

## Another Reason for Contractors to Get Licensed in Virginia



I've discussed <u>the need for licensing</u> here at Musings. I've also discussed a <u>recent attempt to mess with the</u> <u>residential notice requirements</u> of the Virginia mechanic's lien statute. A recent bill that made it out of House subcommittee, <u>HB 1913</u>, takes these two concepts and mixes the need for a contractors license with the mechanic's lien statute in a manner that could cause some consternation in the Virginia construction world, particularly for

those out of state contractors and subcontractors that may not have a Virginia contractor's license.

Along with a change to the Va. Code 43-4 perfection requirements requiring a license number on the memorandum, the proposed bill adds the following language to Va. Code 43-3:

D. A person who performs labor or furnishes materials without a valid license or certificate issued by the Board of Contractors pursuant to Chapter 11 ( $\oint 54.1-1100$  et seq.) of Title 54.1, or without the proper class of license for the value of the work to be performed, when such a license or certificate is required by law for the labor performed or materials furnished shall not be entitled to a lien pursuant to this section.

In short, if a license is required for a contractor to perform the work for which it claims a lien, and that contractor does not have a license, that contractor *cannot record a valid lien memorandum*.

While it has always been the case that a construction contractor that performed certain installation and construction services in Virginia has needed a valid license (subject to potential misdemeanor charges, though this is rarely enforced in my experience), the lien statute did not require a license for a contractor to have the right to a lien. The reason for this amendment, in my opinion (and that of good friend Jim Fullerton) is to create even more incentive toward obtaining a contractor license. If this is the goal, I find it to be laudable.

For we construction attorneys, should this bill pass into Virginia law, it means another change to the form for a lien and yet another reason why you should hire a <u>Virginia</u> <u>construction lawyer</u> to help you through the legal maze of these <u>tricky beasts we call</u> <u>mechanic's liens</u>.

What do you think of this potential change?

Image via <u>Wikipedia</u>.

*Please check out my <u>Construction Law Musings Blog</u> for more on Virginia construction law and other topics.*