AN ACT enacting the Kansas roofing contractor registration act.

Be it enacted by the Legislature of the State of Kansas:

Sec. 1. Sections 1 through 18, and amendments thereto, shall be known and may be cited as the Kansas roofing registration act.

Sec. 2. As used in sections 1 through 18, and amendments thereto:

(a) (1) "Roofing contractor" means any person, including a subcontractor and nonresident contractor, who:

(A) Engages in the business of commercial or residential roofing services for a fee; or

(B) offers to engage in or solicits roofing-related services, including construction, installation, renovation, repair, maintenance, alteration and waterproofing.

(2) Roofing contractor shall not mean:

(A) A person engaged in the demolition of a structure or the cleanup of construction waste and debris that contains roofing material; or

(B) a person working under the direct supervision of the roofing contractor and who is hired by such roofing contractor as an employee, day laborer, or contract laborer.

(b) "Nonresident contractor" means any contractor who:

(1) Has not established and maintained a place of business as a roofing contractor in this state within the preceding year;

(2) claims residency in another state; or

(3) has not submitted an income tax return as a resident of this state within the preceding year.

(c) "Person" means any individual, firm, partnership, association, corporation, limited liability company, or other group or combination thereof acting as a unit, unless the intent to give a more limited meaning is disclosed clearly by this act.

(d) "Attorney general" means the attorney general of the state of Kansas or the attorney general's designee.

Sec. 3. (a) (1) No person shall engage in the business of or act in the capacity of a roofing contractor within this state without having a valid registration certificate as required by this act.

(2) No person may bring or maintain any claim, action, suit, or proceeding in any court of this state related to such person's business or
capacity as a roofing contractor without having a valid registration certificate as required by this act.

(b) (1) Any person who fails to obtain a valid registration certificate prior to acting as a roofing contractor as defined in this act, shall be liable for a civil penalty as provided in subsection (a) of K.S.A. 50-636, and amendments thereto, which civil penalty shall be in addition to any other relief which may be granted or other penalty prescribed by law. The grant of powers to the attorney general in this act does not affect remedies available to consumers under other principles of law or equity.

(2) Any person who acts as a roofing contractor while such person's registration certificate as a roofing contractor is suspended or revoked shall be liable for a civil penalty as provided in subsection (a) of K.S.A. 50-636, and amendments thereto, which civil penalty shall be in addition to any other relief which may be granted or other penalty prescribed by law.

Sec. 4. (a) Subject to appropriations for this act, the attorney general is authorized to administer and implement the provisions of this act. The attorney general may administer and implement any provision of this act through use of the internet or other technology as deemed necessary or appropriate.

(b) The attorney general may create any forms necessary for the administration of this act.

(c) In accordance with the rules and regulations filing act, the attorney general is hereby authorized to adopt rules and regulations necessary to implement the provisions of this act. Such rules and regulations may include, but are not limited to, provisions concerning:

(1) Fees necessary to fund the expenses and operating costs incurred in the administration and enforcement of the provisions of this act.

(2) The acquisition of insurance, indemnity coverage or surety bonds in amounts determined by the attorney general.

(3) Any other matter deemed necessary by the attorney general to carry out, implement and enforce the provisions of this act.

Sec. 5. (a) (1) To obtain a roofing contractor registration certificate under this act, an applicant who is at least 18 years of age shall submit an application under oath containing:

(A) A statement of the applicant's experience and qualifications as a roofing contractor, if any.

(B) The applicant's name, physical address, business name and address, information on any other person who will be authorized to act as the business entity, and the applicant's phone number.

(C) A copy of the roofing contractor's certificate of liability insurance shall be filed with the application and shall be not less than $500,000. Any insurance company issuing a liability policy to a roofing contractor
pursuant to the provisions of this act shall be required to notify the
attorney general in the event such liability policy is canceled for any
reason or lapses for any reason.
(D) Proof satisfactory to the attorney general that the applicant has
secured either 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.
(E) Any other information deemed necessary in assisting the attorney
general to register the person as a roofing contractor.
(2) The application shall contain statements that the applicant:
(A) Desires the issuance of a roofing contractor registration
certificate.
(B) Will comply with the provisions of this act.
(C) Will comply with all federal and state laws and local ordinances.
(D) (i) Has or has not been registered or licensed as a roofing
contractor in another state; and
(ii) whether any disciplinary action was taken against such
registration or license or whether such registration or license is currently in
good standing.
(3) If the applicant is not a resident of this state, then the nonresident
applicant will appoint the secretary of state as legal agent for service of
process or as otherwise provided in this act.
(b) The attorney general shall refuse to register any person if the
attorney general determines:
(1) The application contains false, misleading, or incomplete
information.
(2) The applicant fails or refuses to provide any information
requested by the attorney general.
(3) The applicant fails or refuses to pay the required fees.
(4) The applicant is ineligible for registration due to a suspended or
revoked registration in this state.
(5) The nonresident applicant has a revoked or suspended registration
or license for roofing contractors required by law in another state.
(6) The applicant has failed to provide a current tax clearance
certificate or letter from the Kansas department of revenue along with the
filing of any application.
(c) (1) The attorney general shall notify the applicant in writing if the
attorney general denies an application for a registration or renewal of a
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 10
days from the date of the written notification.
(2) Notification shall be deemed sufficient if mailed, via first class
mail, to the address listed in the last application for registration or for
renewal filed by the applicant.

(3) An applicant aggrieved by a decision of the attorney general denying a registration or renewal may appeal the decision as provided in the Kansas administrative procedure act. In the alternative, the applicant may reapply after the expiration of a 90-day waiting period, if the applicant is otherwise eligible under the provisions of this act.

(4) All application, renewal and reapplication fees shall not be refundable.

(d) The attorney general shall classify as not in good standing the registration certificate of any roofing contractor who fails to do any of the following:

(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) 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;

(4) maintain or renew a roofing contractor registration as provided in this act;

(5) notify the attorney general for any act or omission specified in subsection (a) of section 13, and amendments thereto, or any other violation of this act;

(6) maintain any registration as required by law in another state while registered in this state as a nonresident roofing contractor; or

(7) file and pay all taxes when due in this state.

(e) The attorney general shall send a written notice to the person when such person's registration is not in good standing. Notification shall be deemed sufficient if mailed, via first class mail, to the address listed in the last registration or renewal form filed by the applicant. Any roofing contractor who has been notified by the attorney general that such person's registration is not in good standing shall cease soliciting or entering new roofing services and projects as of the date of such notification. 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 such person's registration is not in good standing. If the roofing contractor fails to correct the deficiency specified in the notice by evidence satisfactory to the attorney general within 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 certificate is
not in good standing, or while such registration certificate is suspended or revoked, the roofing contractor shall be in violation of the provisions of this act. Any registration certificate that is not in good standing shall be revoked 30 days from the date of notification to the roofing contractor that the registration is not in good standing. Notice of revocation shall be deemed sufficient if mailed, via first class mail, to the address listed in the last application, registration or renewal form filed by the applicant. The roofing contractor may reinstate such roofing contractor’s registration certificate to good standing by paying the required fees provided in section 12, and amendments thereto, and complying with all other requirements for issuance of a registration in good standing.

Any person aggrieved by the decision of the attorney general to suspend or revoke a registration certificate pursuant to this section may appeal such decision as provided in the administrative procedure act.

Sec. 6. (a) There shall be a question on all application and renewal forms requiring the applicant to answer under oath whether or not the applicant has been convicted of a felony offense in this state, another state, or any other place, and the nature of that offense upon which a conviction was imposed.

(b) Conviction of an offense shall not disqualify a person from registration as a roofing contractor under this act, provided the applicant has truthfully disclosed the conviction and nature of the offense.

(c) When deemed appropriate, the attorney general may conduct a criminal history records search or background check on any applicant or registered roofing contractor and may investigate the information submitted on a roofing contractor application or renewal form, provided no adverse action may be taken against the person until the person has been notified and given an opportunity to respond in writing.

Sec. 7. The holder of a roofing contractor registration certificate may engage in the roofing business within this state pursuant to the provisions of this act, and subject to the following limitations:

(a) A roofing contractor's registration certificate number shall be valid and in good standing at the time of soliciting a project and during subsequent job performance;

(b) a roofing contractor's registration certificate number shall be submitted when applying for any permit issued by the state, or any of its political subdivisions, for commercial or residential roofing services or projects, if a permit is required by such authority, and shall be written upon each permit issued;

(c) a roofing contractor's registration certificate cannot be shared or used by any other individual or business entity, except that a business firm, partnership, association, corporation, limited liability company or other group or combination thereof acting as a unit may be granted a single
roofing registration certificate number for use by designated roofing contractors acting as agents for the business entity when the application for registration certificate contained sufficient information on each member, partner, officer and agent, and the attorney general issued a single certificate number to such persons as a business unit;

(d) upon any change to the name, address, business entity or resident agent of a roofing contractor or upon adjudication by a court of competent jurisdiction for a violation of this act or an act or omission specified in subsection (a) of section 13, and amendments thereto, the attorney general shall be notified in writing;

(e) a roofing contractor shall comply with all state laws and local ordinances; and

(f) a roofing contractor must pay taxes due in this state.

Sec. 8. (a) At the time of making application for a roofing contractor registration certificate pursuant to this act, the applicant shall pay to the attorney general a fee to be set by the attorney general, which shall not exceed $500 for the annual registration certificate.

(b) There is hereby established in the state treasury the roofing contractor registration fund to be administered by the attorney general. All moneys received by the attorney general from fees, charges or penalties shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, who shall deposit the entire amount thereof in the state treasury to the credit of the roofing contractor registration fee fund. All expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the attorney general and the director of accounts and reports issued pursuant to vouchers approved by the attorney general or the attorney general's designee. All moneys credited to the roofing contractor registration fee fund shall be expended for the administration of the duties, functions and operating expenses of the roofing contractor registration act.

(c) On or before the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the roofing contractor registration fee fund established in subsection (a) interest earnings based on:

(1) The average daily balance of money in the roofing contractor registration fee fund for the preceding month; and

(2) the net earnings rate of the pooled money investment fund portfolio for the preceding month.

(d) The fee to be submitted with an application for a roofing contractor registration certificate may be prorated as set by the attorney general. Unless prorated at the time of initial registration, fees shall be paid in full at the time an application for a registration certificate is filed and such registration certificate shall expire on June 30 of each year.
(e) An annual renewal fee for renewal of a roofing contractor registration certificate shall be set by the attorney general. Such renewal fee shall not exceed $500.

Sec. 9. (a) The roofing contractor registration act shall not apply to:

1. An actual owner of residential or farm property who physically performs, or has employees who perform, roofing services including, construction, installation, renovation, repair, maintenance, alteration, waterproofing or removal of materials or structures on such owner's own dwelling or another structure located on the residential or farm property owned by such person without the assistance of any registered roofing contractor;

2. any authorized employee, representative or representatives of the United States government, the state of Kansas, or any county, municipality, or other political subdivision of this state;

3. any person who furnishes any fabricated or finished product, material, or article of merchandise which is not incorporated into or attached to real property by such person so as to become affixed thereto;

4. any person employed by a manufactured home and modular home manufacturer while performing services and work for the manufactured home and modular home manufacturer;

5. any person registered as a home inspector pursuant to K.S.A. 58-4501 et seq., and amendments thereto, while performing functions pursuant to that act;

6. any person employed by a manufactured home dealer while acting within the scope of that license;

7. any person employed as a manufactured home installer while acting within the scope of that license; and

8. any person having the necessary technical knowledge to properly plan and supervise the erection, remodel or addition to any building not exceeding three stories in height and nonstructural remodeling of any building.

(b) Any administrative or governing body with authority to enter into public contracts shall require individual roofing contractor registration for purposes of such persons submitting or entering into any bid or contract.

Sec. 10. Within 60 calendar days from the date of application, the attorney general shall either issue or deny the roofing contractor registration certificate. No registration certificate shall be issued to an applicant until the attorney general receives all documentation and fees necessary to obtain a registration certificate. The registration certificate issued on an original application entitles the person to act as a roofing contractor within this state, subject to the limitations of this act, until the expiration of the then current fiscal year ending June 30, except that an initial registration certificate issued in May or June is valid until June 30 of
the subsequent year.

Sec. 11. Not later than 10 days after the date of a change in a roofing contractor's name, address or legal service agent, or upon a registered roofing contractor's ceasing business as a roofing contractor, the person shall notify the attorney general of the change on a form provided by the attorney general. A change of name or address shall be accompanied by a fee set by the attorney general not to exceed $25. No person shall change such person's name under an active registration certificate if the change is associated with a change in the legal status of the business entity other than a change in marital status. Doing business under a new business name or a change in legal status of a business requires issuance of a new registration certificate. When a registered roofing contractor ceases to be active as a roofing contractor, the contractor shall notify the attorney general within 10 days and the attorney general shall suspend the registration certificate of such contractor as soon as practical after receiving the notification.

Sec. 12. (a) (1) Any roofing contractor registration certificate issued under this act may be renewed for each successive fiscal year by obtaining from the attorney general a certificate of renewal. To obtain a certificate of renewal, the person shall file with the attorney general a renewal application by June 30 and pay the renewal fee. The application for renewal shall require statements under oath that the applicant has or has not been convicted of any felony offense, and the nature of such offense, since issuance of the prior registration certificate, and whether or not the applicant has been adjudicated by a court of competent jurisdiction for any violation of this act or any act or omission specified in subsection (a) of section 13, and amendments thereto.

(2) The applicant shall include with the renewal application a copy of the certificate of liability insurance, proof of workers' compensation coverage, unless exempt or self-insured under the workers' compensation act, and, if applicable, a copy of the current registration certificate required by law for roofing contractors and a current tax clearance certificate or letter from the Kansas department of revenue.

(b) The attorney general shall refuse to renew a roofing contractor's registration certificate for any reason stated in subsection (b) of section 5, and amendments thereto. The attorney general shall notify the applicant in writing if the attorney general denies the renewal as provided in subsection (c) of section 5, and amendments thereto.

(c) If any roofing contractor fails to file a renewal application by the June 30 deadline, that contractor's registration certificate shall be deemed not to be in good standing. A roofing contractor has a 30-day grace period after June 30 to renew such registration certificate without a late fee. The late fee shall be set by the attorney general but shall not exceed $300. If
the certificate is not renewed before July 31, the certificate shall be revoked.

(d) (1) A roofing contractor desiring to renew a registration certificate that has been suspended for any cause provided in this act prior to the June 30 annual renewal date shall be assessed a fee equal to twice the amount of the fee established by subsection (c) of section 8, and amendments thereto.

(2) The attorney general shall assess a reinstatement fee in an amount to be set by the attorney general not to exceed $500 plus the fee established by section 8, and amendments thereto, for any registration certificate that has been revoked for any cause provided in this act.

(3) A roofing contractor submitting an application for a registration certificate after suspension or revocation of that contractor's registration certificate must be otherwise eligible for registration under this act.

(e) The attorney general shall include a registration status notation in a roofing contractor's record if the status of registration changes from active and valid to not in good standing, denied, suspended or revoked.

Sec. 13. (a) No roofing contractor or any person providing services as a roofing contractor shall:

(1) Abandon a roofing contract without legal grounds after a deposit of money or other consideration has been paid;

(2) divert any funds or property entrusted to a roofing contractor;

(3) engage in any fraudulent or deceptive acts or practices or misrepresentation of products, services or qualifications as a roofing contractor;

(4) make a false or misleading statement in an application for a roofing contractor registration certificate or renewal application or in soliciting a contract for roofing services;

(5) violate any judgment or order by a court of competent jurisdiction against the roofing contractor for a violation of the provisions of this act;

(6) engage in work without a valid registration certificate as required for roofing contractors pursuant to this act or performing roofing services during any period when the roofing contractor's registration certificate is denied, suspended or revoked;

(7) engage in roofing services without obtaining a proper permit as may be required by any state or local authority;

(8) fail to comply with any tax laws authorized by the state or any of its political subdivisions;

(9) damage or injure any person or property while performing roofing services under a valid roofing contractor registration certificate for which the roofing contractor's liability insurance or workers' compensation coverage was inadequate; or

(10) fail to comply with any provision of this act or any rule and regulation adopted thereunder.
(b) Any person may file a duly verified complaint with the attorney general alleging one or more violations of subsection (a). The complaint shall be on a form approved by the attorney general and shall set forth the alleged act or omission stated in subsection (a), and a statement of sufficient facts upon which a reasonable person could conclude that the act or omission specified in subsection (a) has been committed. Nothing in this section shall be construed to require the complainant to first file a complaint with the attorney general before seeking relief or remedies allowed by law.

(c) A complaint received by the attorney general as provided in this section may be investigated by the attorney general or referred to any county or district attorney for appropriate disposition or investigation. The attorney general is hereby authorized to:

(1) Make investigations and examinations of the registrant's operations, books and records as the attorney general deems necessary for the protection of the public and control access to any documents and records of the licensee or registrant under examination or investigation;

(2) charge reasonable costs of investigation, examination and administration of this act, to be paid by the applicant, licensee or registrant;

(3) exchange any information regarding the administration of this act with any agency of the United States or any state or political subdivision thereof which regulates the licensee or registrant or administers statutes, rules and regulations or programs related to the roofing business, and to enter into information-sharing arrangements with other governmental agencies or associations representing governmental agencies which are deemed necessary or beneficial to the administration of this act;

(4) disclose to any person or entity that an applicant's, licensee's or registrant's application, license or registration certificate has been denied, suspended, revoked or refused renewal;

(5) require or permit any person to file a written statement, under oath or otherwise as the attorney general may direct, setting forth all the facts and circumstances concerning any apparent violation of this act, or any rule and regulation promulgated thereunder or any order issued pursuant to this act;

(6) receive, as a condition in settlement of any investigation or examination, a payment designated for the roofing contractor registration fee fund as directed by the attorney general;

(7) refer such evidence as may be available concerning any violation of this act or of any rule and regulation or order hereunder to the proper county or district attorney, who may in the attorney general's discretion, with or without such a referral, institute the appropriate criminal proceedings under this act;
(8) establish relationships or contracts with any other government programs which require the licensing or registration of roofing contractors or other entities to collect and maintain records and process transaction fees or other fees related to applicants, licensees, registrants or other persons subject to this act and to take such other actions as may be reasonably necessary to facilitate cooperation between such governmental entities or agencies and industry trade associations. The attorney general shall regularly report violations of law, as well as enforcement actions and other relevant information to any multi-state or nationwide licensing system and registry; and

(9) require any registrant to file with any such roofing contractor licensing system or registry in the form prescribed by the attorney general or the attorney general’s designee.

(d) For the purpose of any examination, investigation or proceeding under this act, the attorney general or any officer designated by the attorney general may administer oaths and affirmations, subpoena witnesses, compel such witnesses' attendance, adduce evidence and require the production of any matter which is relevant to the examination or investigation, including the existence, description, nature, custody, condition and location of any books, documents or other tangible things and the identity and location of persons having knowledge of relevant facts, or any other matter reasonably calculated to lead to the discovery of relevant information or items.

(e) In case of refusal to obey a subpoena or court order issued to any person, any court of competent jurisdiction, upon application by the attorney general, may issue to that person an order requiring the person to appear before the attorney general, or the officer designated by the attorney general, to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question. Any failure to obey the order of the court may be punished by the court as a contempt of court.

(f) No person is excused from attending and testifying or from producing any document or record before the attorney general or in obedience to the subpoena of the attorney general or in any proceeding instituted by the attorney general, on the ground that the testimony or evidence, documentary or otherwise, required of the person may tend to incriminate the person or subject the person to a penalty or forfeiture. No individual may be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction or matter concerning which such person is compelled, after claiming privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that the individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.
 Sec. 14. (a) (1) Every applicant for a roofing contractor's registration certificate who is a nonresident contractor, may apply for a registration certificate by signing and filing the application, appointing the secretary of state as the applicant's true and lawful agent upon whom may be served all lawful process in any action or proceeding against such nonresident contractor for construction projects performed in this state. Such appointment shall be evidence of the roofing contractor's consent that any process against the contractor which is served upon the secretary of state shall be of the same legal force and effect as if served upon the contractor personally within this state.

(2) Registered foreign corporations, registered foreign limited liability companies, foreign limited liability partnerships and foreign limited partnerships which are authorized to do business in this state and which have a current registered agent and registered address on file in the office of the secretary of state shall not be required to appoint the secretary of state as agent for service of process under this section.

(b) Within 10 days after service of the summons upon the secretary of state, notice of such service with the summons and complaint in the action shall be sent to the defendant roofing contractor at the defendant contractor's last known address by registered or certified mail with return receipt requested and proof of such mailing shall be attached to the summons.

(c) The secretary of state shall keep a record of all process served upon the secretary of state under this section, showing the day and hour of service. Whenever service of process was made under this section, the court, before entering a default judgment, or at any stage of the proceeding, may order such continuance as may be necessary to afford the defendant contractor reasonable opportunity to defend any action pending against the defendant contractor.

 Sec. 15. (a) When applying for any permit required by the state or any of its political subdivisions for roofing services or jobs, a roofing contractor shall supply the permit-issuing official the roofing contractor's registration certificate number issued pursuant to this act. That official shall enter a roofing contractor's registration certificate number on the permit.

(b) Although exempt from the registration requirements of this act, any person performing as a roofing contractor on such person's own property shall, when applying for a permit required for the project, supply the permit-issuing official any roofing contractor registration certificate number, as soon as available, of each roofing subcontractor engaged in roofing services and doing work covered by the permit, if any. That official shall enter each roofing contractor registration certificate number so supplied before inspection of the job.
(c) A roofing contractor shall display such contractor's roofing contractor registration certificate number issued pursuant to this act on each commercial vehicle used for roofing services and upon every business sign, card, correspondence and contract used to solicit and conduct roofing services in this state.

Sec. 16. (a) Upon request, the attorney general shall verify a roofing contractor registration certificate number to city, county and state enforcement officials and to the public.

(b) The attorney general shall establish a system for the public to confirm roofing contractor registration certificates. Such system shall include a listing of valid registration certificates and such other information collected pursuant to this act, and amendments thereto, as the attorney general may determine is appropriate. In addition, the system may include a notation for any conviction of a criminal violation in this state, another state, or the United States when disclosed by a criminal history records search on the individual roofing contractor. Disclosure of any information through use of the roofing contractor registration certificate system or information maintained by the attorney general shall not be deemed to be an endorsement of any roofing contractor or determination of any facts, qualifications, information or reputation of any roofing contractor by the attorney general, the state, or any of their respective agents, officers, employees or assigns.

Sec. 17. This act shall be construed to be in addition to, and not in lieu of, any required licensure of persons for certain professions and trades in this state, and further, this act shall not be deemed to conflict with or affect the authority of any state or local agency, board or commission whose duty and authority is to administer or enforce any law or ordinance or to establish, administer or enforce any policy, rule, qualification or standard for any trade or profession.

Sec. 18. (a) Any violation of this act shall be deemed to be a deceptive or unconscionable act or practice under the provisions of the Kansas consumer protection act.

(b) This act shall be part of and supplemental to the Kansas consumer protection act.

Sec. 19. This act shall take effect and be in force from and after its publication in the statute book.