ENGROSSED HOUSE
BILL NO. 2128 By: McBride of the House

and

Newberry of the Senate

An Act relating to professions and occupation; amending 59 O.S. 2011, Section 1151.5, as amended by Section 4, Chapter 270, O.S.L. 2014 (59 O.S. Supp. 2014, Section 1151.5), which relates to roofing contractor registration; requiring applicant to provide certificate of good standing and trade name report for application of registration; modifying refusal of registration; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 59 O.S. 2011, Section 1151.5, as amended by Section 4, Chapter 270, O.S.L. 2014 (59 O.S. Supp. 2014, Section 1151.5), is amended to read as follows:

Section 1151.5 A. Applications for registration shall be made to the Construction Industries Board in writing on forms approved and provided by the Board and shall be accompanied by the proper fee.

B. An applicant or qualifying party whose registration is denied, or the person has a conviction, or pled guilty or nolo contendere to a misdemeanor, or otherwise fails to meet the

requirements of application, may obtain a hearing before the Committee of Roofing Examiners in order to provide information in support of the application requirements and any other information showing the applicant's ability and willingness to comply with the requirements of the Roofing Contractor Registration Act, and to protect the public health, safety and welfare.

C. To obtain a roofing contractor registration under the Roofing Contractor Registration Act, a qualifying party who is eighteen (18) years of age or older shall submit, on forms the registrar prescribes:

1. An application under oath containing a statement:

a. of the qualifying party's experience and qualifications as a roofing contractor, if any,

b. that the qualifying party desires the issuance of a roofing contractor registration certificate,

c. that the qualifying party has read the Roofing Contractor Registration Act and will comply with the provisions of the Roofing Contractor Registration Act and rules,

d. that the qualifying party will comply with state laws and local ordinances relating to standards and permits,

e. that the qualifying party has or has not been registered or licensed as a roofing contractor in

another state and whether any disciplinary action has been taken against such registration or license and whether it is currently in good standing, and

f. that the nonresident qualifying party appoints the Secretary of State as legal service agent for all lawful process to be served upon the applicant for work performed in this state or as otherwise provided in the Roofing Contractor Registration Act;

2. The qualifying party's name, physical address, business name, telephone number, address and place of incorporation, if different, information on any other person who will be authorized to act as the business entity, and the applicant's phone number, if different;

3. The entity's federal tax ID number, or the employer's or owner's or qualifying party's social security number~~. The~~, and the employer's account number assigned by the Employment Security Commission. The social security number information shall remain with the registrar as confidential and privileged except for necessary disclosures to state agencies to verify compliance with requirements with this act, or upon request by law enforcement; and

4. A copy of the roofing contractor's certificate of liability insurance shall be filed with the application and shall be not less than Five Hundred Thousand Dollars ($500,000.00) for residential roofing contractor work and shall not be less than One Million

Dollars ($1,000,000.00) for commercial roofing contractor work. Any insurance company issuing a liability policy to a roofing contractor pursuant to the provisions of the Roofing Contractor Registration Act shall be required to notify the Construction Industries Board in the event such liability policy is cancelled for any reason or lapses for nonpayment of premiums. All registrations granted under the Roofing Contractor Registration Act shall be suspended on the date of the policy cancellation. The registrar must receive proof of insurance prior to restoring the registration.

In addition, the roofing contractor shall submit proof that the contractor has secured workers' compensation coverage satisfactory under the Workers' Compensation Act, or an affidavit of exemption or self-insurance as authorized pursuant to the Workers' Compensation Act. If the registrar deems it appropriate or necessary, the registrar may also require other information to be included on the application form to assist the registrar in registering the person as a contractor.

D. The qualifying party applying for a commercial roofer endorsement must provide information on the legal entity, including but not limited to the articles, organizational agreements or documents establishing the legal entity, including a list of the officers, members, managers, partners, or other managing agents of the legal entity. <u>The qualifying party shall also provide a</u>

certificate of good standing and a trade name report from the Office of the Secretary of State.

E. The registrar shall refuse to register any person if the registrar determines:

1. The application contains false, misleading, or incomplete information;

2. The applicant fails to provide a certificate of good standing or a trade name report from the Office of the Secretary of State;

3. The applicant, qualifying party, or any member of the legal entity fails or refuses to provide any information requested by the registrar;

~~3.~~ 4. The applicant fails or refuses to pay the required fees;

~~4.~~ 5. The applicant, qualifying party, or owner or officer or managing member of the legal entity is ineligible for registration due to a suspended or revoked registration in this state;

~~5.~~ 6. The nonresident applicant has a revoked or suspended registration or license required by law for roofing contractors in another state; or

~~6.~~ 7. The applicant, qualifying party, or legal entity has failed or refuses to submit any taxes due in this state.

F. The registrar shall notify the applicant in writing if the registrar denies a registration or renewal certificate, and shall provide the applicant an opportunity to respond to or cure any

defect in the written application or renewal for a period of ten (10) days from the date of the written notification. An applicant aggrieved by a decision of the registrar denying a registration or renewal may appeal the decision as provided in the Roofing Contractor Registration Act, the Construction Industries Board Act, or the Administrative Procedures Act, or the applicant may reapply after a ninety-day waiting period, if otherwise eligible under the provisions of the Roofing Contractor Registration Act. The application and renewal fees shall not be refundable.

G. The registrar shall classify as not in good standing the registration of any roofing contractor who fails to:

1. Maintain liability insurance coverage;

2. Maintain workers' compensation coverage satisfactory under the Workers' Compensation Act, or provide an affidavit of exemption or self-insurance as authorized pursuant to the Workers' Compensation Act;

3. File, renew, or properly amend any fictitious name certificate;

4. Maintain an active status of a corporation or registration as a foreign corporation, a limited liability company or registration as a foreign limited liability company, a limited liability partnership registration or foreign limited liability partnership registration, or a limited partnership certificate or

limited partnership or foreign limited partnership certificate of authority, with the Office of the Secretary of State;

5. File or renew a trade name registration;

6. Maintain or renew a roofing contractor registration as provided in the Roofing Contractor Registration Act;

7. Notify the registrar of a change in name, address, legal business entity, qualifying party, legal service agent, or adjudication by a court of competent jurisdiction for any act or omission specified in subsection A of Section 1151.14 of this title or a violation of the Roofing Contractor Registration Act;

8. Maintain a registration as required by law in another state while registered in this state as a nonresident roofing contractor; or

9. File and pay all taxes of the qualifying party and legal entity when due in this state.

H. The registrar shall send a written notice to the qualifying party when his or her registration is not in good standing.

I. Any roofing contractor who has been notified by the registrar that his or her registration is not in good standing shall cease soliciting or entering new roofing services and projects as of the date of such notification; however, the roofing contractor shall be allowed to complete roofing projects where actual physical work has begun prior to the date of issuance of the notice that his or her registration is not in good standing. The roofing contractor

must disclose the change in standing to any homeowner or other person who has an interest in any job covered under the Roofing Contractor Registration Act. Upon notice of a change in standing, the homeowner shall have the option to cancel the contract. The roofing contractor will be owed the actual cost incurred for materials and the market value of labor already incurred on the job. The roofing contractor must obtain an updated authorization from the homeowner and other parties of interest if there is an agreement to continue the job as originally negotiated. If the roofing contractor fails to correct the deficiency specified in the notice by evidence satisfactory to the registrar within thirty (30) days of the date of the notice, or if the roofing contractor solicits or enters into new roofing services contracts or projects while the roofing contractor's registration is not in good standing, or while such registration is suspended or revoked, the roofing contractor shall be in violation of the provisions of the Roofing Contractor Registration Act.

J. Any registration that remains not in good standing for a sixty-day period shall be suspended on the sixtieth day from the date of issuance of the notice to the roofing contractor that his or her registration is not in good standing. Any registration the remains not in good standing, and is suspended for such cause, shall be revoked on the ninetieth day from the date of issuance of the notice to the roofing contractor that his or her registration is not

in good standing. The registrar shall notify the roofing contractor upon suspension or revocation of his or her registration for failure to comply in bringing such registration into good standing as required by law. The roofing contractor may reinstate his or her registration to good standing by paying the required fees provided in Section 1151.12 of this title and complying with all other requirements for issuance of a registration in good standing.

K. Any registrant, qualifying party, or roofing company owner aggrieved by the decision of the registrar to suspend or revoke a registration pursuant to this section may appeal such decision as provided in this act or the Administrative Procedures Act.

SECTION 2. This act shall become effective November 1, 2015.

Passed the House of Representatives the 10th day of March, 2015.

_____
Presiding Officer of the House
of Representatives

Passed the Senate the ___ day of _____, 2015.

_____
Presiding Officer of the Senate