

**HBA of Greater Springfield
Membership Application Requirements
Adopted by HBA Board of Directors (April 10, 2012)**

1. Payment: \$390 annual dues, plus non-refundable one-time \$25 application fee (Applicants seeking Remodeler membership or Associate membership in the HBA Remodelers Council must include additional \$70 annual council dues).
2. Applicant must have a current HBA member sponsor.
3. Applicant must hold current general liability and workers compensation insurance policies.
4. Applicant must hold a rating of "B" or higher from the Better Business Bureau*.

**Applicant's current BBB rating may be checked at: <http://swmo.bbb.org/Find-Business-Reviews/>. If the applicant does not have a current rating, the applicant may complete [this form](http://www.springfieldhba.com/wp-content/uploads/2012/04/BBB-Business-Profile.pdf) (<http://www.springfieldhba.com/wp-content/uploads/2012/04/BBB-Business-Profile.pdf>) and return it to the HBA, along with their HBA membership application, in order to receive a BBB rating.*

The following statement will be added to all HBA membership application forms:

The HBA board of directors reserves the right to re-classify members or member applicants to a different membership category (Builder, Remodeler, Associate), on an as-necessary basis. The HBA board further reserves the right to deny or terminate any membership based on (but not limited to) criminal or civil judgments or other serious infractions that could, in the judgment of the board, damage the effectiveness of the association in carrying out its mission.

"Which Category of Membership am I?" A Brief Guide to HBA Membership Categories:

Builder Member: General Contractor of new residential construction and/or residential land development.

Remodeler Member: General Contractor of major residential remodeling projects, at least a portion of which would be characterized as "structural remodels."

Associate Member: Any supplier, subcontractor, or other business that, as a part of its business, acts in support of the residential construction industries, but does not specifically fit the definition of either of the above (Builder, Remodeler) membership categories.

Q & A on the BBB Rating Requirement:

Why require a rating of B or greater from the Better Business Bureau?

1. Because the BBB systematically evaluates many of the same standards HBA membership seeks to uphold, the requirement of an acceptable BBB rating would simplify the HBA application process, while providing for a more thorough and frequently updated review of a business's ability to consistently satisfy its customers.
2. The new requirement would provide unprecedented protection for the HBA's standard of professionalism by establishing greater consistency, accountability, and third-party credibility. This would mark the first time in the history of the HBA an independent third party consumer protection organization would be used as a threshold to qualify for HBA membership.
3. Partnering with BBB also provides HBA with the opportunity to provide a built-in process for handling consumer complaints against members, as well as member-to-member dispute resolution.

What is a BBB "rating"?

The Better Business Bureau "ratings" evaluate businesses in a variety of measures of professionalism, including years in business, current available contact information, complaints received/responded/resolved, criminal record, civil judgments, etc. If a business has no BBB history, the business may have no rating. Any business is eligible to receive and maintain a BBB rating. To be listed with a rating, a business must complete the BBB's Standard Business Questionnaire (SBQ). For full explanation of BBB ratings, grading criteria, etc, see: <http://www.bbb.org/business-reviews/ratings/>

Where can I check my BBB rating or the rating of other businesses in this area?

This and other key information can be found online at: <http://swmo.bbb.org/>

What if a business has no rating listed?

The requirement that applicants for HBA membership hold a certain "rating level" with BBB would also require HBA to keep and make available the BBB's Standard Business Questionnaire as part of the application process (at least for those applicants who do not currently have a rating on BBB website). When the SBQ is completed and returned to BBB, the business receives its initial rating.

Would the new requirement also be enforceable to existing members?

Existing members qualified for membership under the application standards that were in place when they joined. They would not be required to re-apply or meet different membership applications, so long as they maintain their current HBA membership.

What happens if a business holds a rating of B or higher when they join the HBA, but at some point later their rating slips below that level?

First, the matter must be brought to the attention of HBA staff or board leadership. It is not presumed that HBA automatically would become aware of every member's fluctuating rating level at every moment in time. When HBA is made aware of the lower rating, the member would be notified and encouraged to remedy the rating. Remedy could be as simple as updating paperwork with BBB, or it could involve something more serious. In any case, once the member has been given reasonable opportunity to remedy his/her rating, the HBA board has the

discretion to take action, up to and including termination of membership (if, in the judgment of the board, the member's rating and/or circumstances could "damage the effectiveness of the association in carrying out its mission").

My rating is lower than I would prefer. What can I do to improve it?

Depending on the rating a business has and what specific issues led to the rating, the business has some ability to repair its own rating by updating their contact information, addressing unanswered complaints, etc. Only complaints from the last three years affect the rating of a business.

Do I have to pay to receive a rating? What does it mean to be "accredited" by the BBB?

Any business can receive a BBB rating (no payment is required). Additionally, a business may also be "accredited" if they hold a rating of "B" or higher, have a clean CaseNet history with regard to consumer-to-business interactions, and pay annual accreditation (membership) fee to BBB. For full accreditation standards ("Code of Business Practices"): <http://swmo.bbb.org/bbb-accreditation-standards/>. Accreditation is not required for a business to receive a BBB rating, nor does accreditation factor into the calculation of a business's rating. Accreditation would not be a requirement of HBA membership. The "rating" would be the only BBB requirement for HBA membership.

How does the BBB complaint process work?

Any consumer may file a written complaint against any business (accredited or otherwise) to initiate a dispute resolution process through BBB. The complaint process costs \$150 per complaint. This fee typically is paid by the business, by the consumer, or by a third party (or some combination thereof). An "accredited" business receives up to three complimentary complaint processes per year as part of accreditation (membership) in the BBB. BBB does not accept complaints that have been or are in the process of being litigated.

Could the BBB serve as the HBA's official dispute resolution process for consumer and business-to-business complaints against members?

Yes, although that is not necessarily part of this proposal. The BBB's process for consumer-to-business complaints would appear to be a natural fit for HBA to utilize. It provides third-party credibility and expertise in the area of dispute resolution (a type of expertise and credibility that the HBA does not possess on its own). HBA and BBB could provide reciprocal ("trade") memberships/accreditations with one another (BBB has indicated an interest in this already). HBA accreditation in BBB would provide HBA with up to three complimentary dispute resolution processes per year. While the BBB's complaint process is normally limited to consumer-to-business disputes, they also provide arbitration services for business-to-business disputes, as requested. Local BBB staff has indicated willingness to negotiate an acceptable arrangement for arbitration services for any HBA member-to-member (B2B) complaints, if there is an interest from HBA.