RECEIVED

APR 27 2022

BUREAU OF LEGISLATIVE RESEARCH

Rules for Act 1072 of 2021 – Residential Roofers Registration Mark Up Copy

224-25-5-9. CLASSIFICATIONS

(d) CLASSIFICATIONS AND SPECIALTIES - A contractor holding a classification may perform any of the functions listed under that classification. Performing work not listed under that classification may constitute a violation.

(3) SPECIALTIES (Specific)

A contractor may obtain one or more of the Specialty Classifications by proper qualifications shown. The list of those Specialty Classifications Is:

SPECIALTIES

Awnings, Canopies & Gutters **Base & Paving** Base Construction a. b. Hot & Cold Mixes Surface Treatment C. d. Asphalt **Concrete** Paving e. Boat Docks Carpentry, Framing, Millwork, Cabinets Ceilings, Wall Systems, Acoustical Treatments Central Vacuum Systems Chimneys, Fireplaces Communication, Computer or Sound Systems, Cabling Concrete Demolition Detached Garage, Storage Building, Detached Structures, Metal Buildings Drywall Fencing, Gates Floors, Floor Covering Foundation Construction or Drilling, Pile Driving, Stabilization Glass, Glazing, Doors, Windows Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Culverts, Clearing, Grubbing & Rip Rap), Excavation Greenhouses and Sunrooms Insulation Kitchen and Bathroom Renovations Landscaping, Irrigation, Lawn Sprinklers, Streams Lathe, Plaster, Stucco, Dryvit, EIFS Masonrv Metal Studs, Walls

Overhead Doors Painting, Wallcovering Rebar Retaining Walls Reofing, Roof Decks, Roofing Sheet Metal Siding, Soffit, Fascia, Gutters Skylights Solar Systems Special Coatings or Applications, Caulking, Waterproofing Steel, Alloy, Ornamental, Metal Fabrication, Welding Storm Shelters Swimming Pools, Spas Tile, Terrazzo, Marble, Countertops

224-25-6-1. ISSUANCE OF REGISTRATION

(a) All registrations will be issued under the name and address listed on the front of the application form. The use of any other name may constitute a violation. It is the responsibility of the registrant to inform the Committee in writing of any name, address, ownership or any other change relating to said registration within 15 days of such change.

(b) All applications for a Registration must be filed as either: (1) individual, (2) partnership, (3) corporation, (4) limited liability company or (5) any other business organization recognized by the Arkansas Secretary of State's Office.

224-25-6-2. REGISTRATION EXPIRATION & RENEWAL

(a) Expiration. All registrations shall expire at midnight of the date of its expiration.

(b) Renewal. Any renewal application not meeting the requirements of the Committee at its initial review, but being placed in an "improve status" will constitute an extension of the existing registration until the next available Committee meeting, at which time the registration will expire if a new registration is not issued.

224-25-6-3. REGISTRATION APPLICATIONS

(a) Any registration application not complete within ninety (90) days after original receipt by the Committee will become invalid. Any registration not passing the Committee's review will be considered invalid after ninety (90) days from the date of its original review. During the ninety (90) day period, the applicant may make corrections or improvements needed in the application in order to warrant the issuance of a registration. After an application becomes invalid a new application and fee must be submitted for consideration to obtain a registration.

(b)(1) A potential applicant for a registration with a criminal record may petition the Committee at any time for a determination of whether the individual's criminal record will disgually person or entity from registration and whether he or she will be granted a waiver under Ark. Code Ann. § 17-3-102(b).

(2) The Committee will respond with a decision in writing after the next scheduled Committee meeting following the submission of the completed form.

(3) The Committee's response will state the reason(s) for the decision.

(4) All decisions of the Committee in response to the petition will be determined by the information provided by the applicant.

(5) Any decision made by the Committee in response to a pre-licensure criminal background check petition is not subject to appeal.

(6) The Committee will retain a copy of the petition and response and it will be reviewed during the formal application process.

(c)(1) At the time of registration application, an applicant shall complete the criminal back ground history form contained within the application.

(2) If the applicant shall have been found guilty or pleaded guilty or nolo contendere to any offense that would disqualify the applicant for licensure under Ark. Code Ann. § 17-3-102 or Ark. Code Ann. § 17-25-507(c) the applicant may request a waiver under Ark. Code Ann. § 17-3-102

(3) The applicant may also submit a written statement addressing the request for a waiver under Ark. Code Ann. § 17-3-102.

(4) The Committee may grant a waiver upon consideration of the following, without limitation:

- A. The age at which the offense was committed;
- B. The circumstances surrounding the offense;
- C. The length of time since the offense was committed;

D. Subsequent work history since the offense was committed;

E. Employment references since the offense was committed;

F. Character references since the offense was committed:

G. Relevance of the offense to the occupational registration; and

H. Other evidence demonstrating that licensure of the applicant does not pose a threat to the health or safety of the public.

(5) A request for a waiver, if made by an applicant, must be in writing and accompany the completed application and fees.

(6) The Committee will respond with a decision in writing after the next scheduled Committee meeting following the submission of the completed form.

(7) An appeal of a determination under this section will be pursuant to Ark. Code Ann. §17-25-511.

(8) The Committee may request the applicant to appear before the Committee prior to making a determination.

224-25-6-4. REGISTRATION FEES

New and renewal registration fees shall be Twenty Dollars (\$20.00). This fee is non-refundable.

224-25-6-5. Bond

All bonds required to be filed with the Committee pursuant to Ark. Code Ann. § 17-25-601 et seq. shall be made by surety companies which have qualified and are authorized to do business in the State of Arkansas. The bonds shall be executed by a resident or nonresident agent, broker or producer licensed by the Arkansas Insurance Commissioner to represent the surety company executing the bond and shall file with the bond the agent's, broker's or producer's power of attorney to demonstrate his authority. The bond shall be issued on a form approved by the Committee. Stricken language would be deleted from and underlined language would be added to present law. Act 1072 of the Regular Session

1	State of Arkansas	As Engrossed: 54/22/21	
2	93rd General Assembly	A Bill	
3	Regular Session, 2021		HOUSE BILL 1800
4			
5	By: Representative Lowery		
6			
7		For An Act To Be Entitled	
8) AMEND THE LAW REGARDING CONTRACTORS; T	0
9	-	REGISTRATION OF ROOFING CONTRACTORS; TO	
10		THE RESIDENTIAL CONTRACTORS COMMITTEE	
11		OFING CONTRACTOR REGISTRATION CERTIFICAT	IES;
12	AND FOR C	OTHER PURPOSES.	
13			
14			
15		Subtitle	
16		AMEND THE LAW REGARDING CONTRACTORS;	
17		REQUIRE REGISTRATION OF ROOFING	
18		TRACTORS; AND TO AUTHORIZE THE	
19	RESI	IDENTIAL CONTRACTORS COMMITTEE TO	
20	ISSU	UE ROOFING CONTRACTOR REGISTRATION	
21	CERT	TIFICATES.	
22			
23			
24	BE IT ENACTED BY THE	GENERAL ASSEMBLY OF THE STATE OF ARKANS	SAS:
25			
26		cansas Code § 17-25-513, concerning lice	-
27		ons of the Residential Contractors Commi	lttee, is amended
28		subdivision to read as follows:	.
29		erson or entity performing work as a roo	<u>sting contractor</u>
30	<u>as defined under § 17</u>	<u>-25-601 et seq.</u>	
31			1 6 1 1
32		ansas Code § 17-25-515 is amended to re	
33 24		ons to enforce contracts in violation c)I UNIS
34 35	subchapter.	und quilty of a type performs you's in the	iolation of this
35 36	A contractor fo subchapter shall not	wund guilty of a who performs work in vi	LOTALION OF ENIS
20	Subchapter Sharr HOL	DITING ALL ACCION.	



HB1800

1	(1) In law or equity to enforce any provision of a contract
2	entered into in violation of this subchapter; or
3	(2) For quantum meruit.
4	
5	SECTION 3. Arkansas Code Title 17, Chapter 25, is amended to add an
6	additional subchapter to read as follows:
7	Subchapter 6 — Roofing Contractor Registration Certificate
8	
9	<u>17-25-601. Definitions.</u>
10	As used in this subchapter:
11	(1) "Home improvement contractor" means a home improvement
12	contractor licensed under § 17-25-501 et seq.;
13	(2) "Nonresident roofing contractor" means a roofing contractor
14	that:
15	(A) Has not established and maintained a place of business
16	as a roofing contractor in this state within the preceding year;
17	(B) Claims residency in another state; or
18	<u>(C) Has not submitted an income tax return as a resident</u>
19	of this state within the preceding year;
20	(3) "Residential building contractor" means a residential
21	building contractor licensed under § 17-25-501 et seq.; and
22	(4)(A) "Roofing contractor" means a person, including a
23	subcontractor or nonresident roofing contractor, that in the ordinary course
24	<u>of business:</u>
25	(i) Engages in the business of residential roofing
26	services for a fee; or
27	(ii) Offers to engage in or solicits residential
28	roofing-related services, including construction, installation, renovation,
29	repair, maintenance, alteration, and waterproofing.
30	(B) "Roofing contractor" does not include a person that
31	<u>is:</u>
32	(i) Engaged in the demolition of a structure or the
33	cleanup of construction waste and debris that contains roofing material;
34	<u>(ii) Working under the direct supervision of a</u>
35	roofing contractor and that is hired by the roofing contractor as an employee
36	<u>or day laborer; or</u>

2

HB1800

1	(iii) Exempt from the requirements of this
2	subchapter.
3	
4	<u>17-25-602. Authority.</u>
5	The Residential Contractors Committee may:
6	(1) Issue, modify, suspend, and revoke a roofing contractor
7	registration certificate issued by the committee;
8	(2) Establish qualifications for roofing contractor registration
9	certificates issued by the committee;
10	(3) Enforce this subchapter and the rules of the committee;
11	(4) Issue rules necessary for the implementation of this
12	subchapter;
13	(5) Levy civil penalties under this subchapter;
14	(6) Issue orders of abatement for violations of this subchapter
15	in the same manner and to the same extent as authorized for the Contractors
16	Licensing Board under § 17-25-103; and
17	(7) Seek a civil remedy available to the board.
18	
19	<u>17-25-603</u> . Roofing contractor registration certificate from committee
20	required.
21	(a) A person shall not act as a roofing contractor after July 1, 2021,
22	unless a person is:
23	(1) Granted a roofing contractor registration certificate by the
23 24	Residential Contractors Committee; or
24 25	<u>Residential Contractors Committee; or</u> (2) Exempt from certification under this subchapter.
24 25 26	Residential Contractors Committee; or (2) Exempt from certification under this subchapter. (b) A person that fails to procure a roofing contractor registration
24 25 26 27	<pre>Residential Contractors Committee; or</pre>
24 25 26 27 28	Residential Contractors Committee; or (2) Exempt from certification under this subchapter. (b) A person that fails to procure a roofing contractor registration
24 25 26 27 28 29	<pre>Residential Contractors Committee; or</pre>
24 25 26 27 28 29 30	Residential Contractors Committee; or (2) Exempt from certification under this subchapter. (b) A person that fails to procure a roofing contractor registration certificate as required under this subchapter is upon conviction guilty of a Class A misdemeanor with each day in violation of the requirement to constitute a separate offense.
24 25 26 27 28 29 30 31	Residential Contractors Committee; or (2) Exempt from certification under this subchapter. (b) A person that fails to procure a roofing contractor registration certificate as required under this subchapter is upon conviction guilty of a Class A misdemeanor with each day in violation of the requirement to
24 25 26 27 28 29 30 31 32	Residential Contractors Committee; or (2) Exempt from certification under this subchapter. (b) A person that fails to procure a roofing contractor registration certificate as required under this subchapter is upon conviction guilty of a Class A misdemeanor with each day in violation of the requirement to constitute a separate offense. <u>17-25-604. Application for roofing contractor registration</u> certificate.
24 25 26 27 28 29 30 31 32 33	<pre>Residential Contractors Committee; or</pre>
24 25 26 27 28 29 30 31 32 33 34	Residential Contractors Committee; or (2) Exempt from certification under this subchapter. (b) A person that fails to procure a roofing contractor registration certificate as required under this subchapter is upon conviction guilty of a Class A misdemeanor with each day in violation of the requirement to constitute a separate offense. 17-25-604. Application for roofing contractor registration certificate. (a) An application for a roofing contractor registration certificate shall be made on a form prescribed by the Residential Contractors Committee.
24 25 26 27 28 29 30 31 32 33	<pre>Residential Contractors Committee; or</pre>

HB1800

1	application:
2	(1) A statement that the applicant requesting the roofing
3	contractor registration certificate is at least eighteen (18) years of age;
4	(2) The applicant's:
5	(A) Name;
6	(B) Physical address; and
7	(C) Telephone number;
8	(3) The name of the applicant's business, including any
9	fictitious business names;
10	(4) The address of the applicant's business;
11	(5) The name of all other persons authorized to act for the
12	applicant's business and the registered agent of the applicant's business;
13	and
14	(6) A statement that the applicant:
15	(A) Will comply with all federal, state, and local laws
16	and rules;
17	(B) Is or is not registered, certified, or licensed as a
18	roofing contractor in another state; and
19	(C) Has or has not been the subject of a disciplinary
20	action in this state or another state as a roofing contractor.
21	(c) If the applicant for a roofing contractor registration certificate
22	is a nonresident roofing contractor, the applicant shall designate a
23	registered agent of service in the State of Arkansas.
24	(d) The application for a roofing contractor registration certificate
25	shall have the following information attached:
26	(1) A surety bond in the minimum amount of fifteen thousand
27	<u>dollars (\$15,000);</u>
28	(2) Proof of workers' compensation coverage as required under §
29	<u>11-9-401 et seq.; and</u>
30	(3) Any other information required by the committee.
31	
32	17-25-605. Applicant qualifications.
33	(a) The Residential Contractors Committee may limit a roofing
55	
34	contractor registration certificate issued by the committee to the character
	contractor registration certificate issued by the committee to the character of work that the applicant is qualified to perform.

4

HB1800

1	may consider the following convictions when determining an applicant's
2	fitness for a roofing contractor registration certificate under this
3	subchapter:
4	(1) Conviction of a crime with an element of dishonesty or fraud
5	under the laws of this state, another state, or the United States;
6	(2) Conviction of a voyeurism offense as prohibited in §§ 5-16-
7	<u>101 and 5-16-102;</u>
8	(3) Conviction under the Arkansas Hot Check Law, § 5-37-301 et
9	seq.; and
10	(4)(A) Conviction of a crime or act that is substantially
11	related to the qualifications, functions, or duties of a roofing contractor.
12	(B) A crime or act is substantially related to the
13	qualifications, functions, or duties of a roofing contractor if, to a
14	substantial degree, the crime or act indicates a present or potential
15	unfitness of a person applying for or holding a roofing contractor
16	registration certificate to perform the functions authorized by the roofing
17	contractor registration certificate.
18	
19	17-25-606. Name of roofing contractor holding roofing contractor
20	registration certificate.
21	(a) A roofing contractor that obtains a roofing contractor
22	registration certificate under this subchapter may act as a roofing
23	contractor only in the name under which the Residential Contractors Committee
24	granted the roofing contractor registration certificate.
25	(b) A roofing contractor shall submit a written update to the
26	committee if the information submitted with the application for a roofing
27	contractor registration certificate under this subchapter changes.
28	
29	17-25-607. Hearings regarding violations.
30	(a) The Residential Contractors Committee may conduct hearings
31	regarding alleged violations of this subchapter or rules promulgated under
32	this subchapter, and the hearings shall be conducted in accordance with the
33	Arkansas Administrative Procedure Act, § 25-15-201 et seq.
34	(b) The committee shall within a reasonable time make findings and
35	
	determinations as a result of the hearings.

5

HB1800

1	have committed one (1) or more of the following actions shall pay to the
2	Contractors Licensing Board a civil penalty of not less than one hundred
3	dollars (\$100) nor more than four hundred dollars (\$400) for each day that
4	the violation occurred:
5	(1) Acting as a roofing contractor without having a valid
6	roofing contractor registration certificate in violation of this subchapter;
7	(2) Using a roofing contractor in violation of this subchapter;
8	(3) Presenting or filing a roofing contractor registration
9	certificate of another roofing contractor;
10	(4) Giving false or forged evidence to the board in order to
11	obtain a roofing contractor registration certificate;
12	(5) Using an expired or revoked roofing contractor registration
13	<u>certificate;</u>
14	(6) Giving false or fraudulent evidence of a roofing
15	contractor's roofing contractor registration certificate to another person;
16	or
17	(7) Committing other violations under this subchapter.
18	(c) The committee may revoke the roofing contractor registration
19	certificate of a roofing contractor that is found guilty of:
20	(1) Fraud or deceit in obtaining a roofing contractor
21	registration certificate;
22	(2) Aiding or abetting a roofing contractor or other person to
23	violate this subchapter;
24	(3) Gross negligence, incompetence, or misconduct in the roofing
25	contractor's business;
26	(4) Abandoning a roofing contract without legal grounds after a
27	consideration in payment has been tendered;
28	(5) Mishandling funds or property entrusted to the roofing
29	<u>contractor;</u>
30	(6) Engaging in fraudulent or deceptive acts or practices;
31	(7) Misrepresenting products, services, or qualifications;
32	(8) Engaging in roofing services without obtaining a proper
33	permit as may be required by a local authority; or
34	(9) Damaging or injuring a person or property while performing
35	roofing services under a valid roofing contractor registration certificate
36	for which the roofing contractor's liability insurance, worker's compensation

6

HB1800

1	coverage, or other method of remuneration for injuries does not make the
2	injured party whole.
3	(d)(1) When abuse, neglect, or exploitation of an endangered person or
4	an impaired person by a roofing contractor is found by the committee to have
5	occurred, the committee may:
6	(A) State in writing that due to imminent physical or
7	other harm to the endangered person or impaired person, the situation merits
8	the emergency suspension of the roofing contractor registration certificate
9	of the roofing contractor; and
10	(B) Proceed with the suspension of the roofing contractor
11	registration certificate without a hearing or upon an abbreviated hearing
12	that the committee finds practicable to suspend the roofing contractor
13	registration certificate.
14	(2) An emergency suspension under this subsection shall be
15	effective immediately, unless otherwise stated in the written documentation
16	by the committee.
17	(3) An emergency suspension under this subsection may be
18	effective for a period of more than thirty (30) days and the emergency
19	suspension shall not be renewable.
20	(4) When an emergency suspension is ordered under this
21	subsection, a formal suspension or revocation proceeding shall be promptly
22	instituted and acted upon in accordance with the Arkansas Administrative
23	Procedure Act, § 25-15-201 et seq.
24	
25	17-25-608. Appeal from committee decision.
26	(a) A person aggrieved by an action or decision of the Residential
27	Contractors Committee may appeal to the Contractors Licensing Board within
28	ten (10) calendar days after the action or decision under procedures
29	prescribed by the board.
30	(b) A person aggrieved shall be granted an opportunity to address the
31	board regarding the committee's actions, and the final decision of the board
32	shall be binding upon the committee.
33	
34	<u>17-25-609. Expiration of certification – Fees.</u>
35	(a) A roofing contractor registration certificate issued by the
36	Residential Contractors Committee shall expire one (1) year after the date of

7

HB1800

1	issuance unless otherwise provided by the committee.
2	(b) The committee may charge reasonable delinquency fees and may
3	charge a fee not to exceed one hundred dollars (\$100) for a new roofing
4	contractor registration certificate or the renewal of a roofing contractor
5	registration certificate.
6	(c) All fees and other moneys collected by the committee shall be
7	disposed of as provided by § 17-25-205 and shall be used by the committee to
8	implement this subchapter.
9	
10	17-25-610. Exemptions.
11	The following are exempt from the registration requirements of this
12	subchapter:
13	(1) A person that acts as a roofing contractor in the
14	construction of his or her residence unless he or she builds more than one
15	(1) residence during a calendar year;
16	(2) The owner of a single-family residence acting as his or her
17	own roofing contractor on his or her own property;
18	(3) A person licensed as a contractor by a licensing agency,
19	board, or commission of the State of Arkansas if the person is performing
20	work within the scope of the license held by the person;
21	(4) A contractor licensed by the Contractors Licensing Board if
22	the contractor holds a classification that authorizes the contractor to
23	perform roofing as defined under § 17-25-601; and
24	(5) A home improvement contractor or residential building
25	contractor if the home improvement contractor or residential building
26	<u>contractor:</u>
27	(A) Is in compliance with all requirements to do business
28	in the State of Arkansas, including requirements of a municipality or county
29	applicable to the location in which the home improvement contractor or
30	residential building contractor intends to do business that involves roofing
31	services;
32	(B) Engages in roofing services in addition to
33	construction, installation, renovation, repair, maintenance, alteration, or
34	waterproofing services on the project and the roofing services do not
35	constitute more than fifty percent (50%) of the total project cost; and
36	(C) Does not authorize agents, employees, or

8

HB1800

1	representatives of the home improvement contractor or the residential
2	building contractor to engage in door-to-door sales of roofing services.
3	
4	17-25-611. Actions to enforce contracts in violation of subchapter.
5	A roofing contractor who performs work or enters into a contract in
6	violation of this subchapter shall not bring an action:
7	(1) In law to enforce a provision of a contract entered into
8	with a consumer in violation of this subchapter; or
9	(2) For quantum meruit.
10	
11	SECTION 4. <u>EFFECTIVE DATE.</u>
12	This act is effective on and after January 1, 2022.
13	
14	
15	/s/Lowery
16	
17	
18	APPROVED: 4/30/21
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	
32	
33	
34	
35	
36	

9