

Summary of Proposed Rule Changes

What rules are changing?

In a nutshell, here are the proposed substantive changes (not counting minor editorial changes):

- 1) Require the exam for contractors not already licensed in a jurisdiction that required testing to be within the past three years and on the most recent code cycle. If you have already passed an ICC exam to get a license in another city, town or county, you don't need to retest. If you have never passed an exam, this provision affects you. (Specialized Trade Contractors do not need to pass any exams.)
- 2) Eliminate the alternative local exam provision for long-time local contractors and require all applicants for licensing to pass nationally certified contractor exams offered by the International Code Council or their equivalent.
- 3) To renew a license, contractors must have obtained and completed at least two permitted jobs in Larimer County including inside any of our eight incorporated cities and towns within the last two years. Inactive contractors must either take a new ICC test, pass a county-approved code update test or taken code update classes. Both the update tests and classes will need approval by the county Chief Building Official.

Why are we proposing these changes?

One way we keep our buildings safe is by adopting modern building codes and making sure buildings are properly constructed using those codes. We also make sure the people doing the construction are knowledgeable, experienced and insured. We call that part of our job contractor licensing.

Larimer County first required contractors to be licensed in 2009. Since then, we have licensed thousands of contractors. We make sure contractors know what they are doing, that they obtain building permits and that they get their jobs done.

At first, some local contractors who had been doing business for a long time said it was unfair to make them take a contractor's exam, and they asked to be grandfathered in. Our county boards agreed, so the licensing rules were modified to let them take an easier exam than the industry standard. The requirements to renew contractor licenses were kept pretty simple too.

But there's a problem. Building codes get more complicated every few years. The industry is changing. Technology never stops advancing. New products and new methods of construction continue to evolve. Contractors need to keep up or face being left behind.

Our county Board of Appeals – volunteers appointed by county elected officials to review building codes and contractor licensing and hear appeals of decisions made by the Chief Building Official – decided we need to update contractor licensing rules while keeping the basic requirements the same.

The Board reasoned that the simplified exam for long-term contractors made sense when licensing rules were first adopted, but ten years later, why are we still making exceptions? Why should the great majority of contractors, who have passed the industry standard exams (given by the International Code Council) have to compete with contractors who have never passed these exams? Shouldn't everyone have to pass the same exam?

Since building codes update every three years, it's critical that contractors keep up with current codes. Current licensing rules do not specify how recently contractors must have taken the exam, or which version of the code they tested on. Shouldn't we require tests on current code?

When contractors renew their license every two years, they provide proof of updated insurance coverage, and we verify they successfully completed all the jobs for which they obtained building permits. But there is no rule that says they must stay actively engaged in building construction by obtaining permits and completing projects.

If contractors do get permits, they will learn the current codes through their work, through self-study, through interactions with their architects and engineers, and through working with our plans examiners and building inspectors. If they don't get permits, they may be building homes and commercial buildings under old codes and not to the most recent, best, safest building codes. When they call for inspection, they will have to make corrections to pass and continue to the next stage of construction, corrections that cost them and customers time and money.

The members of the Board of Appeals – themselves contractors, architects, engineers, and retired construction professionals – looked at this problem and asked how we could fix it. They asked county staff to look at how other building departments handle the process of issuing and renewing contractor licenses. County building department staff – many of whom are former contractors themselves – provided their opinion. Board members debated the alternatives. After much deliberation, the board suggested a few changes to contractor licensing rules.

On the question of a simplified exam for long-term contractors, the Board considered allowing this exception to continue but only for residential contractors. Their thinking was that it is easier to build a home than a commercial building, which tend to be larger, have more variety in construction methods, and contain more complicated plumbing, mechanical, structural and fire-safety systems. But today's homes, especially the custom homes that tend to get built on the large acreage lots in unincorporated Larimer County, are not the modest, simple boxes of yesteryear. They can be very complicated. Sometimes they can be bigger and harder to built than small commercial buildings. Shouldn't residential contractors also prove they are up to the highest standard of current code knowledge?

The Board also considered allowing the exam exception to continue, but require any contractors licensed under this rule to obtain Continuing Education credits. They also considered requesting the alternative exam created by county staff be made harder. In the end, they decided to recommend ending this provision entirely. Their thinking was that after ten

years, any contractor who had wanted to be grandfathered-in should be grandfather-in already, and anyone else should pass the same test requirement as all other contractors.

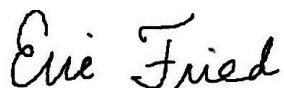
When it comes to license renewal, the Board debated several options: first, make no change to the renewal requirements, which would allow licensed contractors to keep renewing their license in perpetuity without building anything in Larimer County or otherwise demonstrating updated code knowledge; second, make everyone take a locally-created license renewal exam; third, make everyone take the current national contractor licensing exam; fourth, make everyone obtain Continuing Education Credits (CEUs) to renew their license; fifth, apply these requirements only to contractors who have not obtained a minimum number of building permits during the two years between license renewals.

Board members tried to find the right balance between making renewal requirements too hard and making them too easy. They wanted to make sure that everyone keeps up with the evolving construction industry without putting an unnecessary burden on those who are already doing exactly that. In the end, they decided that contractors who obtain at least two building permits during the two-year renewal period (one per year) in Larimer County, including inside any of the incorporated cities and towns like Fort Collins, Loveland and Estes Park, would have sufficient continuing code knowledge and relevant experience. As long as contractors stay active, the board felt there is no need to make them retest or take classes in code updates.

For inactive contractors, the board debated the options before settling on giving inactive contractors choices: either pass the national ICC contractor exam, OR take a county-created code update exam, OR take code update classes, which are offered in person and on-line through national, state and local code organizations. The board left it up to county staff to determine exactly which classes would be approved and to create a local code update exam. They made it clear they want county Building Division staff to keep working as educators more than as regulators, making sure the public and contractors know what licensing requirements do and don't cover, and creating and/or publicizing the many opportunities that exist for continuing education on building codes and practices.

If contractors let their licenses lapse, the board felt they should face the same requirements as anyone applying for a new license: standardized testing, proof of experience, and insurance.

I welcome your comments on these proposed changes.



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