

# Rhode Island Department of Business Regulation Division of Building, Design& Fire Professionals

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#### Summary of R.I. Gen. Laws §5-65 et seq.: What Homeowners Should Know

## For distribution to homeowners as required by law.

Note that this is not meant to replace all existing Contractors Registration and Licensing Board (CRLB) guidance, registration documents, and FAQs on the <a href="Mailto:CRLB website https://crb.ri.gov/">CRLB website https://crb.ri.gov/</a> which should be reviewed by both homeowners and contractors alongside this resource.

## 1. Homeowner's Rights and Responsibilities

- Right to receive a written contract for work in excess of \$1,000 and this summary prior to the start of work.
- Right to receive the Notice of Possible Mechanics' Lien prior to the start of work and the right to receive lien releases if requested and if applicable.
- Right to file a complaint with the CRLB for the purposes of determining whether the contractor violated CRLB's statutes or regulations (including for cases of negligent or improper work, breach of contract, or contract disputes) justifying CRLB issuing fines or other penalties to the contractor.
- Right to file a lawsuit with a court to pursue contractor for money or other relief in conjunction with CRLB's administrative action to fine or otherwise penalize contractor.
- Right to cancel a contract within three days of signing the contract for consumers aged 60 and older.
- Responsibility to verify contractors' registration at <a href="https://www.crb.ri.gov/consumer/search-registrantlicensee">www.crb.ri.gov/consumer/search-registrantlicensee</a> before hiring a contractor.
- Responsibility to carefully consider decisions to pay deposits or make progress payments to a contractor.
- Responsibility to notify CRLB of any corrective work performed by the contractor after the submission of a complaint to CRLB.

#### 2. Contractor's Rights and Responsibilities

- Responsibility to be registered with the CRLB and maintain at least \$500,000 in general liability insurance and state-required workers' compensation insurance.
- Responsibility to obtain permits before starting work.
- Responsibility to hire only registered subcontractors and maintain a list of those registered subcontractors that are performing the work.
- Responsibility to provide a registration number.
- Responsibility to provide a written contract for work in excess of \$1,000.
- Responsibility to provide the Notice of Possible Mechanic's Lien prior to the start of work and lien releases when requested and if applicable.
- Right to contest CRLB enforcement actions, fines, and penalties that stem from complaints/violations.

### 3. The Role of the Contractors' Registration and Licensing Board

- Receive and investigate complaints in accordance with the statute and regulations.
- Upon investigation of complaints, issue notices of violation to impacted contractor(s), which may include fines and penalties such as suspension or revocation of registration subject to future hearings if contested.
- Negotiate and enter into consent agreements with contractors found to be in violation of CRLB's statute or regulations.
- Refer contractor-contested matters to the Administrative Hearing Officer for hearing and decision in accordance with the Rhode Island Administrative Procedures Act, R.I. Gen. Laws §42-35-1.
- Offer contractors the right to appeal Administrative Hearing Officers' decisions and determine final resolutions after a hearing.
- Impose fines and suspend/revoke registration upon final resolution of contractor-contested matters.
- Refer certain matters to the Attorney General for proceedings in civil or criminal court if warranted.

Note that the CRLB will <u>not</u> order payment of monetary damages or other monetary relief, or mandate other specific performance, contractual, or equitable remedies to homeowner claimants or contractors.