# Regulatory Bulletin

# **Experience Requirement for New Residential Builders**

#### **Overview**

General contractors applying for a new residential builder license in B.C. must meet qualification requirements. This applies to applicants who have not previously held a license, or if their previous license was closed, suspended, canceled, or expired.

An assessment of qualifications is based on two parts:

- 1) the ability to demonstrate that you meet the minimum experience requirement
- 2) the ability to demonstrate you are qualified in seven core competency areas

This bulletin describes BC Housing's guidelines for meeting the experience requirement.

### **Experience Requirement**

An applicant must show they have at least 24 months of experience managing or supervising residential construction, within the last five years. The purpose of the experience requirement is to ensure that a new licensee has the demonstrated skills and abilities to oversee the construction of a new home.

# **Calculating the 24 Months**

One nominee on the licence application must meet the experience requirement. Experience does not need to take place over 24 consecutive months; however, it must be completed within the last five years. Also, if multiple projects occurred at the same time, the overlapping months will only be counted once.

The 24 months should be full time work; approximately 35 hours per week. Applicants who worked on a part time basis may still apply but must be prepared to demonstrate working time equivalent to a full-time employee.

Only work conducted during active construction is considered in the calculation of experience. Design, planning and development phases are not included.

## **Relevant Project Work**

List your most relevant projects and experience first on your licence application, including work managing construction of single-family dwellings, duplexes and other new residential projects.



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This bulletin and the website are for convenience only, they do not constitute legal advice. For complete details consult the Act and its regulations. For more information contact:

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Although residential construction of new homes is required by Regulation, alternate construction experience, such as large residential renovations, commercial or industrial construction may also be considered as equivalent by the Registrar. In addition, if your construction experience was not as a construction manager but in another capacity, such as engineer or architect, you may also submit your relevant project experience for review.

If you want your experience considered as equivalent, you must provide an explanation for how these projects are equivalent to managing residential construction. For example, building or designing a bridge is not sufficiently equivalent to residential construction. However, building a commercial hotel requires similar knowledge with many of the same building components as multi-family residential construction.

If submitting residential renovation projects, the scope must be significant enough to be equivalent to constructing a new home. For example, an applicant with only framing experience is not considered equivalent. Whereas an applicant who completed renovations in many areas including foundation, framing, roofing, cladding or other building envelope components may be eligible. When we review project work, we must be satisfied that an applicant is experienced with managing all significant components of a new home.

# **Evidence of Experience**

All reported experience must be substantiated with supporting evidence. The supporting evidence is used to verify the type of project (ie. new home construction, renovation, commercial), the scope and responsibilities of your role and the timeframe for each project.

- In business for yourself: If you were contracted to complete the project, please submit the building permit and occupancy permit for each project. The permits must note you as the contractor in order to be accepted as verifiable evidence. Please note that for renovation projects we may require additional evidence to clarify the scope of the project if the permit does not provide a detailed description.
- > Employee work: If you were an employee of a company who was contracted to complete a project, we will require

your employer to fill out the Verification of Employment Form. Your employer must fill out the form in their own words, include all relevant details and provide you with a copy to submit along with your license application. We will also require proof of your employment to substantiate the information provided.

- > Proof of Employment: This may include a combination of evidence such as:
  - ° A record of employment
  - Paystubs
  - ° T4 (please redact SIN number before sending)
  - Invoices or cashed cheques and corresponding bank statements showing the deposits

In cases where the employment records do not clearly demonstrate that you were responsible for managing and supervising construction on behalf of the company, we may require additional evidence to substantiate your role. This may include but is not limited to:

- Correspondence, such as texts and emails, between yourself and trades, building inspectors, suppliers, engineers, architects, etc. The submitted correspondence should demonstrate that you oversee the overall planning and coordination of the construction process.
- Contracts, invoices, and proof of payment throughout all phases of construction naming you as the contractor.

It's important to ensure that all necessary details are included to expedite the review of your application.







#### **Frequently Asked Questions**

#### Q.Is unpaid work accepted as experience?

A. Unpaid work may be considered, however, it is generally difficult to verify due to the lack of financial records and employment contracts. In many cases, an applicant who is volunteering on a construction site may not have the delegated authority to manage and supervise construction. As the applicant, you are responsible for submitting alternative evidence to substantiate the hours of unpaid work. You must also demonstrate that you were responsible for the management and supervision of the project on a volunteer basis.

#### Q. How do I gain experience if I am new to the industry?

A. We recommend that you start working as an employee of a licensed residential builder to learn the processes involved with managing and supervising a construction project.

While you may gain valuable experience while in training with a licensed builder or assisting a licensed builder in managing construction, this type of experience does not qualify toward the experience requirements to obtain a licence. The experience submitted must be for projects where you are directly responsible for managing and supervising construction and in most cases, it can take a few years to be delegated this authority on a construction site. Once you are in a position where you have been managing and supervising construction for two years, you can apply for a licence along with your supporting evidence.

#### Q.I am a property owner and I hired a general contractor to build my home. I was on site and assisted in managing construction. Can I use this as experience?

**A.** We would have to review your role and the builder's role in the project to make a determination. Often in a relationship between a custom homeowner or developer and their

general contractor, the homeowner/developer is involved in things such as budgets, material selection and will regularly be on site. Generally, this is not considered experience because it is ultimately the general contractor who manages and supervises construction.

If you are the property owner and hired a licensed builder who enrolled the project under their warranty program but let you manage all or substantially all of the construction, you acted as a builder without a licence. This is an offence under section 14 of the Homeowner Protection Act. You may be subject to compliance orders, monetary penalties and prosecution, and may jeopardize your ability to get a licence in the future. The licensed builder who enrolled the home may face consequences for aiding and abetting an unlicensed builder breach the licensing requirement.

For more information please review Regulatory Bulletin 26
– Licensing of General Contractors and Regulatory
Bulletin 27– Aiding and Abetting Unlicensed Builders.

# Q.Does working on an owner-built project qualify for experience?

**A.** If you were the owner builder applicant and general contractor for the project, the project would be considered toward your experience.

If you were hired as the general contractor to manage someone else's owner builder home, you may be able to use the project toward your experience however, this would need to be investigated by our compliance department.

Owner builders must build or directly manage the construction of their new home themselves. If an owner builder hires a builder, construction manager, project manager, or any third party to perform these functions, the owner builder is in breach of their declaration under section 4.1(2)(f) of the Regulation. As a result, the owner builder authorization may be suspended or cancelled. The builder hired, if not already a Licensed Residential Builder, is committing an offence for breaching sections 14(1) and 22(1) of the Act. The hired builder can face monetary penalties of up to \$25,000 and may be required to enroll the project in home warranty insurance.