

**ROOFING  
CONTRACTOR**

**BEST OF SUCCESSES  
20  
YEARS**





**ROOFING  
CONTRACTOR**

# **STATE OF THE INDUSTRY: LEGAL UPDATES**

**Trent Cotney**

*Partner*

Adams and Reese



# State of the Industry: Legal Updates

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Partner, Adams & Reese, LLP



# Introduction



LATEST ISSUES AND  
CONTRACT PROVISIONS



TRUMP CHANGES

# Reflectivity

**The roofing material that Contractor installs may reflect or deflect the sun's rays to the building or adjacent property. The Customer should be aware that a reflective roof system may change or impact the energy-related performance or intended use of the structure. As a result, the Customer assumes responsibility for modifying the building to address ventilation and related conditions. The Customer agrees to indemnify and hold the Contractor harmless from 1. any claims, liabilities, and/or damages that may result, in whole or in part, from reflectivity or deflection of the sun's rays; 2. the Customer's failure to make any necessary modifications to the ventilation, HVAC, or mechanical systems, and/or 3. damage caused to other person or property, in whole or in part, as a result of reflection or deflection.**





# **Pollution and Vapors**

**Contractor disclaims all liability for pollution, odors, vapors and fumes (“Pollution”) emitted while performing work. Customer shall indemnify and hold the contractor harmless from all claims or damages relating to Pollution during installation or emanating from roofing materials installed on the project.**

# Existing Flashing Disclaimer

Unless the scope of work of this contract includes replacement of the existing flashing or installation of new flashing, Contractor shall reuse the existing flashing on the project. If Customer would like Contractor to install new flashing, it shall notify Contractor in writing prior to the start of work. Failure to provide this notice shall mean that Contractor will reuse the existing flashing and that Contractor disclaims liability for and that Customer shall hold Contractor harmless for any claim, occurrence, or damage that occurs as a result of the use of the existing flashing, including without limitation, water intrusion.

# OSB Replacement

If Contractor encounters OSB sheathing that does not appear capable of supporting the roof system, Contractor, in its sole discretion, may replace the OSB with either new OSB or plywood. Buyer agrees to pay for the cost of any such replacement at the time and materials basis identified in the Contract.





# Overburden Provisions

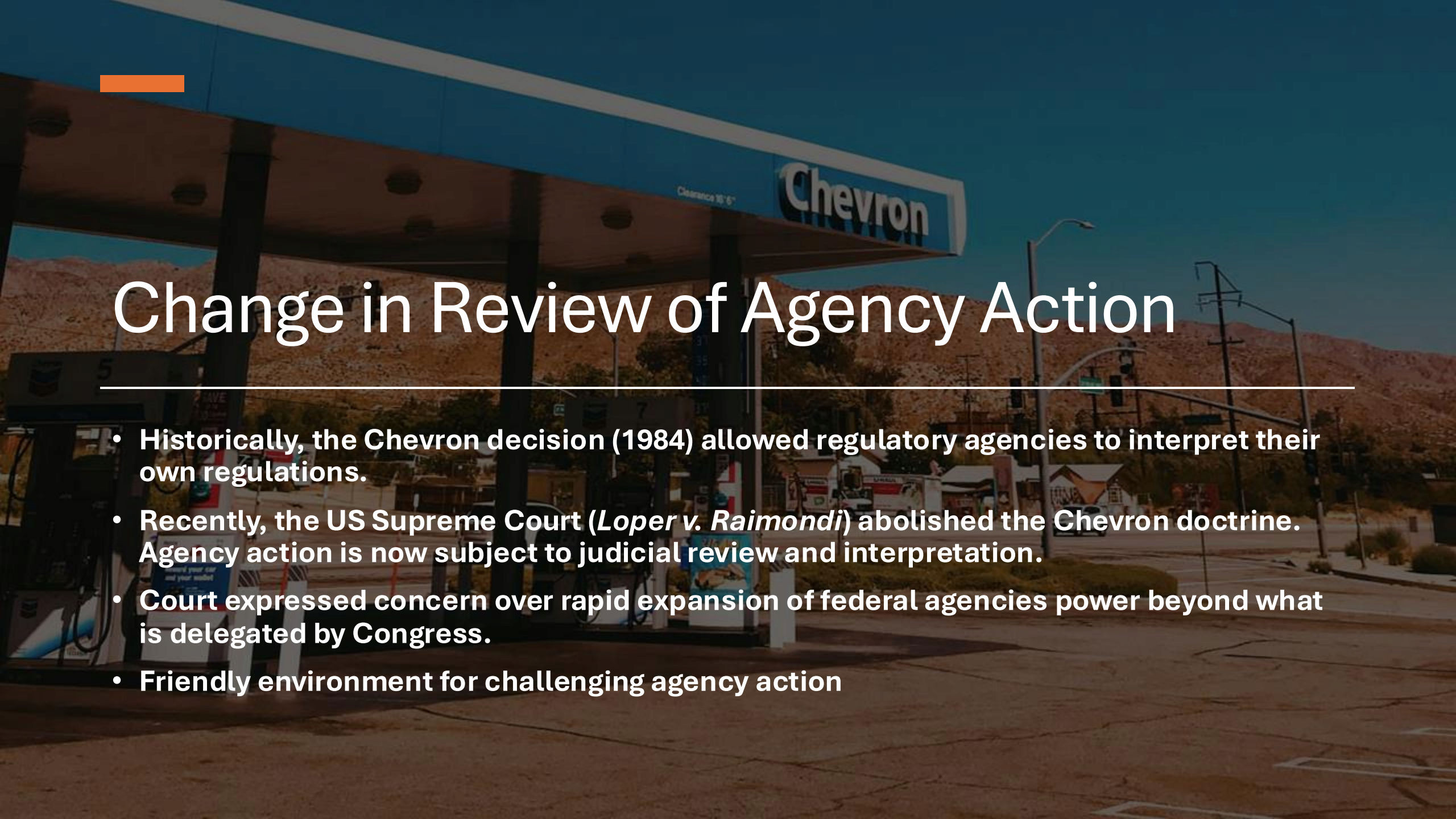
- Contractor will remove all existing rooftop TV and satellite antennas if required to perform the work in the Agreement. However, Contractor will not be responsible to reinstall, realign or retune any antennas or satellites.
- Contractor disclaims liability pertaining to the removal or reinstallation of solar panels or accessories, including the performance of the solar panels or system once reinstalled. Customer is required to remove the solar panels prior to the start of Contractor's work.



# Code Change Provision

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- **The Agreement price is based upon the current codes and industry standards at the time of the submittal of the Agreement. Any codes or standards changes affecting the project after said date may result in a change order to the original contract to the extent additional work is required for compliance. Customer agrees to pay for all additional work required by new codes or standards issued after the effective date of the Agreement**

A photograph of a Chevron gas station with a blue and white canopy. The word "Chevron" is visible on the canopy. In the background, there are mountains and a clear sky. An orange horizontal bar is located in the top left corner of the image.

# Change in Review of Agency Action

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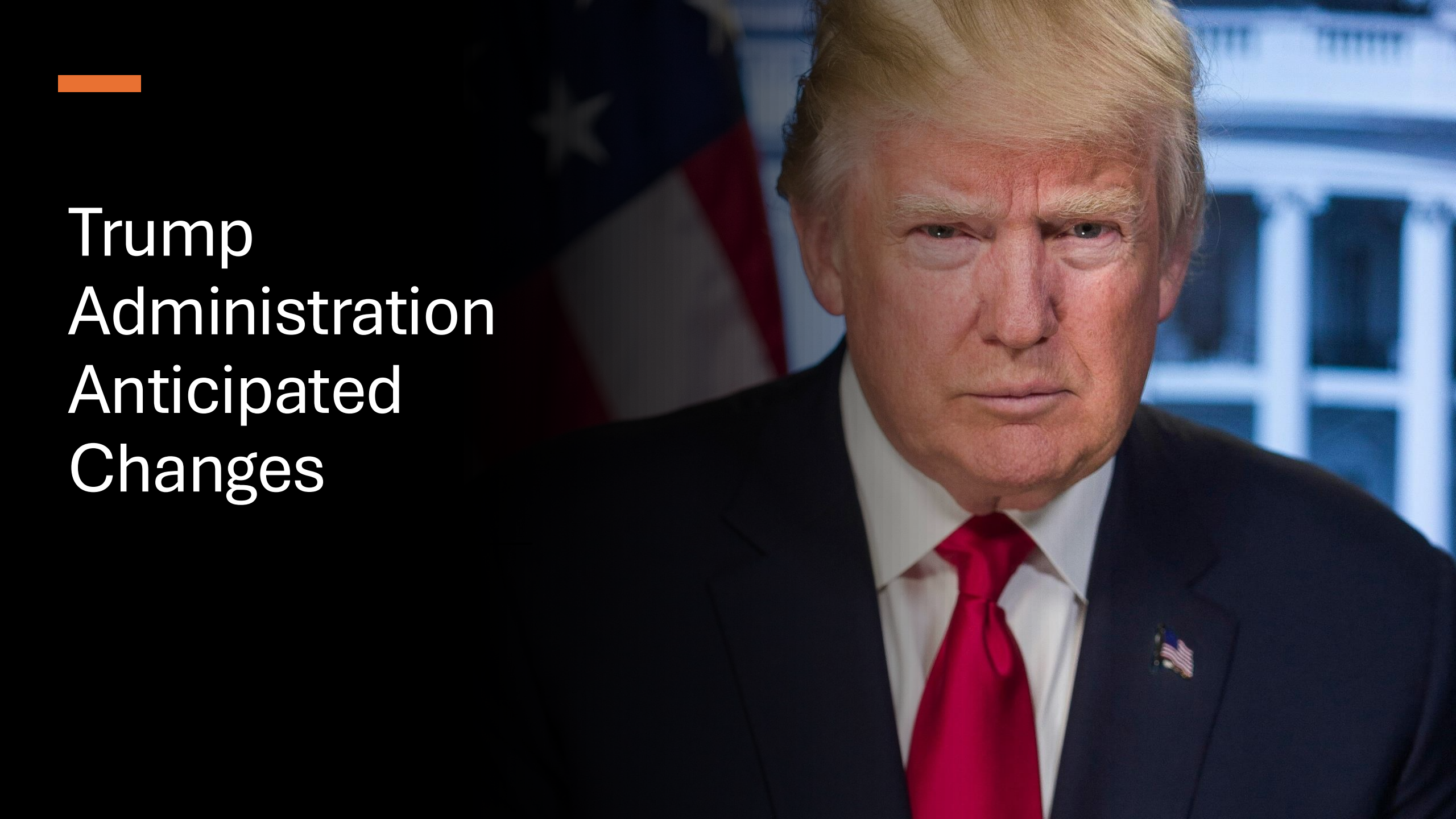
- Historically, the Chevron decision (1984) allowed regulatory agencies to interpret their own regulations.
- Recently, the US Supreme Court (*Loper v. Raimondi*) abolished the Chevron doctrine. Agency action is now subject to judicial review and interpretation.
- Court expressed concern over rapid expansion of federal agencies power beyond what is delegated by Congress.
- Friendly environment for challenging agency action



# Kalkreuth Roofing v. OSHA

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- **Kalkreuth was working on a low slope roof. Had warning lines and safety monitor.**
- **OSHA cited them stating they still needed a personal fall arrest system.**
- **Lower courts ruled in favor of Kalkreuth.**
- **OSHA appeals. NRCA files an amicus brief in support of Kalkreuth.**
- **On appeal to Kentucky Court of Appeals. The Court notes that US Supreme Court's new decisions cutting against agency interpretation of its own rules affect the outcome.**
- **Rules in favor of Kalkreuth citing to its and NRCA's arguments that interpret the plain meaning of the regulation and that existing fall protection was sufficient.**
- **KY-OSHA asks for review of the KY Supreme Court.**



Trump  
Administration  
Anticipated  
Changes

# Deregulation

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- Sworn in on January 20, 2025.
  - Anticipate issuance of executive orders reversing those from President Biden.
  - Temporary freeze on new regulations from federal agencies, including DOL/OSHA, NLRB, and the EPA.
  - Anticipate that Trump admin will no longer defend challenges to the overtime rule and independent contractor rules
  - Remember: states can be more restrictive than federal rules.
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## Republican Control of House and Senate

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- Repeal regulations of PFAS as hazardous and OSHA heat rule if enacted before January 20, 2025.
- Extend provisions of Tax Cuts and Jobs Act (TCJA).
- Help pass a massive tax package which will include regulatory reform, spending cuts, border protection, and more.



# Energy Policies

- Move energy policy away from EPA electric vehicle mandate and subsidies for renewable energy.
- Claw back Inflation Reduction Act tax breaks and union-backed prevailing wage requirements.





# Immigration

- **Secure the border**
- **Mass deportations likely to target immigrants with criminal records first.**
- **Increase in ICE raids and I-9 audits**
- **Will impact sub-labor**

# Tariffs

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- **60% tariff on Chinese goods.  
10 to 20% on imports.**
- **Anticipate Congressional approval required.**
- **Will this impact raw materials needed for roofing systems?  
Possibly, but waivers are given generously.**

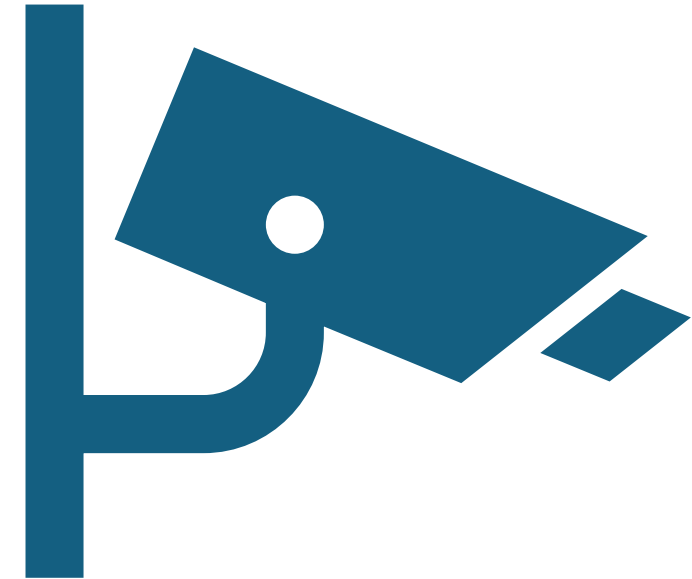


# Corporate Transparency Act

- **Took effect on January 1, 2024. This means that most entities incorporated or registered to do business in a state must disclose information about its owners, officers, and other key stakeholders.**
- **This information must be provided to the Financial Crimes Enforcement Network, which is part of the U.S. Department of the Treasury.**

## What Entities Must Report?

- **The CTA will primarily affect small businesses. Both domestic and foreign businesses are impacted. They include:**
- **Domestic reporting companies, such as corporations, LLPs, or other entities formed after filing with a secretary of state or similar office under state or tribal law**
- **Foreign reporting companies, such as corporations, LLCs, or other entities created per the law of a foreign country and registered to do business in a U.S. state or tribal jurisdiction**



## **What Companies Are Exempt?**

- **Large Operating Companies** are exempt from the CTA, if they meet all these criteria:
  - **Employ more than 20 full-time workers in the United States**
  - **Operate physical offices in the United States**
  - **Report more than \$5 million in gross sales or receipts, as evidenced by the previous year's tax return**

## **What Information Is Required?**

- **Entities that are required to report but provide information such as the following:**
- **The reporting company name and company's beneficial owners**
- **Applicants who filed the documents to create the entity or directed someone to do so**
- **A beneficial owner is defined as an individual with substantial control over a given company or an individual who owns (or controls) at least 25% interest in the company.**

## **What Is the Deadline?**

- **If an entity was created before January 1, 2024, it must file its initial Beneficial Ownership Interest Report ("BOI Report") report by January 1, 2025.**
- **If an entity was formed on January 1, 2024, or later, it must file its initial BOI Report within 90 days of the company's creation.**

# Should You Comply with CTA?

- Yes, until it is stopped by legal action, Congress, or Trump.
- FinCen extended reporting deadlines for victims of Hurricane Milton by 6 months.
- Highly likely that Trump administration will eliminate CTA in its entirety.



# Questions?

[trent.cotney@arlaw.com](mailto:trent.cotney@arlaw.com)

866.303.5868

@trentcotney

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20  
YEARS**

A yellow star with a black outline is centered over a large, 3D-style red number '20'. Inside the star, there is a stylized city skyline with several skyscrapers and a house with a grey roof and a window. The star's border contains the text 'BEST OF SUCCESSES' and 'ROOFING CONTRACTOR' repeated.