



CONTRACTOR REGISTRATION FAQ'S

What type of construction contractors have to register?

“Contractor” means a person, partnership, association, joint stock company, trust, corporation, limited liability company, or other legal business entity or successor or subsidiary thereof that engages in construction services or maintenance under an express or implied contract on behalf of another entity or individual for profit within the State, and includes any subcontractor or lower tier subcontractor of a contractor.

When do I have to register?

*A contractor must register under this chapter before performing construction services or maintenance. **

**A contractor who is performing public work on July 1, 2021, shall submit the registration application form and fee to the Department no later than August 1, 2021.*

Does this Act apply to private, commercial, and residential work?

Yes, this Act applies all construction services in the State of Delaware.

What are the fees to associated with registering?

*A contractor who has a state contract under subchapter IV of Chapter 69 of Title 29 must pay an initial annual nonrefundable registration fee of **\$300** to the Department with the application under this section.*

*The nonrefundable registration fee for the second annual registration is **\$300**.*

*Upon successful completion of 2 consecutive years of registration, a contractor may register for a 2-year period and pay a nonrefundable registration fee of **\$500**. The Department may only grant a 2-year registration if the contractor has not violated this chapter or any other labor laws during the registration period that is expiring.*

A contractor who is performing public work on July 1, 2021, shall submit the registration application form and fee to the Department no later than August 1, 2021.

*A contractor who does not have a state contract under subchapter IV of Chapter 69 of Title 29 must pay an initial annual nonrefundable registration fee of **\$200** to the Department with the application under this section.*

*The nonrefundable registration fee for the second annual registration is **\$200**.*

Upon successful completion of 2 consecutive years of registration, a contractor may register for a 2-year period and pay a nonrefundable registration fee of \$300. The Department may only grant a 2-year registration if the contractor has not violated this chapter or any other labor laws during the registration period that is expiring.

What do I need to register?

- 1. Name, principal business address, telephone number, fax number, and e-mail address.*
- 2. Type of business entity, including corporation, partnership, or sole proprietorship.*
- 3. If the principal business address is not within the State, the name and address of the custodian of records and agent for service of process in the State.*
- 4. The name of the person, the date and nature of the violation, conviction, or judgment, and all additional information requested by the Department if the contractor or a person holding a financial interest in the contractor's business has ever done any of the following:*
 - a. Held a financial interest in a licensed entity that was cited by the Department for a violation of a labor law.*
 - b. Been convicted of home improvement fraud under § 916 of Title 11 or new home construction fraud under § 917 of Title 11.*
 - c. Been found to have engaged in an unlawful practice under § 2513 of Title 6.*
- 5. The federal employer identification number, the state taxpayer identification number, individual tax identification number, or other tax identification number.*
- 6. Proof of Delaware worker's compensation insurance.*
- 7. Proof of a state business license.*
- 8. A safety plan that is compliant with the requirements established by the Occupational Safety and Health Administration.*

What happens if I perform construction services before I register?

The Department may deny, suspend, or revoke a certificate of registration if the contractor or an officer, partner, director, stockholder, or agent of the contractor does any of the following under this chapter:

- (1) Fails to comply with any requirement of this chapter.*
- (2) Willfully makes a misstatement or omits a material fact in an application for or renewal of a certificate of registration.*
- (3) Fails to provide all information, including records, forms, or documents, requested by the Department under this chapter.*
- (4) Performs work without full compliance with this chapter.*

(5) *Contracts with or uses a subcontractor who is not registered under this chapter in the completion of a public works contract.*

(6) *Fails to cooperate or interferes with an investigation by the Department.*

(7) *Violates a criminal or civil law or regulation related to the ability of the contractor to comply with the labor laws of this State.*

What happens if I provide inaccurate or incomplete information when I register?

The Department shall reject an application that is incomplete or contains inaccurate information.

If a contractor knowingly supplies incomplete or inaccurate information to the Department under this section, all of the following apply:

The application for registration must be rejected.

The contractor may not apply for registration until 1 year from the date of the notice of disqualification.

The contractor is subject to other applicable penalties, including under Chapter 12 of Title 6. <https://delcode.delaware.gov/title6/c012/index.html>

What happens if I violate this Act?

Following an investigation in which the Department makes an initial determination that a contractor has violated 1 or more provisions of this chapter, the Department may make a decision to do 1 or more of the following:

(1) *Deny, suspend, or revoke a certificate of registration.*

(2) *Require the posting of a surety bond.*

(3) *Impose an administrative penalty.*

(b) The Department shall notify the contractor, in writing, of a decision to take an action taken under subsection (a) of this section which must comply with § 10122 of Title 29 and include all of the following:

(1) *The action to be taken.*

(2) *The grounds upon which the determination was made to take the action.*

(3) *Instructions to request a hearing under § 102 of this title.*

(c) (1) A request for a hearing must be made in writing, addressed to the Secretary, and made within 10 business days from the date of receipt of the notice under subsection (b) of this section.

(2) If a hearing is not requested under paragraph (c)(1) of this section, the determination made by the Department under subsection (a) of this section is final.

(d) The Office of Contractor Registration shall review a request for hearing under paragraph (c)(1) of this section to determine if the dispute can be resolved at an informal settlement conference. If the Office of Contractor Registration holds an informal settlement conference and a settlement is not reached, the Office of Contractor Registration shall forward the hearing request to the Secretary to schedule a hearing.

(e) The Secretary shall issue a final case decision at the conclusion of a hearing held under this section as required under Chapter 101 of Title 29.

(f) A contractor may seek judicial review of the Secretary's final case decision by commencing an action in Superior Court, within 30 days of the date of the final decision under subsection (e) of this section.

(g) When a determination to suspend or revoke a certificate of registration is final, the holder of a certificate of registration shall surrender the certificate of registration within 20 days of the later of the date of the notice under subsection (b) of this section or the final decision under subsection (d) of this section by sending the certificate of registration to the Secretary by certified mail.

(h) If a contractor's application for a certificate of registration is denied or a contractor's certificate of registration is suspended or revoked, the contractor cannot perform work for which a bid has been submitted and which is under review.

What penalties are imposed if I violate this Act?

A knowing violation of this chapter is subject to a civil penalty of not less than \$5,000 and not more than \$85,000 per violation.

A violation that is not a knowing violation may be subject to a civil penalty of not more than \$1,000 per violation.