

CRCA Steep & Shingle Education 'What's the Big Deal about Roofing Contractor Licensing Laws?'



©CRCA January 17, 2011

CRCA Education

'Roofing Contractor Licensing'

- **Outline**

- *Welcome, CRCA Steep & Shingle Committee*
- *Who is CRCA?*
- *What's Illinois' Roofing Licensing Law*
 - *"The Details make the Difference"*
- *Why does it make sense?*
 - *Enforcement Locally Means?*
- *Questions welcome as we go...*
- *Thanks*

CRCA Education

'Roofing Contractor Licensing'

- **Who is CRCA?**

- ***CRCA Members Cover the Region***

- *No. Illinois*
- *No. Indiana*
- *So. Wisconsin*
- *Downstate IL*



- ***Chicagoland Area – Roofing Yes...but also:
Waterproofing & Damproofing, Air Barriers***

- ***CRCA Steep & Shingle Committee***

CRCA Education

‘Roofing Contractor Licensing’

- *CRCA Members are Involved...*

CRCA “Industry Day” Golf Outing

- Contractors
- Consultants
- Manufacturers
- Reps, Distributors



CRCA Education

‘Roofing Contractor Licensing’

- ***CRCA Members are Involved...***

- CRCA Membership Meetings

- Education – Energy, Insurance, Safety, Codes
- Relationships - Luncheons
- Celebrate Students – Scholarship
- Contractors, Manufacturers, Distributors, Consultants, Others...



CRCA Education

'Roofing Contractor Licensing'

- *CRCA Members are Involved...*

–CRCA Awards Dinner

- Contractors
- Suppliers
- Reps
- Consultants
- Manufacturers



CRCA Education

‘Roofing Contractor Licensing’

- ***CRCA Members are Involved...***

- CRCA Education, not discipline

- CRCA By-Laws Rule

- CRCA Members are

- IL Licensed Contractors

- CRCA Membership means Value

- Seminars – OSHA, City of Chicago

- Committees

- Website Listing @ CRCA.org



CRCA Education – Licensing Professional Roofing Contractors

CRCA Chicago Roofing Contractors Association - Windows Internet Explorer

http://www.crca.org/

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Home About CRCA CRCA Membership CRCA Members Only Resources CRCA Events CRCA Scholarship Contact Us

CRCA is a local trade association of roofing and waterproofing contractors in the greater Chicagoland area. Contractors, manufacturers, distributors, manufacturers representatives and consultants are members of CRCA, where they come together to tackle issues important to the roofing industry.

These issues may include Health, Welfare and Roofing Contractor, Installer and Public Safety, Technical Issues such as Roof Reflectivity, New Technologies, Roof Gardens, Legal and other roofing and waterproofing topics.

Getting Started...
 1) [Why Choose A CRCA Member?](#)
 2) [How To Select A Contractor?](#)
 3) [Find a CRCA Contractor](#)

Chicago Roofing Contractors Association

CRCA Member Specialties

- Residential & Steep Slope Roofing
- Low Slope Commercial, Industrial, & Institutional Roofing
- Waterproofing & Dampproofing

• [CRCA Enewsletter](#) - See latest issue!
 • [CRCA Committees](#) - Get Involved!
 • [CRCA Golf Outing](#) - July 8th 2010! More to come!
 • [CRCA Membership Meetings](#) - March 9th
 • [CRCA Year End Banquet](#) - December 3, 2010! More to come!
 • [CRCA Trade Show - 2009 and 2010 info!](#)
 • [DOWNLOAD 2010 CRCA CALENDAR!](#)

CRCA Members Only

Thank you to 2009 Directory Advertisers
 Click on the Logos below to learn more!

TO ATTEND THE 2010 CRCA TRADE SHOW
[CLICK HERE!](#)
2010 Trade Show Schedule
[CLICK HERE!](#)
2010 Trade Show Programming
[CLICK HERE!](#)
2010 CRCA TRADE SHOW EXHIBITOR INFO!
[CLICK HERE!](#)

User Id
 Password
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 • [Forgotten Password?](#)

SOME OF ITEMS LOCATED IN THE MEMBERS ONLY SECTION!

- Metropolitan Chicago Building Code
- CRCA Lending Library Form
- 2009 CRCA Trade Show Presentations
- 2009 Chicago Urban Heat Island Info
- 2009 Legislative Updates

Call the CRCA office for more info!

2009 CRCA Toy Donation to The Gr. Lakes Family Ctr.
 CRCA Board Members Tony Roque (MW Powell) and Greg Johnson (Beech Bend Co.) delivered the

CRCA Education

‘Roofing Contractor Licensing’

- *CRCA Members are Involved...*
 - Committees
 - Industry Affairs – Chicago Code, ICC Code, Legislative
 - Safety – Fire, Fall Protection
 - Program - Meetings
 - Contract & Insurance - Programs
 - Steep & Shingle – Qualification – Shingle Recycling
- Annual Legislative Reception



CRCA Education

‘Roofing Contractor Licensing’ Legislative Committee – Chicago, State of IL

- Advocacy for the Roofing Industry
 - State of IL Licensing
- Chicago Energy Code &
Urban Heat Island Ordinance
- International Building, Fire,
Green and Energy Code Development



CRCA Education – Licensing

Professional Roofing Contractor's Life

- **“The Life of the Roofing Contractor”**
 - **Technical Issues – Comply with....**
 - Wind, Weight, Ventilation, Underlayment, Insulation, Drainage
 - **Workforce Education & Safety – ‘Culture’**
 - **Insurance Required – WC, GL ... *FOR ROOFING WORK***
 - **Warranty**
 - **Licensing – Limited / Unlimited**
 - **Specification Sections – Division 07**
 - **International Building Code – Chapter 15, 11,**
 - **International Residential Code – Chapter 9**
 - **International Energy Conservation Code 2009 – STATE LAW**
 - **International Green Construction Code - 2012**
 - **International Fire Code**
 - **Installed Cost – Competitive Market**
- **CRCA Members - Experience, Safety Culture, Value**

CRCA Education

'Roofing Contractor Licensing'

- *CRCA Members...*
- **One Call, Single Source Responsibility**



CRCA Education

'Roofing Contractor Licensing'

- Why IL Licensing for Roofing Contractors??

"...safeguard the life, health, property, and public welfare of its citizens...."

Why? Sets Minimum Requirements for Roofing Contractors for roofing purchaser protection...



CRCA Education

'Roofing Contractor Licensing'

- Why IL Licensing for Roofing Contractors??

A Professional Roofing Contractor has:

– Proper WC and GL Insurance

– Pays into IL State WC Insurance

funds as Roofing Contractors, and pays workers tax liability as the employer...

–much more...



CRCA Education

‘Roofing Contractor Licensing’

- The IL Roofing Contractor Licensing Law
 - **Definitions – Licensure, Director**
 - Licensure – Obtaining or holding a State Roofing License, either ***Limited, Unlimited***
 - *Not just a Business License...*
 - Director = IL Division of Financial and Professional Regulation Director manages the program
 - ‘IDFPR’



CRCA Education

‘Roofing Contractor Licensing’

- Definitions - **Roofing**

- ...’to construct, reconstruct, alter, maintain and use materials and items used in the construction, reconstruction, alteration and repair of all kinds of *roofing and waterproofing*. Nothing shall be construed to require sheet metal, electrical, plumbing, refrigeration or mason contractors or carpenters who perform chimney repairs or install soil pipes, electrical jacks, gutters, heating and cooling vents, wood decks or any other kind of roof deck or television antenna to be licensed under the Act...’



CRCA Education

'Roofing Contractor Licensing'

- Definitions - **Roofing Contractor**

- ...is one who has the experience, knowledge and skill to construct, reconstruct, alter, maintain and repair roofs and use materials and items used in the **construction, reconstruction, alteration, maintenance and repair** of all kinds of roofing and waterproofing *as related to roofing,* all in such manner to comply with all plans, specifications, codes, laws, and regulations applicable thereto, but does not include such contractor's employees to the extent the requirements of Section 3 of this Act apply and extend to such employees...



CRCA Education

'Roofing Contractor Licensing'

- Definition: "**Qualifying party**"
- ...means the individual filing as a sole proprietor, partner of a partnership, officer of a corporation, trustee of a business trust, or party of another legal entity, who is **legally qualified to act** for the business organization in all matters connected with its roofing contracting business, has the authority to supervise roofing installation operations, ***and is actively engaged in day to day activities of the business organization.***



CRCA Education

'Roofing Contractor Licensing'

- "Qualifying party" (QP) Details
 - "Actively Involved in the Day to Day Activities..."
 - Minimum of One QP Per Company
 - If Qualifying Party leaves/dismissed, company/QP must notify IDPFR in 30 days; and name NEW QP.
 - NEW QP must pass the IL Roofing QP exam within 7 months
 - Restriction
 - May act as [qualifying party](#) for one additional licensee if there is common ownership of at least 25% between the two companies...



CRCA Education

'Roofing Contractor Licensing'

- **Qualifying Party Examination**

- '.... to fairly test the competence and qualifications of applicants to act as roofing contractors...'

- Limited License QP Exam
- Unlimited License QP Exam
- Low Slope Section to upgrade from Limited to Unlimited
 - Business, Safety, Low/Steep NRCA Manuals

–Qualifying Party Exam - NRCA Manuals

- <http://www.nrca.net>

–Rules for Qualifying Party:

<http://www.ilga.gov/commission/jcar/admincode/068/06801460sections.html>



CRCA Education

'Roofing Contractor Licensing'

- IL Roofing License Types
- Definition: "**Limited roofing license**"
 - ...means a license made available to contractors whose roofing business is ***limited to residential roofing, including residential properties consisting of 8 units or less...***



CRCA Education

'Roofing Contractor Licensing'

- IL Roofing License Types
- Definition: **"Limited roofing license"**
 - ...means a license made available to contractors whose roofing business is ***limited*** and includes roofing on
 - ***...ONLY RESIDENTIAL PROPERTIES UP TO 8 units...***
- ***Limited License - DOES NOT INCLUDE COMMERCIAL, INDUSTRIAL, INSTITUTIONAL STEEP SLOPE BUILDINGS...***



CRCA Education

'Roofing Contractor Licensing'

- IL Roofing License Types
- Definition: "**Unlimited roofing license**"
 - ...means a license made available to contractors whose roofing business is *unlimited in nature* and includes roofing on *residential, commercial, institutional and industrial properties...*



CRCA Education

'Roofing Contractor Licensing'

- Definition - "**Seller of services or materials**"
 - ...means a business entity primarily engaged in the sale of tangible personal property at retail...
 - *Therefore....*



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'Roofing Contractor Licensing'

- Definition - "Seller of services or materials"

- *Therefore....*

- *If Roofing Service Advertised...*

- *MUST BE LICENSED AS A ROOFING CONTRACTOR*

- *End of Name....“GC” or “Exteriors”,
(without Roofing in Name)*

- *NOT ALLOWED to REPRESENT THEMSELVES AS ROOFING SERVICE PROVIDERS...*



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'Roofing Contractor Licensing'

- **IL Roofing License Application Process**
 - State of IL IDFPR Website
 - <http://www.ilga.gov/commission/jcar/admincode/068/06801460sections.html>
 - Qualifying Party Required
 - QP Individual's Number on License
 - Company License Application Items
 - Individual Qualification
 - Application Completed...see next slides



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'Roofing Contractor Licensing'

- License Application Process Requirements
 - Evidence of Compliance
 - Proof of Successful Exam – Qualifying Party
 - Name of Qualifying Party
 - Public Liability/Property Damage Insurance – IL Law
 - IL Unemployment Insurance EIN Proof
 - Bond – Mandatory for License
 - \$10,000 Limited
 - \$25,000 Unlimited



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'Roofing Contractor Licensing'

- IL Roofing License Issued Upon...
 - Company Submission
 - Proof of Insurance – WC & GL
 - Proof of Bond
 - Qualifying Party
 - Pass Roofing License Exam
 - » Limited License Exam
 - » Unlimited License Exam



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'Roofing Contractor Licensing'

- Once Licensed...IL LAW STATES
 - LICENSE NUMBER and ROOFING CONTRACTOR LICENSEE NAME AS IT APPEARS ON LICENSE ...
 - '...Affix to Contracts and Bids'
 - '...Affix Commercial Vehicles'
 - '...on all Advertising'
 - DISPLAY LICENSE DOCUMENT at conspicuous place at place of business
 - Expiration Date ...on all licenses



CRCA Education

'Roofing Contractor Licensing'

- *IL Licensing Law – Permits at Jurisdictions*

- *Contractor is Licensed & Both QP & Company on Certificate*

- *104XXX Registration Number for Company*
 - *105XXX Qualifying Party on License*
 - *Contractor COMPANY gets License, and Permits*

- *Qualifying Party –*

- *Roofing Permit Applications need ...*
 - *BOTH 105XXX and 104XXX number*
 - ***QP passing test alone is not a licensed contractor***
 - *Permit Fees & Application Process*

- *Recommendations to Municipalities:*

- *Permit Fee structure – flat fee vs. \$ value? Permit 'EZ Pass'? Local Business Licensing? State of IL Roofing License suffice? Don't let homeowner obtain permits? Record Copy of Drivers License # for Permit Applicant, for traceability?*



CRCA Education

'Roofing Contractor Licensing'

- IL LICENSING LAW VIOLATIONS & PENALTIES
 - If Advertising Unlicensed Roofing Company Name...PENALTY
 - Failure to display License Number
 - Fails to provide correct License Number
 - Provides a false or another company's number
 - = Class A Misdemeanor, Fine \$1,000/occurrence**
 - **Penalty can be \$1,000 EACH DAY for time Ad's Displayed**
 - **Not to Exceed \$10,000**
- **State of IL Fines...yes, but why not Local?**
 - **Local Ordinance creates local revenue from fines..**



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'Roofing Contractor Licensing'

- = Grounds for Disciplinary Action at Discretion of Dept.
- Violations – Not To Exceed \$10,000 Penalty
 - Misrepresentation obtaining License
 - Gross Negligence in Roofing Contracting Practice
 - Aiding someone violating ...
 - Engage in business without IL Roofing License
 - ***'engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public'***



CRCA Education

'Roofing Contractor Licensing'

- IL Licensing Violations & Penalties – NTE \$10,000
- Grounds for Disciplinary Action at Discretion of Dept.
 - Drugs, Alcohol, Safety for Qualifying Party...
 - Discipline by US Jurisdiction....
 - Taking \$ for no services...
 - Violating a probation of IDFPR
 - Fraudulent Application
 - Practicing under wrong name
 - Gross & Willful overcharging...
 - Failure to file Tax Return
 - Taking Advantage of customer....
 - Several more...



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'Roofing Contractor Licensing'

- IL Licensing Violations & Penalties - Fines

- Conviction or plea of guilty or nolo contendere of any crime that is

- a felony or
 - a misdemeanor,

- ...an essential element of which is ***dishonesty or that is directly related to the practice of the profession...***



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'Roofing Contractor Licensing'

- IL Licensing Violations & Penalties - ***NEW 2010***
- ***Identity Theft for using someone elses license....***
 - ***(a-5) A person who knowingly, in the course of applying applies for a building permit with a unit of local government, provides the roofing license number that is not that of a roofing contractor whom he or she does not intend to have perform the work on the roofing portion of the project commits ...***
 - ***identity theft under paragraph (8) of subsection (a) of Section 216G-15 of the Criminal Code of 1961.***
- ***Report Identity Theft to Local Police Dept.***



CRCA Education

'Roofing Contractor Licensing'

- IL Licensing Violations & Penalties
- ***NEW 2010***
 - *Identity Theft - For unlicensed entity using someone else's roofing contractor license ...*
 - *IL Criminal Code – Class 4 Felony*
 - *...at application for permit, using license number of a licensed contractor*
 - *'fraudulent information'*
 - *Applies to building permit applicant*
 - *Contractors, homeowner ...*



CRCA Education

'Roofing Contractor Licensing'

- IL Licensing Violations & Penalties– Up to \$10,000
 - ***NEW2010***
 - *Selling Licenses, or allowing the use of his or her roofing license by an unlicensed roofing contractor for the purposes of providing roofing or waterproofing services; or*
 - *Homeowners representing themselves as 'doing it themselves', and anyone else., other contractors, etc. who aid or assist another person in violating any provision of this Act or its rules, including, but not limited to, Section 9 of this Act.*
 - ***IL Roofing Licensing Board has option to terminate Roofing Contractor License***



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'Roofing Contractor Licensing'

- Complaints...
 - Complaint Against
 - Roofing Contractor Qualifying Party
 - Roofing Contractor
 - Description
 - Filed Electronically



CRCA Education

'Roofing Contractor Licensing'

IL Licensing Violations & Penalties

- How to Report?

- Complaints

- <https://www.idfpr.com/dpr/FILING/Complaint.asp>

- IDFPR Website Complaint Forms

- <http://www.idfpr.org>

- <https://www.idfpr.com/dpr/FILING/Complaint.asp>

- Roofing Professions Licensed by IL DFPR

- <http://www.idfpr.com/dpr/who/roof.asp>

- Local Ordinance to collect local fines - Base on IL Roofing Contractor Licensing Act...



CRCA Education

'Roofing Contractor Licensing'

- **Exceptions** to IL Roofing Contractor License Law
 - Does not limit power of Municipality, City, County...
 - Owners working on own Property
 - Employees working on Employers Property
 - Glass Greenhouses, Farm Buildings



CRCA Education

'Roofing Contractor Licensing'

- Permitting – IL Licensed Contractor REQUIRED
 - '....A municipality that requires a building permit or a county that requires a building permit may not issue a building permit to a roofing contractor unless that contractor has ***provided sufficient proof that he or she is licensed currently as a roofing contractor by the State of Illinois.....***'
 - ***Verify at ...***



CRCA Education

'Roofing Contractor Licensing'

- How to Find CURRENT IL Licensed Contractors:

<http://www.idfpr.com/dpr/who/roof.asp>

- *Licensed Roofing Contractors*
- *IL Roofing Licensing Law*
- *IL Roofing License Application for Contractors*
- *IL Qualifying Party Exam Schedule*



CRCA Education

'Roofing Contractor Licensing'

- Why Licensed Contractors? ILLINOIS LAW!
 - *“....It is unlawful for any person to engage in the business or act in the capacity of or hold himself or herself out in any manner as a roofing contractor without having been duly licensed under the provisions of this Act.”*



CRCA Education

'Roofing Contractor Licensing'

- Why IL Licensed Roofing Contractors?
 - Critical Elements of IL Licensed Contractor
 - Qualifying Party Actively Involved in Company
 - CORRECT INSURANCE
 - Workers Compensation listing ROOFING
 - General Liability
 - » If not...homeowner, individual responsible
 - Bonded
 - Employer EIN Number
 - License Number on:
 - Advertisements
 - Proposals & Contracts
 - Trucks with Advertising



CRCA Education

'Roofing Contractor Licensing'

- **IL Roofing Contractor Licensing Law has Subcontracting Requirements**
 - *“Sellers of roofing services may subcontract the provision of those roofing services **only to roofing contractors licensed under this Act.**”*
 - *General Contractors must subcontract to IL Licensed Roofing Contractors...*



CRCA Education

'Roofing Contractor Licensing'

- What is happening?
 - From Homeowner to Building Official ... 'I was taken'...'I have this problem'



CRCA Education

'Roofing Contractor Licensing'

- IL Roofing License Law: Is the contractor:
 - Insurance Classification ... Roofer
 - = Homeowner Protection
 - Homeowner is Personally Liable if not properly insured, should accident occur...Insurance Fraud creates an out.
 - Municipality goal - Protect community
 - I-Codes, Licensing Laws...
 - Workers Compensation Insurance Rates Differ
 - Roofer - \$36.73/\$100/payroll
 - GC - \$23.60/\$100 Payroll
 - Classify as Roofing Worker Correct insurance...



CRCA Education

'Roofing Contractor Licensing'

- IL Roofing License Law: Is the contractor:
 - Licensed – State of IL ... it's the law
 - Limited - 8 Units or LESS, ***Residential Only***
 - Steep or Low Slope
 - Unlimited
 - All types & sizes
 - Residential, Commercial, Industrial, Institutional
 - Steep or Low Slope



CRCA Education

'Roofing Contractor Licensing'

- New & Existing Building Code Requirements
 - Edges – Metal??
 - Low Slope Requirements – Wind, Fire, etc.
 - Photovoltaic Shingles??
 - Ice Shield – 24” past inside of exterior wall..
 - Ventilation - Check the attic..
 - Drainage – Adequate?
 - Insulation –
 - Steep - R-38 in IECC 2009;
 - Low Slope – R-20
 - Steep & Low - 2012??
 - What Code?
 - IECC, IRC, IBC, IFC...new IGCC



CRCA Education

'Roofing Contractor Licensing'

- Professional Licensed
 - CRCA Roofing Contractor has...
 - A Culture of Safety
 - Experience with materials, systems, scope
 - Expertise
 - Education
 - Involved in Industry...



CRCA Education

'Roofing Contractor Licensing'

- CRCA Member Contractors

- <http://www.crca.org> –

- CRCA Member List
 - Licensing Law
 - Resources for Building Officials
 - CRCA Trade Show
 - CRCA Education Sessions
 - IL Licensed Contractor List

- <http://www.idfpr.com/dpr/who/roof.asp>



CRCA Education

'Roofing Contractor Licensing'

- Licensing Enforcement - Jurisdiction Options
 - ***Local Roofing Contractor Registration Ordinance = IL Law ?***
 - *Collect violation Fees*
 - ***Who enforces?***
 - *Fire, Police, Garbage, other Contractors?*
 - ***IL Licensed Roofing Contractors***
 - ***User Friendly Permit Process for Contractors...?***
 - ***Electronic Permits –***
 - *EZ Pass, pre-deposited Funds?*
 - ***Application Uniformity ?***
 - ***Online Payment?***
 - ***Pre-payment, like I-Pass?***



CRCA Education

'Roofing Contractor Licensing'

- ***CRCA Requests...more discussion:***

- ***ICC 2015 Code Proposals – Make sense?***

- ***Material Manufacturer Identification on Shingles?***
- ***Contractor Identification somewhere?***
- ***What else should we consider?***
- ***Insulation, Reflectivity Values ?***

- ***Other Ideas..***

- ***Municipality on-line permit access for homeowners?***



CRCA Education

'Roofing Contractor Licensing'

- *CRCA Members...*
- **One Call, Single Source Responsibility**



CRCA Education 'Roofing Contractor Licensing'



Contact Info: info@crca.org ~ 708-449-3340

Website : <http://www.crca.org>

CRCA Education

'Roofing Contractor Licensing'

- ***CRCA Requests...more discussion:***
 - ***Another Education Session***
 - ***ICC Chapter Sessions - 2009 IECC for Roofing***
 - ***CRCA Trade Show & Seminars***
 - ***Roofing Technology, Products***
 - ***Drainage, Ventilation, Insulation***
 - ***Code Updates***
 - ***Roofing Contractor Certification Programs?***
 - ***Self Certification?***
 - ***Independent Certification? Like IAS?***



CRCA Education

'Roofing Contractor Licensing'

- Next CRCA Session....
 - State of IL 2009 Adaption...
 - ASHRAE 90.1 – ALL OF THIS STANDARD
 - OR
 - IECC 2009
 - Garden Roofs & Chicago, Suburbs



CRCA Education

‘Roofing Contractor Licensing’

- **Key Points –**

- Raise level of professionalism in roofing
- Help contractors and our own industry, which results in community benefit.
- *Can a licensed roofing contractor sub work?*
 - *Yes, to a licensed subcontractor*
- *Application Process*
 - *Qualifying Party*
 - *Company Qualifications*
- *Can an unlimited licensed contractor sub unlimited work to a limited licensed contractor?*
- *What’s the big deal about WC Insurance?*
 - *State gets 1% of WC fees...for IL*
- *Contractor is Licensed*
 - **Contractor License - Ask for Company 104XXX Number**
 - *Company Certificate – with Qualifying Party Number on it...*
 - » *Certificates for Qualifying Party only, without the company 104XXX Number are NOT ACCEPTABLE...the 105XXX Number must be under the 105XXX.*
 - » *Qualifying Party CANNOT GET PERMIT without 104XXX numbers...the company is the licensed entity.*
- *Permit Fees & Application Process*
 - *IL Roofing License, with Contractor Number and QP Number*
 - *EZ Pass*
 - *Fee structure – flat fee vs. \$ value.*