

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)



132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1226

H.P. 801

House of Representatives, March 25, 2025

An Act to Protect Consumers by Licensing Residential Building Contractors

Reference to the Committee on Housing and Economic Development suggested and ordered printed.

A handwritten signature in black ink, reading "Rlt B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative ROBERTS of South Berwick.
Cosponsored by Senator BAILEY of York and
Representatives: GEIGER of Rockland, JULIA of Waterville, KESSLER of South Portland,
MASTRACCIO of Sanford, SAYRE of Kennebunk, SHAGOURY of Hallowell, Senators:
BALDACCI of Penobscot, CURRY of Waldo.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 5 MRSA §12004-A, sub-§50** is enacted to read:

3 **50.**

4 Residential Construction Board

\$35/Day

32 MRSA

§19802

6 **Sec. 2. 10 MRSA §1487, sub-§5,** as enacted by PL 1987, c. 574, is amended to
7 read:

8 **5. Payment.** The method of payment, with the initial down payment being limited to
9 no more than 1/3 of the total contract price and with no more than 85% of the total contract
10 price required to be paid prior to substantial completion of the work;

11 **Sec. 3. 10 MRSA §1487, sub-§8,** as amended by PL 2009, c. 173, §1, is repealed.

12 **Sec. 4. 10 MRSA §1489,** as corrected by RR 2023, c. 2, Pt. C, §36, is repealed.

13 **Sec. 5. 10 MRSA §8001, sub-§38, ¶NN,** as amended by PL 2023, c. 17, Pt. P, §2,
14 is further amended to read:

15 NN. Maine Fuel Board; ~~and~~

16 **Sec. 6. 10 MRSA §8001, sub-§38, ¶OO,** as enacted by PL 2023, c. 17, Pt. P, §3,
17 is amended to read:

18 OO. Board of Dental Practice-; and

19 **Sec. 7. 10 MRSA §8001, sub-§38, ¶PP** is enacted to read:

20 PP. Residential Construction Board.

21 **Sec. 8. 32 MRSA c. 153** is enacted to read:

22 **CHAPTER 153**

23 **RESIDENTIAL GENERAL CONTRACTORS**

24 **§19801. Definitions**

25 As used in this chapter, unless the context otherwise indicates, the following terms
26 have the following meanings.

27 **1. Board.** "Board" means the Residential Construction Board established in Title 5,
28 section 12004-A, subsection 50.

29 **2. Contract price.** "Contract price" means the total contract price, including all costs
30 incurred or to be incurred in the proper performance of the work.

31 **3. Maine Uniform Building and Energy Code.** "Maine Uniform Building and
32 Energy Code" has the same meaning as in Title 10, section 9721, subsection 2.

33 **4. Residential construction.** "Residential construction" means the building,
34 demolition or alteration of a residential dwelling unit or a building or premises with 3 or
35 fewer residential dwelling units and includes interior and exterior construction, renovation

1 and repair; paving; roofing; weatherization; installation or repair of heating, plumbing,
2 solar, electrical, water or wastewater systems; and other activities the board specifies by
3 rule consistent with this chapter. "Residential construction" includes activities affecting the
4 residential portion of a building or premises that have both residential and commercial
5 components if the building or premises include 3 or fewer residential dwelling units.

6 **5. Residential general contractor.** "Residential general contractor" means a person
7 that undertakes, offers to undertake, purports or advertises to have the capacity or skill to
8 undertake or submits a bid for residential construction. "Residential general contractor"
9 does not include:

10 A. A person undertaking residential construction as a subcontractor of a person that
11 has entered into an agreement with a customer for the residential construction; or

12 B. A person that has not otherwise entered into an agreement with a customer for the
13 residential construction.

14 **§19802. Residential Construction Board**

15 **1. Established.** Notwithstanding any provision of law to the contrary, the Residential
16 Construction Board is established within the Department of Professional and Financial
17 Regulation to carry out the purposes of this chapter.

18 **2. Membership.** The members of the board, who are appointed by the Governor, are
19 as follows:

20 A. Three members who are residential general contractors, including at least one who
21 is a member of a construction trade association;

22 B. One member who is a municipal code enforcement officer;

23 C. One member who is an attorney with experience in residential construction and
24 contract law;

25 D. One member who is a representative of the University of Maine System who
26 oversees career and technical education programs;

27 E. One member who is a residential architect; and

28 F. Two members of the public.

29 Members serve 3-year terms. Appointments of members must comply with Title 10, section
30 8009. A member may be removed by the Governor for cause. Members not otherwise
31 compensated or reimbursed by their employers or others whom they represent in carrying
32 out the duties of the board are entitled to a per diem of \$35 for each day actually engaged
33 in the performance of those duties in accordance with Title 5, section 12002-B.

34 **3. Powers and duties.** The board has the following powers and duties, in addition to
35 other powers and duties set forth in this chapter.

36 A. The board shall meet at least once a year to conduct its business and to elect a chair.
37 Additional meetings must be held as necessary to conduct the business of the board
38 and may be convened at the call of the chair or a majority of the board members.

39 B. The board may adopt bylaws and rules for the transaction of the business of the
40 board and the management of its affairs as it considers expedient.

1 C. The board shall set standards of practice for residential general contractors that are
2 consistent with the standards set forth in this chapter and the Maine Uniform Building
3 and Energy Code.

4 D. The board shall set standards for qualification of residential general contractors and
5 examine, issue and renew the licenses of qualified applicants for licensure under
6 section 19803.

7 E. The board shall approve curricula and standards for educational programs preparing
8 persons for licensure under section 19803.

9 **§19803. Licensure; exemptions; application; issuance**

10 **1. License required.** Except as provided in subsection 2, and notwithstanding any
11 provision of law to the contrary, beginning January 1, 2027, a residential general contractor
12 must be licensed under this chapter to perform, offer to perform or agree to perform
13 residential construction:

14 A. With a contract price that exceeds \$15,000; or

15 B. That involves 2 or more professionals licensed under this Title.

16 **2. Exemptions from license requirement.** The following persons are exempt from
17 the requirement established in subsection 1:

18 A. An electrician licensed under chapter 17 when providing licensed services;

19 B. A plumber licensed under chapter 49 when providing licensed services;

20 C. An architect licensed under chapter 3-A when providing licensed services;

21 D. A professional engineer licensed under chapter 19 when providing licensed
22 services;

23 E. A person providing only design services for residential construction;

24 F. A person furnishing only materials for residential construction;

25 G. The State and any political subdivision of the State;

26 H. A school administrative unit, as defined in Title 20-A, section 1, subsection 26;

27 I. A consumer-owned water utility, as defined in Title 35-A, section 6101, subsection
28 1-A;

29 J. A sewer district, as defined in Title 38, section 1032, subsection 3;

30 K. A sanitary district formed under Title 38, chapter 11;

31 L. A public or private school offering career and technical education or training in
32 residential construction;

33 M. A person offering to perform or performing residential construction in response to
34 an emergency, but only to the extent necessary to address the emergency;

35 N. A master oil burner technician or solid fuel technician licensed under chapter 139
36 when providing licensed services;

37 O. A person licensed under Title 10, chapter 951 when providing licensed services;

1 P. A person performing residential construction services on a single-family residence
2 occupied or to be occupied by that person as that person's place of residence; and

3 Q. A weatherization, heat pump, pellet and wood stove or geothermal contractor when
4 providing services for the Efficiency Maine Trust or the Maine State Housing
5 Authority.

6 **3. Application for license.** The board shall establish by rule the application process
7 for a license under this chapter, including requirements for payment of an initial licensing
8 fee of not more than \$500 and requirements for payment of a license renewal fee of not
9 more than \$250. An applicant for a license shall provide:

10 A. The applicant's legal name and social security number or employer identification
11 number, as appropriate;

12 B. Any trade or business name used in the applicant's residential construction business;

13 C. Any employer of the applicant that is engaged in residential construction;

14 D. The address of the applicant's principal place of business;

15 E. The mailing address of the applicant, if different from the address of the principal
16 place of business under paragraph D;

17 F. The address of the applicant's primary residence;

18 G. The following information if there is any civil proceeding, judgment or award in
19 which a claim is asserted, adjudicated or entered against the applicant:

20 (1) The jurisdiction or forum of the proceeding, judgment or award;

21 (2) The names of the parties to the proceeding, judgment or award; and

22 (3) The docket number associated with the proceeding, judgment or award;

23 H. Identification of any pending civil or criminal investigation of any residential
24 construction business of the applicant and the name of the investigating agency or
25 officer;

26 I. Evidence that the applicant has general liability insurance in the amount of \$500,000
27 in the aggregate and certification that the applicant will maintain that general liability
28 insurance during the relevant license period;

29 J. Evidence of workers' compensation coverage for employees in accordance with Title
30 39-A;

31 K. Evidence that the applicant has satisfied the education requirements adopted by the
32 board by rule. The rule must allow a person to satisfy the education requirements
33 through a demonstration of prior education or job experience or completion of a board-
34 approved education program; and

35 L. Any other information the board determines to be necessary or useful in carrying
36 out the purposes of this chapter.

37 **4. Denial or refusal to renew license; disciplinary action.** The board in its discretion
38 may deny an application for a license, refuse a renewal of a license or impose the
39 disciplinary sanctions authorized by Title 10, section 8003, subsection 5-A for any of the

1 reasons enumerated in Title 10, section 8003, subsection 5-A, paragraph A, in addition to
2 the following grounds:

3 A. The applicant failed to meet the requirements of subsection 3, paragraph I, J or K;
4 or

5 B. The applicant has prior violations of this chapter.

6 **5. Expiration; renewal.** A license issued under this chapter expires at 11:59 p.m. on
7 December 31st of the year in which it is issued, except that a license issued during the last
8 3 months of the calendar year expires at 11:59 p.m. on December 31st of the following
9 year. A licensee may renew a license by completing 6 hours of a board-approved continuing
10 education program, submitting an application that satisfies the requirements of subsection
11 3 and paying a license renewal fee under subsection 3.

12 **6. Rules.** The board shall adopt rules to implement the requirements of this chapter.
13 Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5,
14 chapter 375, subchapter 2-A.

15 **§19804. Penalties and remedies**

16 **1. Unfair trade practice.** A violation of this chapter constitutes an unfair trade
17 practice prohibited under Title 5, section 207.

18 **2. Civil violation.** An intentional violation of this chapter is a civil violation for which
19 a fine of not more than \$10,000 must be imposed. Any person that in the course of offering
20 to perform or performing residential construction makes a misrepresentation of that
21 person's license status under this chapter commits a civil violation for which a fine of not
22 more than \$10,000 may be imposed.

23 **3. Limitation on other rights.** A person required to obtain a license under this chapter
24 that does not obtain a license does not have a lien claim under Title 10, chapter 603 for any
25 residential construction performed, or materials supplied to a residential construction
26 project, during the period in which the person was not licensed.

27 **Sec. 9. Residential Construction Board; staggered terms.** Notwithstanding
28 the Maine Revised Statutes, Title 32, section 19802, subsection 2, the terms of the members
29 initially appointed to the Residential Construction Board must be staggered, with 3
30 members serving a term of 3 years, 3 members serving a term of 2 years and 3 members
31 serving a term of one year.

32 **Sec. 10. Exemption from sunrise review.** This Act is enacted without review or
33 evaluation under the Maine Revised Statutes, Title 5, section 12015, subsection 3 or Title
34 32, chapter 1-A, subchapter 2.

35 **SUMMARY**

36 This bill establishes licensing requirements for residential general contractors that
37 perform residential construction work. It establishes the Residential Construction Board
38 to administer the licensing requirements and establishes certain penalties for violations of
39 the licensing requirements.