

Construction Contractor License (CCL) FAQ

1. Who is required to obtain a Construction Contractor License?

A person, firm, or corporation that:

(a) in the pursuit of an independent business, offers to undertake, undertakes, or submits a bid to construct, alter, repair, add to, subtract from, improve, move, wreck, or demolish for another a building, highway, road, railroad, excavation, or other structure, project, development, or improvement attached to real estate, including the installation of carpeting or other floor covering, the erection of scaffolding or other structures or works, or the installation or repair of roofing or siding; or

(b) in order to do work similar to that described in subsection (1)(a) on the construction contractor's property, employs members of more than one trade on a single job or under a single building permit, except as otherwise provided.

(2) "Department" means the department of labor and industry provided for in Title 2, chapter 15, part 17."

2. What is the purpose of Construction Contractor License?

In Montana, a Construction Contractor License exists [MCA 37-45-101](#). (Effective January 1, 2026) The purpose is to protect the public health, safety, and welfare of the public through the regulation of construction contractors.

Public Protection: It enforces standards of professional conduct, helping to weed out fraudulent operators and keeping you legally protected on building projects.

Worker Protections: The licensing system enforces state laws, ensuring that contractors maintain required workers' compensation insurance and unemployment coverage for their employees.

Business Compliance: It certifies that contractors are legally licensed business entities (such as corporations or LLCs) and establishes a "level playing field" for fair competition in the Montana market.

3. Who needs a Construction Contractor License?

Anyone involved in the construction, alteration, repair, moving, or demolition of structures attached to real estate. This specifically targets contractors with employees, as well as corporations and manager-managed LLCs, regardless of employee count.

4. What is Licensing – Limited Liability mean?

37-45-202. (Effective January 1, 2026) *Licensing – limiting liability.* A person who, pursuant to an oral or written contract, engages a construction contractor who is licensed under this chapter on the date of the contract is not liable as an employer for workers' compensation coverage under 39-71-405, for unemployment insurance coverage, or for wages and fringe benefits for:

- (1) the licensed construction contractor;
- (2) the employees of the licensed construction contractor; or
- (3) a subsequent subcontractor or the employees of a subsequent subcontractor engaged to fulfill a part of or all the obligations of the oral or written contract of the licensed construction contractor listed in subsection (1).

5. How much are fees and fines?

- [37-45-203.](#) (Effective January 1, 2026) *Fees – education fund – fines.* (1) Each applicant for a construction contractor license shall pay an application fee established by the department. (Fees per [24.227.401](#) are \$70 for application and renewal)
- (2) The fees collected under this chapter in accordance with [37-1-134](#) must be deposited in a special revenue account for administration and enforcement of this chapter.
- (3) The department shall provide, in cooperation with building industry stakeholders, a program to educate consumers and the building industry about construction contractor licensing requirements.
- (4) A fine collected from a construction contractor under [37-1-109](#) or [37-1-406](#) must be deposited in the uninsured employers' fund established in [39-71-503](#).

6. For additional information please refer to this link here: [MCA Title 37 CHAPTER 45. CONSTRUCTION CONTRACTORS \(Montana Code Annotated\)](#) and to this link here: [ARMS Chapter 24.227 CONSTRUCTION CONTRACTOR LICENSING \(Administrative Rules of Montana\)](#)

7. Should I register my business name with the Montana Secretary of State?

Yes. All persons using a business name other than their personal name should register. You may contact the Secretary of State's office at (406) 444-3665 or visit their website. You may wish to complete this step before submitting your completed Construction Contractor License application as you may find it easier for the process.

8. What do I need to do to hire employees?

- Cover your employees under a Montana workers' compensation insurance policy.
- Check requirements with the [Unemployment Insurance Division](#) and the [Department of Revenue](#).
- As a construction contractor, per [MCA 37-45-102](#), you must apply for the construction contractor license.