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Neutral Testimony on House Bill 2254 An Act Concerning Roofing Contractor Registration

Presented to the Senate Committee on Commerce By Assistant Attorney General Adrian Serene

March 9, 2015

Chairwoman Lynn and Members of the Committee:

Thank you for the opportunity to offer this testimony on HB 2254.

The Office of Attorney General is supportive of the intention behind this bill, which is to clarify that general contractors are not required to register as roofing contractors under the Kansas Roofing Registration Act (KRRA). The current law is ambiguous on that point, and the Attorney General's Office has taken the position that *somebody* with a registration certificate must be responsible for the roofing job done on each and every project; as long as somebody is registered, we have not required that everybody involved in the project be registered. In practice, the effect of that approach generally has been that general contractors are not required to register unless they are conducting the roofing job themselves, as opposed to working through a registered subcontractor.

This proposed legislation is somewhat more permissive than the current approach. Under this measure, if enacted, it would be possible in some cases that nobody involved in installing a roof would actually be registered and meet the requirements of a roofing contractor. However, this policy shift would apply in only those cases where an exempt general contractor installs the roof himself (or using his employees) and the total cost of the roof is less than half the total cost of the project. Whether this is a change the Legislature wishes to make is, of course, entirely a policy choice.

If you choose to make that choice, however, we encourage you to take care not to inadvertently open a loophole that fly-by-night individuals can use to avoid the protections for Kansas homeowners and business owners that the KRRA was intended to provide. To be blunt, we urge caution to ensure that a fly-by-night stormchaser is not able to avoid registration and regulation merely by claiming to be an exempt general contractor. While it might be possible for the attorney general to ascertain through investigation whether a person asserting an exemption is, in fact, entitled to one, that process will provide no protection at all in many real-world situations because the fly-by-night operator will already be gone – and with him, the money of a Kansas homeowner or their insurance company. We believe the amendments added in the House Commerce Committee avoid that loophole.

Thank you for your consideration.