

Sen. Iris Y. Martinez

## Filed: 5/4/2009

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1	AMENDMENT TO HOUSE BILL 1329
2	AMENDMENT NO Amend House Bill 1329 on page 1,
3	immediately below line 3, by inserting the following:
4	"Section 3. The Illinois Roofing Industry Licensing Act is
5	amended by changing Sections 2, 3.5, 4.5, and 5 as follows:
6	(225 ILCS 335/2) (from Ch. 111, par. 7502)
7	(Section scheduled to be repealed on January 1, 2016)
8	Sec. 2. Definitions. As used in this Act, unless the
9	context otherwise requires:
10	(a) "Licensure" means the act of obtaining or holding a
11	license issued by the Department as provided in this Act.
12	(b) "Department" means the Department of Professional
13	Regulation.
14	(c) "Director" means the Director of Professional
15	Regulation.
16	(d) "Person" means any individual, partnership,

1 corporation, business trust, limited liability company, or 2 other legal entity.

(e) "Roofing contractor" is one who has the experience, 3 4 knowledge and skill to construct, reconstruct, alter, maintain 5 and repair roofs and use materials and items used in the 6 construction, reconstruction, alteration, maintenance and repair of all kinds of roofing and waterproofing as related to 7 roofing, all in such manner to comply with all plans, 8 9 specifications, codes, laws, and regulations applicable 10 thereto, but does not include such contractor's employees to 11 the extent the requirements of Section 3 of this Act apply and extend to such employees. 12

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(f) "Board" means the Roofing Advisory Board.

(q) "Qualifying party" means the individual filing as a 14 15 sole proprietor, partner of a partnership, officer of a 16 corporation, trustee of a business trust, or party of another legal entity, who is legally qualified to act for the business 17 18 organization in all matters connected with its roofing 19 contracting business, has the authority to supervise roofing 20 installation operations, and is actively engaged in day to day activities of the business organization. 21

"Qualifying party" does not apply to a seller of roofing materials or services when the construction, reconstruction, alteration, maintenance, or repair of roofing or waterproofing is to be performed by a person other than the seller or the seller's employees. 1 (h) "Limited roofing license" means a license made 2 available to contractors whose roofing business is limited to 3 residential roofing, including residential properties 4 consisting of 8 units or less.

5 (i) "Unlimited roofing license" means a license made 6 available to contractors whose roofing business is unlimited in 7 nature and includes roofing on residential, commercial, and 8 industrial properties.

9 <u>(j) "Seller of services or materials" means a business</u> 10 <u>entity primarily engaged in the sale of tangible personal</u> 11 <u>property at retail.</u>

12 (Source: P.A. 95-303, eff. 1-1-08.)

13 (225 ILCS 335/3.5)

14 (Section scheduled to be repealed on January 1, 2016)

15 Sec. 3.5. Examination.

The Department shall authorize examinations 16 (a) for 17 applicants for initial licenses at the time and place it may designate. The examinations shall be of a character to fairly 18 19 test the competence and qualifications of applicants to act as 20 roofing contractors. Each applicant for limited licenses shall 21 designate a qualifying party who shall take an examination, the 22 technical portion of which shall cover residential roofing 23 practices. Each applicant for an unlimited license shall 24 designate a qualifying party who shall take an examination, the 25 technical portion of which shall residential, cover

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commercial, and industrial roofing practices.

2 (b) An applicant for a limited license or an unlimited 3 license or a qualifying party designated by an applicant for a 4 limited license or unlimited license shall pay, either to the 5 Department or the designated testing service, a fee established by the Department to cover the cost of providing the 6 examination. Failure of the individual scheduled to appear for 7 8 the examination on the scheduled date at the time and place 9 specified after his or her application for examination has been 10 received and acknowledged by the Department or the designated 11 testing service shall result in forfeiture of the examination fee. 12

(c) A person who has a license as described in subsection 13 14 (1.5) of Section 3 is exempt from the examination requirement 15 of this Section, so long as (1) the license continues to be 16 valid and is renewed before expiration and (2) the person is 17 not newly designated as a qualifying party after July 1, 2003. 18 The qualifying party for an applicant for a new license must have passed an examination authorized by the Department before 19 20 the Department may issue a license.

(d) The application for a license as a corporation, business trust, or other legal entity submitted by a sole proprietor who is currently licensed under this Act and exempt from the examination requirement of this Section shall not be considered an application for initial licensure for the purposes of this subsection (d) if the sole proprietor is named in the application as the qualifying party and is the sole owner of the legal entity. Upon issuance of a license to the new legal entity, the sole proprietorship license is terminated.

5 The application for initial licensure as a partnership, corporation, business trust, or other legal entity submitted by 6 a currently licensed partnership, corporation, business trust, 7 or other legal entity shall not be considered an application 8 for initial licensure for the purposes of this subsection (d) 9 10 if the entity's current qualifying party is exempt from the 11 examination requirement of this Section, that qualifying party is named as the new legal entity's qualifying party, and the 12 13 majority of ownership in the new legal entity remains the same 14 as the currently licensed entity. Upon issuance of a license to 15 the new legal entity under this subsection (d), the former 16 license issued to the applicant is terminated.

(e) An applicant has 3 years after the date of his or her application to complete the application process. If the process has not been completed within 3 years, the application shall be denied, the fee shall be forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.

23 (Source: P.A. 95-303, eff. 1-1-08.)

24 (225 ILCS 335/4.5)

25 (Section scheduled to be repealed on January 1, 2016)

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Sec. 4.5. Duties of qualifying party; replacement; grounds
 <u>for discipline</u>.

3 <u>(a)</u> While engaged as or named as a qualifying party for a 4 licensee, no person may be the named qualifying party for any 5 other licensee. However, the person may act in the capacity of 6 the qualifying party for one additional licensee of the same 7 type of licensure if one of the following conditions exists:

8 (1) There is a common ownership of at least 25% of each 9 licensed entity for which the person acts as a qualifying 10 party.

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(2) The same person acts as a qualifying party for one licensed entity and its licensed subsidiary.

13 "Subsidiary" as used in this Section means a corporation of 14 which at least 25% is owned by another licensee.

15 (b) In the event that a qualifying party is terminated or 16 terminating his or her status as qualifying party of a licensee, the qualifying party and the licensee shall notify 17 the Department of that fact in writing. Thereafter, the 18 licensee shall notify the Department of the name and address of 19 20 the newly designated qualifying party. The newly designated 21 qualifying party must take the examination prescribed in 22 Section 3.5 of this Act; however, a newly designated qualifying party is exempt from the examination requirement until January 23 24 1, 2012 if he or she has acted in the capacity of a roofing 25 contractor for a period of at least 15 years for the licensee for which he or she seeks to be the qualifying party. These 26

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1 requirements shall be met in a timely manner as established by 2 rule of the Department.

3 (c) A qualifying party that is accepted by the Department 4 shall have the authority to act for the licensed entity in all 5 matters connected with its roofing contracting business and to supervise roofing installation operations. This authority 6 shall not be deemed to be a license for purposes of this Act. 7 (d) Designation of a qualifying party by an applicant under 8 9 Section 3 is subject to acceptance by the Department. The 10 Department may refuse to accept a qualifying party (i) for failure to qualify as required under this Act and the rules 11 adopted under this Act or (ii) after making a determination 12 13 that the designated party has a history of acting illegally, 14 fraudulently, incompetently, or with gross negligence in the

15 <u>roofing or construction business</u>.

(e) The Department may, at any time after giving 16 appropriate notice and the opportunity for a hearing, suspend 17 or revoke its acceptance of a qualifying party designated by a 18 licensee for any act or failure to act that gives rise to any 19 20 ground for disciplinary action against that licensee under Section 9.1 or 9.6 of this Act. If the Department suspends or 21 22 revokes its acceptance of a qualifying party, the license of the licensee shall be deemed to be suspended until a new 23 24 qualifying party has been designated by the licensee and 25 accepted by the Department.

26 If acceptance of a qualifying party is suspended or revoked

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1	for action or inaction that constitutes a violation of this Act
2	or the rules adopted under this Act, the Department may in
3	addition take such other disciplinary or non-disciplinary
4	action as it may deem proper, including imposing a fine on the
5	qualifying party, not to exceed \$10,000 for each violation.
6	All administrative decisions of the Department under this
7	subsection (e) are subject to judicial review pursuant to
8	Section 9.7 of this Act. An order taking action against a
9	qualifying party shall be deemed a final administrative
10	decision of the Department for purposes of Section 9.7 of this
11	<u>Act.</u>
12	(Source: P.A. 91-950, eff. 2-9-01.)
13	(225 ILCS 335/5) (from Ch. 111, par. 7505)
14	(Section scheduled to be repealed on January 1, 2016)
15	Sec. 5. Display of license number; advertising.
16	(a) Each State licensed roofing contractor shall affix the
17	license number of his or her license to all of his or her
18	contracts and bids. In addition, the official issuing building
19	permits shall affix the roofing contractor license number to
20	each application for a building permit and on each building
21	permit issued and recorded.
22	(a-5) If a general contractor applies for a building permit
23	with a unit of local government and knowingly submits a roofing
24	license number that is not that of the roofing contractor who
25	will be the subcontractor for the project for which the general

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<u>contractor has requested the permit, the general contractor</u>
 <u>shall be guilty of identity theft under subsection (a) of</u>
 Section 16G-15 of the Criminal Code of 1961.

4 (b) In addition, every roofing contractor shall affix the
5 roofing contractor license number and the licensee's name, as
6 it appears on the license, on all commercial vehicles used as
7 part of his or her business as a roofing contractor.

8 (c) Every holder of a license shall display it in a 9 conspicuous place in his or her principal office, place of 10 business, or place of employment.

11 (d) No person licensed under this Act may advertise 12 services regulated by this Act unless that person includes in 13 the advertisement his or her license number. Nothing contained 14 in this subsection requires the publisher of advertising for 15 roofing contractor services to investigate or verify the 16 accuracy of the license number provided by the licensee.

(e) A person who advertises services regulated by this Act 17 18 who knowingly (i) fails to display the license number in any manner required by this Section, (ii) fails to provide a 19 20 publisher with the correct license number as required by subsection (d), or (iii) provides a publisher with a false 21 license number or a license number of another person, or a 22 23 person who knowingly allows his or her license number to be 24 displayed or used by another person to circumvent any 25 provisions of this Section, is guilty of a Class A misdemeanor with a fine of \$1,000, and, in addition, is subject to the 26

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administrative enforcement provisions of this Act. Each day that an advertisement runs or each day that a person knowingly allows his or her license to be displayed or used in violation of this Section constitutes a separate offense.

5 (Source: P.A. 94-254, eff. 7-19-05.)".