

**440-RICR-10-00-2**

## **TITLE 440 – CONTRACTORS’ REGISTRATION AND LICENSING BOARD**

### **CHAPTER 10 – GENERAL ADMINISTRATION, REGISTRATION, LICENSING, AND FILING CLAIMS**

#### **SUBCHAPTER 00 - N/A**

#### **PART 2 – Registration of Contractors**

### **2.1 Authority**

These rules and regulations are promulgated pursuant to R.I. Gen. Laws Chapter 5-65 and in accordance with R.I. Gen. Laws Chapter 42-35, Administrative Procedures Act.

### **2.2 Purpose**

The purpose of these rules and regulations is to implement the Contractors’ Registration Law, R.I. Gen. Laws Chapter 5-65. The Contractors’ Registration Law requires every contractor, remodeler and most subcontractors who are in the business of building or repairing residential or commercial structures and their appurtenances in the State of Rhode Island to register with the Contractors’ Registration and Licensing Board, so that claims filed against them can be heard and settled. Any person who fails to register as a contractor, as stipulated, is subject to penalties for operating without a registration.

### **2.3 Definitions**

A. "Appurtenance" means any accessory improvement to real estate associated with a primary structure. An appurtenance includes, but is not limited to, any of the following, located on land owned by the owner of the structure to enhance the residential or commercial use of the structure:

1. Garage or carport;
2. Porch, patio, decks and deck steps, docks, sheds, tents and other fabric structures (temporary or permanent), gazebos, walkways, or fencing;
3. Driveways, roads or bridges;
4. A retaining wall when necessary to protect a structure or its appurtenances or to comply with building code slope requirements or when done in conjunction with landscaping work;

5. Swimming pools;
  6. Sidewalks;
  7. Stone/masonry walls;
  8. Towers; and
  9. Roadways and parking areas.
- B. "Casual," "Minor" or "Inconsequential" means work not of a structural nature that cannot affect the health or safety of the owner or occupant of the structure; the value for the contract, labor, materials, and all other items is less than five-hundred dollars (\$500.00) as used in R.I. Gen. Laws § 5-65-2(4).
- C. "Structure" means:
1. Any residential or commercial building; or
  2. Any building containing one or more residences and their appurtenances.
  3. Modular and mobile homes, which come within the jurisdiction of the Board as structures at the time they are placed on support blocking or permanent foundations in the place they will be used. The Board's dispute resolution process shall apply only to residential structures containing dwelling units as defined in the Rhode Island State Building Code or residential portions of other types of buildings.

## **2.4 General Registration**

- A. The following registration requirements pertain to the registration of Contractors subject to R.I. Gen. Laws § 5-65-1 *et seq.*
- B. Licensing requirements for Home Inspectors, Well Drilling Contractors, Pump Installers, Water Filtration Contractors and Installers, Underground Utility Contractors, Commercial Roofing Contractors are provided under R.I. Gen. Laws Chapters 5-65.1, 5-65.2, 5-65.3, 5-73, and the respective Rules and Regulations for each discipline.

### **2.4.1 Registration Required**

Registration with the Board shall be required for commercial and residential work as established by law and may be issued by a Board approved third party or online. A registration will be issued to one (1) individual only. Other persons shall not be included in that registration, but each shall be separately registered and shall separately meet the requirements of registration. No entity may perform work subject to R.I. Gen. Laws Chapter 5-65 through the use of another person's registration.

### **2.4.2 Change of Entity Type**

If a person registered as an individual, partnership, limited liability company, joint venture, or corporation seeks to change to another type of entity, the former registration will be terminated, and the new entity must register anew. If a person requests to maintain the same registration number for the new entity, a form established by the Board must be completed and the responsibility for all work performed by the previous entity over the last year will be assumed by the new entity. Both parties may be held jointly or severally liable for the period of at least one (1) year or for the filing period of a claim as defined in R.I. Gen Laws § 5-65-12(f).

### **2.4.3 Record of Partnership**

All partners within a partnership shall be on record with the Board. Partnerships consisting of spouses shall be treated as are partnerships consisting of unrelated persons. Notification must be made to the Board for any change in the composition of that partnership, except for the reallocation of interest among the existing partners.

### **2.4.4 Advertising**

- A. No person shall advertise or otherwise hold out to the public that person's services as a contractor unless that person holds a current, valid registration; nor shall any person claim by advertising or by any other means to be registered unless that person holds a current, valid registration with the Board.
- B. All forms of advertising, inclusive of newsprint classified advertising, newsprint display advertising, pamphlets, telephone directory space ads, and display ads for work subject R.I. Gen. Laws Chapter 5-65, prepared by a contractor or at the contractor's request or direction, shall clearly show/display the contractor's registration number.
- C. All written contracts subject to R.I. Gen. Laws Chapter 5-65 shall show the contractor's registration number. All contracts exceeding one thousand dollars (\$1,000.00) must be in writing. Failure to adhere to this will result in the assessment of fines.
- D. It is necessary to list the contractor's registration number in accordance with R.I. Gen. Laws §§ 5-65-3(l) and 5-65-22. Wearing apparel is exempt from this requirement. Failure to include registration number shall result in fines.
- E. Use of the word "license" instead of "registration" by a registered contractor (or person required to be registered) in any form of advertising shall result in the assessment of fines. Fines may also be assessed for use of the word "bonded" by a registrant (or person required to be registered) who does not have a valid bond on file with the Board.

- F. All registrants must provide a summary of R.I. Gen. Laws Chapter 5-65 and a notice of possible mechanic's lien, as provided by the Board, to the owner when the registrant begins work on a structure.

#### **2.4.5 Change of Registrant Information**

Registrants must provide the Board with any changes to the information contained in the application and registration, such as change of address, change of responsible party, agent of service change, etc. Failure to do so will result in fines and possible suspension of registration.

### **2.5 Applications for Registration**

- A. Each applicant for a registration must submit an application to the Board pursuant to R.I. Gen. Laws § 5-65-5.
1. A completed application for registration must include:
    - a. A completed application on the proper form;
    - b. Registration fee of two-hundred dollars (\$200.00) for a two (2) year period;
    - c. A certificate of insurance coverage;
      - (1) An applicant for registration shall certify that the applicant has procured insurance as required by R.I. Gen. Laws §§ 5-65-7 and 5-65-7.1 and shall continue to meet those insurance requirements for as long as the applicant is registered. Applicants must provide verification of a minimum of six month's insurance coverage from the date of the application.
      - (2) A certificate of insurance constitutes satisfactory evidence of insurance coverage so long as it lists the policy number and the Board as the holder.
      - (3) It is the responsibility of the registrant to assure that insurance certificates are maintained and are on file with the Contractors' Registration and Licensing Board. Failure to provide the Board with up to date insurance coverage may result in the assessment of fines.
      - (4) The registrant shall maintain the insurance required by R.I. Gen. Laws §§ 5-65-7 and 5-65-7.1 continuously until the certificate of registration is terminated, revoked, or expired. If the registrant, in performance of work subject to R.I. Gen. Laws Chapter 5-65, through failure to comply with this

subsection, causes damage to another entity or to the property of another person for which that entity could have been compensated by an insurance company, had the required insurance been in effect, the Board may assess a civil penalty against the registrant in an amount up to five thousand dollars (\$5,000.00), in addition to such other action as may be taken under R.I. Gen. Laws § 5-65-10. It shall be the responsibility of the registrant for payment of any insurance deductible. Registrant's insurance deductibles shall not have a negative, detrimental effect to the homeowners/claimants when insurance claims are processed.

- d. A signed form prescribed by the Board attesting to the registrant's knowledge of the governing laws;
- e. Applicant's e-mail address, if applicable;
- f. A true and accurate digitized photograph of him/herself electronically or otherwise, if requested;
- g. Proof of Rhode Island residency for in-state applicants (i.e. utility bill, tax form, other official document that has the applicant's address);
- h. For out-of-state applicants, the name, address, contact information and signature of a Rhode Island agent of service as required by R.I. Gen. Laws § 5-65-2(b). Acceptable registered agents of service include attorneys whose office is located within the boundaries of the State of Rhode Island or registered agents listed with the Rhode Island Secretary of State;
- i. Proof that the applicant has completed the five (5) credit hours of required Pre-registration Education as stated in § [1.7](#) of this Subchapter– Education Requirements;
- j. Each person shall list on the application for registration or renewal all business names under which business as a contractor is to be conducted, inclusive of fictitious names. Each business entity must be registered and active with the Secretary of State's office;
- k. Proof of workers' compensation insurance is required when a company has one or more employees; unless a waiver form has been filed with the Rhode Island Department of Labor and Training as required by Rhode Island state law and a copy has been provided to the Board;

- I. Online registration application or renewal may require additional documents or information (see § 2.8 of this Part – Renewal and Reissuance of Registration);
  - m. Military service member applicants for registration who possess a registration/license from another state may include in their application evidence of education, training, or service completed as a member of the Armed Forces or Reserves of the United States, the National Guard of any state, the Military Reserves of any state, or the Naval Militia of any state and evidence of their out-of-state registration/license. See R.I. Gen. Laws § 5-87-1. The Board or its Executive Director will consider such evidence toward the qualifications for Board governed registration/licensure and will expedite the issuance of the registration/license once the out-of-state registration/license has been deemed to be substantially equivalent to Rhode Island requirements. If obtaining the Rhode Island registration/license has additional requirements that are not the same as the out-of-state registration/license, the Board or its Executive Director may issue the service member a temporary registration/license while the service member completes the additional requirements so long as the service member has the proper insurance and bonding (if required) in place.
  - n. The Board or its Executive Director will expedite the issuance of a Board governed registration/license to a military service member's spouse who holds a current registration/certification/license in another state to perform professional services; whose spouse is a member of the armed forces of the United States; whose spouse is the subject of a military transfer to Rhode Island; and who left employment to accompany the spouse to Rhode Island. See R.I. Gen. Laws § 5-88-1. The Board or its Executive Director will determine whether the out-of-state registration/certification/license is substantially the same to the registration/license in Rhode Island. If obtaining the Rhode Island registration/license has additional requirements that are not the same as the out-of-state registration/license, the Board or its Executive Director may issue the service member's spouse a temporary registration/license while he/she completes the additional requirements so long as the service member's spouse has the proper insurance and bonding (if required) in place.
- B. The Board may return an incomplete application for registration to the applicant with an explanation of the deficiencies. Returned forms may be subject to late filing fees.
- C. Falsified documents, may be punishable with fines up to five thousand dollars (\$5,000.00).

## **2.6 Registration Cards/Certificates**

- A. Each registrant will be issued a registration card or certificate that contains his/her registration number and may contain a photograph of the registrant. Individuals requesting a plastic "pocket card" may be provided one for a fee of twenty dollars (\$20.00).
- B. Registrant must have registration card/certificate in his/her possession while performing or offering to perform work, and the card/certificate must be available and presented to Board investigators upon request.
- C. Additional registration cards/certificates for other partners, corporate officers/members, or employees may be issued upon receipt of a twenty-dollar (\$20.00) fee for each additional card/certificate. These cards/certificate may be used for permit applications and registrant identification.
- D. If a registration card/certificate is lost, misplaced, or destroyed, the registrant shall file an affidavit to that effect and pay a fee of twenty dollars (\$20.00), and the registration card/certificate shall be reissued.

## **2.7 Registration Effective Date, Term, and Lapse**

### **2.7.1 Effective Date**

The effective date of a registration is when all documents and/or fees required by law and these regulations have been processed by the Board.

### **2.7.2 Valid Term**

- A. A registration is valid for the two (2) year term for which it is issued and expires on the first day of the month, two (2) years from the issuance date. The registration is valid only if the following conditions are met throughout the registration period:
  - 1. The insurance required by R.I. Gen. Laws §§ 5-65-7 and 5-65-7.1 remains in continuous effect; if the Board receives notice of lapse, cancellation or non-renewal of insurance from the insurance carrier, insurance is considered non-continuous and subject to a fine; and
  - 2. If the registrant is an individual, survival of that individual; or
  - 3. If the registrant is a partnership, no change in the composition of that partnership, by death or otherwise; or
  - 4. If the registrant is a corporation or limited liability company, survival of that corporation or limited liability company, including compliance with all applicable laws governing corporation; and

5. The registrant maintains good standing with the Board and has paid all applicable fees.

### **2.7.3 Lapsed Registration/Surrendered Registration Card/Certificate**

A person whose registration has lapsed is considered non-registered from the date the lapse occurred until the date the registration is renewed, reissued, or reinstated. During a period of lapse, the person shall not perform or offer to perform the work of a contractor. If a registration becomes invalid or lapses, the registration card(s)/certificate(s) must be returned to the Board; at that time, the card/certificate will be deemed surrendered. A registration surrendered will not be responsible for any late fees unless an outstanding violation exists. In that case, the person would be subject to fines as well as other fees. Surrendering of registration must be accompanied by a statement of such and the registration card/certificate must be returned to the Board within thirty (30) days.

## **2.8 Renewal and Reissuance of Registration**

- A. A registration issued by the Board shall expire at the end of the two (2) year period on the first day of the month of issuance and may be renewed on or after that date for a period of two (2) years upon payment of the appropriate two hundred dollar (\$200.00) renewal fee, as set forth in R.I. Gen Laws § 5-65-9. All renewal fees received by the Board are non-refundable.
- B. Registration renewals shall also be accompanied by the renewal form as supplied by the Board, as well as all other documentation as required by § 2.5 of this Part. Registrants shall review their information for accuracy and currency and make any necessary corrections or modifications prior to submitting the form.
- C. Registrants and other card/certificate holders renewing registration that do not already have a digitized photograph of him/herself on file with the Board pursuant to § 2.5(A)(1)(f) of this Part may be required to have the Board take a digitalized photograph taken.
- D. A late fee of thirty-five dollars (\$35.00) shall be charged for any registration renewal, reissuance, or reinstatement received by the Board after the registration expiration date.
- E. A registrant renewing his/her registration must provide proof of completed Continuing Education courses (five (5) credit hours) as set forth in § [1.7](#) of this Subchapter.
- F. The registrant may be required to sign a new form attesting to his/her understanding of the governing laws to renew his/her registration.
- G. The effective date of a renewed or reissued registration is when all documents and/or fees required by law and these regulations have been processed by the Board.



- H. If a registration card/certificate has been surrendered and registrant wishes to reinstate, no additional charge will be administered if reinstatement is sought within the registration period. If one surrenders his/her registration card/certificate it will not be reissued without penalty if the registrant has any outstanding claims and/or violations.
- I. Registration numbers previously issued may be reissued by the Executive Director one year from the date a person dies or business is dissolved, or as in other circumstances as the Executive Director deems fit.

## **2.9 Revocation or Suspension of Registration/Conditional Reinstatement**

- A. If a registrant fails to pay and/or comply with an order of the Board, the Board may revoke, suspend, or refuse to issue or reissue a certificate of registration. The Board may take into consideration proof submitted by the registrant to the Board that the amounts adjudged were discharged in bankruptcy or receivership or otherwise provided for by an approved plan of bankruptcy or receivership reorganization.
- B. Revocations will be conducted in accordance with the Administrative Procedures Act, R.I. Gen. Laws Chapter 42-35 and as set forth herein.
- C. A registration revoked may only be reissued, within the Board's discretion, upon written request and presentation to the Board of sufficient evidence or proof of settlement or full payment.
- D. The Executive Director may reissue or reinstate suspended registrations upon proof of compliance with or arrangements to comply with all outstanding orders issued by the Board and settlements.
- E. Upon written request to the Board, conditional reinstatement of registration may be granted by the Board or the Executive Director. The Board or the Executive Director may, within their discretion, attach conditions to the reinstated registration, including but not limited to: contract amount limitations; bonding requirements (up to thirty thousand dollars (\$30,000.00)); time limitations; contract reviews or Board monitoring.
- F. Disciplinary action taken on a registration held by a corporation, LLC, partnership, or joint venture may affect other registrations held by the members of the same corporation, LLC, partnership, trust, or sole proprietorship and may preclude future registration by the principal of that business entity.

## **2.10 Expungements**

- A. In order for the Board to consider expungement of claims or violations on a registrant's record, the registrant must petition the Board in writing on the

prescribed form and pay a twenty dollar (\$20.00) filing fee for each request to expunge a claim or violation and a five dollar (\$5.00) fee for each additional claim/violation sought to be expunged in the same request.

- B. Registrants seeking expungement may submit letters of support from any pertinent party involved in the claim or violation to be considered for expungement. The Board may consider such letters in making a determination.
- C. Other parties involved in the claim or violation will receive notice from the Board that the registrant is seeking expungement of the claim or violation from his/her record, as well as the date, time, and location that the matter will be considered before the Board. The parties may provide a letter to the Board or may attend the proceedings in support or opposition of the expungement request but are not required to do so.
- D. In making a determination of whether to expunge, the Board may consider any lapse or delay in registration or renewal. The Board may also consider in its determination such factors including, but not limited to:
  - 1. frequency of claims or violations;
  - 2. severity of offenses;
  - 3. code violations cited;
  - 4. present record;
  - 5. time since last incident; and
  - 6. other court cases filed.
- E. Any matter which was criminally prosecuted and in which the respondent was convicted or pled nolo contendere will not be considered for expungement.
- F. The Board will not consider expunging a registrant's record if the registrant has pending actions on the registration.
- G. An administrative hearing resulting in a judgment in favor of the respondent may be expunged by the Executive Director.
- H. Upon a determination by the Board that an expungement is granted, the Executive Director may expunge this from public record.
- I. Partial expungement of the registrant's record may be granted at the Board's discretion.
- J. Upon investigation by the Board's investigative staff, an invalid claim, a claim that is deemed frivolous in nature or a claim in which the claimant failed to notify the

registrant of deficiencies in a timely manner, may be expunged by the Executive Director.

## **2.11 Performance Requirements**

- A. Contractors must perform all work in accordance with R.I. Gen. Laws Chapter 5-65, these Rules and Regulations, any plans and specifications governing the project(s), and additionally rely on generally accepted practices, industry standards, and city/town/municipal regulations to determine if a deficiency exists and what remedies shall be implemented to correct any identified defects or problems.
- B. The Rhode Island Contractors' Registration and Licensing Board and the Board staff, under normal conditions, will inspect contractors' work to ensure it is in accord with laws, regulations, current city/town/municipal regulations, plans and specifications governing the project, industry standards, manufacturers specifications, and will inspect for code violations, violations of R.I. Gen. Laws Chapter 5-65, violations of these Rules and Regulations, and violations of related provisions of R.I. Gen. Laws Chapter 5-65. Contractor responsibility does not extend to items which have been subject to owner neglect, modifications, or abnormal use.

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**SUBCHAPTER 00 - N/A**

**PART 2 - REGISTRATION OF CONTRACTORS**

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