

NEWS RELEASE

For Statewide Distribution



For Immediate Release
Date: April 5, 2007

Contacts: Ron Brady (515) 281-5484
Kerry Koonce (515) 281-9646

Construction Contractor Registration: It's The Law

DES MOINES – The size and scope of the project doesn't matter, hiring a construction contractor can be a daunting task. Hiring an unregistered contractor can lead to problems. "Iowa law requires all construction contractors making \$2,000 a year or more to register, and renew their registration every two years," indicates Iowa's Interim Labor Commissioner, Steve Slater. "Iowans have the option of searching the registration database to ensure their chosen contractor is meeting the requirements of the law."

Beyond providing information on Iowa's construction contractors in the database, the registration process provides a number of additional benefits to the state of Iowa. When contractors submit their registration information, the process seamlessly verifies that the individual contractor or business has properly secured workers' compensation insurance on their employees and has paid the required unemployment insurance taxes. Employers who circumvent the system by not providing workers' compensation insurance and by not paying the required taxes cost pass the costs onto other Iowa businesses.

Additionally, the contractor registration process ensures that out-of-state contractors follow the required bonding procedures to work in the state. This levels the playing field for Iowa companies, ensuring that an out-of-state contractor does not side-step the law in order to low-bid a contract.

All contractors who do not register, fail to renew their registration, or obtain the appropriate bond are subject to a citation up to \$500. Repeated violations are subject to a citation up to \$5,000.

For more information on Iowa's Contractor Registration requirements, call (515) 242-5871 or (800) 562-4692 ext.25871 or access <http://www.iowaworkforce.org/labor/contractor.htm>.

###

An Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request for individuals with disabilities.
www.iowaworkforce.org • www.iowaworks.org • www.iowajobs.org