

By: Meza

H.B. No. 3890

A BILL TO BE ENTITLED

AN ACT

relating to the regulation and voluntary licensing of reroofing contractors by the Texas Department of Licensing and Regulation; providing administrative and civil penalties; authorizing fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 8, Occupations Code, is amended by adding Chapter 1306 to read as follows:

CHAPTER 1306. REROOFING CONTRACTORS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1306.001. DEFINITIONS. In this chapter:

(1) "Commission" means the Texas Commission of Licensing and Regulation.

(2) "Department" means the Texas Department of Licensing and Regulation.

(3) "Executive director" means the executive director of the department.

(4) "Licensed reroofing contractor" means a reroofing contractor who holds a license issued under this chapter.

(5) "Person" means an individual or business entity.

(6) "Reroofing contractor" means a person who:

(A) engages in repairing, recovering, or replacing existing roof coverings on residential or commercial structures; or

(B) solicits, advertises, or contracts to

1 repair, recover, or replace existing roof coverings on residential  
2 or commercial structures.

3 (7) "Reroofing project" means a project to repair,  
4 recover, or replace an existing roof covering on a residential or  
5 commercial structure.

6 SUBCHAPTER B. POWERS AND DUTIES

7 Sec. 1306.051. GENERAL POWERS AND DUTIES. The department  
8 shall administer and enforce this chapter.

9 Sec. 1306.052. RULES. The commission by rule shall  
10 prescribe the requirements for the issuance and renewal of a  
11 license under this chapter.

12 Sec. 1306.053. FEES. The commission shall establish by  
13 rule and collect reasonable and necessary fees in amounts not to  
14 exceed the total amount sufficient to cover the state's costs of  
15 administering this chapter.

16 SUBCHAPTER C. REROOFING CONTRACTOR ADVISORY BOARD

17 Sec. 1306.101. DEFINITION. In this subchapter, "advisory  
18 board" means the reroofing contractor advisory board.

19 Sec. 1306.102. REROOFING CONTRACTOR ADVISORY BOARD. (a)  
20 The reroofing contractor advisory board shall advise the commission  
21 on educational matters, operational matters, and common practices  
22 in the reroofing industry.

23 (b) Section 2110.003, Government Code, does not apply to the  
24 advisory board.

25 Sec. 1306.103. ADVISORY BOARD MEMBERSHIP. (a) The  
26 advisory board is composed of seven members as follows:

27 (1) six members appointed by the presiding officer of

1 the commission with the commission's approval as follows:

2 (A) four members who are licensed reroofing  
3 contractors; and

4 (B) two public members; and

5 (2) one member who is the administrative head, or the  
6 administrative head's designee, of a state agency or office that is  
7 selected by the commission.

8 (b) The advisory board members must include two members who  
9 are affiliated with a statewide association of reroofing  
10 contractors.

11 (c) In appointing advisory board members under Subsection  
12 (a)(1)(A), the presiding officer of the commission shall consider  
13 the geographical diversity of the members.

14 (d) Appointments to the advisory board shall be made without  
15 regard to the race, color, disability, sex, religion, age, or  
16 national origin of the appointee.

17 Sec. 1306.104. ELIGIBILITY OF PUBLIC MEMBERS. A person is  
18 not eligible for appointment as a public member of the advisory  
19 board if the person or the person's spouse:

20 (1) is licensed by an occupational regulatory agency  
21 in the reroofing or construction industry;

22 (2) is employed by or participates in the management  
23 of an agency or business entity related to the reroofing or  
24 construction industry; or

25 (3) has, other than as a consumer, a financial  
26 interest in a business entity related to the reroofing or  
27 construction industry.

1       Sec. 1306.105. TERMS; VACANCIES. (a) Except as provided by  
2 Subsection (b), advisory board members:

3           (1) serve terms of two years, with the terms expiring  
4 on February 1 of each odd-numbered year; and

5           (2) may not consecutively serve more than two full  
6 terms.

7       (b) The advisory board member appointed to the position  
8 described by Section 1306.103(a)(2) is an ex officio member and  
9 shall continue to serve during the time the member holds office.

10       (c) If a vacancy occurs during a term of a member other than  
11 the member described by Section 1306.103(a)(2), the presiding  
12 officer of the commission shall appoint a replacement who meets the  
13 qualifications of the vacated position to serve for the remainder  
14 of the term.

15       Sec. 1306.106. PRESIDING OFFICER. (a) The governor shall  
16 designate a member of the advisory board as the presiding officer of  
17 the board to serve in that capacity at the pleasure of the governor.

18       (b) The presiding officer of the advisory board must be a  
19 licensed reroofing contractor.

20                   SUBCHAPTER D. VOLUNTARY LICENSE

21       Sec. 1306.151. VOLUNTARY REROOFING CONTRACTOR LICENSE; USE  
22 OF TITLE. A reroofing contractor may not advertise that the company  
23 is licensed by this state or use the title "licensed reroofing  
24 contractor" unless the contractor holds a license issued under this  
25 chapter.

26       Sec. 1306.152. APPLICATION. (a) An applicant for a  
27 reroofing contractor license must submit an application to the

1 department on a form prescribed by the executive director.

2 (b) A person may obtain a license for more than one business  
3 entity by applying separately for each entity as required by this  
4 chapter.

5 (c) The application must be accompanied by:

6 (1) if the applicant is a sole proprietorship that  
7 operates under a name other than the sole proprietor's legal name,  
8 proof of an assumed name certificate issued by the secretary of  
9 state reflecting the business name;

10 (2) if the applicant is a business entity, proof of the  
11 applicant's existence and confirmation of authority to conduct  
12 business in this state under a certificate of status issued by the  
13 secretary of state that is in good standing;

14 (3) proof of the mailing address and telephone number  
15 of the applicant's residence or business location;

16 (4) proof that the applicant satisfies the general  
17 liability insurance coverage and surety bond requirements  
18 established by commission rule; and

19 (5) the application fee established by commission  
20 rule.

21 (d) The department shall conduct an examination of any  
22 criminal conviction of an applicant, including obtaining any  
23 criminal history record information permitted by law.

24 Sec. 1306.153. ISSUANCE OF LICENSE; LICENSE NUMBER. (a)  
25 Not later than the 10th day after the date the department receives  
26 the application, the department shall issue a license to an  
27 applicant who complies with the license requirements of this

1 chapter.

2 (b) A license initially issued under this chapter must  
3 include a unique license number. Any renewal of the license must  
4 include the number included in the initial issuance of the license.

5 (c) A license issued under this chapter is not assignable or  
6 transferable.

7 Sec. 1306.154. LICENSE TERM. A license issued under this  
8 chapter is valid for two years from the date of issuance and may be  
9 renewed before expiration in the manner provided by Section  
10 1306.155.

11 Sec. 1306.155. RENEWAL OF LICENSE. (a) To renew a license,  
12 a reroofing contractor must submit an application for renewal to  
13 the department on a form prescribed by the executive director.

14 (b) The application must be accompanied by:

15 (1) documentation of any changes in the reroofing  
16 contractor's information submitted to the department under Section  
17 1306.152(c); and

18 (2) the renewal fee established by commission rule.

19 Sec. 1306.156. LICENSE DATABASE. The department shall make  
20 available on the department's Internet website a publicly  
21 accessible list of all licensed reroofing contractors who are in  
22 good standing. The list must be searchable by name and location.  
23 The list must contain the following information for each licensed  
24 reroofing contractor:

25 (1) the name, mailing address, and telephone number of  
26 the reroofing contractor;

27 (2) a summary of any disciplinary action taken by the

1 department against the reroofing contractor; and

2 (3) any other information required by the department.

3 Sec. 1306.157. LICENSE VERIFICATION. On request of a  
4 county or municipal building official, the department shall verify  
5 the license status of a reroofing contractor. The department shall  
6 establish a verification system to ensure a timely response to a  
7 request for license status verification of a reroofing contractor.

8 SUBCHAPTER E. PRACTICE BY LICENSE HOLDER

9 Sec. 1306.201. DISCLOSURE OF LICENSE NUMBER. A licensed  
10 reroofing contractor shall include the contractor's license number  
11 in each:

12 (1) contract for a reroofing project in the manner  
13 provided by Section 1306.203; and

14 (2) advertisement for a reroofing service by the  
15 contractor, including on each business card, flyer, or door card  
16 and in each television, radio, social media, or newspaper  
17 advertisement.

18 Sec. 1306.202. CERTAIN PRACTICES RELATING TO INSURANCE  
19 DEDUCTIBLES PROHIBITED; REVOCATION OF LICENSE. (a) A licensed  
20 reroofing contractor may not advertise or promise to pay, rebate,  
21 wave, absorb, or otherwise not collect all or part of an insurance  
22 deductible in connection with a reroofing project in violation of  
23 Section 27.02, Business & Commerce Code.

24 (b) A licensed reroofing contractor who violates Subsection  
25 (a) is subject to revocation of the contractor's license and is  
26 ineligible for licensure under this chapter before the first  
27 anniversary of the date the license is revoked.

1       Sec. 1306.203. CONTRACT FOR REROOFING PROJECT. (a) Before  
2 engaging in a reroofing project, a licensed reroofing contractor  
3 must provide to the property owner a written contract that is signed  
4 by the reroofing contractor and the property owner.

5       (b) The written contract must include:

6           (1) the reroofing contractor's contact information,  
7 including physical address, e-mail address, and telephone number;

8           (2) the reroofing contractor's policy regarding  
9 cancellation of the contract, which must be consistent with state  
10 law;

11           (3) the reroofing contractor's license number in at  
12 least 12-point bold type in the following form: "Texas Licensed  
13 Reroofing Contractor Number (license number)"; and

14           (4) the department's contact information for  
15 complaints directed to the department.

16                           SUBCHAPTER F. ENFORCEMENT

17       Sec. 1306.251. INVESTIGATION OF COMPLAINTS. (a) The  
18 department shall investigate any complaint alleging a violation of  
19 this chapter or a rule adopted under this chapter.

20       (b) A complaint must be filed in the manner prescribed by  
21 the department.

22       Sec. 1306.252. ADMINISTRATIVE PENALTY. The commission or  
23 executive director may impose an administrative penalty on a person  
24 under Subchapter F, Chapter 51, if the person violates:

25           (1) this chapter or a rule adopted under this chapter;  
26 or

27           (2) an order of the commission or executive director.



1       Sec. 1306.253. ADMINISTRATIVE SANCTIONS. The commission  
2 may impose sanctions as provided by Section 51.353.

3       Sec. 1306.254. CIVIL PENALTY. The attorney general or  
4 executive director may institute an action for a civil penalty  
5 under this chapter as provided by Section 51.352. The amount of a  
6 civil penalty assessed under this section may not exceed \$500 for  
7 each violation.

8       SECTION 2. Not later than April 1, 2024, the Texas  
9 Commission of Licensing and Regulation shall adopt the rules,  
10 procedures, and fees necessary to administer Chapter 1306,  
11 Occupations Code, as added by this Act.

12       SECTION 3. The Texas Department of Licensing and Regulation  
13 is not required to begin issuing licenses under Chapter 1306,  
14 Occupations Code, as added by this Act, before June 1, 2024.

15       SECTION 4. This Act takes effect September 1, 2023.