1	SENATE FLOOR VERSION				
2	February 15, 2018  AS AMENDED				
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3	SENATE BILL NO. 1524 By: Bice				
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6	[ Oklahoma Roofing Contractor Registration Act - definitions - exemption - registration - alternative				
7	insurance requirement - effective date ]				
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9	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:				
10	SECTION 1. AMENDATORY 59 O.S. 2011, Section 1151.2, as				
11	amended by Section 1, Chapter 270, O.S.L. 2014 (59 O.S. Supp. 2017,				
12	Section 1151.2), is amended to read as follows:				
13	Section 1151.2. As used in the Roofing Contractor Registration				
14	Act:				
15	1. "Advertise" means any written publication, dissemination,				
16	solicitation, contract, bid, promotional item, or circulation which				
17	is intended to directly or indirectly induce any person to contract				
18	for roofing construction services with the advertiser, including,				
19	but not limited to, business cards, telephone directory display				
20	advertisements, vehicle signage, radio, television and electronic				
21	solicitations;				
22	2. "Applicant" means the qualifying party, or if no qualifying				
23	party, any person applying under the Roofing Contractor Registration				
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- 1 Act for a roofing contractor registration to be issued by the 2 Construction Industries Board;
  - 3. "Board" means the Construction Industries Board;
  - 4. "Committee" means the Committee of Roofing Examiners;
  - 5. "Homeowner" means one who owns and resides in, or who resides in, or who contracts for the purchase, construction, remodeling or repairing of a residence;
  - 6. "Nonresident contractor" means any contractor who has not established and maintained a place of business as a roofing contractor in this state within the preceding year, or who claims residency in another state, or who has not submitted an income tax return as a resident of this state within the preceding year;
  - 7. "Owner" means person who owns the property or is a lessee of the property;
  - 8. "Person" means any natural person, firm, limited or general partnership, corporation, association, limited liability company, trust, association, other legal entity and any organization capable of conducting business, or any combination thereof acting as a unit, unless the intent to give a more limited meaning is disclosed clearly by the Roofing Contractor Registration Act;
  - 9. "Prime contractor" means a general contractor, commercial contractor, or other contractor who contracts directly with the owner for construction trade work in multiple trade areas;

10. "Project manager" means one who manages construction projects consisting of work involving multiple trades;

- 11. "Public contract" means a contract with the State of Oklahoma, its political subdivisions, or any board, commission, or department thereof, or with any board of county commissioners, or with any city council, school board, or with any state or municipal agency, or with any other public board, body, commission, or agency authorized to award contracts for the construction or reconstruction of public works and includes subcontracts undertaken to perform works covered by the original contract or any part thereof;
- 12. "Qualifying party" means a natural person who is an officer or owner of the corporation, a member of the limited liability company, or a general partner of the limited liability partnership, and who is actively engaged in the work undertaken by the registrant for which a registration is required pursuant to the Roofing Contractor Registration Act who meets the experience and ability requirements for registration on behalf of the registrant;
- 13. "Registrar" means the Construction Industries Board or any person designated by the Board to administer the provisions of the Roofing Contractor Registration Act;
- 14. "Registration" means the process of applying for an initial or renewal registration which upon approval is exhibited by a registration number and card issued pursuant to the Roofing Contractor Registration Act;

- 15. "Registration number" means the roofing registration number issued by the registrar to the registrant's qualifying party;
- 16. "Registrant" means a holder of a registration issued pursuant to the Roofing Contractor Registration Act;
- 17. "Residence" means a single structure for residential occupancy or use which is a detached one- to four-family dwelling or a multiple single-family dwelling (townhouse) not more than three stories/floors above grade plane in height with a separate means of egress, and any appurtenances thereto, which is intended for use as a primary habitation and is in compliance with the International Residential Code, as adopted by the Oklahoma Uniform Building Code Commission;
- 18. "Roofing contractor" means any person, including a subcontractor and nonresident contractor, engaged in the business of commercial or residential roofing contractor work, or who himself or herself, or through another, attempts to or advertises, holds himself or herself out as having, or purports to have, the capacity to undertake roofing contractor work, or offers to engage in or solicits roofing installation-related services, including construction, installation, renovation, remodeling, reroofing, repair, maintenance, alteration, and waterproofing, unless specifically exempted in the Roofing Contractor Registration Act. Roofing contractor shall not mean:

1		a.	a person engaged in the demolition of a structure or
2			the cleanup of construction waste and debris that
3			contains roofing material,
4		b.	a person working under the direct supervision of the
5			roofing contractor who is hired either as an employee,
6			day laborer, or contract laborer whose payment,
7			received in any form, from the roofing contractor is
8			subject to self-employment tax,
9		С.	a person working on his or her own property or that of
10			an immediate relative and such person is not receiving
11			any compensation, <del>or</del>
L2		d.	a person acting as a handyman who is receiving
13			compensation from the property owner and who is
L4			performing the roofing repair in conjunction with
15			other repairs to the property and who does not perform
16			more than two roofing jobs per year, or
L7		<u>e.</u>	a person working as a residential homebuilder, and is
18			a member of a statewide organization that represents
19			residential contractors, who constructs or repairs a
20			roof under the course of his or her normal work and
21			carries general liability and builders risk insurance;
22	19.	"Roo	fing contractor work" means the installation,

fabrication or assembly of equipment or systems included in roofing

systems as defined in the International Building Code and the

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International Residential Code, as adopted by the Oklahoma Uniform
Building Code Commission, and which codes are hereby adopted and
incorporated by reference. Roofing construction work includes, but
is not limited to, installation, renovation, remodeling, reroofing,
reconstructing, repair, maintenance, improvement, alteration, and
waterproofing, unless specifically exempted in the Roofing
Contractor Registration Act.

- a. "Commercial roofing contractor work" means work done on commercial, industrial or public building roofing systems or structures as defined in the International Building Code, as adopted by the Oklahoma Uniform Building Code Commission; except it does not mean buildings used for commercial purposes having equivalent or substantially the same roofing requirements as a "residence" defined herein, including but not limited to business offices converted from a structure that formerly was a residence, and
- b. "Residential roofing contractor work" means work done on roofing systems as defined in the International Residential Code, as adopted by the Oklahoma Uniform Building Code Commission, or as defined as a "residence" herein; except for buildings used for commercial purposes having equivalent or substantially

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the same roofing requirements as a "residence" defined

herein, including but not limited to business offices

converted from a structure that formerly was a

residence;

- 20. "Roofing Hearing Board" means the Roofing Hearing Board which shall consist of a designee of the Construction Industries Board, as chair, and the members of the Committee of Roofing Examiners;
- 21. "Subcontractor" means one who contracts with a prime contractor, general contractor, residential contractor, project manager, property manager, another subcontractor, or another entity for roofing contractor work;
- 22. "Variance" means the use of an alternative material or method of construction from that prescribed in the International Building Code or the International Residential Code or other approved documents by the Oklahoma Uniform Building Code Commission for use at a particular location or project specified in the variance application; and
- 23. "Variance and Appeals Board" means the Oklahoma State Roofing Installation Code Variance and Appeals Board.
- 21 SECTION 2. AMENDATORY 59 O.S. 2011, Section 1151.5, as
  22 last amended by Section 1, Chapter 265, O.S.L. 2015 (59 O.S. Supp.
  23 2017, 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.

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- 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, 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

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- 4. A copy of the roofing contractor's certificate of liability insurance shall be filed with the application and. Liability insurance 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. If the contractor carries a general liability and workers' compensation insurance as a provision of membership in a statewide organization that represents residential contractors, a certificate of coverage and amounts shall be filed. 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. The qualifying party shall also provide a certificate of good standing or 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:
- 15 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;
- 20 3. The applicant, qualifying party, or any member of the legal entity fails or refuses to provide any information requested by the registrar;
  - 4. The applicant fails or refuses to pay the required fees;

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

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- 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;

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

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- 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. 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 that 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.

1	SECTION 3. This act shall 1	become effective November 1, 2018.
2		ON BUSINESS, COMMERCE AND TOURISM
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