

# SENATE BILL NO. 326

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR BECK.

1575S.02I

ADRIANE D. CROUSE, Secretary

## AN ACT

To repeal section 621.045, RSMo, and to enact in lieu thereof fourteen new sections relating to roofing contractors, with penalty provisions.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 621.045, RSMo, is repealed and fourteen  
2 new sections enacted in lieu thereof, to be known as sections  
3 324.800, 324.805, 324.810, 324.815, 324.820, 324.825, 324.830,  
4 324.835, 324.840, 324.845, 324.850, 324.855, 324.860, and  
5 621.045, to read as follows:

**324.800. As used in sections 324.800 to 324.860, the  
2 following terms shall mean:**

3 (1) "Department", the department of commerce and  
4 insurance;

5 (2) "Out-of-state applicant", any applicant who has  
6 not established and maintained a place of business as a  
7 registered roofing contractor in this state within the  
8 preceding year or has not submitted an income tax return as  
9 a resident of this state within the preceding year;

10 (3) "Person", any individual, firm, partnership,  
11 association, corporation, limited liability company, or  
12 other group or combination thereof acting as a unit;

13 (4) "Roofing contractor", one who has the experience,  
14 knowledge, and skill to construct, reconstruct, alter,  
15 maintain, and repair roofs and use materials and items used  
16 in the construction, reconstruction, alteration,

17 maintenance, and repair of all kinds of roofing and  
18 waterproofing as related to roofing, all in such manner to  
19 comply with all plans, specifications, codes, laws, and  
20 regulations applicable thereto;

21 (5) "Storm event", any instance in which the National  
22 Weather Service has issued a severe thunderstorm warning,  
23 tornado warning, or high wind warning, and has received  
24 reports of damage to structures or vehicles on the National  
25 Weather Service's storm reports webpage.

324.805. 1. Beginning January 1, 2023, a person who  
2 practices or offers services as a roofing contractor in this  
3 state for compensation or uses any title, sign,  
4 abbreviation, card, or device to indicate that such person  
5 is a roofing contractor shall register with the department  
6 according to the provisions of sections 324.800 to 324.860.

7 2. The department shall not register persons under  
8 sections 324.800 to 324.860 who perform subcontracted work  
9 for a registered roofing contractor.

324.810. 1. There is hereby created in the state  
2 treasury the "Roofing Contractor Fund", which shall consist  
3 of moneys collected under sections 324.800 to 324.860. The  
4 state treasurer shall be custodian of the fund. In  
5 accordance with sections 30.170 and 30.180, the state  
6 treasurer shall approve disbursements. The fund shall be a  
7 dedicated fund and, upon appropriation, moneys in the fund  
8 shall be used solely for the administration of sections  
9 324.800 to 324.860.

10 2. Notwithstanding the provisions of section 33.080 to  
11 the contrary, any moneys remaining in the fund at the end of  
12 the biennium shall not revert to the credit of the general  
13 revenue fund.

14           3. The state treasurer shall invest moneys in the fund  
15 in the same manner as other funds are invested. Any  
16 interest and moneys earned on such investments shall be  
17 credited to the fund.

          324.815. The department is authorized to promulgate  
2 rules and regulations necessary for the administration of  
3 sections 324.800 to 324.860, including regulations regarding:

4           (1) The content of registration applications and the  
5 procedures for filing an application for an initial or  
6 renewal registration in this state;

7           (2) All applicable fees set at a level to produce  
8 revenue, which shall not exceed the cost and expense of  
9 administering the provisions of sections 324.800 to 324.860;  
10 and

11           (3) The hiring of employees, who administer and  
12 oversee the requirements of sections 324.800 to 324.860, and  
13 who may investigate any alleged misconduct under sections  
14 324.800 to 324.860. Persons hired under this subdivision  
15 shall be paid out of the roofing contractor fund established  
16 under section 324.810.

          324.820. 1. An applicant for registration as a  
2 roofing contractor shall submit to the department a  
3 completed application furnished by the department  
4 accompanied by the required nonrefundable fee of no more  
5 than two hundred dollars or a renewal fee to be determined  
6 by the department. Such application shall include the  
7 applicant's name, business name, evidence of insurance as  
8 required under subsection 3 of this section, a telephone  
9 number, a street address, and such pertinent information as  
10 the department may require.

11           2. An applicant shall have ninety days from the day  
12 the application is submitted to complete the application

13 process or else the application shall be automatically  
14 denied and any fees paid by the applicant forfeited. Such  
15 applicant shall then reapply in order to obtain a  
16 certificate of registration.

17 3. No certificate of registration shall be issued or  
18 renewed unless the applicant files with the department proof  
19 of motor vehicle insurance for all business vehicles, a  
20 current worker's compensation insurance policy, and  
21 liability insurance with a minimum level of coverage of not  
22 less than one million dollars and unless an applicant or out-  
23 of-state applicant has a no tax due statement from the  
24 department of revenue.

25 4. No certificate of registration shall be issued if  
26 an out-of-state applicant has had a license revoked or  
27 suspended in another state.

28 5. No political subdivision of this state shall  
29 require a roofing contractor to be registered under sections  
30 324.800 to 324.860 in order to operate as a roofing  
31 contractor within the boundaries of such political  
32 subdivision. No political subdivision of this state shall  
33 require the inspection of a roof more than one time if the  
34 cost to construct or repair such roof is less than ten  
35 thousand dollars.

324.825. If a registered roofing contractor is found  
2 to be operating without the insurance required under  
3 subsection 3 of section 324.820, the contractor's  
4 certificate of registration shall be suspended until the  
5 contractor furnishes proof of proper insurance to the  
6 department. Additionally, such contractor shall be required  
7 to report proof of such insurance to the department  
8 quarterly for two consecutive years.

324.830. The department shall promulgate rules to  
2 implement the provisions of sections 324.800 to 324.860.  
3 Any rule or portion of a rule, as that term is defined in  
4 section 536.010, that is created under the authority  
5 delegated in this section shall become effective only if it  
6 complies with and is subject to all of the provisions of  
7 chapter 536, and, if applicable, section 536.028. This  
8 section and chapter 536 are nonseverable, and if any of the  
9 powers vested with the general assembly pursuant to chapter  
10 536 to review, to delay the effective date, or to disapprove  
11 and annul a rule are subsequently held unconstitutional,  
12 then the grant of rulemaking authority and any rule proposed  
13 or adopted after August 28, 2021, shall be invalid and void.

324.835. A registered roofing contractor shall affix  
2 the roofing contractor certificate of registration number  
3 and the registrant's name, as it appears on the certificate  
4 of registration, to all of his or her contracts and bids.

324.840. Any complaint received by the department  
2 concerning a person who is the holder of a certificate of  
3 registration issued under sections 324.800 to 324.860 or any  
4 complaint regarding the offering of roofing contractor  
5 services shall be recorded as received and the date  
6 received. The department shall investigate all complaints  
7 concerning alleged violations of the provisions of sections  
8 324.800 to 324.860 or if there are grounds for the  
9 suspension, revocation, or refusal to issue any certificate  
10 of registration. Whenever a complaint is recorded or an  
11 investigation is initiated pursuant to this section, the  
12 department shall refer all documented information regarding  
13 the complaint or investigation to the attorney general.  
14 Whenever the department identifies potential criminal  
15 activity beyond the scope of sections 324.800 to 324.860,

16 the attorney general shall have authority to investigate  
17 such criminal activity and to institute any appropriate  
18 action or proceeding.

324.845. 1. The department may refuse to issue or  
2 renew, or may suspend or revoke a roofing contractor  
3 certificate of registration for failing to meet the  
4 requirements of section 324.820 or for one or any  
5 combination of causes stated in subsection 2 of this  
6 section. The department shall notify the applicant in  
7 writing of the reasons for the refusal and shall advise the  
8 applicant of his or her right to file a complaint with the  
9 administrative hearing commission as provided by chapter  
10 621. Notification shall be deemed sufficient if mailed,  
11 first class, to the address listed on the application for  
12 registration or renewal by the applicant.

13 2. The department may file a complaint with the  
14 administrative hearing commission against any holder of a  
15 certificate of registration for any one or combination of  
16 the following causes:

17 (1) Impersonation of any person holding a roofing  
18 contractor certificate of registration or knowingly allowing  
19 any person to use his or her certificate of registration;

20 (2) Issuance of a certificate of registration based  
21 upon a material mistake of fact;

22 (3) Failure to affix the roofing contractor  
23 certificate of registration number and registrant's name on  
24 all contracts and bids, in accordance with section 324.835;

25 (4) Providing another person with a false registration  
26 number; or

27 (5) Abandoning a contract, without returning the  
28 deposit, by not completing the contracted scope of work.

324.850. 1. The department shall maintain a list of  
2 roofing contractors with current certificates of  
3 registration on its website. The inclusion of a roofing  
4 contractor on such list does not constitute an endorsement  
5 by the department.

6 2. The department shall provide notice after a storm  
7 event occurs to inform members of the public that roofing  
8 contractors may register with the state. The notice shall  
9 be limited to the parts of the state where the storm event  
10 occurred. Such notice shall be posted on the department's  
11 website. In addition, such notice shall be given in a rapid  
12 response, cost effective manner, in a format to be  
13 determined at the discretion of the department, which may  
14 include the use of advertisements and public service  
15 announcements in print, radio, television, and online  
16 media. Expenses for the notice under this subsection shall  
17 be paid out of the roofing contractor fund established under  
18 section 324.810.

19 3. The department shall make available to the public  
20 on its website the requirements for obtaining a certificate  
21 of registration set forth in section 324.820.

324.855. Any person found in violation of sections  
2 324.800 to 324.860 shall be found guilty of a class D  
3 misdemeanor. A second conviction for violating sections  
4 324.800 to 324.860 within ten years after the first  
5 conviction shall be a class B misdemeanor.

324.860. The provisions of sections 324.800 to 324.860  
2 shall expire on August 29, 2026.

621.045. 1. The administrative hearing commission  
2 shall conduct hearings and make findings of fact and  
3 conclusions of law in those cases when, under the law, a  
4 license or certificate of registration issued by any of the

5 following agencies may be revoked or suspended or when the  
6 licensee **or registrant** may be placed on probation or when an  
7 agency refuses to permit an applicant to be examined upon  
8 his or her qualifications or refuses to issue or renew a  
9 license **or certificate of registration** of an applicant who  
10 has passed an examination for licensure or who possesses the  
11 qualifications for licensure **or registration** without  
12 examination:

13 Missouri State Board of Accountancy  
14 Missouri State Board for Architects, Professional  
15 Engineers, Professional Land Surveyors and Landscape  
16 Architects  
17 Board of Barber Examiners  
18 Board of Cosmetology  
19 Board of Chiropody and Podiatry  
20 Board of Chiropractic Examiners  
21 Missouri Dental Board  
22 Board of Embalmers and Funeral Directors  
23 Board of Registration for the Healing Arts  
24 Board of Nursing  
25 Board of Optometry  
26 Board of Pharmacy  
27 Missouri Real Estate Commission  
28 Missouri Veterinary Medical Board  
29 Supervisor of Liquor Control  
30 Department of Health and Senior Services  
31 Department of Commerce and Insurance  
32 Department of Mental Health  
33 Board of Private Investigator Examiners.

34 2. If in the future there are created by law any new  
35 or additional administrative agencies which have the power  
36 to issue, revoke, suspend, or place on probation any



37 license, then those agencies are under the provisions of  
38 this law.

39 3. The administrative hearing commission is authorized  
40 to conduct hearings and make findings of fact and  
41 conclusions of law in those cases brought by the Missouri  
42 state board for architects, professional engineers,  
43 professional land surveyors and landscape architects against  
44 unlicensed persons under section 327.076.

45 4. Notwithstanding any other provision of this section  
46 to the contrary, after August 28, 1995, in order to  
47 encourage settlement of disputes between any agency  
48 described in subsection 1 or 2 of this section and its  
49 licensees **or registrants**, any such agency shall:

50 (1) Provide the licensee **or registrant** with a written  
51 description of the specific conduct for which discipline is  
52 sought and a citation to the law and rules allegedly  
53 violated, together with copies of any documents which are  
54 the basis thereof and the agency's initial settlement offer,  
55 or file a contested case against the licensee **or registrant**;

56 (2) If no contested case has been filed against the  
57 licensee **or registrant**, allow the licensee **or registrant** at  
58 least sixty days, from the date of mailing, to consider the  
59 agency's initial settlement offer and to contact the agency  
60 to discuss the terms of such settlement offer;

61 (3) If no contested case has been filed against the  
62 licensee **or registrant**, advise the licensee **or registrant**  
63 that the licensee may, either at the time the settlement  
64 agreement is signed by all parties, or within fifteen days  
65 thereafter, submit the agreement to the administrative  
66 hearing commission for determination that the facts agreed  
67 to by the parties to the settlement constitute grounds for

68 denying or disciplining the license of the licensee **or the**  
69 **certificate of registration of the registrant;** and

70 (4) In any contact under this subsection by the agency  
71 or its counsel with a licensee **or registrant** who is not  
72 represented by counsel, advise the licensee **or registrant**  
73 that the licensee **or registrant** has the right to consult an  
74 attorney at the licensee's **or registrant's** own expense.

75 5. If the licensee **or registrant** desires review by the  
76 administrative hearing commission under subdivision (3) of  
77 subsection 4 of this section at any time prior to the  
78 settlement becoming final, the licensee may rescind and  
79 withdraw from the settlement and any admissions of fact or  
80 law in the agreement shall be deemed withdrawn and not  
81 admissible for any purposes under the law against the  
82 licensee. Any settlement submitted to the administrative  
83 hearing commission shall not be effective and final unless  
84 and until findings of fact and conclusions of law are  
85 entered by the administrative hearing commission that the  
86 facts agreed to by the parties to the settlement constitute  
87 grounds for denying or disciplining the license of the  
88 licensee.

89 6. When a holder of a license, registration, permit,  
90 or certificate of authority issued by the division of  
91 professional registration or a board, commission, or  
92 committee of the division of professional registration  
93 against whom an affirmative decision is sought has failed to  
94 plead or otherwise respond in the contested case and  
95 adequate notice has been given under sections 536.067 and  
96 621.100 upon a properly pled writing filed to initiate the  
97 contested case under this chapter or chapter 536, a default  
98 decision shall be entered against the licensee without  
99 further proceedings. The default decision shall grant such

100 relief as requested by the division of professional  
101 registration, board, committee, commission, or office in the  
102 writing initiating the contested case as allowed by law.  
103 Upon motion stating facts constituting a meritorious defense  
104 and for good cause shown, a default decision may be set  
105 aside. The motion shall be made within a reasonable time,  
106 not to exceed thirty days after entry of the default  
107 decision. "Good cause" includes a mistake or conduct that  
108 is not intentionally or recklessly designed to impede the  
109 administrative process.

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