

<p style="text-align: center;">DEPARTMENT OF LICENSES AND INSPECTIONS</p> <p style="text-align: center;"><b>CODE INTERPRETATION</b></p> <p style="text-align: right;"><b>9-1801</b></p>	<p style="text-align: center;">CODE OF GENERAL ORDINANCES OF THE CITY OF PHILADELPHIA</p> <hr/> <p style="text-align: center;">TITLE 9</p> <p style="text-align: center;">REGULATION OF BUSINESSES, TRADES AND PROFESSIONS</p>
<p>SUBJECT OF INTERPRETATION:</p> <p style="text-align: center;"><b>IMPACT OF PA HOME IMPROVEMENT CONTRACTOR REGISTRATION ON PHILADELPHIA LICENSE REQUIREMENTS</b></p>	<p>REFERENCE CODE SECTION(S):</p> <p style="text-align: center;">Chapter 9-1000 Trades</p> <p style="text-align: center;">PA Home Improvement Consumer Protection Act, 73 P.S. § 517.1</p>
<p style="text-align: center;">ISSUED BY</p>	<p>ISSUE DATE:</p>
<p>NAME:</p> <p style="text-align: center;">Michael Fink</p>	<p style="text-align: center;">August 14, 2018</p>
<p>TITLE:</p> <p style="text-align: center;">Chief Code Official</p>	<p style="text-align: center;">PAGE 1 of 2</p>

## QUESTION

How does the PA Home Improvement Consumer Protection Act and its registration of contractors impact the Philadelphia requirements for contractor and other trade licenses?

## DISCUSSION:

Since July 1, 2009, the Pennsylvania Home Improvement Consumer Protection Act (the Act) has required anyone who performs home improvement work (repair, remodeling, alteration, additions, decks, pools, etc.) must be registered with the PA Attorney General as a Pennsylvania Home Improvement Contractor. The Act applies to work on existing one- or two-family homes as well as individual condominium units in a multi-family dwelling. This requirement does not include new construction.

The Department has no authority regarding the registration of PA Home Improvement Contractors and their compliance with the Act. That authority resides with the State Attorney General's Office and the Philadelphia District Attorney's Office.

The Act also preempts local municipalities from licensing these registered Home Improvement Contractors to some extent. This preemption generates confusion for both Department personnel and those in the construction business.

The Philadelphia Code requirements for contractors and tradespeople is unaffected by the Act except for the requirement to obtain a Contractor License in some cases.

This interpretation serves to document what construction activities are exempt from Philadelphia license requirements.

## INTERPRETATION:

Based upon the Act the following activities are exempt from the requirement to obtain a Philadelphia contractor licenses:

### Existing One- and Two-Family Dwellings

All construction except plumbing, electrical and fire suppression work

### Existing Condominium Dwelling Units

All construction within the dwelling unit except plumbing, electrical and fire suppression work. Anyone performing construction that goes beyond the dwelling unit and impacts the building itself, such as exterior elements or walls and doors separating the dwelling unit from corridors, stairs and other dwelling units, will require a Philadelphia Contractor License

**Based upon the Act's preemption limits, the following Philadelphia Code requirements apply:**

- All entities conducting business in Philadelphia, including PA Home Improvement Contractors, require a Commercial Activity License.
- All contractors performing new construction require Philadelphia licenses.
- All contractors performing work on non-residential properties require Philadelphia licenses.
- All contractors, including PA Home Improvement Contractors exempt from local licensing, must comply with the requirements of Section 9-1004, including maintaining the following types of insurance:
  1. workers' compensation (where applicable);
  2. comprehensive general liability insurance; and
  3. motor vehicle liability insurance.
- Persons performing construction activities for which a permit must be obtained must complete an OSHA 10 course (or approved equivalent that meets or exceeds OSHA 10).

Trade Licenses

The Act allows municipalities to continue to license those individuals who perform construction and are tested in a specific trade, regardless of the occupancy, but only where those licenses were in effect prior to July 1, 2009.

In Philadelphia, those licenses not preempted by the Act include:

- Master and Journeyman plumbing licenses
- Electrical Contractor License
- Fire Suppression Company and Worker licenses

Any new construction-related licenses established by Ordinance after July 1, 2009 are preempted by the Act.