HB 3293: Unnecessary Roofing Regulation

by J.D. Rimann Research Analyst

Key Points

- The proposed system would lead to higher prices for consumers and reduce consumer choice by raising barriers to market entry. Likewise, barriers to market entry will have an adverse impact on business creation and hurt smaller roofing companies.
- This bill does not deal with interests vital to the public health and safety; there is no mechanism in place to evaluate the quality of a roofer's work within this bill. If an activity does not require a license, it certainly does not require a certificate.
- Government is not instituted in order to guide customers' purchasing decisions. Customers have many options to help them evaluate businesses, including companies like Yelp or Google Reviews, associations like the BBB, and traditional word of mouth.

HB 3293 would require the Texas Department of Licensing and Regulation to develop a voluntary certification program for roofing companies, an act that is unnecessary and an improper expansion of government. Once certified under the program, roofers "may advertise that the company is certified by the state" (HB 3293, 1). However, consumers already have a plethora of options to evaluate businesses for themselves that do not require the government to weigh in, including internet sites like Yelp or Google Review, the Better Business Bureau (BBB), or the private National Roof Certification and Inspection Association.

This bill proclaims itself as being a "voluntary certification of roofing companies by the Texas Department of Licensing and Regulation" (HB 3293, 1). However, the bill also states that a "person who performs roofing services for the new construction or remodeling of a commercial or residential structure is exempt from this chapter" (HB 3293, 2). Roofers might understandably wonder why, if the bill is voluntary, some roofers are exempt from it. As a result, some roofers may seek certification under the program just to protect themselves. Others may get a certificate to use the alleged imprimatur of government to gain a marketing advantage over competitors—even though the legislation does nothing to address the quality of the services provided by roofers. The main result of the passage of HB 3293 would be higher costs for consumers to pay the certification fees and perhaps another employee or two on the state's payroll.

Certification or registration are oftentimes harbingers of outright licensing, a more harmful intrusion in the marketplace. Licensing should be a rare occurrence, necessitated only by the need to preserve the health and safety of the public. If roofing is not required to be licensed by the government for the purpose of securing the health and safety of the public—a position this bill implicitly admits by declining to request licensing—there is no reason to put in place a certification system.

In 2009 another writer said of a similar bill, "[It] won't guarantee quality roofing. A bad roofer could still successfully register. There is no attempt made in the legislation, and it would be impractical for the government, to assess the quality of each roofer's work. Therefore, consumers are better off using word of mouth or a review service to pick a roofing contractor. If Texas has a problem with bad roofers, this bill won't solve it" (Levin). HB 3293 does not solve any problems, it just adds more regulation.

References:

HB 3293. 2017. Introduced. 85th Texas Legislature (R).

Levin, Marc. 2009. *Putting a Roof on State Regulation*. Texas Public Policy Foundation Blog, May 5.

About the Authors



J.D. Rimann joined the Texas Public Policy Foundation as a Research Analyst in January 2017. Originally from Round Rock, TX, J.D. completed his undergraduate work at the University of Southern Mississippi, where he majored in History, Political Science, and English. He volunteered in Sierra Leone, Togo, and Congo-Brazzaville with the Christian humanitarian organization Mercy Ships, served as a Texas Governor's Fellow in 2014, and interned in the office of U.S. Congressman John Carter prior to joining the Foundation.

About the Texas Public Policy Foundation

The Texas Public Policy Foundation is a 501(c)3 nonprofit, nonpartisan research institute. The Foundation's mission is to promote and defend liberty, personal responsibility, and free enterprise in Texas and the nation by educating and affecting policymakers and the Texas public policy debate with academically sound research and outreach.

Funded by thousands of individuals, foundations, and corporations, the Foundation does not accept government funds or contributions to influence the outcomes of its research.

The public is demanding a different direction for their government, and the Texas Public Policy Foundation is providing the ideas that enable policymakers to chart that new course.

