

**Letter Report: Contractor Licensing Board**

**Agency Purpose:**

The purpose of the Contractor Licensing Board (Board) is to protect the public through its licensing process, and to be the regulatory and disciplinary body for licensed contractors throughout the state.

**What Did PERD Find?**

The Board is necessary to protect the public. It complies with some of the general provisions of Chapter 30 of West Virginia Code, but much improvement is needed, including adjustments to its new website.

**PERD’s Objectives:**

To determine if the Board should be continued, and assess whether the Board complies with the general provisions of Chapter 30 and other applicable laws.

**Key Recommendations:**

*The Legislature should continue the Contractor Licensing Board.*

*The Board should consider utilizing the State Treasurer’s lockbox system to further enhance internal controls and reduce the risk of fraud.*

*The Legislature should consider amending State Code to exempt the Board’s licensees from the CE requirement prescribed by §30-1-7a.*

*The Board should amend its register of applicants and roster of licensees to meet the standards described in Chapter 30.*

*The Board should consider promulgating procedural rules to implement the process of waiving initial occupational licensing fees for low-income individuals and military families.*

<b>Fiscal Year</b>	<b>In-State</b>	<b>Out-of-State</b>	<b>International</b>	<b>Total</b>
<b>2021</b>	9,733	7,177	6	16,916
<b>2022</b>	9,878	7,372	5	17,255
<b>2023</b>	9,734	7,383	4	17,121
<b>2024</b>	9,584	7,536	8	17,128
<b>Average</b>	<b>9,732</b>	<b>7,367</b>	<b>6</b>	<b>17,105</b>

*Sources: Contractor Licensing Board Annual Reports and data provided by the Board to PERD.*

PERD also found the following:

- The Board was transferred from Chapter 21 of West Virginia State Code to Chapter 30 with the passage of HB 2006 in 2021.
- In an effort to protect the public, the Board oversees an average of 7,000 annual on-site inspections to verify compliance with contractor regulations.
- The Board is facing no financial or budgetary concerns and is financially self-sufficient.
- The Board’s initial licensure and renewal fees are generally lower than those of surrounding states.
- All of the Board’s complaints filed between FY 2021 and FY 2024 were resolved within six months.
- The process by which the Attorney General’s Office informs the Board of judgments made against licensees should be promulgated in a rule.
- The Board should request replacement appointees from the governor.
- Because the Board is the newest regulatory licensing board to join Chapter 30, it recently launched its own website on September 9, 2024.
- While PERD normally conducts a uniform website review as part of all Chapter 30 board reviews, PERD determined that the transitional status of the Board’s website would not result in a fair assessment; therefore, a review of the website was not warranted.