

SESSION OF 2015

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2254

As Amended by House Committee on
Commerce, Labor and Economic Development

Brief*

HB 2254, as amended, would exempt general contractors from the Roofers Registration Act, which requires persons intending to perform roofing services for payment to register beforehand with the Office of the Attorney General. Upon request of a general contractor, the Attorney General could issue a letter of exemption to that person, stating the Roofer Registration Act does not apply, if one of the two following sets of conditions were met.

If a general contractor would be working without a roofer, the contractor would have to demonstrate:

- Compliance with all requirements to do business in the state, including local government requirements;
- Any roofing services performed would not account for more than 50 percent of the total project cost; and
- “Door-to-door sales,” as defined by law, have not been conducted by the general contractor or persons working for the contractor.

If subcontracting with a roofing contractor, a general contractor would have to demonstrate:

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- There is no direct supervision of the roofer's employees, and the roofing contractor is a separate legal business entity;
- The general contractor or persons working for that person do not engage in roofing services;
- The roofing contractor has a valid registration certificate, which the general contractor would retain a copy of and make available for inspection;
- A contract between the general contractor and the roofing contractor, specifying the terms and conditions of roofing services to be performed, including notification to the general contractor if the roofing registration certificate were to become invalid;
- Compliance with all requirements to do business in the state, including local government requirements; and
- "Door-to-door sales," as defined by law, have not been conducted by the general contractor or persons working for the contractor.

The general contractor would inform the Attorney General if the roofing contractor is no longer in compliance with the Roofer Registration Act.

Background

During the House Committee hearing, testimony in favor of the bill was provided by Representative Dierks, a roofing contractor, a representative of the Associated General Contractors of Kansas, and a general contractor. Proponents explained the legislation would correct an unintended consequence in the application of the Roofing Registration Act.

The was no opponent testimony.

A representative from the Office of the Attorney General provided neutral testimony, suggesting an amendment which would make the language in the bill consistent.

The House Committee on Commerce, Labor and Economic Development amended the bill to make the language consistent; the Committee also deleted the term contract laborer from the definition for “roofing contractor.”

According to the fiscal note prepared by the Division of the Budget, in consultation with the Attorney General’s Office, the bill would result in a decline in revenues for the Roofing Registration Fee Fund, but it is difficult to estimate the number of general contractors who would choose not to register. Currently the annual registration fee is \$250.