

To: Mayor and City Council  
From: Sara Van Meeteren, Building Official  
Date: March 16, 2023  
Subject: Homeowner Permits

At its March 14, 2023 meeting, the Council requested additional information regarding a property owner's ability to perform work on a property that they operate as a rental property. This was the result of comments made by Mr. Satterwhite during Public Forum at the same meeting regarding the increased cost associated with hiring contractors to do work on properties that he owned and operated as rentals.

The State of Iowa has licensing programs for individuals who perform mechanical, electrical, and plumbing trade work statewide. Licensees are required to pass an exam and complete continuing education credits to maintain their license and stay up to date on code changes. Additionally, contractors are required to be registered as a contractor through Iowa Workforce Development (requires proof of insurance). General building construction (framing, decks, windows, etc.) can be performed without a specific license (because no license exists), but the contractor is still required to be registered with the State of Iowa. The City of Ames has adopted a local amendment that mimics these requirements so that they can be enforced at the local level:

***Ames Municipal Code Sec. 5.103(3) Contractor licenses and registration required***

*Permits shall not be issued to persons or companies who are not licensed by the State of Iowa and registered with the City of Ames, except as specifically exempted in this code. Permitted electrical, mechanical, and plumbing work must be performed by licensed persons, except as specifically exempted in other sections of this code.*

**Chapter 103 of the Iowa Code – Electricians and Electrical Contractors**, regulates electrical work and allows for homeowners to perform such work on their primary residence without being licensed:

***Iowa Code Sec.103.22 Chapter inapplicability***

*The provisions of this chapter shall not:*

*(7) Prohibit an owner of property from performing work **on the owner's principal residence**, if such residence is an existing dwelling rather than new construction and is not an apartment that is attached to any other apartment or building, as those terms are defined in section 499B.1, and is not larger than a single-family dwelling, or require such owner to be licensed under this chapter. **In order to qualify for inapplicability pursuant to this subsection, a residence shall qualify for the homestead tax exemption.** (emphasis added)*

Similarly, **Chapter 105 of the Iowa Code – Plumbers, Mechanical Professionals and Contractors**, regulates plumbing and mechanical work and allows for homeowners to perform plumbing and mechanical work on their primary residence without being licensed:

***Iowa Code Sec.105.11 Chapter inapplicability***

*The provisions of this chapter shall not be construed to do any of the following:*

*(3) Prohibit an owner of property from performing work **on the owner's principal residence**, if such residence is an existing dwelling rather than new construction and is not larger than a single-family dwelling, or farm property, excluding commercial or industrial installations or installations in public use buildings or facilities, or require such owner to be licensed under this chapter. **In order to qualify for inapplicability pursuant to this subsection, a residence shall qualify for the homestead tax exemption.** (emphasis added)*

**Local jurisdictions can adopt the same rules or be more restrictive than state law. Some jurisdictions do not allow homeowners to perform their own work. Others allow homeowners to do their own work after they pass a competency exam with the jurisdiction. The City of Ames has adopted language compatible with the state requirements:**

***Ames Municipal Code Sec.5.103(4) - Homeowner permit required***

*Contractor license and registration is not required for alteration or repair work performed on a single family dwelling or accessory structure when the person performing the alteration or repair work is the owner of record and occupies the dwelling as his/her primary residence. An owner-occupant is required to obtain a homeowner building, electrical, mechanical, or plumbing permit for all such work performed, and the work must be inspected for compliance with this code. The scope of work authorized by a homeowner permit is limited by specific provisions in the electrical, mechanical, and plumbing licensing sections of this code.*

Additionally, **Chapter 13 of the Ames Municipal Code** regulates trade work as follows:

***Ames Municipal Code Sec.13.600(2) Plumbing Work by Property Owners/Managers***

*An unlicensed property owner, landlord, or maintenance person may perform routine maintenance upon rental property under their ownership of control. Routine maintenance means the repair or replacement of existing plumbing apparatus, equipment, and fixtures including toilets, tubs, shower compartments, lavatories, sinks, faucets, and related supply and waste piping from the connection at or near the wall to the fixture, only. This does not permit the extension or addition of any new supply or waste piping to serve any new fixtures, or the installation of any new fixtures where no piping or fixtures were previously located. All new installations must be performed by licensed persons.*

***Ames Municipal Code Sec.13.700(1) Mechanical Work by Property Owners/Managers***

*An unlicensed property owner, landlord, or maintenance person may perform routine maintenance upon rental property under their ownership of control. Routine maintenance means the repair of existing mechanical apparatus, equipment, fixtures, ductwork. It does not include the replacement of existing furnaces or water heaters. It does not permit the extension or addition or installation of any new supply or return air ductwork, gas piping, new appliances or fixtures where no such items were previously located. All new installations must be performed by licensed persons.*

***Ames Municipal Code Sec.13.704(2) Electrical Work by Property Owners/Managers***

*An unlicensed property owner, landlord, or maintenance person may perform routine maintenance upon rental property under their ownership of control. Routine maintenance means the repair or replacement of existing electrical apparatus or equipment, including but not limited to switches, receptacles, outlets, fuses, circuit breakers, and fixtures of the same size and type for which no changes in wiring are made, but does not include any new electrical installation or the expansion or extension of any circuit.*

Again, **Local jurisdictions can adopt the same rules or be more restrictive than state law.** Amending the Municipal Code to allow property owners to perform work on properties they own but do not occupy would be a direct violation of the *Iowa Code*. The Council may not adopt local amendments that would exempt the licensing and registration requirements for working on properties not used as the owner's principal residence, because doing so would be less restrictive than state law.

Therefore, the only choices the City Council has are to: 1) adopt the code in a manner that is as restrictive as state law, or 2) adopt the code and local amendments that are more restrictive than state law, for example by prohibiting owners from working on their primary residence without state licensure or requiring them to pass an exam demonstrating proficiency prior to performing the work.

City inspectors are not able to see every single component of construction and often rely on the contractor's knowledge and integrity for those areas they cannot inspect. It is assumed that homeowners are motivated not to cut corners in these areas, as there is not a profit motivation and they are the individuals directly affected by the quality and safety of the improvements. The licensing process ensures that the persons performing work for profit are competent, understand the permitting and inspection process, and are at risk for licensing consequences if the work is performed in a negligent manner.