ongoing communication between the buyer and builder or remodeler during the project. Inevitably, during construction, changes may be desired by the purchaser or even suggested by the contractor. All changes should be fully understood by both parties, reduced to writing and made a part of the contract. Consumers should understand, however, that changes may result in added costs or time or both to the construction process. This is another reason to select a builder or remodeler from the start with whom you can communicate effectively and with whom you are comfortable.

Express Warranty

- Many builders also include a limited warranty in their contract. Such a warranty can also help prevent disputes after construction is completed.
- The warranty, like the contract, should clearly express the intent of the parties. The limited warranty describes the problems and remedies for which the builder or remodeler will be responsible after completion of the project and the duration of the warranty. It also defines the mechanism for addressing disputes.
- If a builder or remodeler warrants workmanship and materials in a warranty, the warranty should also provide some guidelines or standards against which to judge the contractor's compliance. One of the best sources of such guidelines is Residential Construction Performance Guidelines for Professional Builders and Remodelers, available from NAHB – go to www.hbact.org, click on BuilderBooks.com, then on Codes & Regulations.

In summary, like when making most purchases of products or services, consumers need to undertake a sufficient level of due diligence when selecting a homebuilder or remodeler. Obtain personal references of several contractors, make sure they are properly registered with the Connecticut Department of Consumer Protection, check their prior and ongoing work and talk with past customers, make sure you have a well-written contract and well-written change orders executed during construction, fully understand the contract, change orders and any warranties that are provided and make sure that communication with your builder or remodeler is professional and comfortable.

Then, sit back and enjoy your new home - whether newly constructed or newly remodeled.



National Association of Home Builders

Home > Education & Events > Designation Overviews & Resources

Designation Overviews & Resources

Normal View

A NAHB Designation says a lot about you. Professional designations offer excellent opportunities to improve your skills, advance your career, and be recognized for your commitment to professional growth.

Continue to grow in your professional endeavors. Whether you're looking to advance in your career or gain additional knowledge about a particular topic, NAHB Education offers a wide-range of learning options. Along with exclusive course and designation sponsor, Lowe's ProServices, NAHB is committed to providing the best residential home building knowledge to foster success in the industry.



Sponsored by



SMART. TOUGH.
THE MOST
RELIABLE
WINDOW
MATERIAL
OUT THERE.

LEARN MORE. >

Integrity
The Power
of Windows
Subscribe



NAHB Informs

Certified Aging-In-Place Specialist (CAPS) (5 items)

The CAPS designation program teaches the technical, business management, and customer service skills essential to competing in the aging-in-place market.

Certified Graduate Associate (CGA) (5 items)

Learn about the home building business from the best source possible: builders and remodelers with years of field experience.



Certified Graduate Builder (CGB) (5 items)

CGB is an exclusive professional designation designed to emphasize business and project management skills.



Certified Graduate Remodeler (CGR) (5 items)

Certified Graduate Remodeler (CGR) is an exclusive professional designation designed to emphasize business management skills as the key to a professional remodeling operation.

Certified Green Professional (CGP) (5 items)

The Certified Green Professional™ Designation teaches builders, remodelers and other industry professionals techniques for incorporating green building principles into homes—without driving up the cost of construction.

Certified New Home Marketing Professional (CMP) (5 items)

CMP is the mid-level designation for IRM students who have completed the marketing intensive IRM courses I through IV. Ask a CMP Expert.

Certified New Home Sales Professional (CSP) (5 items)

The CSP designation was designed for specialists in new home sales to enhance their professional image, increase their marketability in the home building industry, and sell more homes! Ask a CSP Expert.

All Designation Overviews & Resources Materials (150 items)

Not sure what you are looking for? Browse all of the materials related to this topic here.

Designation Overviews & Resources Events & Courses (280 items)

Stay informed! Consider one of the courses and/or meetings offered on this topic.

Get the Facts on the Positive Impact of Home Building



NAHB provides developers, home builders and HBAs with local economic impact studies to demonstrate the benefits that home building provides, from new jobs to more tax revenue. See a sample report and contact your friendly Housing Policy staff to order one of your own!

Housing Credit Certified Professional (HCCP) (4 items)

HCCP is a specialized designation for developers, property managers, asset managers, and others working in the affordable housing industry.

Graduate Master Remodeler (GMR) (5 items)

The Graduate Master Remodeler (GMR) program includes advanced and updated courses geared toward experienced remodeling professionals.

Master Certified Green Professional (5 items)

The Master CGP builds on the Certified Green Professional (CGP) designation and expands into the mechanics of green building. Exclusively for experienced builders and remodelers, the this designation comprises a more in-depth study of green building science and methods.

esignations: Professional Designations Building and Constr...

http://www.nahb.org/page.aspx/category/sectionID=119/fro...

Graduate Master Builder (GMB) (5 Items)

Graduate Master Builder (GMB) courses are more advanced with in-depth instruction geared for experienced building professionals.

Master Certified New Home Sales Professional (Master CSP) (5 Items)

This designation acknowledges the continued educational achievements of graduates of the CSP program. Ask a Master CSP Expert.

Master in Residential Marketing (MIRM) (5 Items)

The MIRM designation is the top-level achievement for professionals in new home marketing. Ask a MIRM Expert.

HB: Professional Remodeler Experience Profile (PREP)

http://www.nahb.org/generic.aspx?sectionID=822&genericCont...



National Association of Home Builders

Login

Enter a search item

FIND Local Association | Builders & Remodelers

About NAHB | Newsroom | Builders' Show | Publications & Subscriptions | Awards

Housing Topics

Housing Policy

Housing Data

Tools

Community

Education & Events

Join NAHB

The number of improving housing markets continued to expand for a sixth consecutive month to a total of 259 metropolitan areas on the National Association of Home Builders/First American Improving Markets Index (IMI) for February, released today. This is up from 242 markets listed as Improving in January, and includes entrants from all 50 states and the District of the Columbia. [More](#)

Home > Education & Events > Course Overviews > Professional Remodeler Experience Profile (PREP)

View & Search Education, Events & Awards Programs

NAHB Board of Directors Meeting Planner

About NAHB Education

Course Overviews

Designation Overviews & Resources

E-Learning Webinars and Online Courses

Housing Resources for Educators

NAHB Award Programs

Speaker & Instructor Information

Professional Remodeler Experience Profile (PREP)

Like | | | | |

The PREP is the required first step in the process of becoming a Certified Graduate Remodeler (CGR). Candidates do not pass or fail the PREP. Results determine the course of study for CGR candidates. The 150 question assessment measures a candidate's knowledge in five core areas of remodeling business management.

- Marketing and Advertising
- Business Management
- Estimating
- Contracts, Liability and Risk Management
- Project Management

Continuing Education Hours 0 0

Browse a list of current course offerings for this course

For more information about this item, please contact NAHB Professional Designation Help Line at 800-388-5242 x8154 or via email at designations@nahb.org

Recommend This: 8 Recommendations - Click if you agree!



Baybrook Remodelers, Inc.

February 18, 2013



My name is Ken Carney and I own Baybrook Remodelers Inc. I hoped to speak my thoughts directly to the committee however, I am in Florida on a family vacation.

Baybrook Remodelers specializes in residential additions, kitchen, bathrooms, decks, siding, roofing, windows and general remodeling. I employ 42 tradesmen and support 8 primary subcontractors. I started my company Baybrook Remodelers in 1992 at the age of 22. Ninety five percent of my work is referral based. I have been able to provide a retirement plan and health benefits to my employees. I have never missed a payroll and my company continues to grow each year. I do not have the skills that my trades people have, but I do have a very good business sense and I am able to make sure that contracts and rules are followed and enforced. I have been able to build my business by providing excellent customer service and by providing my employees a great living and work environment. If licensing the individual trades were a law in 1992 I would not be in business today. If HB5149 passes, I am pretty sure I will be forced out of business.

It has been my experience that the public is best served by a home improvement company that provides multiple people with different skills. Baybrook Remodelers employs estimators, sales people, project managers and tradesmen. Most of the issues concerning the home improvement industry in CT are the result of poor business practices not shoddy workmanship. The home improvement industry needs more people who specialize in running a business. A trade licensing law will keep people like me out of the home improvement business.

The supporters of HB5149 claim that licensing the trades will allow more people to start out in business and it will provide protection to the public. The supporters of HB5149 have not considered the fact that most complaints in our industry are the result of poor business practices. Testing and licensing a contractor will not make him a better businessperson. The public will suffer if all business people are kept out of the contracting business as a result of HB5149. The supporters have not considered that not all trades people want to be in their own business. Working in a particular trade 8 hours a day is far more attractive to most than running a home improvement business. Most contractors cannot effectively estimate jobs, sell jobs, pull permits, order materials, follow all the state and federal rules and work in the field all day. The supporters of HB5149 have not considered the trades' people who do not speak English or the people who simply do not do well with testing and paperwork. These people will not attempt to be licensed and the pool of available quality trades people will shrink.

Some people claim that licensing works just look at the plumbers, electricians and HVAC trades. What they do not realize is that these trades are supported by a system of education, training and product manufacturers. The manufacturer of a boiler has a real interest in the proper installation of their boilers because of the liability issues that arise if the product fails or catches fire. The manufacturers of paint or sheetrock ship their products with little liability. The need for a strong relationship with the installer just does not exist.

If HB5149 passes it will have unintended consequences that will hurt the public, increase the price of labor, alienate a percentage of existing contractors, terminate the business of some contractors and bar everyone from the contracting business who does not have the skill to work in the field.

Ken Carney

Baybrook Remodelers Inc
1800-224-2128

Showroom and Design Centers

824 Boston Post Road, West Haven, CT 06516 (203) 937-6400
1700 Post Road, Fairfield, CT 06824 (203) 256-1062

Additions • New Construction • Kitchens • Bathrooms • Siding • Windows • Roofing

P 25

Good Afternoon, My name is Dan Senft, I reside in Stratford, CT. and I am currently the Eastern Regional Sales Manager for GAF Materials Corporation, who is headquartered in Wayne, NJ. GAF is the leading roofing manufacturer in North America and specifically the State of Connecticut. I have been in the roofing business for over thirty years, working throughout our State.

Fourteen years ago, I was called on by the State of Connecticut's Department of Transportation, to inspect existing salt sheds, throughout our highway corridors. Many of these sheds had shingles that had fallen off these structures. The state engineers that I met felt that there was an issue with the performance of the shingles. In fact, upon inspection, all roofs that had failures were due to the workmanship, or lack of workmanship of the contractors that installed them. When I inquired to who had installed these roofs, some of which were only a few years old, the engineers looked at one another and didn't know who the contractors were, when they were installed, or even if the contractors were qualified to install those roofs.

With over twenty new sheds being built by the DOT and another twenty that now needed to be replaced, the DOT wanted to make sure that going forward, they needed a contractor that was not only licensed and insured properly, but one that would be certified by the manufacturer to guarantee his workmanship. Today, every salt shed, new and existing throughout our state, that have had their roofs replaced, were installed by a GAF Certified Contractor, whose workmanship was backed by GAF.

Through this feedback from the DOT and other consumers and professional contractors throughout the country, GAF was the first manufacturer to initiate a Certified Contractor Program. This program was designed specifically to certify contractors in the application of our roofing products and to provide the consumer with their best and safest choice, when making a decision on having a new roof installed. On an annual basis, GAF monitors these select contractors to make sure they are properly licensed in the state they work, have the proper insurances, have high ratings with the Better Business Bureau, have no outstanding claims with the Department of Consumer Protection and complete educational and application courses throughout the year. By the way, these contractors pay GAF to be in this program.

These salt sheds are a small example of the many municipalities, businesses and homes throughout the state, and our country, that have been victimized by a poorly installed roof. However, this is certainly not limited to the roofing trade. In my dealings with the State of Connecticut Department of Consumers Protection, the state agents have conveyed an overwhelming pile of claims from consumers, who have had issues, due to poor workmanship, from many contractors in all the trades.

In the State of Florida, after Hurricane Andrew, building codes and contractor certification became more stringent after many homes and businesses were compromised not only from the effects of the storm, but from the poor workmanship of the contractor base in those areas. Florida now requires that all contractors pass a two day exam that covers business, finance and trade knowledge. To become a licensed certified contractor, an applicant must pass all parts of the exam, meet education/experience requirements, obtain worker's compensation coverage and demonstrate financial responsibility. The contractor must include a credit report with their application package from a list of acceptable credit report agencies.

I strongly support Representative Rose's bill HB-5149. However, I believe this bill needs to be expanded, to include some of the same or similar requirements that I presented to you from the State of Florida.

Respectfully Submitted,

Daniel D. Senft

Dear Chairman Doyle, Chairman Baram and members of the General Law Committee. I am sorry I was unable to attend the public hearing today. I am submitting my testimony in writing in support of HB 5149 An Act Concerning Testing and Licensing of Home Improvement Contractors.

I had a terrible experience with the re-building of my house. There are a number of things the contractor did wrong: 1) he wanted to charge me for the double lavatory in my master bath which was already part of the plan, and the one he installed was a second; there is a big gash at the rim of the second bowl telling me he installed a second and charged us for new; 2) The original contract and specs which we discussed several times with him called for Radiantec radiant heat and air conditioning. The Radiantec hot water heater was supposed to be a 55 gallon tank; he installed a 35 gallon tank (pocketed the cost between the two), used sub-standard tubing and no heat deflectors like he should have and charged us for a system we didn't want that doesn't work properly; Oh, and we were charged for A/C but didn't get it. He used sub-standard wood to construct our deck and arbitrarily decided to make the deck 14' x 29' instead of the 16' x 42' it was supposed to be yet he charged me the same price-\$11,000. The wood is inferior with printing on many of the railings and warps in many of the balusters. He failed to anchor the deck supports properly to the cement pilings, using a block of wood under the support and on top of the concrete piling instead of the accepted standard metal grip anchor. All throughout the house, the taping is letting go on the cathedral ceilings in the family room and living room; nails are popping out visibly everywhere (and that was true from day one when we moved into the house). In short he took our money, charged us for first-rate materials and gave us junk. Our living room fireplace was supposed to be vented with a blower and an ignition switch on the wall. He gave us an unvented fireplace, no blower, and no switch. He used the 4-pane bow window we had previously in our house that was razed, but because he left it thrown on the front lawn during the winter of 2004, the seal broke on one of the thermal panes, and I now have a cloudy window. He cannot read a blueprint because he certainly didn't follow the one we gave him. The blueprint called for a sky light in the living room; we did not get one. In fact, we almost didn't get the two in our family room even though they were in the blue print. I can go on and on, but what is essential is that he is, by trade, a stone mason, not a contractor, something we were unaware of when we hired him; he told us he was a licensed contractor in CT. Not only did he misrepresent himself, but he took all of our money, did not give us what we had called for in our blueprint, and wanted \$50,000 more besides, this despite the fact that he has a CT license! He also made the mistake of trying to steal a kitchen cabinet from me before it was installed because he "didn't know" where it was supposed to go, despite the blueprint. He's a disaster—a "licensed" by-the-State-of-Connecticut disaster, and Consumer Protection was my only hope of getting him "to make good"; I couldn't sue him because he was or is a limited liability company; we couldn't get a summary judgment; As I told you earlier, the only way we were to get him to drop the law suit was to pay \$500 for a structural engineer who told us the house, as built by Saunders, is not structurally sound. Another 30" of snow and 60MPH winds might find us without a house. All anyone from the court would have to do is come to my house and see for themselves what a horrible contractor he is. He was the third contractor we had met with so we did shop around, and he was recommended by a "friend"

I don't know what else to tell you, but if the state is going to "license" contractors, the supposed contractor needs to pass a battery of tests to prove they are, in fact, a contractor. Also, there must be a law or some way to hold them accountable for shoddy workmanship and fraud when they commit it. Lord knows he took all of our money and then some and still wanted more!

Sincerely,
Andrea Paddock, Monroe, CT

P 27

PS: 19 LN. 22

Philip Herzegovitch CGR, CAPS, BPI-BA

Testimony for HB 5149

Home Contractor Licensing

Esteemed members of the Connecticut State Legislature and this Committee, thank you for allowing me to come before this body in order to offer testimony regarding the HB 5149 legislation for the introduction of formal licensing for contractors involved in residential home improvement.

I have been a registered Home Improvement Contractor in the State of Connecticut for the past 13 years. In that time I have seen the good, the bad and the ugly of the Home Improvement segment of the building industry in our state.

Although I am a beneficiary of a low barrier to entry, from a business point of view, that does not necessarily translate to adequate knowledge required to perform at a level of competence in residential building improvement.

As it stands right now, it seems to me that the title of Home Improvement Contractor is a bit too broad to be able to cover the myriad types of trades and skills used in the process of home improvement and/or building, and certainly anything having to do with structure. It is just too vague to be of any real value in assessing the competence needed to perform the job in the larger picture.

The way the current Home Improvement Act reads and is applied, too many contractors without the necessary skill sets seem to be slipping through the cracks. The situation not only hurts the industry, but the consumer and the state of Connecticut as well. There is no real requirement that a Home Improvement Contractor's subs be registered or otherwise licensed except in the cases of plumbing, electrical and/or HVAC. While simple registration might be acceptable for smaller projects such as refitting a closet, replacing a counter top or tiling a section of floor, it falls far short regarding more extensive projects such as kitchen & bath remodels, additions, basement finishing or energy efficiency and weatherizing. In these cases, a Home Improvement Contractor will most likely assume the role of General Contractor. In these types of cases the majority of the work being done may be by sub-par, poorly trained and/or totally unregulated workers. The easily gotten HIC registration, in this case, can and does result in poor quality or create safety issues much of the time. If the ultimate job-site authority, the GC, does not have the knowledge base required to spot deficient building practices, how can there be any expectations that any of the subs will perform their tasks correctly or effectively? Let me give a couple of recent examples.

I was recently asked to look at a home for purchase by a client. The historic home (about 160 yrs old) had modifications made to it over the last 30 yrs. These modifications were done without permits, but by "licensed" HIC contractors. All the modifica-

tions and added items compromised the structure to such a degree that the home is unsellable at this point. Structural tie beams have been cut and removed causing the walls to belly out and the roof to become swaybacked. Multiple roof layers have been added to a roof structure that cannot adequately support their weight. A stone fireplace had been installed on a cantilevered floor with no foundation structure under it. The deck was placed on footings, by that I mean a block that measures 1 foot square. Joist hangers that have been installed using roofing nails and support columns that were added were installed out of the load path, leaving key load points unsupported. Granted, if the work had been permitted, most of these issues would have been caught by the building inspectors, but all too often the consumer looks to the Contractor as the knowledgeable expert because he/she has been "licensed" to do the work.

Another example was a basement finishing project that was permitted and inspected. In this case, a registered or "licensed" home improvement contractor had used all the wrong types of materials for the project, resulting in a severe mold infestation situation. Had the contractor been properly educated, many of the issues could have been averted, or at the very least pointed out in order to find the right solutions BEFORE completion of the project. The resulting costs to remedy the situation cost more than triple the original effort. None of which was recoverable. Some may say that this is a market issue and that the laws of supply and demand would weed out poor performance. That has not been the case for the last 30 years. If it had been the case, we would not be at the juncture we are at right now.

In both of these cases, if the contractor was required to show a minimum competency through initial testing, proper formal licensure and continuing education, the outcomes would most likely have been averted. Building technologies have changed dramatically over the years. Remedies to mistakes previously made in building techniques have evolved. The building industry is not a static one and those that work within it must be able to be asked to mature along with it. The current model is not sustainable and the State needs to adapt as well. The lack of formal licenses, and the issues that go along with that not only diminish the image of my chosen field, it puts the consumer at greater risk of monetary and/or property loss (not to mention illnesses or bodily injury). This then negatively affects the State in the way of increased litigation costs, increased enforcement costs, increased liability costs and a diminished image.

I would like to urge the Committee and the Legislature to seriously consider voting in favor of the legislation presently being proposed in HB 5149. Thank you for your time.

Fisher and White Construction LLC

Ed White
13 Johnson Ct
Waterford, CT 06385
860.857.5139
Lic# HIC. 0623800

February 21, 2013

To: Dear Chairman Doyle, Chairman Baram and members of the General Law Committee

RE: HB5149

It is my professional opinion that the residents of the State of Connecticut would greatly benefit from a "new" professional licensing and registration application process for those desiring to be Home Improvement Contractors. I believe the current process is allowing too many "hacks" to be working on our residential homes.

I attended a remodeling contractors meeting last month, where I met Representative Kim Rose and was highly energized with the fact, that there are many people willing to help professionalize HIC's. It is in our best interest to build a new application process that would require more education and testing and possibly bonding to increase the honest "carpenter". We need to have a planning committee that will listen to the voice of the many solid, current contractors and draw up ideas of building a better future for our state.

I also propose a simple points program, for current and new HIC's that would be available for the public to recognize who they are hiring to work in their homes. Points would be given and taken, just as ones credit score works. Those contractors that are not working professionally would have points deducted.

When I started my HIC business four years ago, I did not have many places to help me understand the ins and outs of contracting. I would have benefitted greatly from some local classes at the community college to answer my questions and show me some examples of how to conduct professional business. Recently I was taking a break and talking with one of my customers about business. I was looking for ideas on how to help a new customer with an estimate, yet not give too much of my time for a secondary estimate. We simply agreed that a small charge would be typical, just as he shared his experience through doing contracts at his work and charging the customer for it. There are day to day decisions that I would have done different with the guidance of a class at the local community college.

There are many tools that could help new and current contractors go about their business in a professional way. I believe that money talks, so the bottom line is there needs to be fees and fines. A fee could be a \$1,000.00 bond for a new applicant or a \$500.00 job done without a typed contract.

My few professional opinions have only lightly touched on these simple ideas. We can now gather this information from much experienced HIC's and use it to draw up some excellent laws that would help in all aspects of residential home remodeling in the State of Connecticut.

Connecticut needs professional people, doing a professional job, in a professional time frame! I greatly appreciate your time.

Sincerely,

Edward J White

P 29

PS: 20
LN: 16

Carpentry & Handyman Concepts LLC
203-847-5391

David Grecco
192 New Canaan Ave. Norwalk, CT 06850

HB 5149- SUPPORT - An Act Concerning Testing and Licensing of Home Improvement Contractors

Dear Senator Paul Doyle, Representative David Baram and Members of the General Law Committee

I thank you for the opportunity to speak to you today in support of HB 5149.

My name is David Grecco my company is Carpentry and Handyman Concepts located in Norwalk. I have been a registered Home Improvement Contractor for the past 18 years.

I remember my early years as a contractor quite well. After working with my dad I decided to start my own company Through trial and error (and there were many) I have been able to evolve my business into a strong contracting business in lower Fairfield County. Had the specific state classes been available to me when I was first starting off in business it would have certainly helped me succeed at a much faster pace I do take every advantage for addition training as well as holding membership in professional business development such as NARI, BBB, Chamber of Commerce, Remodeling Contractors assoc. In addition I am lead certified by the federal government.

I can't tell you how many times I am called in to correct someone's sub standard work. Once a customer has been burned by a dishonest or unqualified contractor their level of trust has been sorely compromised Funding to correct bad work has been compromised and many times the consumers don't have enough to have the job re-done correctly I am left with doing my best to get them back into a safe and completed home.

I educate my customers, I give advice, help them plan their project and provide them with a legal contract which protects both of us. I do this because this is part of MY JOB as a Home Improvement Contractor I do not expect my customers to be able to know everything- they depend on me and I take that trust very seriously. There is no simple way that I could expect my customer to know what is contained in a legal contract required by the State of Ct. That is MY JOB. I don't expect that my

customer will know if their planned project will meet building code compliance- that is MY JOB I do not expect my customers to understand how long a project will take, that is something that we fully discuss because that is MY JOB. Most all of the expectations between a contractor and a homeowner are spelled out in our contracts. If I had no experience in this, and did not understand what is required of me from the DCP then it would be an issue. My customers look to me as a registered contractor for answers, that's why they hire me. It is time that we require those in the contracting business to become educated in all that is expected from them statutorily and ethically, it is not the consumer who should have to take the test. It is time for my industry to rise above this lame way of registering and raise our industry to a higher standard.

Thank you for your time and I would be happy to answer any of your questions.



PS: 20

P 32

LN: 18

Dear, Chairman Doyle, Chairman Baram And members of the General Law Committee.

RE: HB 5149 Home Contractors Licensing.

My Name is Lucas Papageorge Jr I am the owner a full service General Contracting company that focuses on residential construction I also teach classes to homeowners on how to hire and vet a good contractor, and provide my construction knowledge to lawyers and police detectives when they are involved in construction cases. With my diversified experience related to the construction industry, I strongly support bill HB 5149 and give the following reasons why

What general contractors do is complicated and invasive for their clients and their properties I have been involved in numerous cases where a homeowner was taken advantage of by a contractor This happens for two reasons First, the contractor is not an honest person - the homeowner feels safe because they did their due diligence and made sure the contractor had a license and insurance THE FACTS the contractor paid \$220 00 for a HIC Registration and has a minimum insurance policy that most of the time does not cover the work he is performing or is cancelled after a certificate is printed

The second thing that happens is that a truly honest person with the best interests who wants to be a general contractor often works in one of the subcontractor fields (painting or drywall) and has many friends in different subcontracting fields and feels that these contacts can allow him to take on the roll of a general contractor. Sometimes this works, but often times they end up in way over their head. They didn't do the research of codes, state laws, and insurance expectations, and don't have basic knowledge of project management, accounting, estimating and management ability This poses a risk to their clients, their employees, and their families

When I started my own company I took on small handyman projects on the weekends while I continued working at my full time job (Project Engineer for a Highway construction company) I slowly built my company and had several people working with me full time before I left "my "day job" to work full time for myself. Even with a savings cushion and some decent carpentry skills, I had no clue what I was doing!!!

Yes, I was a good carpenter but I did not know anything about running a business or residential building codes It took years to figure this out with the help of mentors and other family members in the business to get me a sound understanding I feel bad for some of the customers that used me for large projects in my early years Luckily, I have always kept in contact with my previous clients and made it to a successful place that I was able to go back and make any necessary repairs or adjustments I have been very fortunate but this does not always happen Many people do not have the skill nor seek out the support that I have had If I had not taken the time nor the energy to learn as much as I could about this industry, I would have been long gone and my customers would have needed to pay someone to fix the work I had done, which could lead to law suits and loss of all assets By voting for this Bill, you will be sending applicants who would like to become general contractors down the road of success - by mandating a course to teach the basic business skills, continuing education to improve oneself and stay current on building requirements

Thank you,

Lucas Papageorge Jr

301 Berkeley Rd, Fairfield CT 06825

203-650-9163

P 33

R. J. Aley Building Contractor, LLC

185 Wilton Road Westport Ct 06880 o 203-226-9933 o www.rjaley.com
*Renovations - Historic Preservation - NAHB Certified Green Builder - Energy Star Home Builder
Ct Home Improvement contractor Lic # HIC 0570003*

TO: Chairman Doyle, Chairman Baram and members of the General Law Committee

RE: Proposed Bill HB 5149

Dear Chairman Doyle, Chairman Baram and members of the General Law Committee

I'd like to offer my full support for some kind of testing to license residential Contractors in the State of Ct. As a small contractor myself I can tell you that I fully support testing as a way to further protect the consumer.

Every week I see examples of poor workmanship, walls and windows that will rot in a matter of years because the people installing them, while well meaning, do not understand proper moisture control. I see boilers, furnaces and water heaters improperly installed that put the residents of the building at risk of fire or carbon monoxide poisoning. I see remodels without proper smoke alarms that put occupants at risk not to mention the money wasted when all this work has to be re-done in a few years.

I know there has been discussion in Hartford that an exam for licensing might have implications on the small contractor and those who may be immigrants or not speak English well. If someone does not speak English well enough to pass a simple test on building codes, safety and energy efficiency then should they really be in the business of working on people's homes? A home is the single largest investment most people make.

As it now stands Ct requires that electricians and plumbers be licensed in the state of Ct. Every day I work with very fine professional small business people in these trades who were not born in this country and whose first language is not English, yet they were able to pass the tests for these trades. The same requirements should be placed on General Contractors.

The test should include:

- 1) Yearly proof of Liability and Workers compensation insurance. Workers compensation is there first to protect the worker, but it also protects the Homeowner. There have been cases where un-insured workers were seriously injured at a home and ultimately the homeowner was sued by the un-insured worker. A basic Workers comp policy for a sole proprietor who works alone costs at the most \$1500 per year, maybe less.
- 2) Since the Federal Government already requires Contractors to be Lead Paint Certified this should be a requirement for a license in CT.
- 3) Since OSHA is now enforcing their fall protection requirements on residential contractors an OSHA fall protection training class should be a requirement for the license.
- 4) A basic knowledge of the building codes. The codes are the bare minimum for building a safe and durable home for consumers and as of 2009 require that a

R. J. Aley Building Contractor, LLC

185 Wilton Road Westport Ct 06880 • 203-226-9933 • www.rjaley.com

*Renovations - Historic Preservation - NAHB Certified Green Builder - Energy Star Home Builder
Ct Home Improvement contractor Lic # HIC 0570003*

contractor have a basic knowledge of energy efficiency, insulation, heating and cooling systems.

- 5) A basic knowledge of contract requirements in the state of Ct such as the right of rescission clause required in all contracts.

Finally, while we are a Connecticut based company we often work in Westchester county NY. As a requirement for a Westchester County license we have to provide yearly proof of Workers Compensation, Liability Insurance and our Lead paint Certificate. If Westchester County can do this why can't Connecticut?

p 34

CARPENTER CONSTRUCTION LLC*Distinctive Additions & Renovations*

17 Taunton Lane Newtown, CT 06470

Phone/Fax (203) 270-9574

Dear Chairman Doyle, Chairman Baram and members of the General Law Committee

RE: HB5149

I have a story about a job that I bid and did not get. My bid amount was \$960,000.00. After many weeks of alternate bids, addendums and final bids the job was awarded to a Contractor for \$800,000.00. I was told by the architect that all the bidders had the same qualifications and had excellent references. The homeowners had been to see homes that each of the bidders had built. As I told the Architect, who I know well, I could not build this job for my wife for \$800,000.00. A year later the job was not finished and I got a call from the architect. The original contractor had completed about 80% of the job and vanished into thin air. After some research by the homeowners and the architect it was learned that the contractor was a painter who wanted to be a contractor. He built a nice website and portfolio with beautiful pictures. The house he took the owners to see as a reference was a painting customer that he had helped out by providing some additional workers to do some trim work. That customer gave a blanket statement that "He is responsible for all the beautiful work you see in my house." His client probably thought he was showing the paint job not the house construction.

My point is had there been a licensing requirement the architect and the homeowner would have not been as easily fooled. The only way to really separate myself from someone with a lot of smoke and mirrors is a license test. I truly believe this contractor would not have been able to pass the test, from what I learned after the fact.

Thank you,
Jim Carpenter HIC# 0565839

Remodeling Contractors Association
 Connecticut Chapter of National Association of the Remodeling Industry

Susan Loin
 Executive Director



1 Wolcott Road, Wolcott, CT 06716 ♦ P: 203-879-0075 ♦ Email: info@narict.org ♦ www.narict.org

February 21, 2013

TO: Senator Paul Doyle, Co-Chairman
 Representative David Baram, Co-Chairman
 Members of the General Law Committee

FROM: Susan Loin, Executive Director

RE: HB 5149 - An Act Concerning Testing and Licensing of Home Improvement Contractors

The Remodeling Contractors Association is the Connecticut chapter of the National Association of the Remodeling Industry (NARI). Our members are remodeling contractors throughout the State of Connecticut who take their trade very seriously and have the highest concern for homeowner's. As a member of the Remodeling Contractors Association, they must adhere to a strict code of ethics. Our association is so confident that our members are professional that if a homeowner has a complaint against one of our members, we will mediate a solution for them.

We know that the Dept. of Consumer Protection receives many complaints about contractors that are not upstanding businessmen or tradesmen and do financial harm to homeowners. Our members want this changed. It is rare that you find a group of professionals who are willing to go above and beyond what is required of them by the State. They are willing to take tests and continue educating themselves when they could just as easy do nothing and still keep their jobs. This has a lot to say for those remodeling contractors who support this bill.

The HIC registration has been around for many years and some may argue that all that is needed is that the DCP spend more money to educate the consumer. They may even suggest pulling back money from the general fund to pay for this education. The problem with this is that even educated consumers who knew they had to hire a registered contractor have been taken. We cannot expect all homeowners to be educated in carpentry, structural integrity, architectural design, etc. That is why they hire a remodeling contractor. So just exactly what consumer education is being suggested is questionable.

We believe that by licensing contractors we can solve several problems that currently exist.

- Shabby work done by a contractor who meant well but was never trained properly. Ask many building inspectors across the State what they find on some of the jobs and they will tell you that the contractor did not build to code because they did not know the code.
- Contractors who lose money because a homeowner won't pay because the contractor did not follow the Home Improvement Act to every detail. People who start out in business do not realize all that is involved in making contracts.
- People who are not serious about being a contractor but just want a way to pull in some quick money will be deterred from frauding homeowners since they will not want to study to take the tests
- Homeowners are usually skeptical about hiring contractors because they do not know what contractor is good or bad. The State can protect its own citizens by giving them a way to

determine if they want to hire one contractor over another. They will learn that a licensed contractor is one who has been tested and passed just like a electrician or a lawyer.

- Other States have background checks for those seeking a contractor's license. Many times contractors are in direct contact with children or women who are alone. It has some reassurance to know that the State has already checked out the person who is coming into my house daily.

We are looking at this bill as an opportunity for those entering the construction field to learn more and be more successful when they do start a business. Our code of ethics state that our members must "*refrain from any act intended to restrain trade or suppress competition.*" Our association was set up for "contractors to help other contractors succeed". The National Association of the Remodeling Industry offers many educational webinars, podcast and direct training to help contractors keep up to date with the latest technologies and designs. We offer our members meetings once a month for the purpose of educating them. Many people getting started in this field would find all the help they needed for becoming successful in the trade.

The following States have licensing in place: (this is not as exhaustive list)

- Massachusetts,
- New York City
- New York State
- Alaska, Florida,
- Lousiana
- Minnesota
- Utah,
- Virgina
- California

These states use an online testing company so the testing is already in place and has been vetted by many contractors.

The remodeling contractors that are here today consider this so important that they took off time from their jobs to be here, to let you know that the time has finally come for remodeling contractors getting licensed; licensed for the benefit of homeowners, licensed for the benefit of those who want to start their careers in this trade and licensed for the remodeling contractor that wants to continually improve his skills which benefits his customers.

HB 5149

P 28

Page 1 of 4

My name is John Arnone, owner of Arnone Building & Remodeling Inc. a Ct remodeling company established in 1973 at the age of 19. The last 2 years my company won awards presented by the Ct Better Business Bureau for the best web site toward Educating Consumers.

I am totally dedicated to my craft and proudly can say I've not had any filed consumer complaints from the Better Business Bureau, law suits or general liability claims filed in the past 25 years.

Besides being in business for 40 years I had additional 4 years at Eli Whitney Technical High School of which I was awarded the "Proficiency in math award", selected to the National High Honor Society and was selected "Faculties choice for outstanding senior plus additional 3 years, working for a general contractor prior to becoming self-employed for a grand total of 47 earth years however even more in knowledge and wisdom.

All though proud of my achievements, I only stated these to get your attention with my objective of you listening to my input on the subject of licensing contractors.

Since my web site existed (2009) I've educated the consumer in illustrating the different paths to become licensed (electricians, plumbers, etc.) compared to being registered (home improvement companies). Common sense will prove that if it takes the same effort to be registered as it takes to purchase a lotto ticket then you're exposing the consumers to an accident waiting to happen.

After stating something obvious along with I'm sure hearing reputable contractors expressing they prefer a licensing system due to present system is jeopardizing their livelihood I now want to express what I do well, "Think outside the box" and convey why the job opportunities for self-employed reputable contractors are being drastically reduced and mandating licensing is only a small part of the total scenario.

I would like to name my article "Evolution" illustrating the difference between the past and present circumstances and reasons why the "slice of pie" of opportunities toward reputable self-employed contractors staying in business is decreasing.

Box Stores, examples Home Depot & Lowes. Twenty five years ago they didn't exist and now they are continuing to grow and becoming more popular. Prior to this, lumber yards only sold building products; the difference is these box stores also perform home improvement installations... Some examples are roofing, siding, gutters, remodel kitchens & bathrooms, carpet, wood flooring, ceramic tile, doors & windows. A homeowner feels more confident in being assured a completed and quality job knowing their installers are backed by a billion dollar company. Homeowners have gotten burnt so many times in the pass from independent self-employed companies that weren't qualified. Also these Box stores can offer promotions that independent companies cannot.

Other Retail stores (Mom & Pop stores selling tile, wood flooring & kitchen cabinets) Twenty five years ago they only sold the product, now they also do installations. Decades ago independent home remodelers such as

myself were able to be awarded a kitchen installation job by just showing the homeowner photos of various kitchen cabinets to choose from , now this market is being awarded to retail stores illustrating showroom displays , 3 dimensional drawings and full time designers.

Homeowner involvement, Twenty five years ago a homeowner would never think of doing any type of home improvement project other than install a mail box. I remember talking to an owner of a lumber yard twenty years ago and telling me that homeowners were only .05 % of his business, however he preferred not dealing with them because he would spend a lot of time explaining and guiding them to the proper materials compared to having to spend no time with a contractor because they already knew what was needed. Homeowners participation is now greater than ever which started to evolve twenty years ago when television programs illustrated to homeowners on " How to do "along with Box Stores offering classes on " How to install "thus giving knowledge , encouragement and confidence to tackle their home improvement projects that normally would have been done by self-employed carpenters / contractors. Some examples are building a deck, tiling a floor, installing drop ceiling tiles, alternates on tongue & groove oak flooring such as clip-together laminate flooring, remodel a basement, installing replacement windows / doors. Another homeowner involvement is dealing directly with supplier and purchasing products "on line". Years ago contractors could make a profit by "marking up "these items.

Advertising. Twenty five to forty years ago carpenters / contractors solely advertised in the yellow pages in their local phone book competing with less than 100 others with advantages of knowing no other competitors will intrude until the next yearly publication and you can place yourself in a favorable situation by purchasing a large size display ad. Usually the few established companies had an advantage knowing they could afford and commit to a large size ad for a full year while smaller un-established companies couldn't and didn't . Also at this time this industry was seasonal and owners usually worked in their own town or maybe adjoining towns. Now with the creation of the internet the yellow page is an "old dinosaur ". The internet has created competition among thousands of contractors (state- wide) opposed to less than a hundred (town- wide). Also because all internet ads are now the same size theirs no separation among competitors. Also present un-established / money strapped companies are no longer obligated to advertise for entire year opposed to monthly with the internet, thus more competition. Contractors are expanding their territories due to necessity thus more competition. Also recognition of a companies web site could be seen randomly opposed to 100 % noticeability with the old yellow page format. All these scenarios increases competition thus reduces job opportunities.

Becoming self-employed. Decades ago one became self-employed because they learned their craft well enough and chose to leave their present employer, now a majority attempt self-employment out of necessity (un-employed or in a different profession making minimum wage) with less experience of yesteryear candidates. It should be noted that judgment of being qualified of yesteryear candidates were solely based on workmanship with little consideration toward the "business aspects ". Today a successful self-employed contractor has to have the complete package which is further explained below (number 6)

Look at yourself in the mirror. Even thou I agree earning a license acknowledges being knowledgeable , however it doesn't assure being successful , Knowledge doesn't necessitate being honest, hardworking,

determined, disciplined, conscientious , dedicated, being professional or likeable, do quality workmanship, be productive, have leadership qualities or be drug free. It takes a combination of all these qualities to be successful to survive.

I feel State testing should not discourage qualified candidates from applying nor diminish a job opportunity if they fail test because the qualified reputable licensed contractors will have an opportunity to grow and hire them .You must understand , presently the Home Improvement Industry is the only industry in which you can go directly to the "Major Leagues " The process of becoming a major league baseball player is first being drafted among tens of thousands of candidates and moving up the ladder in the minor leagues, Single A ball League, Double A ball league and Triple A ball league and more likely failing to enter the Major leagues. I'm stated this because there will be casualties. The present "registratıon format" is a failure. It encourages unqualified individuals in this profession along with others in different professions even making minimum wage to saturate the home improvement industry. These individuals can charge double, triple the minimum wage and be in a position of being awarded the proposed project because those rates are still 40 % below market price.

Present ideas, I believe the following items should be mandatory in the home improvement industry.

1. All web sites should include a photo of contractor's registration card supplied by Department of Consumer Protection. This illustrates both effective & expiration date. If contractor doesn't have a web site they must supply customer a photo copy during initial meeting and be included as part of contract.
2. All web sites should include a photo of contractors insurance policy supplied by their insurance copy. If contractor doesn't have a web site they must supply a photo copy during initial meeting. Prior to signing a contract, contractor must include insurance policy as part of contract along with stating homeowner as "an interested insured party "in the "certificate holder" box.
3. All testimonials that appear on web sites should include the 3 following criteria's, (1) date (2) detailed description of work and (3) either full name of homeowner or Town with Building permit number. Any omission, testimonial not allowed.
4. All web sites should include contractors Ct Better Business Bureau rating regardless of being a member or not. If contractor doesn't have a web site than they must supply rating upon initial meeting and be part of contract.
5. If contractor wishes to display "amount of experience "it must be first investigated and confirmed by the Department of Consumer Protection and / or IRS.
6. All work must be submitted to the Towns Building Department to confirm this type of work doesn't require any type of permit. Building Official will supply document indicating homeowner name, address and description of work confirming such mentioned work not required to obtain permit. This document would be required to be part of contract. I'm sure a fee would be welcomed by a homeowner to assure contractor met building officials.

7. Have suppliers that deliver certain products (examples are vinyl siding / roofing shingles) supply the Department of Consumer Protection a list that includes delivery address and purchasing contractors name to later investigate and confirm a permit was issued. Similar to Pawn Shops having to keep transaction records. If no permit was obtained a fine will be applied to contractor. Expense of such research will be generated from fines.
- 8 Offer a monetary award similar to a finder's fee when one reports seeing possible zoning, building or OSHA violations. Building and / or zoning violations could be recognized by not seeing a posted permit. Presently permits must be posted however they are too small in size to possibly be seen, they should be posted on a 2' 0" x 2' 0" sign that is no more than 4' 0" from street. As far as OSHA violations, educate the public on visible and obvious violations, examples are shingling a roof or working on staging without proper safety requirements and removal of exterior lead paint without proper precautions.

The reason to comply with any / all of these 8 aforementioned examples is, no matter what system is acclimated (registered or licensed) you'll still have people not complying similar with gun control. However there's a difference, these ideas can and will expose the violators, they can't hide.

Thank you and I hope I contributed to the cause. John Arnone



State of Connecticut
 HOUSE OF REPRESENTATIVES
 STATE CAPITOL
 HARTFORD, CONNECTICUT 06106-1591

EI
 PJ-1
 W:2

Representative Kim Rose
 Assistant Majority Whip
 118th Assembly District
 Milford

Legislative Office Building
 Hartford, Connecticut 06106
 Capitol (800) 842-8267
 Cell (203) 701-6098
 Kim.Rose@cga.ct.gov

Senator Paul Doyle, Representative David Baram, Members of the General Law Committee, thank you for raising this bill to a public hearing and for allowing my testimony in support of HB 5149.

In order for me to buy a home or sell my home, I turn to a professional real estate agent. That person has attended 60 hours of classroom instruction and passed a competency test. How is it possible that when I look to hire a contractor to either do a remodeling job, addition or even build me a new home, our state does not require them to have proof of skill, training or instruction?

As our law stands now, any one of us in this room can send \$220.00 to DCP and become a registered contractor. As a homeowner, when I hire a "registered contractor" I have a sense of security in their professionalism and abilities. This is simply not the case. However, if I hire an electrician, plumber or HVAC contractor they are required to have an extensive series of licensing requirements such as a progression in their licenses as well as continuing education requirements. If I hire that same Home Improvement Contractor, they need no experience, training or education.

HB 5149 will require any contractor that has not held a HIC registration for the past consecutive 5 years to take a prep class in order to pass a competency test. The test will include content such as current code, contract writing, how to bid a job. This bill will help new businesses learn the law and codes as well as protecting them when it comes to using proper contracts, how to be competitive in bid writing etc. As building codes change, the CEU classes (12 hrs per year) will enforce that knowledge and ensure that they are all contractors are aware of what the current State of CT building code requirements are. In addition, the DCP will require, upon registration, proof of insurance as well as running background check.

Some will oppose this bill. They may feel that the consumer is the one that needs the education. How will the DCP sit every consumer down to educate them? The very REASON a homeowner contracts with a professional licensed contractor is that they put their trust in their guidance and expertise. The onus is on the contractor to conduct himself in a professional and well informed manner. I go to a surgeon, expecting that he or she has the knowledge and expertise to treat me. Why would I not expect that from my contractor?

Others will say that we need to enforce existing laws. The only safety net that we have for the homeowner is the guarantee fund. The homeowner, after having a dispute has to go to civil litigation at their additional expense, once they win the case they can turn to the guarantee fund. In many instances

their damages exceed the \$15,000 limit. According to OLR there were 307 complaints last year and the fund paid out \$2,373,700. The complaint totals may be small but they reflect millions of dollars of damage to people's homes. And these are only the ones that were reported. Today there are 1,000's of civil lawsuits in various stages of litigation. What happens to the homeowner that does not have funds for legal fees? Nothing, they are left with someone who has run off with their money, perhaps partially finished work and no recourse. The following is a graph as supplied by OLR shows the claims against the fund. As you can see, just by these numbers our registered contractors are causing millions of dollars in damages to our constituent's homes each year. I expect that the true overall all number is easily in the tens of millions

FY	Home Improvement Contractor Receipts	Investment Interest	Restitution Payouts	Number of Claims Paid	Transfers to Enforcement Acct	Transfers to General Fund
2006	3,178,241	23,080	2,173,899	311	400,000	654,655
2007	3,333,508	38,941	1,741,488	194	400,000	653,421
2008	3,399,052	27,865	2,509,948	340	400,000	882,989
2009	3,286,376	6,893	2,650,712	339	400,000	425,996
2010	3,184,075	1,133	2,787,454	351	400,000	97,207
Averages	3,276,250	19,582	2,372,700	307	400,000	542,854

Source: Department of Consumer Protection

Although a fiscal analysis has not been done on this bill I do not anticipate one that is negative. The class and test will be paid for one time by the contractor; the CEU classes will be paid for through the educational fee that is collected by every building dept. Depending upon the increase in classes, the fee will be raised. According to OLR the state currently collects .26 for every \$1,000 in construction value to fund the classes. The state offers 90-100 classes with an attendance of approx 6,500 students. Most of those students are required by statute to attend these classes to maintain their licenses; they include Building Officials, Plan Reviews, Building, Electrical, HVAC and Plumbing inspectors. Some professional building trade organizations offer certificate training but there are very few of the 27,823 registered contractors either belong to the organization or take advantage of the certificate classes. It may be because some of these classes are very costly to attend.

We have all seen the movie "The Money Pit" with Tom Hanks, as the contractor comes up with countless excuses for why the job is taking so long, or they needed to remove the stair case, or rip apart the yard, while we all laugh at comedy, this is a very real and possible scenario. We assume that these individuals know what they are doing, but by only requiring a small fee, there is no guarantee that assures us that they have any form of proficiency. Homeowners in our state deserve better.

As legislators we are charged with protecting the health and safety of our constituents, with the way we currently register contractors we are failing the homeowners in this state. The time is now to bring this industry into a level of professionalism as well as truly protecting our consumers. For years we have served an injustice to not only the consumer but to the trade in general. It is time for the State to expect more for our consumers and offer help to those starting out in the home improvement business.

[THE EXAM](#) | [TESTIMONIALS](#) | [SEMINARS](#) | [ORDER](#)



Call 1-800-680-0812





MONEY BACK GUARANTEE!

See **THE BEST GUARANTEE** in the business.

Course Login

SELECT YOUR STATE

Click to select your state

Home » Florida

Florida Contractors License

Congratulations! You have chosen to make an excellent career move by getting your **Florida builders license**

Florida is receiving a lot of positive publicity regarding its beauty, tourism, and the number of people moving into the state. The Wall Street Journal states that due to the economy, the number of tourists traveling to Florida is on the rise. Since 1980, Florida's population has grown an average of 873 new residents daily, according to the State of Florida Department of Elder Affairs. With the number of newcomers moving into the state, the housing and home improvement markets are expecting record growth. It's time to get licensed and reap the benefits.

Do I need a Florida contractors license?

The state of Florida requires that persons who want to perform **General, Building, and Residential** construction to become licensed. According to the State of Florida code, a licensed certified contractor is a contractor who holds a certificate issued by the Florida Department of Business and Professional Regulation (DBPR) and who is allowed to contract in any jurisdiction in the State of Florida without fulfilling additional certification requirements. The code states that you must have a **General, Building, or Residential** license to construct, repair, alter, remodel, add to, demolish, subtract from, or improve any building or structure, including related improvements to real estate, for others. The definitions of a **General, Building, and Residential** contractor are described below.

- **General Contractor** means a contractor whose services are unlimited as to the type of work which he or she may do.
- **Building Contractors** may construct commercial buildings, single-dwelling, or multiple-dwelling residential buildings. These buildings cannot exceed three stories in height. A building contractor may also construct the "accessory use structures" in connection with these buildings. An accessory use structure is a garage, guest house, garden shed, or other outbuilding. A building contractor's services are limited to remodeling, repair, or improvement of any size building without affecting the structural elements of the building.
- **Residential Contractors** may construct, remodel, repair, or improve one-family, two-family, or three-family residences that are not more than two stories and also the "accessory use structures," such as a garage, guest house, garden shed, or other outbuilding.

Once you earn your Florida Construction License you will be able to charge your customers and be compensated for your work!

How to acquire your Florida Contractors License

The following are the requirements to obtain your **Florida Builders license**

1. Successfully complete the **Florida contractor license exam** that measures your knowledge of the profession.
2. Complete a **Contractors License application**. Applications can be obtained from:
 - State Of Florida
 - Department of Business and Professional Regulation
 - 1940 North Monroe Street
 - Tallahassee, FL 32399-0783
 - Customer Contact Center (850) 487-1385
 - For questions and to access the application visit
 - <http://www.myflorida.com/dbpr/index.html>
3. Submit the **General Contractors License application**, supporting documents, and application fee to the State of Florida Department of Business and Professional Regulation.

PROCEED TO CHECKOUT »

0 items in your cart

[CONTINUE SHOPPING](#)

[QUICK VIDEO TOUR](#)

[FREE TRIAL DOWNLOAD](#)

 **ACCREDITED BUSINESS**



VIEW OUR LOW PRICE GUARANTEE

The Best Florida Contractors Exam Prep for the Contractor License Exam

One of the most important steps in obtaining your **Florida Contractor License** is preparing to take the contractors test. Our Florida contractors exam prep software or online study course will help you accomplish this task in the most efficient way possible. By practicing all of the possible questions in the software, you will be prepared for any combination of questions that you may be given on your contractors license exam. In addition, using our study course will help you become familiar with computer generated tests and greatly reduces your anxiety on the day of your contractor exam since you prepared using a computer based testing (CBT) format.

The next step is registering to take the exam. The state of Florida uses Professional Testing Inc (PTI) to administer the Florida builders license exam. PTI recommends that once you select a date to take the contractor test that you send your completed application and accompanying fee to PTI 30 days prior to the test date so that PTI will have time to verify that you meet the requirements and to give you the best advantage for taking the builders test on the date that you choose.

There are 3 ways to register for the Florida CILB Exam:

- 1 **Online application (Internet)** – From your browser go to <http://www.profesting.com/> and select the Florida Construction Industry Licensing Board Examinations in the Examination Program's column
- 2 **Standard Mail** - Completely fill out the application and mail to PTI with the appropriate examination fee
- 3 **Fax** - Completely fill out the application and fax to PTI at (407) 264-2977

Florida builders' license exams are given in the following locations:

- Orlando, FL
- Tallahassee, FL
- Kissimmee, FL
- Tampa, FL

The PTI application for the General, Building, and Residential Contractors' License exams is included in our contractors license test preparation software.

Taking the Florida Contractor License Exam

Our software or online study course will prepare you for the following examinations:

- General
- Building
- Residential

Each exam consists of three (3) separate sections administered over two (2) days. Each day consists of a 4 hour and 30 minute AM session and a 4 hour and 30 minute PM session.

The exam will go smoothly if you study diligently and follow the Tips and Strategies Guide included with the test preparation software. You will be able to arrive with confidence knowing that you are prepared for any combination of questions that may appear on the test. You will be required to show photo identification and your admission slip from PTI to be admitted at the testing center. In addition, PTI recommends that you bring a ruler and calculator.

Review the Candidate Information Bulletin for a complete list. All of the reference books can be found on the Order page by clicking on the Order tab at the top of the page.

Our software will prepare you for the following portions of the exams:

Exam	Number of Questions	Passing Score
Business and Finance (40 questions per exam)	80	56
Building Contractor Contract Administration	50	35
Building Contractor Project Management	50	35
General Contractor Contract Administration	60	42
General Contractor Project Management	60	42
Residential Contractor Contract Administration	45	32
Residential Contractor Project Management	45	32

You will be given a grade report on-site after you complete the last section of the contractors license examination. The minimum passing score is seventy percent (70%) on each of the examinations.

For further details regarding the Florida construction license exams see the Candidate Information Brochure (Booklet), which is found online at <http://www.myflorida.com/dbpr/servqo/testing/booklets.html>

Obtaining Your Florida Contractors' License

After you pass all the required parts of the exam you are allowed to apply for certification. To apply for certification you will need to provide the appropriate licensing fee, proof of insurance, and any other applicable documents.

Traps to avoid

It is a common misconception that since the builder exam is open book, it is not difficult to pass. In actuality the contractor license exam is more difficult to pass than similar closed book exams due to the fact that you have books available as a resource during the contractor exam. We recommend purchasing the following reference books and using them together with our study course to give you the greatest chance of passing the builders license test the first time.

The Florida Department of Business and Professional Regulation (DBPR) offers some very specific guidelines as to what construction reference materials you may bring to the contractors license exam and how you may mark the pages in the books. The reference materials must be listed on the reference list. Your materials may be underlined and/or highlighted. The books may not contain post-it notes, pull-off labels, or removable tabs. We recommend purchasing all of the approved books allowed into the builders license exam and our **Florida Contractors Exam Prep Study Course** which are offered together on the Order page as the Florida Platinum Package to give you the greatest chance of passing the builders license test the first time.

If you forget the answer to a question during the contractors license exam, having the reference books will allow you to quickly find the answer and complete the builder exam within the time allowed. Going into the construction exam with your toolbox filled with all of the resources available will give you the greatest chance of success. In construction the saying, "Do it right the first time" is often heard. We believe it also applies to getting your General, Building, and Residential Contractors license.

Contact Us to learn more information about the Florida Contractor License and Florida Construction License Exam prep courses.

[Order your Copy of the Contractors License Software Today!](#)

[Home](#) | [Policies](#) | [FAQ](#) | [Site Map](#) | [Privacy Policy](#) | [About Us](#) | [Select State](#) | [My Account](#) | [Login](#)

[Alabama](#) | [Alaska](#) | [Arizona](#) | [Arkansas](#) | [California](#) | [Colorado](#) | [Connecticut](#) | [Delaware](#) | [Florida](#) | [Georgia](#) | [Hawaii](#) | [Idaho](#) | [Illinois](#) | [Indiana](#) | [Iowa](#) | [Kansas](#) | [Kentucky](#) | [Louisiana](#) | [Maine](#) | [Maryland](#) | [Massachusetts](#) | [Michigan](#) | [Minnesota](#) | [Mississippi](#) | [Missouri](#) | [Montana](#) | [Nebraska](#) | [Nevada](#) | [New Hampshire](#) | [New Jersey](#) | [New Mexico](#) | [New York](#) | [North Carolina](#) | [North Dakota](#) | [Ohio](#) | [Oklahoma](#) | [Oregon](#) | [Pennsylvania](#) | [Rhode Island](#) | [South Carolina](#) | [South Dakota](#) | [Tennessee](#) | [Texas](#) | [Utah](#) | [Vermont](#) | [Virginia](#) | [Washington](#) | [West Virginia](#) | [Wisconsin](#) | [Wyoming](#)

Copyright (c) 2003 - 2013 CBT Development Corporation. All Rights Reserved

H - 1159

**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2013**

**VOL.56
PART 10
3086 - 3445**

law/gbr
HOUSE OF REPRESENTATIVES

71
May 9, 2013

Representative Holder-Winfield, for what purpose
do you rise, Sir?

REP. HOLDER-WINFIELD (94th):

Yes, Madam Speaker. I'd like to be recorded in
the affirmative.

DEPUTY SPEAKER ORANGE:

There you go.

And will the Clerk please announce the tally.

THE CLERK:

Bill number 6368 as amended by House A.

Total Number Voting 138

Necessary for Adoption 70

Those voting aye 138

Those voting nay 0

Absent and not voting 12

DEPUTY SPEAKER ORANGE:

The bill as amended passes.

Will the Clerk please call Calendar number 121.

THE CLERK:

Calendar number 121 on page four of today's
journal, favorable report of the joint standing
Committee on General Law, substitute for House Bill
5149, AN ACT REQUIRING THE CONSUMER -- COMMISSIONER OF
CONSUMER PROTECTION TO UNDERTAKE A STUDY REGARDING

law/gbr
HOUSE OF REPRESENTATIVES

72
May 9, 2013

HOME IMPROVEMENTS, CONTRACTORS AND LANDSCAPERS.

DEPUTY SPEAKER ORANGE:

Representative Baram, you have the floor.

REP. BARAM (15th):

Good afternoon, Madam Speaker.

DEPUTY SPEAKER ORANGE:

Good afternoon.

REP. BARAM (15th):

Not quite as exciting as the last bill. I move for acceptance of the joint committee's favorable report and passage of the bill.

DEPUTY SPEAKER ORANGE:

The question before the Chamber is -- the question before the Chamber is acceptance of the joint committee's favorable report and passage of the bill. Representative Baram.

REP. BARAM (15th):

Thank you, Madam Speaker.

This bill directs the Commissioner of Consumer Protection to conduct a study to determine if home improvement contractors should be licensed and tested instead of the existing registration system. The study would look to see what the problems are with the existing system, what other states are doing and make

recommendations.

This study would be returned to our committee on July 1, 2014. This was passed unanimously by the General Law Committee. There is a fiscal note of \$20,000, a onetime expense to hire a consultant and staff to undertake this study. There is an amendment, Madam Speaker, and I would ask that the Clerk call Amendment LCO 5770.

DEPUTY SPEAKER ORANGE:

Will the Clerk please call LCO number 5770 which will be designated House Amendment Schedule A.

THE CLERK:

House Amendment A, LCO 5770 introduced by Representative Baram et al.

REP. BARAM (15th):

Madam Speaker, I would ask that I be --

DEPUTY SPEAKER ORANGE:

The Representative seeks leave of the Chamber to summarize. Is there objection? Objection? Seeing none, Representative Baram.

REP. BARAM (15th):

Thank you, Madam Speaker. This amendment just eliminates from the bill any study regarding landscapers at their request. They have decided to

law/gbr
HOUSE OF REPRESENTATIVES

74
May 9, 2013

undertake their own voluntary work group to make recommendations to us at the next session. I move for adoption.

DEPUTY SPEAKER ORANGE:

The question before the Chamber is on adoption. Will you remark further on House Amendment Schedule A? House Amendment A? Will you remark on House Amendment A? Representative Miner, on A? Please proceed.

REP. MINER (66th):

Yes, Ma'am. Thank you. If I might a question through you, to the proponent of the amendment please.

DEPUTY SPEAKER ORANGE:

Please proceed.

REP. MINER (66th):

Thank you, Madam Speaker. It's -- it's my understanding that the effect of this amendment eliminates landscapers from the underlying study. Is that correct? Through you.

DEPUTY SPEAKER ORANGE:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. That is correct.

DEPUTY SPEAKER ORANGE:

Representative Baram.

law/gbr
HOUSE OF REPRESENTATIVES

75
May 9, 2013

REP. MINER (66th):

And if I could through you, were home improvement contractors offered the same opportunity to do their own study and come back and report to the committee? Through you.

DEPUTY SPEAKER ORANGE:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. They were not offered the opportunity. The landscapers were the ones who approached us with the request. We had testimony at our public hearings on both sides of the issue involving home improvement contractors but the general consensus was that a study would be the most appropriate vehicle to determine the issues and report back.

DEPUTY SPEAKER ORANGE:

Representative Miner.

REP. MINER (66th):

Thank you, Madam Speaker. And I'm not opposed to a study. I -- I guess I'm a little concerned that part of whatever the committee had looked at initially has been carved out of the bill. I've got to believe that the cost associated in some cases at least with

law/gbr
HOUSE OF REPRESENTATIVES

76
May 9, 2013

landscaping improvements could be as high as they are with home improvement contractors. And I should disclose that I actually have a home improvement contractor's license and so -- or a permit I guess it is.

And so I have some knowledge of what some of these bills cost and the process that you go through. But I'm not sure why if it was of some value initially it's been determined that that area of work isn't worthy of the same level of study that contractors are but I'll listen to see if anybody else has any comments. Thank you, Madam Speaker.

DEPUTY SPEAKER ORANGE:

Thank you, Sir.

Will you care to remark further on House Amendment A? Will you care to remark further on House A? If not, let me try your minds. All those in favor please signify by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER ORANGE:

Those opposed, nay. The ayes have it. The amendment is now adopted.

Will you care to remark further on the bill as

law/gbr
HOUSE OF REPRESENTATIVES

77
May 9, 2013

amended? Will you care to remark further on the bill as amended? Representative Dan Carter.

REP. CARTER (2nd):

Thank you very much, Madam Speaker. This is a good bill. As this came through committee it was recognized that some of the folks in the home improvement industry you -- know there may be some folks out there not doing things exactly correct. And in a manner that we need to protect the consumers it would make sense that in some areas we license people and in some areas we don't. How do we pick those?

Well this study gives us the opportunity to look and see whether or not some of these home improvement contractors should be licensed and for -- and even go further to say what exactly is a remodeler, what is a home improvement contractor so we have some idea of what our consumers are going through out there. There was some talk about what happened with the landscapers. You know originally in this bill landscapers were included.

In the amended version obviously we took them out and the -- it's my understanding that the landscapers are -- are looking at pursuing a different option. Maybe they're going to come back to us in the future

law/gbr
HOUSE OF REPRESENTATIVES

78
May 9, 2013

but for now this -- this was a good bill and I recommend that all my colleagues support it. Thank you.

DEPUTY SPEAKER ORANGE:

Thank you, Sir.

Will you care to remark further on the bill as amended? Representative Aman.

REP. AMAN (14th):

Thank you, Madam Speaker.

The subject of licensing home improvement contractors comes up year after year and there's a lot of myths about it, a lot of discussion about it and very few facts unfortunately. So I do think that having a study of it is a good idea. One of the questions that was just mentioned by the Ranking Member and I had and I had down my first is -- first - - before we do anything we have to define who we're trying to license and regulate. Who is actually a home improvement contractor? At what level does someone become a home improvement contractor?

A lot of the testimony we receive is on major structural problems. This is a lot different than someone showing up at your house to do some minor repair work, changing your storm windows and doors or

law/gbr
HOUSE OF REPRESENTATIVES

79
May 9, 2013

something along this line. So the licensing part becomes very difficult to figure out to -- does it. I'm also hoping that Consumer Protection spends some time not only looking at other -- how other states regulate but the problems other states have had in their regulation as it -- has it solved their problems.

I believe the State of Florida has some of the most extensive licensing requirements for remodelers and builders and yet year after year they're also the state with the most complaints and the most problems. So directly licensing does not necessarily solve the problem as such.

The other thing that I'm a little disappointed in the way it was drafted is while it gives the entire study to the Department of Consumer Protection, unlike most of the studies we do where we try to get the industry involved and we have various appointments that go to members of the industry, members of the suppliers, even maybe some of the other attorneys that are involved with it.

This does not directly give the industry any voice on this study. Hopefully the Department of Consumer Protection even though the bill does not

law/gbr
HOUSE OF REPRESENTATIVES

80
May 9, 2013

require it, will ask these people to join the study group because from what I have seen from around the country is when they try to do licensing requirements and you're trying to do it from outside the industry you might come up with a very good set of regulations that are just impractical, that don't actually address the problems.

So I look forward to see what the study says next year but unless it is very carefully done and very wide range I don't think it's going to give us the answer we're looking for. Thank you, Madam Speaker.

DEPUTY SPEAKER ORANGE:

Thank you, Sir.

Will you care to remark further on the bill as amended? Representative Smith of the 108th, good afternoon.

REP. SMITH (108th):

Good afternoon, Madam Speaker. Nice to see you up there.

I'm going to have a few comments and a couple of questions if I may. I share the same concerns that have been raised by my colleagues in terms of not involving the contractors in this study. It seems to me they would be a -- an asset that you'd want to have

law/gbr
HOUSE OF REPRESENTATIVES

81
May 9, 2013

at the table. I suspect that they have a lot to offer and could give a lot of good ideas on how to license either someone who just does remodeling work or someone who frames a house. There are different skill sets involved clearly. So for us to leave them out of this bill in my mind is a mistake. I also think they might be happy to have a license. Now I'm not sure.

I'm not a contractor but I suspect that when a contractor does some work and the work is shoddy it puts a bad name on all contractors and I think we have a lot of that here in Connecticut. So I always thought when this bill became a law many years ago when contractors had to send in a check to become a home improvement contractor I thought it was such a bad bill.

Now I wasn't here then so I can take no claim or credit for it but -- or blame. But I think the only thing it did, Madam Speaker, was to generate some income for the State of Connecticut. What it also did however was give the implication that if I have a home improvement license I am somehow qualified to build your deck, to frame your house, to do any type of construction that may need to be done. Well that very much is not the case. While the contractor may be

law/gbr
HOUSE OF REPRESENTATIVES

82
May 9, 2013

skilled they also may not be skilled. And merely holding a license because I sent in a check to the State of Connecticut is not something that I think we should encourage. I'm in favor of this study. I think this study has a -- a positive impact of trying to identify what skills are needed to construct a home.

If you asked me -- if I -- if I sent in a check today, Madam Speaker, to become a home improvement contractor I could get a license in a matter of a week. The last thing you would want is for me to be at your home building your deck or your house trust me because I do not have those skills. But nonetheless I have my license because I sent in the check. So I think this bill is a good bill because I think the contractors probably want it too. They probably want to get rid of those who hold themselves out to be contractors who really aren't but have the license nonetheless.

So I -- I'm going to vote in favor of the bill. I hope the study comes back and says listen there's a lot of areas that we could license here but not just to generate fees but to actually protect the consumers who are hiring those people because they do have a

license or a registration. So thank you, Madam Speaker.

I guess I'm not going to ask any questions. I think the -- the Gentleman's heard my comments. So there's no questions because I think it's been clear that the contractors are not involved but I hope it's also clear that we hope they do get involved but become -- to be asked to be part of the study. So I thank you for the time.

DEPUTY SPEAKER ORANGE:

Thank you, Sir.

Will you care to remark further on the bill as amended? Representative Ackert.

REP. ACKERT (8th):

Thank you, Madam Speaker. A few questions to the proponent of the bill.

DEPUTY SPEAKER ORANGE:

Please proceed.

REP. ACKERT (8th):

Thank you. And -- and I -- I guess the original bill was require licensing and as a licensed contractor -- occupational licensed contractor -- not contractor but in terms of electrical contracting there is a value to that and I'll look forward to the

law/gbr
HOUSE OF REPRESENTATIVES

84
May 9, 2013

results of the study. But the study seems relatively narrow and it just picks home improvement contractors because the other -- there is another one which is a construction -- new construction registration also. Is that not in this study? Through you, Madam Speaker.

DEPUTY SPEAKER ORANGE:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. This just addresses home improvement contractors.

DEPUTY SPEAKER ORANGE:

Representative Ackert.

REP. ACKERT (8th):

Okay. It seems -- I -- I always had -- always had an interest in this piece because somebody can become a -- can build homes and you can go get the registration and start to build homes with no background just -- it's kind of like a home improvement contractor can and that we don't have a license to build commercially. If you wanted to build a Dunkin Donuts or a CVS there is actually no license requirement or registration requirement.

My -- my thoughts were if we're going to pick one

law/gbr
HOUSE OF REPRESENTATIVES

85
May 9, 2013

group -- and I could say this because I -- years ago this Legislature decided that electricians or plumbers needed to get continuing education units. I have no idea why that they picked that to happen for certain groups of people for occupational licensing when others didn't even have licenses. And here we're picking just one group to get a study on when I think it should have been an overall study. And is there a reporting -- I see they have to do a reporting, Consumer Protection. Is the landscapers group, do they have a timeframe to also report? Through you, Madam Speaker.

DEPUTY SPEAKER ORANGE:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker, the landscapers group association approached the General Law Committee and asked originally if they could be part of the study not because of complaints but because they wanted to enhance their status and be able to show the consumer that they have an enhanced education and professional status but then they decided that they could review some recommendations within their own association and come back. But their request was not the result of

complaints.

The home improvement contractor which I should acknowledge was the idea of Representative Kim Rose who could not join us today and she brought many of these issues to our attention, is really to try and help the consumer because there are thousands of complaints every year before the Consumer Protection Commission and this is an attempt to see if there's a better way of enforcing our laws and protecting our consumers against shoddy work, poor contracts and people who may not truly appreciate what is to be included in the contract under the statutes that currently exist.

DEPUTY SPEAKER ORANGE:

Representative Ackert.

REP. ACKERT (8th):

Thank you, Madam Speaker, and I thank you to the good -- the good Chair. I appreciate his -- I have no further answers, just a comment. I think if we're going to study occupational licensing in the construction business then it should be a study on all of them and that -- that are not licensed and don't have the -- have the -- to do this and there are other areas that we do license.

law/gbr
HOUSE OF REPRESENTATIVES

87
May 9, 2013

We actually have a major construction registration for properties of structures over 60 feet. We have none for commercial properties. We have a registration for new construction residential. We have a home improvement as I mentioned. But I think that we cannot protect consumers all the time. They have to have -- do something on their own whether it's you know researching the contractor, the Better Business Bureau, whoever it may be.

Sometimes no matter if you have a license or not because my competition I can tell you they're not -- some are probably better and I can guarantee you many, many are worse and it's up to the consumer to do their homework and get referrals and some things. So sometimes -- I'd like to follow the study. I think it should have been broader.

And I -- and I appreciate the -- the focus on this and look forward to it being elaborated on in the future sessions. Thank you, Madam Speaker and thank you to the good Chair.

DEPUTY SPEAKER ORANGE:

Thank you, Sir.

Will you care to remark further on the bill as amended? Representative Arthur O'Neill of the 69th.

law/gbr
HOUSE OF REPRESENTATIVES

88
May 9, 2013

REP. O'NEILL (69th):

Yes. Thank you, Madam Speaker. If I may just a couple of questions to the proponent of the --

DEPUTY SPEAKER ORANGE:

Please proceed.

REP. O'NEILL (69th):

-- of the bill. We've had a discussion here where phrases or words such as licensed and registration have been sort of used somewhat interchangeably and I think without clarification as to exactly what they mean. Could the Chair of the General Law Committee draw for me the distinction between what is -- what are the standards for a registration by someone whether it's a home improvement contractor or anyone else but focusing specifically there and what licensing is for example such as a trade such as maybe an electrician. Through you, Madam Speaker.

DEPUTY SPEAKER ORANGE:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. To my knowledge when a trade's person or a contractor registers with the Consumer Protection Commission you fill out a form

law/gbr
HOUSE OF REPRESENTATIVES

89
May 9, 2013

that the Commission has established and you pay a fee. There are no review of qualifications. But for licensing usually there is a requirement of testing and also paying a fee and filling out a registration form.

So the licensing connotes a higher degree of expertise because you're being required to take a test and pass the test or adhere to some national standards that we have in other of our statutes where individual trade's persons have to study and pass a test or at least acknowledge that they have so many credits in attending courses -- continuing education courses. So again licensing usually means that there is a -- a study and a test associated with it.

DEPUTY SPEAKER ORANGE:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Madam Speaker. And I appreciate that clarification because there is a big difference or at least there always has been in my mind between registration which is you simply go and you say I'm going to do this kind of work, your name gets on a list because you pay a fee and that that does not and should not suggest to anyone some level of competency.

I think it's perhaps as was alluded to earlier unfortunate that many people in the general public do not necessarily understand that a registered home improvement contractor need not have proven any competency whatsoever in actually doing home improvements let alone in -- in performing any of the trade work such as plumbing or electricity -- electrical work or carpentry or painting or anything that in fact is going to be done.

In part I think the rationale for this when it was -- this was being adopted is the notion that a home improvement contractor is someone who hires typically other people to do the work who presumably are licensed although not in the case of painters and some of the others. But the key trades such as plumbing and electrical they would have to be licensed. I'm not sure if there are standards for licensing home improvement contractors or for that matter people who build homes. And so I guess I would ask that question.

During the course of the discussion of this bill when the licensing was being considered are there other states that have licensing systems that already exist? Through you, Madam Speaker.

law/gbr
HOUSE OF REPRESENTATIVES

91
May 9, 2013

DEPUTY SPEAKER ORANGE:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. Yes there are other states, Massachusetts is one that was pointed out to us that requires a certain amount of study and then passing a test. Different states focus on different content. I believe Massachusetts focuses more on the contractual obligations of the home improvement contractor. As you correctly point out home improvement contractors hire subs who come in and have the expertise to do the carpentry, plumbing, stone work and so on.

But it's the home improvement contractor who actually has a contract with the consumer, prices that contract and those are the problems that oftentimes arise when there's a difficulty with the consumer and the contractor both in what the obligations are and the pricing.

DEPUTY SPEAKER ORANGE:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Madam Speaker. And I thank the Chair for the -- that explanation. And -- and there was

law/gbr
HOUSE OF REPRESENTATIVES

92
May 9, 2013

another point that was brought up and again I think it -- perhaps for the edification of the members of the Chamber as well as those watching on television is when it comes to protecting consumers we have I think of -- in this State Legislature we go back to the 1960s with the adoption of home improvement contractor and home solicitation sales laws and things like that goes back a long way. But there -- there are two factors I guess.

One is if you're in the business of building something commercially it's been my impression and perhaps I should frame this as a question -- when someone -- through you, Madam Speaker. When someone is in a business is there sort of an underlying presumption that they know what they're doing and that they don't need as much protection from the government as somebody who is a consumer, homeowner? Through you, Madam Speaker.

DEPUTY SPEAKER ORANGE:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. I believe that is correct and that's the rationale why a home improvement contract has a three day rescission

period, bold print certain clauses that have to be on the front page because you're dealing with a consumer who typically isn't experienced or astute in these matters as opposed to somebody who may be involved in commercial contracts that does this as a living and is more experienced in these kinds of transactions.

DEPUTY SPEAKER ORANGE:

Representative O'Neill.

REP. O'NEILL (69th):

Thank you, Madam Speaker. And I do think that that's the -- the correct approach and answer that's been my understanding, conforms what I've always understood. And the second thing is -- and this is not what we do in our law here but I've seen this in securities law for example. If -- if you're a multi - multimillionaire you get less protection from the Securities and Exchange Commission on the assumption that if you've got millions of dollars to invest you should hire people to tell you what you're doing or explain things to you or give you advice to protect you; attorneys, accountants and other people.

If you're a small investor then you're presumed to perhaps not have the same sophistication and the capacity financially to hire people to give you the

right advice. And I think that while we don't draw that distinction on a financial basis, that's the kind of distinction that's inherent in this notion that consumers deserve protection and we need to sort of surround them with a fence of protection and people who are in business are presumed to have a better grasp of what they're doing. Although if you're a small business person you may be just as inexperienced and susceptible to being misled and making poor decisions because of lack of adequate advice as a -- as a homeowner.

And of course you could have a multimillionaire homeowner who knows exactly what he's doing and hires an architect to design a house and hire people than somebody who's trying to run a small business out of a store front hires the contractor to do something and they have no idea compared with the -- the more sophisticated homeowner. But we -- we don't use the financial standard but in other aspects of the regulations on this world about how we protect people from poor -- their own poor judgments to some extent and from being pressured into doing things and that sort of thing we -- there are these distinctions that we draw.

So I'm hoping that in this study that's being done and when the taskforce is completing its work that -- that at some level the level of sophistication of the persons to whom we are trying to provide protection is considered and at that -- because that's the ultimate objective of all this.

It's not to change the color, or the size and shape of the piece of paper to hire -- to require people to take a test that doesn't mean anything or take a course that's just sitting there watching a video for an hour and saying okay now I know how to build houses.

The idea is to try to protect the consumers of the State of Connecticut and perhaps if we choose to protect other people. But -- but to protect people either from the unscrupulous or the less competent out there and also to protect the consumers who may not be sophisticated enough to know how to protect themselves.

I think that's the overall mission of this kind of legislation and -- and where we draw the line between registration and licensing hinges on what level of protection we think people really require in the State of Connecticut. Thank you, Madam Speaker.

law/gbr
HOUSE OF REPRESENTATIVES

96
May 9, 2013

DEPUTY SPEAKER ORANGE:

Thank you, Representative O'Neill.

Will you care to remark further on the bill as amended? Representative Miner of the 66th, you have the floor, Sir.

REP. MINER (66th):

Thank you, Madam Speaker. I rise just to make a few comments. And -- and I -- I do think that this is an attempt to take a look at the system that we have in the State of Connecticut and I hope to see how it compares to the other states throughout the country. While this conversation is probably going on the Department of Labor is looking at issues such as whether or not people are being misclassified, whether I under my permit work for somebody else and should therefore be their employee rather than a standalone contractor.

I'm thinking that if this becomes a license it then might come under the licensing board and so I'm not really sure where this goes under this legislation, Madam Speaker. It's -- it is in the -- you know item number one somewhat limited where it talks about testing and licensing but item number two it uses the phrase what problems if any exist with the

current system including registration of home improvement contractors.

So I don't -- I certainly don't have any opposition to this idea that we should be looking at how we treat this classification of service provider, worker, employer, owner, when we treat seemingly plumbers, electricians, HVAC people a little differently.

And to the extent that we're trying to give consumers some level of assurance that the person that they're actually engaged in a contract with having to put a roof on or fix a chimney or do any number of things, that there is actually some semblance of knowledge with that individual so that when they pay good money they get good work.

I think this is really a very small snapshot of what could be a very large issue and that will be interesting to see what comes back. I do hope -- as Representative Aman said, I do hope that the Commissioner of the Department of Consumer Protection actually involves people in this conversation from, I'll use the word trade but -- but from this industry because I think they could be helpful in trying to determine what the right course of action will be.

I think part of the phenomenon that referred to the Department of Labor that we're going through with a run on second injury fund for worker's compensation and perhaps not the same level of fees being collected for withholding as we might otherwise if people were employees rather than standalone contractors is that there are a number of different issues that go on in this arena and I would hope that we don't create a huge licensing procedure where we actually force more people underground.

I think part of what we're dealing with in the economy in Connecticut is that people are operating without licenses, without permits, without fees, without anything and in some cases still collecting unemployment. So I do intend to support the bill. I wish it was a little more robust in terms of how it states the inclusion of other people being involved but for now I'm willing to support it and hope that the results of it are actually going to be helpful to the Legislature. Thank you, Madam Speaker.

DEPUTY SPEAKER ORANGE:

Will you remark further? Will you remark further on the bill as amended? Will you remark? If not, staff and guests please come to the well of the House.

law/gbr
HOUSE OF REPRESENTATIVES

99
May 9, 2013

Members take your seats. The machine will be opened.

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll. Will members please return to the Chamber immediately.

DEPUTY SPEAKER ORANGE:

Have all members voted? Have all members voted?
Please check the board to determine if your vote is properly cast. If so, the machine will be locked and the Clerk will take a tally.

And will the Clerk please announce the tally.

THE CLERK:

Bill number 5149 as amended by House A.

Total Number Voting 138

Necessary for Adoption 70

Those voting aye 135

Those voting nay 3

Absent and not voting 12

DEPUTY SPEAKER ORANGE:

The bill as amended passes.

Will the Clerk please call Calendar number 423.

THE CLERK:

Yes, Madam Speaker. On page 25, Calendar number 423, favorable report of the joint standing committee

HB 6634

S - 667

**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2013**

**VOL. 56
PART 16
4803 - 5160**

rgd/gbr
SENATE

140
June 4, 2013

machine will be closed.

Mr. Clerk, will you call the tally, please?

THE CHAIR:

Senate Bill 952.

Total Number Voting	35
Necessary for Adoption	18
Those voting Yea	33
Those voting Nay	2
Those absent and not voting	1

THE CHAIR:

The bill passes.

Mr. Clerk?

THE CLERK:

On page 9, Calendar 583, Substitute for House Bill
Number 5149, AN ACT REQUIRING THE COMMISSIONER OF
CONSUMER PROTECTION TO UNDERTAKE A STUDY REGARDING
HOME IMPROVEMENT CONTRACTORS, favorable report of the
Committee on General Law.

THE CHAIR:

Good afternoon, Senator Doyle.

SENATOR DOYLE:

Good evening, Madam President.

THE CHAIR:

Good evening. Sorry.

SENATOR DOYLE:

It's alright. No problem.

I move acceptance of the joint committee's favorable
report and passage of the bill.

rgd/gbr
SENATE

141
June 4, 2013

THE CHAIR:

The motion is on acceptance and passage.

Will you remark, sir?

SENATOR DOYLE:

Yes. Thank you, Madam President.

This session of the General Law Committee had an extensive public hearing on a topic regarding home-improvement contractors and the issue is, as the members are aware, we currently register our home-improvement contractors. And some of our colleagues in the House have some proposed bills dealing with now testing and licensing our home-improvement contractors.

With a lot of discussion and some controversy in the committee the committee decided in a bipartisan fashion to study it, to study the topic whether or not we should proceed with testing and licensing of home-improvement contractors.

So what you have before you is a House Bill that defined and it directs the commissioner of Consumer Protection to study this issue, including the testing and the potential positive and negatives of the testing and licensing of home-improvement contractors, really looking over the entire current system of the performance part of our home-improvement contractors, coming back no later than July 1, 2014 with a report to us for us to then determine where we should go.

I urge the Senate to approve this bill.

Thank you, Madam President.

THE CHAIR:

Thank you.

Will you remark?

Senator Witkos.

rgd/gbr
SENATE

142
June 4, 2013

SENATOR WITKOS:

Thank you, Madam President.

I rise in support of the amended bill, or the bill before us tonight. Every year it seems like we're back talking about home-improvement contractors in the General Law Committee. First we talked about advertisement and what they were allowed to do. Then we talked about registration and licensing. And this particular session we talked about another issue.

And it gets so convoluted. It's somewhat difficult as a layperson to try to figure out the nuances within that realm. So I think it was appropriate that we decided that this year a study would be the best venue for those of us that serve on the General Law Committee to kind of get a global view as to the whole home-improvement contractor realm of scope. And I would urge the chamber's adoption.

Thank you, Madam President.

THE CHAIR:

Thank you.

Will you remark? Will you remark?

Senator Fasano.

Senator Fasano.

SENATOR FASANO:

Madam President, through you, to Senator Doyle.

THE CHAIR:

Please proceed, sir.

SENATOR FASANO:

Thank you, Madam President.

Senator Doyle, what are types of things that you're going to study in this? What are the issues that are

rgd/gbr
SENATE

143
June 4, 2013

of concern that are requiring this look into these home-improvement contracts?

Through you, Madam President.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Through you, Madam President.

The bill seeks to have the commissioner of Consumer Protection conduct a study. And the only issue that I -- to be honest, during the committee I had some concerns whether we should leave the registration, the current system of registration and move on to testing and formal licensure of the home-improvement contractors.

There was quite a bit of controversy in the committee. I was skeptical of moving, that significant step which would, you know, increase the costs. And I wasn't certain about the effectiveness of moving that further step. So rather than doing it this year there was bipartisan consensus in the committee to have the commissioner look into it further. They agreed to do the study for us and the committee will reconsider it, I believe, probably in two years.

Through you, Madam President.

THE CHAIR:

Senator Fasano.

SENATOR FASANO:

So with respect to the current laws that are really -- that we've generated since I've been here -- and I think I was on the General Law Committee when we first started looking at it. We have rules that say if you are a contractor and you don't have a home-improvement license and you do work you cannot -- if you do not have a license and you don't meet the requirements of the home-improvement contract, the three-day recession

rgd/gbr
SENATE

144
June 4, 2013

and so forth, that you not only can't get paid under the contract, but you can't even assume a quantum merit it quantum meruit for the work that you performed because you violated the law. And I find those laws to be -- have extraordinary teeth and protect consumers. That would be something we are not going to look at. Is that a fair statement?

Through you, Madam President.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Through you, Madam President.

No. I would -- I think that issue could be looked at. Where basically there's certain grounds, but it's also what problems exist under the current registration process, and that might be one issue. Because the current -- they're very, very strict, I'll be honest.

I'm aware of a situation where a contractor innocently didn't want to -- a newspaper, the listing in the telephone book was simply just a -- they didn't list the LLC and he was fined significant money. So I think overall they can look at the impact of the current registration system, see how it's working and then maybe they -- really the bigger question is whether we head down the significant road of licensure.

Through you, Madam President.

THE CHAIR:

Senator Fasano.

SENATOR FASANO:

And I apologize, but currently we do license home-improvement contractors. Is that correct?

Through you, Madam President.

rgd/gbr
SENATE

145
June 4, 2013

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Through you, Madam President.

I think the technical term is "registration" more.

Through you Madam President.

THE CHAIR:

Sorry. Senator Fasano.

SENATOR FASANO:

And so we have them register. So now we're talking about licensing which is a different -- I get it. And this licensing, are the thought process a test? Or years of service? Those are the things they're going to look at to determine if they do license, what are the requirements to achieve the license. Is that accurate?

Through you, Madam President.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Yeah. Through you Madam President.

The commissioner will look at other states and see how they do it and I think other states that have formal testing to become licensed. So here we don't have that and some of the problems we discovered was, first of all, language. How do you come up with language?

And how do you -- there's so many different categories of home-improvement contractors. How do you come up with one test or a series of tests to achieve the testing? Because you have a painter versus a home constructor. It's really -- you can't have one test,

rgd/gbr
SENATE

146
June 4, 2013

so that's really the issue we stumbled upon looking into it.

Through you, Madam President.

THE CHAIR:

Senator Fasano.

SENATOR FASANO:

Thank you, senator Doyle, for the answers to your questions. I appreciate it.

And then everything is -- to look at, I get that. And I apologize because I should have read the bill more thoroughly.

The only statement I would like to make is in the licensing I think we have to be careful on how we license. I think we have to look at years of service so that we don't put people out of business just because they can't pass the written test, but they're very good in the field. There are many folks who don't have a command of the English language, or frankly the ability to read a lot of different things over time. So I don't want to exclude them because them -- a lot of them are good workers.

But most importantly in my view is I hope we don't touch those laws that we put into effect over the last 10 or 12 years in which a home-improvement contractor what fails to abide by abide by the registration or licensing and/or fails to have a contract which meets the consumer issue, three days rescission notice, things of that nature, we need to keep those in laws because I think those have a demonstrative effect on the real world. Because a contractor who is allowed to collect in quantum meruit is able to do that -- which is not the case now -- but if they're able to do that there's no reason to follow our laws because they could go to court and collect the money anyway.

So I thank Senator Doyle for his work this. I think it's worth looking at. I just wanted to mention those comments and hopefully when this is looked at the task force will keep those comments in mind.

rgd/gbr
SENATE

147
June 4, 2013

Thank you, Madam President.

THE CHAIR:

Will you remark?

Senator Chapin.

SENATOR CHAPIN:

Thank you, Madam President.

Madam President, some questions to the proponent,
through you, please.

THE CHAIR:

Please proceed, sir.

SENATOR CHAPIN:

Thank you, Madam President.

I believe I heard you talk about a potentially
increase if we move to a licensing system. Is that
correct?

Through you, Madam President.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Through you, Madam President.

The -- in theory there could be an increase in fees,
but probably more significantly you're talking about a
whole new comprehensive administrative system where
you're doing testing, so the costs in theory. Unless
the fees are adequate to cover all the expenses of the
department you could have increased costs on the
department and overall complexity in staff. So that's
why the committee hesitated to move this year.

rgd/gbr
SENATE

148
June 4, 2013

Through you, Madam President.

THE CHAIR:

Senator Chapin.

SENATOR CHAPIN:

Thank you, Madam President.

And again, through you, so you're talking not only perhaps an increase in fee from the current registration fee moving to a license, but also the cost to the agency as well?

Through you, Madam President.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Well, I'll make clear. It wasn't my proposal and I'm actually happy we're doing a thorough study because I was skeptical of heading to this direction, but I think it's all going to be explored in the climate of the current year. Certainly if this bill had a fiscal note it would have been in big trouble, so that was another reason we didn't proceed this year.

But in the study I'm sure the department is always looking at their own finances, so I'm certain they're going to look and determine how other states pay it, how it can be revenue neutral in the department.

Through you, Madam President.

THE CHAIR:

Senator Chapin, sorry.

SENATOR CHAPIN:

Thank you, Madam President.

rgd/gbr
SENATE

149
June 4, 2013

And again, through you, a lot of the studies we do we do by task force. Can you tell me why we chose to actually put this in the hands of the agency itself?

Through you, Madam President.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Through you, Madam President.

It was just the committee believed that the commissioner's expertise in the area, the ability for him to reach out to other states would probably be best. And we were hoping the commissioner would probably be objective in the issue because there's a lot of -- on both sides there's a lot of motivation. So we thought the commissioner would be an objective neutral.

Through you, Madam President.

THE CHAIR:

Senator Chapin.

SENATOR CHAPIN:

Thank you, Madam President.

I thank the chairman for his answers. Madam President, I am a registered home-improvement contractor and I have worked in this particular business for over two decades. And there have been many times when I questioned why we didn't have a licensing system here in the State of Connecticut. I do know other states do have it.

I think Senator Fasano raised some good points. If we do move to a licensing system we do have to acknowledge that there may be people that just have difficulty passing tests, but that doesn't mean that they don't have the skill sets I think that we would want out of a licensing system.

rgd/gbr
SENATE

150
June 4, 2013

I'm glad Senator Doyle pointed out the objectivity or the hope for objectivity through the agency. I know I have had bills before General Law dealing with whether or not the home guarantee fund should work done in common areas of condominium associations. So I've had some interactions with the agency, thankfully none professionally other than every year or every two years I guess it is -- no, I think it is every year -- having the privilege of sending the State of Connecticut some money.

I think it is time we take a good hard look at it. I think I would have felt a little more comfortable if it was a task force that had participants with expertise as well as some tradespeople as well. But it's a step in the right direction. I'm not saying that the outcome is predetermined. Maybe the answer is that it's not necessary and it really doesn't have the benefit some may believe it has, but I certainly support the bill before us today and I encourage my colleagues to do so.

Thank you, Madam President.

THE CHAIR:

Thank you.

Will you remark?

Senator Welch.

SENATOR WELCH:

Thank you, Madam President.

I rise for the purpose of a question or two to the proponent of the bill.

THE CHAIR:

Please proceed, sir.

SENATOR WELCH:

Thank you, Madam President.

Under the current status where a home-improvement contractor has to register with the Department of Consumer Protection, are the licenses that are handed out per contractor -- contractor or per the contractor's company?

Through you, Madam President.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Could the Senator repeat the -- I'm not sure I understood. I'll be honest, I'm not sure I understood the question.

Through you, Madam President.

THE CHAIR:

Senator Welch.

SENATOR WELCH:

Sure. Thank you, Madam President, I'll hold the microphone closer to my mouth if that helps.

We just had a debate not too long ago on a very different bill which had to do with the licensing of arborists and arborist companies. And the law today, until the Governor signs the bill, is such that only arborists have to be licensed. The law, once the Governor signs the bill, creates essentially a second license for an arborist company as well.

Now I was always under the impression that with respect to the home-improvement contractors there wasn't this kind of dual scheme, if it where, but it was that the individual contractor, him or herself, had the license and used that number with respect to all of his or her correspondence. Is that understanding correct or is there a requirement for both the company and the home-improvement contractor to register?

rgd/gbr
SENATE

152
June 4, 2013

Through you, Madam President.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Through you, Madam President.

I believe it's either/or. It's however the applicant -- it's really the form of the business of the applicant, whether he is -- he or she may be, you know, a sole practitioner, Senator Welch, Inc, or if -- sorry, Senator Welch, period, or if you happen to create a corporation then it would be under the corporation. So I think it's really -- and it's a registration, of course. Your, like, registration certificates. However you apply, what's the form of your business?

Through you, Madam President.

THE CHAIR:

Senator Welch.

SENATOR WELCH:

Thank you, Madam President.

Well, then I guess if I may put in my recommendation to those that will be considering this issue given how the last 45 minutes went prior to this, I would hope that they wouldn't create a situation where individuals have to register and companies have to register. And oh, by the way, both are going to pay fees. So if I could put that request in, I would appreciate it.

One of the -- another thing that -- look, I'm all for taking a look at what other states do. I'm all for making sure we've got the best system in place to protect, not only consumers, but the industry as well. And I really hope that that's the outcome of the study.

rgd/gbr
SENATE

153
June 4, 2013

Not too long ago when we put this bill in maybe, 10, 15 years ago -- or when we put the registration scheme a mean 10, 15 years ago, it was really done so I thought based in on a number of consumer complaints that were coming into Department of Consumer Protection, perhaps to those within this circle as well, that issues were happening and yet not being rectified. And there really was no remedy or redress.

Fast forward 15 years until today, I'm actually hearing a very different complaint out there. And in fact, the complaint is on behalf of the home-improvement contractor more often than not. And it goes something along the lines of this, I had a contract. It wasn't a hundred percent in line with the Home Improvement Act. I then did all the work. The work is good and I got stiffed. And now when I go to make my claim they're having problems getting satisfied because of the technical nature of the contract that we have in there. I hear a lot of that.

Or I hear a lot of, hey, I did the work. There was a mistake. I made good. I went and redid the work and yet they're having a problem getting full compensation as well because this law, as it stands, can be very -- can have very, very harsh results if it's not followed to the letter.

And so I would hope that as consumer protection begins to look at licensure, looks at testing, look at all of these things, that they also start to think about, has the dynamics shifted over the last 15 years under the current statutory scheme? And is that scheme worth tweaking, revisiting slightly to make sure that there is a level playing field, to make sure that people aren't unjustly being taken advantage of on the contractors' side as well? Do you think that that would be a possible consideration for this study?

Through you, Madam President.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

rgd/gbr
SENATE

154
June 4, 2013

Through you, Madam President.

Yes, I think it would be. But I will point out there's actually -- I think you Senator Fasano are almost at opposite poles. Senator Fasano is advocating for the, kind of, the strict interpretation of the contract that prohibits quantum meruit. You're kind of presenting the issue, which I have run across myself also where the absolute strict interpretation can hurt an innocent home-improvement contractor. It also protects against a bad one, but it's -- there are two sides to it.

And so, yes, I certainly think and hope that the commissioner will consider this issue.

Through you, Madam President.

THE CHAIR:

Senator Welch.

SENATOR WELCH:

Thank you, Madam President.

Thank you, Senator Doyle, for pointing that out. Yes, that is why sometimes Senator Fasano is green and I'm red. And that's a great thing about how this caucus is run, is that we always have the freedom to just say what we think is right and what's best for our district.

So I appreciate that and I appreciate that we might be looking at this from different sides of the coin, as it were. But to your point, I think, and to the point of this bill, is we ought to look at it. And so that's why I will be supporting this legislation.

Thank you, Madam President.

THE CHAIR:

Will you remark? Will you remark?

If not, Senator Doyle?

rgd/gbr
SENATE

155
June 4, 2013

SENATOR DOYLE:

Yes. Madam President, if there's no objection, I refer this bill to the consent calendar.

THE CHAIR:

Seeing no objection, so ordered, sir.

Mr. Clerk?

THE CLERK:

On page 12, Calendar Number 634, Substitute for House Bill Number 6403, AN ACT MAKING MINOR AND TECHNICAL CHANGES THE DEPARTMENT OF CONSUMER PROTECTION STATUTES, favorable report from the Committee on General Law.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Yes. Thank you, Madam President.

I move acceptance of the joint committee's favorable report in passage of the bill in concurrence with the House.

THE CHAIR:

The motion is on acceptance and passage in concurrence.

Will you remark, sir?

SENATOR DOYLE:

Yes. Thank you, Madam President.

What you have before us is the General Law Committee unanimously approved -- this is the tech revisors bill from the Department of Consumer Protection. A similar version of this bill was around last year and didn't

rgd/gbr
SENATE

241
June 4, 2013

Page 3, Calendar 422, Senate Bill 978; on page 4, Calendar 475, Senate Bill 1052; on page 8, Calendar 567, House Bill 6387; Calendar 568, House Bill 6445; and Calendar 580, House Bill 6623.

On page 9, Calendar 583, House Bill 5149; and Calendar 590, House Bill 6680; page 10, Calendar 607, House Bill 6688; and calendar 608, House Bill 6384.

Page 11, Calendar 612, House Bill 6448; and Calendar 621, House Bill 6488. On page 12, Calendar 634, House Bill 6403; and Calendar 636, House Bill 6394; page 13, Calendar 645, House Bill 6454; and page 14, Calendar 652, House Bill 6702.

On page 16, Calendar 674, House Bill 6441; page 17, Calendar 677, House Bill 6644; on page 18, Calendar 685, House Bill 6009; and on page 23, Calendar 380 Senate Bill 1054; page 24, Calendar 452, Senate Bill 1142; and Calendar 566, House Bill 6375.

Page 25, Calendar 646, House Bill 5844; and on page 26, Calendar 304, Senate Bill 1019.

THE CHAIR:

At this time, Mr. Clerk, will you call for a roll call vote on a first consent calendar?

The machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Senators, please return to the chamber. Immediate roll call on the first consent calendar has been ordered in the Senate.

THE CHAIR:

If all members have voted? All members have voted. The machine will be closed.

Mr. Clerk, will you please call the tally?

THE CLERK:

rgd/gbr
SENATE

242
June 4, 2013

The first consent calendar.

Total Number Voting	35
Necessary for Adoption	18
Those voting Yea	35
Those voting Nay	0
Those absent and not voting	1

THE CHAIR:

The consent calendar passes.

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, would move for immediate transmittal to the House of Representatives of all items acted on thus far today requiring additional action in that chamber.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Madam President.

Also, Madam President, on an item previously placed on the foot of the Calendar, would now seek to remove that item and just mark it PR, and that is an item calendar page 16, Calendar 672, House Bill 5480, AN ACT PROHIBITING TAMPERING WITH HYDRANTS. Would just move to remove that item from the foot and to mark it PR.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Madam President.