

1 STATE OF OKLAHOMA

2 2nd Session of the 56th Legislature (2018)

3 SENATE BILL 1524

By: Bice

6 AS INTRODUCED

7 An Act relating to Oklahoma Roofing Contractor  
8 Registration Act; amending 59 O.S. 2011, Section  
1151.2, as amended by Section 1, Chapter 270, O.S.L.  
2014 (59 O.S. Supp. 2017, Section 1151.2), which  
9 relates to definitions; adding provision to certain  
exemption; amending 59 O.S. 2011, Section 1151.5, as  
10 last amended by Section 1, Chapter 265, O.S.L. 2015  
(59 O.S. Supp. 2017, Section 1151.5), which relates  
11 to registration; providing for alternative insurance  
requirement; and providing an effective date.  
12

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

15 SECTION 1. AMENDATORY 59 O.S. 2011, Section 1151.2, as  
16 amended by Section 1, Chapter 270, O.S.L. 2014 (59 O.S. Supp. 2017,  
17 Section 1151.2), is amended to read as follows:

18 Section 1151.2. As used in the Roofing Contractor Registration  
19 Act:

20 1. "Advertise" means any written publication, dissemination,  
21 solicitation, contract, bid, promotional item, or circulation which  
22 is intended to directly or indirectly induce any person to contract  
23 for roofing construction services with the advertiser, including,  
24 but not limited to, business cards, telephone directory display

1 advertisements, vehicle signage, radio, television and electronic  
2 solicitations;

3 2. "Applicant" means the qualifying party, or if no qualifying  
4 party, any person applying under the Roofing Contractor Registration  
5 Act for a roofing contractor registration to be issued by the  
6 Construction Industries Board;

7 3. "Board" means the Construction Industries Board;

8 4. "Committee" means the Committee of Roofing Examiners;

9 5. "Homeowner" means one who owns and resides in, or who  
10 resides in, or who contracts for the purchase, construction,  
11 remodeling or repairing of a residence;

12 6. "Nonresident contractor" means any contractor who has not  
13 established and maintained a place of business as a roofing  
14 contractor in this state within the preceding year, or who claims  
15 residency in another state, or who has not submitted an income tax  
16 return as a resident of this state within the preceding year;

17 7. "Owner" means person who owns the property or is a lessee of  
18 the property;

19 8. "Person" means any natural person, firm, limited or general  
20 partnership, corporation, association, limited liability company,  
21 trust, association, other legal entity and any organization capable  
22 of conducting business, or any combination thereof acting as a unit,  
23 unless the intent to give a more limited meaning is disclosed  
24 clearly by the Roofing Contractor Registration Act;

1        9. "Prime contractor" means a general contractor, commercial  
2 contractor, or other contractor who contracts directly with the  
3 owner for construction trade work in multiple trade areas;

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

6        11. "Public contract" means a contract with the State of  
7 Oklahoma, its political subdivisions, or any board, commission, or  
8 department thereof, or with any board of county commissioners, or  
9 with any city council, school board, or with any state or municipal  
10 agency, or with any other public board, body, commission, or agency  
11 authorized to award contracts for the construction or reconstruction  
12 of public works and includes subcontracts undertaken to perform  
13 works covered by the original contract or any part thereof;

14       12. "Qualifying party" means a natural person who is an officer  
15 or owner of the corporation, a member of the limited liability  
16 company, or a general partner of the limited liability partnership,  
17 and who is actively engaged in the work undertaken by the registrant  
18 for which a registration is required pursuant to the Roofing  
19 Contractor Registration Act who meets the experience and ability  
20 requirements for registration on behalf of the registrant;

21       13. "Registrar" means the Construction Industries Board or any  
22 person designated by the Board to administer the provisions of the  
23 Roofing Contractor Registration Act;

1        14. "Registration" means the process of applying for an initial  
2 or renewal registration which upon approval is exhibited by a  
3 registration number and card issued pursuant to the Roofing  
4 Contractor Registration Act;

5        15. "Registration number" means the roofing registration number  
6 issued by the registrar to the registrant's qualifying party;

7        16. "Registrant" means a holder of a registration issued  
8 pursuant to the Roofing Contractor Registration Act;

9        17. "Residence" means a single structure for residential  
10 occupancy or use which is a detached one- to four-family dwelling or  
11 a multiple single-family dwelling (townhouse) not more than three  
12 stories/floors above grade plane in height with a separate means of  
13 egress, and any appurtenances thereto, which is intended for use as  
14 a primary habitation and is in compliance with the International  
15 Residential Code, as adopted by the Oklahoma Uniform Building Code  
16 Commission;

17        18. "Roofing contractor" means any person, including a  
18 subcontractor and nonresident contractor, engaged in the business of  
19 commercial or residential roofing contractor work, or who himself or  
20 herself, or through another, attempts to or advertises, holds  
21 himself or herself out as having, or purports to have, the capacity  
22 to undertake roofing contractor work, or offers to engage in or  
23 solicits roofing installation-related services, including  
24 construction, installation, renovation, remodeling, reroofing,

1 repair, maintenance, alteration, and waterproofing, unless  
2 specifically exempted in the Roofing Contractor Registration Act.

3 Roofing contractor shall not mean:

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

1        19. "Roofing contractor work" means the installation,  
2        fabrication or assembly of equipment or systems included in roofing  
3        systems as defined in the International Building Code and the  
4        International Residential Code, as adopted by the Oklahoma Uniform  
5        Building Code Commission, and which codes are hereby adopted and  
6        incorporated by reference. Roofing construction work includes, but  
7        is not limited to, installation, renovation, remodeling, reroofing,  
8        reconstructing, repair, maintenance, improvement, alteration, and  
9        waterproofing, unless specifically exempted in the Roofing  
10       Contractor Registration Act.

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

22           b. "Residential roofing contractor work" means work done  
23           on roofing systems as defined in the International  
24           Residential Code, as adopted by the Oklahoma Uniform

1 Building Code Commission, or as defined as a  
2 "residence" herein; except for buildings used for  
3 commercial purposes having equivalent or substantially  
4 the same roofing requirements as a "residence" defined  
5 herein, including but not limited to business offices  
6 converted from a structure that formerly was a  
7 residence;

8 20. "Roofing Hearing Board" means the Roofing Hearing Board  
9 which shall consist of a designee of the Construction Industries  
10 Board, as chair, and the members of the Committee of Roofing  
11 Examiners;

12 21. "Subcontractor" means one who contracts with a prime  
13 contractor, general contractor, residential contractor, project  
14 manager, property manager, another subcontractor, or another entity  
15 for roofing contractor work;

16 22. "Variance" means the use of an alternative material or  
17 method of construction from that prescribed in the International  
18 Building Code or the International Residential Code or other  
19 approved documents by the Oklahoma Uniform Building Code Commission  
20 for use at a particular location or project specified in the  
21 variance application; and

22 23. "Variance and Appeals Board" means the Oklahoma State  
23 Roofing Installation Code Variance and Appeals Board.  
24

1       SECTION 2.       AMENDATORY       59 O.S. 2011, Section 1151.5, as  
2 last amended by Section 1, Chapter 265, O.S.L. 2015 (59 O.S. Supp.  
3 2017, Section 1151.5), is amended to read as follows:

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

8       B. An applicant or qualifying party whose registration is  
9 denied, or the person has a conviction, or pled guilty or nolo  
10 contendere to a misdemeanor, or otherwise fails to meet the  
11 requirements of application, may obtain a hearing before the  
12 Committee of Roofing Examiners in order to provide information in  
13 support of the application requirements and any other information  
14 showing the applicant's ability and willingness to comply with the  
15 requirements of the Roofing Contractor Registration Act, and to  
16 protect the public health, safety and welfare.

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

21       1. An application under oath containing a statement:

22           a. of the qualifying party's experience and  
23               qualifications as a roofing contractor, if any,  
24



- 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;

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

8        4. A copy of the roofing contractor's certificate of liability  
9 insurance shall be filed with the application ~~and~~. Liability  
10 insurance shall be not less than Five Hundred Thousand Dollars  
11 (\$500,000.00) for residential roofing contractor work and shall not  
12 be less than One Million Dollars (\$1,000,000.00) for commercial  
13 roofing contractor work. If the contractor carries a general  
14 liability and workers' compensation insurance as a provision of  
15 membership in a statewide organization that represents residential  
16 contractors, a certificate of coverage and amounts shall be filed.

17 Any insurance company issuing a liability policy to a roofing  
18 contractor pursuant to the provisions of the Roofing Contractor  
19 Registration Act shall be required to notify the Construction  
20 Industries Board in the event such liability policy is cancelled for  
21 any reason or lapses for nonpayment of premiums. All registrations  
22 granted under the Roofing Contractor Registration Act shall be  
23 suspended on the date of the policy cancellation. The registrar  
24 must receive proof of insurance prior to restoring the registration.

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

9 D. The qualifying party applying for a commercial roofer  
10 endorsement must provide information on the legal entity, including  
11 but not limited to the articles, organizational agreements or  
12 documents establishing the legal entity, including a list of the  
13 officers, members, managers, partners, or other managing agents of  
14 the legal entity. The qualifying party shall also provide a  
15 certificate of good standing or a trade name report from the Office  
16 of the Secretary of State.

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

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

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

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

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

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

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

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

13       F. The registrar shall notify the applicant in writing if the  
14 registrar denies a registration or renewal certificate, and shall  
15 provide the applicant an opportunity to respond to or cure any  
16 defect in the written application or renewal for a period of ten  
17 (10) days from the date of the written notification. An applicant  
18 aggrieved by a decision of the registrar denying a registration or  
19 renewal may appeal the decision as provided in the Roofing  
20 Contractor Registration Act, the Construction Industries Board Act,  
21 or the Administrative Procedures Act, or the applicant may reapply  
22 after a ninety-day waiting period, if otherwise eligible under the  
23 provisions of the Roofing Contractor Registration Act. The  
24 application and renewal fees shall not be refundable.

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

3       1. Maintain liability insurance coverage;

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

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

10      4. Maintain an active status of a corporation or registration  
11 as a foreign corporation, a limited liability company or  
12 registration as a foreign limited liability company, a limited  
13 liability partnership registration or foreign limited liability  
14 partnership registration, or a limited partnership certificate or  
15 limited partnership or foreign limited partnership certificate of  
16 authority, with the Office of the Secretary of State;

17      5. File or renew a trade name registration;

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

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

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

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

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

8        I. Any roofing contractor who has been notified by the  
9 registrar that his or her registration is not in good standing shall  
10 cease soliciting or entering new roofing services and projects as of  
11 the date of such notification; however, the roofing contractor shall  
12 be allowed to complete roofing projects where actual physical work  
13 has begun prior to the date of issuance of the notice that his or  
14 her registration is not in good standing. The roofing contractor  
15 must disclose the change in standing to any homeowner or other  
16 person who has an interest in any job covered under the Roofing  
17 Contractor Registration Act. Upon notice of a change in standing,  
18 the homeowner shall have the option to cancel the contract. The  
19 roofing contractor will be owed the actual cost incurred for  
20 materials and the market value of labor already incurred on the job.  
21 The roofing contractor must obtain an updated authorization from the  
22 homeowner and other parties of interest if there is an agreement to  
23 continue the job as originally negotiated. If the roofing  
24 contractor fails to correct the deficiency specified in the notice

1 by evidence satisfactory to the registrar within thirty (30) days of  
2 the date of the notice, or if the roofing contractor solicits or  
3 enters into new roofing services contracts or projects while the  
4 roofing contractor's registration is not in good standing, or while  
5 such registration is suspended or revoked, the roofing contractor  
6 shall be in violation of the provisions of the Roofing Contractor  
7 Registration Act.

8 J. Any registration that remains not in good standing for a  
9 sixty-day period shall be suspended on the sixtieth day from the  
10 date of issuance of the notice to the roofing contractor that his or  
11 her registration is not in good standing. Any registration that  
12 remains not in good standing, and is suspended for such cause, shall  
13 be revoked on the ninetieth day from the date of issuance of the  
14 notice to the roofing contractor that his or her registration is not  
15 in good standing. The registrar shall notify the roofing contractor  
16 upon suspension or revocation of his or her registration for failure  
17 to comply in bringing such registration into good standing as  
18 required by law. The roofing contractor may reinstate his or her  
19 registration to good standing by paying the required fees provided  
20 in Section 1151.12 of this title and complying with all other  
21 requirements for issuance of a registration in good standing.

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

3 SECTION 3. This act shall become effective November 1, 2018.  
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