

Roofer Registration Act; Sub. for HB 2024

Sub. for HB 2024 enacts the Kansas Roofing Contractor Registration Act which is made part of the Kansas Consumer Protection Act. The Attorney General administers the provisions of the bill.

In order to obtain a registration certificate, an applicant needs to be at least 18 years old and provide the Attorney General with the following information:

- A statement of experience and qualification;
- The name, address, and phone number of the applicant, the applicant's business (if applicable), and other persons who will be authorized to act as agents for the business;
- Workers Compensation coverage, self-insurance, or an affidavit of exemption from Workers Compensation;
- The nature of a felony conviction in any state. Conviction of an offense would not disqualify a person for registration;
- Any other information required by the Attorney General; and
- Agreement to the following:
 - Comply with the bill and all relevant federal and state laws and local ordinances;
 - Provide information pertaining to similar registration in other states, including any disciplinary action; and
 - Appoint the Secretary of State to accept service of process, if the roofing contractor is a nonresident.

The Attorney General refuses to register an applicant if:

- The application contains false, misleading, or incomplete information;
- The applicant fails or refuses to provide requested information;
- The applicant fails or refuses to pay required fees;
- The applicant is ineligible to register due to a suspended or revoked registration in Kansas or another state; or

- The applicant has failed to provide a current tax clearance or letter from the Department of Revenue.

The Attorney General has 60 days from the application date to either issue or deny a registration certificate. During that time, the Attorney General may conduct a criminal history or background check on an applicant. If an application is denied, the applicant must be given notice of the denial and have ten days to cure any application defect. An adverse decision must be appealed pursuant to the Kansas Administrative Procedure Act, or the applicant could reapply after 90 days. Application fees are not refundable.

The Attorney General may classify a registered roofing contractor as being not in good standing, if the person fails to:

- Maintain liability insurance;
- Maintain Workers Compensation coverage, self-insurance, or an affidavit of exemption from Workers Compensation;
- Maintain an active corporation or registration status with the Secretary of State;
- Maintain registration required by this bill or by another state, if a nonresident;
- Notify the Attorney General of any violation or omission committed under the bill;
- Pay taxes due in the state; or
- File an annual renewal application by the June 30 deadline.

A roofing contractor receiving notice of not being in good standing has 30 days to correct the defect. During that period, the roofing contractor may complete roofing projects that were started, but the contractor cannot accept new work. If the person did not correct the defect, the registration is revoked. The Attorney General's decisions must be appealed pursuant to the Kansas Administrative Procedure Act.

In the ordinary course of business, a registered roofing contractor must:

- Maintain registration in good standing;
- Submit the registration certificate number to the applicable governmental entity when applying for any needed permit;
- Retain the certificate and not share it with any other person or business. However, a business firm could use a single registration for its employees so long as the firm's application contained sufficient information about each agent for the business;

- Display the registration certificate number on commercial vehicles; advertisements, stationary, and contracts;
- Notify the Attorney General of any change to the names or addresses of business entities or adjudications pertaining to violations of the bill;
- Comply with all state laws and local ordinances;
- Pay all taxes in the state; and
- Refrain from the following actions:
 - Abandon a roofing contract without legal ground after a deposit of money or other consideration had been made;
 - Divert any entrusted funds or property;
 - Engage in fraudulent or deceptive acts;
 - Make false or misleading statements;
 - Violate a court order or judgment;
 - Engage in any work without a valid registration or proper construction permit;
 - Fail to comply with the state's tax laws;
 - Damage or injure any person or property while working; or
 - Fail to comply with the bill and rules and regulations promulgated pursuant to it.

The Attorney General may promulgate rules and regulations to implement the provisions of the bill. In order for consumers and government officials to verify registration, the Attorney General maintains a publicly accessible database on roofing contractors. The database may include information about criminal convictions. Disclosures of information through the database is not an endorsement of any roofing contractor.

The Attorney General sets an annual application fee not to exceed \$500, and the fee may be prorated. Registration is valid on a fiscal year basis. The Attorney General may charge a late fee not exceeding \$300 if a person fails to renew by July 31 of each year. A registration not renewed must be revoked. In order to renew a revoked license, a roofing contractor pays the cost of the annual fee plus \$500. To renew a suspended license, a roofing contractor pays twice the cost of the annual fee. Revenue from the fee is deposited in the newly created, interest-bearing Roofing Contractor Registration Fund.

An aggrieved person could file a complaint against a roofing contractor with the Attorney General who may investigate and enforce the provisions of the bill. A violation of the bill would be covered by the Kansas Consumer Protection Act.

The bill does not apply to:

- Owners of commercial, residential, or farm property, or the owners' employees, who performed their own roofing services;
- Government employees or their representatives;
- Material suppliers;
- Home inspectors registered pursuant to KSA 58-4501 *et seq.*;
- Employees and persons in the manufactured home and modular home industries, while in the performance of their work; or
- Any person who provides roofing services for projects that do not cost more than \$2,000.