

1 State of Arkansas
2 93rd General Assembly
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4

As Engrossed: S4/22/21

A Bill

HOUSE BILL 1800

5 By: Representative Lowery
6

For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW REGARDING CONTRACTORS; TO
9 REQUIRE REGISTRATION OF ROOFING CONTRACTORS; TO
10 AUTHORIZE THE RESIDENTIAL CONTRACTORS COMMITTEE TO
11 ISSUE ROOFING CONTRACTOR REGISTRATION CERTIFICATES;
12 AND FOR OTHER PURPOSES.
13
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Subtitle

15 TO AMEND THE LAW REGARDING CONTRACTORS;
16 TO REQUIRE REGISTRATION OF ROOFING
17 CONTRACTORS; AND TO AUTHORIZE THE
18 RESIDENTIAL CONTRACTORS COMMITTEE TO
19 ISSUE ROOFING CONTRACTOR REGISTRATION
20 CERTIFICATES.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

26 SECTION 1. Arkansas Code § 17-25-513, concerning licensing
27 requirements exemptions of the Residential Contractors Committee, is amended
28 to add an additional subdivision to read as follows:

29 (6) A person or entity performing work as a roofing contractor
30 as defined under § 17-25-601 et seq.
31

32 SECTION 2. Arkansas Code § 17-25-515 is amended to read as follows:
33 17-25-515. Actions to enforce contracts in violation of this
34 subchapter.

35 A contractor ~~found guilty of a~~ who performs work in violation of this
36 subchapter shall not bring an action:



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 17-25-601. Definitions.

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 (C) Has not submitted an income tax return as a resident
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 of business:

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 is:

32 (i) Engaged in the demolition of a structure or the
33 cleanup of construction waste and debris that contains roofing material;

34 (ii) Working under the direct supervision of a
35 roofing contractor and that is hired by the roofing contractor as an employee
36 or day laborer; or

1 (iii) Exempt from the requirements of this
2 subchapter.

3
4 17-25-602. Authority.

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 17-25-603. 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
24 Residential Contractors Committee; or

25 (2) Exempt from certification under this subchapter.

26 (b) A person that fails to procure a roofing contractor registration
27 certificate as required under this subchapter is upon conviction guilty of a
28 Class A misdemeanor with each day in violation of the requirement to
29 constitute a separate offense.

30
31 17-25-604. Application for roofing contractor registration
32 certificate.

33 (a) An application for a roofing contractor registration certificate
34 shall be made on a form prescribed by the Residential Contractors Committee.

35 (b) To obtain a roofing contractor registration certificate, an
36 applicant shall under oath include the following information on the

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 dollars (\$15,000);

28 (2) Proof of workers' compensation coverage as required under §
29 11-9-401 et seq.; and

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
34 contractor registration certificate issued by the committee to the character
35 of work that the applicant is qualified to perform.

36 (b) In addition to the offenses listed in § 17-3-102, the committee

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-
7 101 and 5-16-102;

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.

36 (c) A roofing contractor that, after notice and hearing, is found to

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 certificate;

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 contractor;

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

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 17-25-609. Expiration of certification – Fees.

35 (a) A roofing contractor registration certificate issued by the
36 Residential Contractors Committee shall expire one (1) year after the date of

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 contractor:

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

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.

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11 *SECTION 4. EFFECTIVE DATE.*

12 *This act is effective on and after January 1, 2022.*

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