

Roofer Registration SB11-207: Bill Summary

CRA's Roofer Registration Bill SB11-207 was introduced to the Senate in late March. The bill is being sponsored by Senator Tochtrop and has been assigned to the Senate Business, Labor and Technology Committee with a scheduled first hearing on April 18, 2011.

The bill requires residential roofers, master roofers, and roofing contractors who perform roofing work that exceeds \$1,000 in cost to obtain a registration from the division of registrations in the department of regulatory agencies in order to perform roofing work in Colorado on or after **March 1, 2012.**

- The director of the division (director) is to issue:
 - A "<u>residential roofer</u>" registration to an individual or sole proprietorship who performs roofing work only on residential property;
 - A "<u>master roofer</u>" registration to an individual or sole proprietorship who performs roofing work on commercial property or both commercial and residential property; and
 - A "<u>roofing contractor</u>" registration to a roofing contractor business that employs at least one full-time registered roofer, permitting the roofing contractor to perform roofing work only on the type of property on which the employed registered roofer is permitted to perform roofing work.
- To receive a registration, an applicant must pay the required fee, pass a nationally recognized examination approved by the director, submit proof of minimum general liability coverage, and post a bond of at least \$25,000 if performing residential roofing work only and at least \$100,000 if performing commercial roofing work. The bill permits the director to issue a provisional registration to a residential or master roofer who has not yet passed the examination and who applies for a registration on or after March 1, 2012, but prior to a date determined by the director. The roofer who receives a provisional registration must pass the examination by the date determined by the director, and failure to do so automatically invalidates the registration.
- A registered residential roofer, master roofer, or roofing contractor is required to provide a written contract to clients before performing any roofing work, and the contract must contain certain minimum information, such as the scope of roofing services to be performed; the dates and costs of the services; the roofing contractor's contact information, registration number, and type of registration; and the name of the roofing contractor's surety and liability insurer. Contracts also must contain a rescission clause allowing the client to rescind the contract and obtain a full refund of any deposit within 72 hours after entering the contract.
- Registered roofers and roofing contractors are prohibited from advertising or promising to waive or pay an insurance deductible applicable to a claim for coverage under a property or casualty insurance policy for roofing work on residential property and are subject to claims for damages resulting from a violation of the prohibition. Additionally, an insurer is not bound by a registered roofer or roofing contractor's estimate of roofing work costs if the roofer or roofing contractor promises to waive an applicable deductible.
- Residential property owners who enter into a contract for roofing work with a registered roofer or roofing contractor, the payment for which is to be made from a property or casualty insurance policy covering the property, may cancel the contract within 72 hours after receipt of notice from the insurer that the claim is denied. The property owner must give a written cancellation notice to the roofer or roofing contractor, and the roofer or roofing contractor must return any payments or deposits to the property owner within 10 days after the contract is canceled.

The regulation of roofing contractors is subject to sunset review and repeal on September 1, 2017.

To view the bill, type the following into your web browser: http://www.coloradoroofing.org/2005/PDFs/Bill207_01-Intoduced3-25-11.pdf

Please email any questions comments to <u>debbie@coloradoroofing.org</u>.