

## 50 State Survey – Contractors Licensing & Contract Requirements

Construction contractors are subject to regulations of the state in which they seek to work. While some states require contractors to be licensed (involving a process to prove reasonable competency) for certain categories of work, others only require contractors to be registered (recording who is performing the work without any guarantee of expertise/competency). Additionally, while some states have licenses that cover all or most kinds of construction work, other states have distinct licensing categories based on whether the project in question is commercial or residential. Furthermore, some states have specific criteria for what must be included in the contracts entered into with/by a contractor as pertaining to their authorization to perform the contracted work within the state. These general requirements and standards are outlined below.

STATE	LICENSING REQUIREMENTS	CONTRACT DISCLOSURE REQUIREMENTS
Alabama	General contractors (and subcontractors) must obtain a commercial license for commercial projects of \$50,000 or more. A residential license is required for projects of \$10,000 or more. Ala. Code 1975 § 34-8-2. A contractor not properly licensed may not enforce (in AL courts) a construction contract exceeding \$1,000. KLW Enterprises, Inc. v. West Alabama Commercial Industries, Inc., 31 So. 3d 136, 137 (Ala. Civ. App. 2009).	Any bid for construction projects must include the bidding entity's licensing status within state. Ala. Code 1975 § 34-8-8.
Alaska	Contractors may not submit a bid without being registered. AS § 08.18.011. Likewise, a general contractor may not use the bid of an unregistered sub-contractor in preparing a bid, unless the person is registered as a "specialty contractor." <i>Id.</i> ; <i>see</i> AS § 08.18.024. To undertake construction or alteration or take a bid for a privately-owned residential structure of 1 to 4 units, a contractor must have a residential contractor endorsement. AS §08.18.025. A contractor can face civil and criminal penalties for not being bonded and insured. 12 AAC § 21.160. Moreover, an unlicensed contractor "may not bring an action in the courts of this state for collection of compensation for the performance of work or for breach of contract for which the registration is required." AS § 08.18.151.	Any contract (for the contracting business) must include the contractor's name, mailing address, address of the contractor's principal place of business, and state registration number. AS § 08.18.051.
Arizona	A license is required for a contractor to bid on any job exceeding \$1000 in value. A.R.S. § 32-1152; A.R.S. § 32-1123. An entity who submits such a bid without being licensed may be prohibited from obtaining a state license for one year from the date of the bid. A.R.S. § 32-1123.	Any contract exceeding \$1,000 in value must contain the contractor's address and state license number. A.R.S. § 32-1158.



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Arkansas	Contractors must be licensed to undertake projects of \$50,000 or more. A.C.A. § 17-25-101. Subcontractors of properly licensed general contractors need only to register with the Arkansas Contractors Licensing Board. Ark. Admin. Code 033.00.1-224-25-7.	No known contract disclosure requirements at state-level. Local or municipal development authorities should be consulted for any such requirements.
California	Any entity seeking to undertake a project of \$500 or more is required to be licensed by the state licensing board. Cal. B&P Code § 7408.	In general, all commercial contracts must include the following statement with respect to the prime contractor: "Contractors are required by law to be licensed and regulated by the Contractors State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors State License Board, P.O. Box 26000, Sacramento, CA 95826." Cal. B&P Code § 7030(a).
Colorado	Colorado does not have any state-level licensing or registration requirements. All licensing is regulated, if at all, on the municipal level, and the local development authority should be contacted prior to commencing work on any project.	Colorado does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Connecticut	Any "major contractor," which covers those engaged in construction projects in excess of the threshold limits provided under C.G.S.A. § 29-276b, must be properly registered with the state.	Connecticut does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Delaware	While the state does not have any specific licensing requirements for general contractors, certain categories of work (e.g., digging a well, installing a pump, etc.) may require a specific license from the Division of Revenue. See <a href="https://dpr.delaware.gov/infoguide/">https://dpr.delaware.gov/infoguide/</a>	Delaware does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Florida	A general contractor license is required for most categories of construction work, and requires the applicant to pass an examination. F.S.A. § 489.105; 489.111. However, there are sub-categories of licenses for "building contractors" (limited to construction/repair work on buildings that do not exceed 3 stories) and "residential contractors" (limited to construction/repair work on residential buildings not exceeding 2 stories). Id.	Contracts exceeding \$2,500 in value must contain statement of the consumer's rights on the Florida Homeowner's Construction Recovery Fund. F.S.A. § 489.1425. For certain residential contracts exceeding \$2,500 in value, must contain a specified notice pertaining to state lien law provisions. F.S.A. § 713.015.



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Georgia	All construction projects must be undertaken by a state-licensed general contractor. GA ST § 43-41-2(5).	No known construction contract disclosure requirements at state-level. Local or municipal development authorities should be consulted for any such requirements.
Hawaii	A state-issued license is required for all general contractors working in the state, including all general engineering contractors, general building contractors, and specialty contractors. Haw. Rev. Stat. § 444-7; 444-9.	Any contracts with homeowners must contain written disclosures about relevant lien rights of the respective parties, bond options, and notice of the right to resolve construction defects prior to commencing litigation. Haw. Rev. Stat. § 444-25.5.
Idaho	Subject to limited exemptions, any general contractor undertaking a project in excess of \$2,000 must be properly registered with the state. Id. Stat. § 54-5205.	Any residential contract must advise the homeowner of their right to require lien waivers from subcontractors, the right to require general liability insurance be carried by the general contractor, the right to purchase an extended policy coverage of certain unfiled or unrecorded liens, the right to require (at the homeowner's expense) a surety bond in an amount up to the value of the construction project, and information concerning the subcontractor(s), materialmen, and rental equipment. Id. St. § 45-525.
Illinois	Aside from <b>plumbing</b> and <b>roofing</b> , the state of Illinois doesn't issue contractor licenses. Under the Illinois Plumbing License Law (225 ILCS 320), the <u>Illinois</u> Department of Public Health ("IDPH") licenses <b>plumbers</b> , plumbing contractors, plumbers' apprentices, irrigation contractors and retired plumbers. All plumbing contractors must register with the state and pay an annual fee. Plumbing contractors must maintain minimum general liability insurance, bodily injury insurance, property damage insurance, and worker's compensation insurance. <b>Roofing contractors</b> seeking licensure and additional information can go to the <u>Illinois Department of Financial and Professional Regulation</u> .	Any <b>roofing contracts</b> over \$1,000 must provide a "Consumer Rights Brochure" with disclosure language specified by the IDFPR. Illinois does not have any other construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Indiana	The only construction contractors <u>licensed</u> by the State of Indiana are <b>plumbers</b> . All other licensing is regulated, if at all, on the municipal level, and the local development authority should be contacted prior to commencing work on any project.	Indiana does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.



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Iowa	Any entity performing construction work within the state and earning at least \$2,000 annually must register with the <a href="Lowa Division of Labor">Lowa Division of Labor</a> . I.C.A. § 91C.2. Specialty trades including mechanical, plumbing, HVAC, refrigeration, sheet metal, and hydronic contractors need an active license for each discipline by the <a href="Department of Health and Iowa Plumbing and Mechanical Systems Board">Department of Health and Iowa Plumbing and Mechanical Systems Board</a> . I.C.A. § 641-23.3 (105). Electrical contractor licenses are the duty of the <a href="State Fire Marshal">State Fire Marshal</a> . I.C.A. 661-500.1(103).	Iowa does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements. However, disclosure of records can be requested including estimates, prices and negotiations of a contract unless disclosure would hinder further competition. Iowa Admin Code 761-4.9(22).
Kansas	Kansas does not have any state-level licensing or registration requirements. All licensing is regulated, if at all, on the municipal level, and the local development authority should be contacted prior to commencing work on any project.	Kansas does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Kentucky	Kentucky does not require a license for general contractors, however, it does require a license for certain specific categories of work (e.g., electric, HVAC, plumbing, etc.). See <a href="https://dhbc.ky.gov/new_docs.aspx?cat=150">https://dhbc.ky.gov/new_docs.aspx?cat=150</a> for full list of state-issued licenses.	Kentucky does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Louisiana	Generally, a commercial license is required for all contractors (general and sub) engaging in commercial projects of \$50,000 or more. Exceptions apply for certain specialty subcontractors (Electrical, Mechanical, Plumbing, Asbestos, Hazardous Waste) and require licensure at lower contract values. A residential license is required for residential building contractors when the cost of the undertaking exceeds \$75,000. Residential subcontractors who bid or perform work in one of the residential specialties (Pile Driving; Foundations; Framing; Roofing; Masonry/Stucco; or Swimming Pools) must have a valid residential license for that specialty when the work exceeds \$7,500, including all labor and materials.	Residential construction contracts must include a disclosure providing notice of the lien rights of the respective parties. La. Stat. Ann. § 9:4852.
Maine	Maine does not require a license for general contractors, however, it does require licenses for certain specific categories of work (e.g., plumbing, electric work, etc.). See <a href="https://www.maine.gov/pfr/professionallicensing/professions">https://www.maine.gov/pfr/professionallicensing/professions</a> for a full list of state-issued licenses.	Maine does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements. Note that home construction contracts must include the Attorney General's website so that homeowners/lessees may access publicly-available information about Maine contractors. See ME St. T. 10 § 1487.



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Maryland	A state-issued license (from the Maryland Home Improvement Commission) is required for all <b>home improvement contractors</b> . Md. Code Ann., Bus. Reg. § 8-301. Furthermore, Maryland requires a license for plumbers, electricians, and HVAC professionals. <i>See</i> https://www.dllr.state.md.us/license/	Home improvement contractors must include their MHIC License number in any contract. Md. Code Ann., Bus. Reg. § 8-501.
Massachusetts	Massachusetts requires a Construction Supervisor License ("CSL") to be held for certain categories of construction work. Mass. G.L. c. 143, § 94; see also https://www.mass.gov/construction-supervisor-licensing.  Additionally, a Home Improvement Contractor ("HIC") must also be registered in the Commonwealth. See generally Mass. G.L. c. 142A. Unless a contractor is performing "ordinary repairs" on a structure, both a CSL and an HIC registration may be required.	All contracts for residential construction exceeding \$1,000 in value shall be in writing, and shall include, <i>inter alia</i> , the contractor's registration number. <i>See</i> Mass. G.L. c. 142A, § 2.
Michigan	General contractors must obtain either a <b>Residential Builders License</b> or a <b>Maintenance &amp; Alterations Contractors License</b> prior to conducting work that includes repair, construction, alterations, or upgrades residential buildings or mixed-use buildings. Mich. Comp. Laws Ann. § 339.2403; see also <a href="https://acaprod.accela.com/LARA/Default.aspx">https://acaprod.accela.com/LARA/Default.aspx</a>	Any entity licensed by the state must include, as part of any contract, their licensing information. Mich. Comp. Laws Ann. § 339.2404a.
Minnesota	Minnesota requires all general contractors to be licensed and registered with the state. Minn. Stat. Ann. § 326b.805; 326b.701.	Minnesota does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Mississippi	Mississippi generally requires a license for any contractor working in the state. Miss. Code Ann. § 31-3-1. Further, contractors must have a Certificate of Responsibility from the State Board of Public Contractors. Miss. Code Ann. § 31-3-15. <i>See</i> also Miss. Code Ann. § 73-59-1, et seq.	Any contract should include relevant information about the contractor's Certificate of Responsibility. Miss. Code Ann. § 31-3-15.
Missouri	Missouri does not have any state-level licensing or registration requirements. All licensing and/or registration is regulated, if at all, on the municipal level, and the local development authority should be contacted prior to commencing work on any project. However there are some additional state licensing options such as, Lead Abatement contractors obtain licensing from the Office Lead Licensing and Accreditation (OLLA). Mo. Code Regs. Ann. Tit. 19, § 30-70.120. There is also an Office of Statewide Electrical Contractors through the Missouri Division of Professional Registration that can grant a license that disregards local licensing requirements. Mo. Code Regs. Ann. Tit. 20, ¶2117-1.010.	Missouri does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.



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Montana	Montana requires each construction contractor to register. Mont. Code Ann. § 39-9-201; see <a href="https://erd.dli.mt.gov/work-comp-regulations/montana-contractor/construction-contractor-registration">https://erd.dli.mt.gov/work-comp-regulations/montana-contractor/construction-contractor-registration</a> for more information about registration.	Montana does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Nebraska	Nebraska does not require a license for construction projects, however, any entity performing construction work must first register with the Department of Labor. Neb. Rev. Stat. § 48-2104.	Nebraska does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Nevada	Nevada requires any entity performing construction or alteration work to obtain a state-issued license. Nev. Rev. Stat. § 624.220.  Contractor must post surety bond or cash deposit with Board. NRS 624.270(1) (exemption may be requested after 5 years). Nev. Rev. Stat. § 624.270(5).	Any single-family residential contracts must disclose the name and license number(s) of all contractors who work on the project, and must provide notice of lien rights. Nev. Rev. Stat. § 624.600.  A residential recovery fund disclosure must be on all residential contracts. Nev. Rev. Stat. § 624.520  License number must be on all business advertisements, including vehicles, business cards, letterhead, signage, directories, newspapers, website, etc. Nev. Rev. Stat. § 624.720  License number and monetary limit must be on
New Hampshire	New Hampshire does not require a license for general contractors, however, it does require a license for certain specific categories of work (e.g., electric work, plumbing, etc.). See <a href="https://www.oplc.nh.gov/professional-licensing">https://www.oplc.nh.gov/professional-licensing</a> .	all contracts or bids. NAC 624.640(5)  New Hampshire does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements. For public construction projects, however, contractors will need to disclose their requisite insurance information. See NH St. § 21-I:80.
New Jersey	New Jersey does not require a license for general contractors, but contractors conducting residential work must register with the NJ Division of Consumer Affairs (N.J. Stat. Ann. § 56:8-136, et seq), and builders that engage in the business of constructing new homes must be registered with the NJ Dept. of Community Affairs (N.J. Stat. Ann. § 46:3B-5, et seq). Additionally, contractors performing plumbing, electrical, and HVAC work must obtain a license. <i>See</i> <a href="https://www.njconsumeraffairs.gov/Pages/Applying-For-A-License.aspx">https://www.njconsumeraffairs.gov/Pages/Applying-For-A-License.aspx</a> . <i>See</i> also Contractors' Registration Act (N.J. Stat. Ann. § 56:8-136, et seq), New Home Warranty and Builders' Registration Act (N.J. Stat. Ann. § 46:3B-1, et seq), and the Home Improvement Contractor Registration (N.J. Admin Code 13:45A-17.1, et seq) for further detail and exemptions.	New Jersey does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.



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New Mexico	New Mexico requires all general contractors working in the state to be licensed. N.M. Stat. Ann. § 60-13-3.	New Jersey does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
New York	New York does not have any state-level licensing or registration requirements. All licensing and/or registration is regulated, if at all, on the municipal level, and the local development authority should be contacted prior to commencing work on any project.	New York does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
North Carolina	North Carolina requires general contractors to have a state-issued license for any project exceeding \$30,000.  N.C. Gen. Stat. Ann. § 87, et seq.	North Carolina does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
North Dakota	North Dakota requires general contractors to have a state- issued license for any project exceeding \$4,000. N.D. Cent. Code Ann. § 43-07, et seq.	North Dakota does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Ohio	Ohio does not require a license for general contractors, however, it does require a license for certain specific categories of work (e.g., plumbing, electric work, etc.). See <a href="https://com.ohio.gov/DICO/ocilb/LicenseQualificationProcess.aspx">https://com.ohio.gov/DICO/ocilb/LicenseQualificationProcess.aspx</a>	Ohio does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Oklahoma	Oklahoma does not have any state-level licensing or registration requirements for general contractors. The Oklahoma Construction Industries Board, however, does require licensure for certain specialty trades, including electrical, plumbing and mechanical contractors. All licensing and/or registration for specific industries is managed by the Oklahoma Construction Industries Board. See <a href="https://cib.ok.gov/forms">https://cib.ok.gov/forms</a> Additional municipal level or local development authority licensure may be required and those entities should be contacted prior to commencing work on any project.	Oklahoma does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Oregon	Oregon requires a license for any entity being compensated to do construction work. Ore. Rev. Stat. Ann. § 701, et seq.	Oregon does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Pennsylvania	Pennsylvania does not require general contractors to be licensed, however, any contractor performing <b>home improvement work in excess of \$5,000</b> must be licensed with the state's Attorney General's office. 73 Pa. Stat. Ann. § 517.3.	Pennsylvania does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.



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Rhode Island	Rhode Island does not require general contractors to be licensed, however, any all contractors must be properly registered with the state. 5 R.I. Gen. Laws Ann. § 5-65-3.	Any contract must contain a "Notice of Possible Mechanic's Lien" with formal language provided by statute. 5 R.I. Gen. Laws Ann. § 5-653(o).
South Carolina	South Carolina requires a state-issued license for any project in excess of \$5,000. S.C. Code Ann. § 40-11-370.	South Carolina does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
South Dakota	South Dakota does not require a license for general contractors, however, it does require a license for certain specific categories of work (e.g., plumbing, HVAC, etc.). See <a href="https://dlr.sd.gov/">https://dlr.sd.gov/</a>	South Dakota does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Tennessee	Tennessee requires a license before negotiating or bidding on any project exceeding \$25,000. Tenn. Code Ann. tit. 62, Ch. 6, et seq.	Tennessee does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Texas	The state of Texas does not require a license for general contractors, however, it does require a license for certain specific categories of work (e.g., HVAC, plumbing, etc.). See <a href="https://www.tdlr.texas.gov/licenses.htm">https://www.tdlr.texas.gov/licenses.htm</a> . However, many cities in Texas require general contractors to register and obtain a local license in order to perform work in the city. Go to <a href="Search by City - TML City Officials Directory">Search for the city, and you will be taken to the city's website where you can search for "contractor license requirements."</a>	Written contracts subject to the Texas Residential Construction Act (Chapter 27 of the Texas Property Code) must include the required disclosure statement set forth in section 27.007. In addition, Section 53.255 sets forth thirteen required disclosures that a contractor must provide in a residential construction contract. Local or municipal development authorities should be consulted for any such requirements.
Utah	Utah requires general contractors to obtain a state issued license prior to commencing work on any project exceeding \$3,000. Uta. Code Ann. § 58-55, et seq.	Utah does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Vermont	Vermont does not have any state-level licensing or registration requirements. All licensing and/or registration is regulated, if at all, on the municipal level, and the local development authority should be contacted prior to commencing work on any project.	Vermont does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Virginia	Virginia requires general contractors to obtain a state- issued license prior to commencing construction work. Va. Code Ann. § 54.1, et seq.	Virginia does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.



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Washington	Washington does not require general contractors to be licensed by the state, however, all contractors must enroll with the Department of Labor and Industries. RCW § 18.27.010, 18.27.020(1), et seq. A contractor who performs work without such registration is a <i>per se</i> unfair or deceptive act or practice under Washington's Consumer Protection Act. RCW §19.86, et seq. General contractors are required to hold a surety bond with minimum of \$12,000, and specialty contractors with a minimum of \$6,000. RCW § 18.27.040.	Contracts must include a Notice to Customer concerning applicable lien rights. Wash. Rev. Code. Ann. § 18.27.114.
West Virginia	West Virginia requires general contractors to obtain a state-issued license for all projects in excess of \$2,500. W. Va. Code Ann. § 21-11, et seq.	West Virginia does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Wisconsin	General contractors must obtain a <u>Dwelling Contractor</u> <u>Qualifier certifications</u> for any residential project exceeding \$1,000. Wis. Admin. Code § 305.315. Per <u>Wis. Admin.</u> <u>Code § SPS 305.31</u> , no person may obtain a building permit for a one-and two-family dwelling unless the person holds a Dwelling Contractor certification issued by the <u>Department of Safety and Professional Services ("DSPS")</u> or engages, as an employee, a person who holds such certification. <i>See also</i> <u>Wis. Stats. § 101.654(1)(b)</u> and <u>(1)(c)(2)</u> . In addition, the State of Wisconsin imposes licensing and registration requirements on <u>plumbing</u> , <u>electrical</u> , <u>HVAC</u> , <u>elevator</u> and <u>automatic fire sprinkler</u> contractors.	Wisconsin does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.
Wyoming	Wyoming does not require a license for general contractors, however, it does require a license for electricians. See <a href="http://wsfm.wyo.gov/electrical-safety/license-and-exam-applications">http://wsfm.wyo.gov/electrical-safety/license-and-exam-applications</a>	Wyoming does not have any construction contract disclosure requirements at the state level. Local or municipal development authorities should be consulted for any such requirements.