

MINNESOTA STATE CONTRACTOR LICENSE LAW

Notice to Homeowners: Be Sure Your Contractor is Licensed

Know your Rights

The State of Minnesota recently adopted a statewide "*Contractor and Remodeler License Law.*" This law is designed to protect the consumer by requiring that contractors be licensed with the State. Contractors must apply to the State, post a bond, and show proof of insurance and competency. The law gives homeowners reasonable assurance that they are dealing with a reputable, professional contractor, and a place they can call to get general contractor information.

Getting Information on a Contractor

Contractors, with a few exceptions, who contract with a homeowner to perform home construction, remodeling, or repair, must be licensed with the Minnesota Department of Commerce. Homeowners can call the Commerce Department Licensing Division at 1-800-657-3602, 651-296-2488 or visit the web site @ www.commerce.state.mn.us to obtain information on a specific contractor. Contractors must display their license number on their advertising and they must make it available to consumers. Building permits cannot be granted to contractors who are not properly licensed by the state.

Exceptions to Being Licensed

State law exempts contractors who have gross annual receipts from the construction business of less than \$15,000.00. Also, exempt are specialty contractors who perform only one specialty skill.

Homeowner Rights if a Contractor is Not Licensed

If your contractor is required to be licensed by the State of Minnesota and you find that he/she is not, you may still have recourse under the law. Generally, the law provides that a contractor who is working in violation of the Minnesota State License Law has no lien rights and may not be able to enforce a contract signed with a homeowner. If you find yourself in this situation, you should consult with an attorney to get sound legal advice. You should never knowingly hire someone who is deliberately violating the State License Law.

Working on Your Own Home

You can obtain permits to do work on your own home. The License Law was written to insure a reasonable degree of protection for you as the consumer of construction services, not to discourage homeowners from doing work on their own property. For your safety, building permits are required for most construction projects.

***For more information on State Licensing, contact the
Minnesota Department of Commerce at 800/568-3602 or 651/296-2594***

PROPERTY OWNER WAIVER

MINNESOTA STATE CONTRACTOR LICENSING REQUIREMENTS

The purpose of this form is to have property owners acknowledge their responsibilities to the Minnesota State Building Code, to Zoning Ordinances, and to other applicable rules and regulations when they are acting as general contractor in building projects.

I understand that the State of Minnesota requires that all Residential Building Contractors, Remodelers, and Roofers, obtain a State License unless they qualify for a specific exemption from the licensing requirements. By signing this waiver, I attest to the fact that I am building or improving my property by myself. I claim to be exempt from the State License requirements because I am not in the business of building on speculation or for resale and this is the first residential structure that I have built or improved in the past 24 months.

I acknowledge that because I do not have a State License, I forfeit any mechanic's lien rights to which I may otherwise have been entitled under Minnesota State Statute 514.01.

I acknowledge that I may be hiring independent contractors to perform certain aspects of the construction or improvement of this property. Some of these contractors may be required to be licensed by the State of Minnesota. I understand that unlicensed residential contracting, remodeling, and/or roofing activity is a misdemeanor under Minnesota State Statute 326.92, subdivision 1, and that I forfeit my rights to reimbursement from the Contractor's Recovery Fund in the event that any contractors that I hire are unlicensed.

I also acknowledge that as the contractor on this project, I am solely and personally responsible for any violations of the State Building Code and/or jurisdictional Ordinance in connection with the work performed on this property.

Signature of Property Owner

Project Address

Date

Please return this signed waiver with the Building Permit Application.

To determine whether a particular contractor is required to be licensed, or to check on the licensing status of an individual contractor, call the Minnesota Department of Commerce, Enforcement Division at 651/296-2594, or toll-free at 1-800/657-3602.