

Senate File 2293

H-8315

1 Amend Senate File 2293, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 1, before line 1 by inserting:

4 <Section 1. NEW SECTION. 103A.71 Residential
5 contractors.

6 1. As used in this section:

7 a. "*Catastrophe*" means a natural occurrence
8 including but not limited to fire, earthquake, tornado,
9 windstorm, flood, or hail storm, which damages or
10 destroys residential real estate.

11 b. "*Residential contractor*" means a person in
12 the business of contracting to repair or replace
13 residential roof systems or perform any other
14 exterior repair, exterior replacement, or exterior
15 reconstruction work resulting from a catastrophe
16 on residential real estate or a person offering to
17 contract with an owner or possessor of residential real
18 estate to carry out such work.

19 c. "*Residential real estate*" means a new or existing
20 building, including a detached garage, constructed for
21 habitation by one to four families.

22 d. "*Roof system*" includes roof coverings, roof
23 sheathing, roof weatherproofing, and roof insulation.

24 2. A residential contractor shall not advertise
25 or promise to rebate any insurance deductible or
26 any portion thereof as an inducement to the sale of
27 goods or services. A promise to rebate any insurance
28 deductible includes granting any allowance or offering
29 any discount against the fees to be charged or paying
30 a person directly or indirectly associated with the
31 residential real estate any form of compensation,
32 except for items of nominal value. A residential
33 contractor may display a sign or any other type of
34 advertisement on a person's premises provided the
35 person consents to the display and the person receives
36 no compensation from the residential contractor for the
37 placement of the sign or advertising.

38 3. A residential contractor shall not represent
39 or negotiate on behalf of, or offer or advertise
40 to represent or negotiate on behalf of, an owner or
41 possessor of residential real estate on any insurance
42 claim in connection with the repair or replacement
43 of roof systems, or the performance of any other
44 exterior repair, exterior replacement, or exterior
45 reconstruction work on the residential real estate.

46 4. a. A residential contractor contracting to
47 provide goods or services to repair damage resulting
48 from a catastrophe shall provide the person with whom
49 it is contracting a fully completed duplicate notice in
50 at least ten-point bold type which shall contain the

1 following statement:

2 NOTICE OF BINDING CONTRACT

3 You are entering into a legally binding contract
4 with (insert name of residential contractor) to provide
5 goods and services to repair damage resulting from
6 a naturally occurring catastrophe including but not
7 limited to a fire, earthquake, tornado, windstorm,
8 flood, or hail storm. Except as described in the next
9 sentence, you are responsible for payment to (insert
10 name of residential contractor) for the cost of all
11 goods and services provided whether or not you receive
12 payment from any property and casualty insurance
13 policy with respect to the damage. Your contract
14 with (insert name of residential contractor) is void
15 and you have no responsibility for payment under the
16 contract if (insert name of residential contractor)
17 either advertises or promises to rebate all or any
18 portion of your insurance deductible, or represents or
19 negotiates, or offers to represent or negotiate, on
20 your behalf with your property and casualty insurance
21 company on any insurance claim relating to the damage
22 you have contracted to have repaired. Your signature
23 below acknowledges your understanding of these legal
24 obligations and rights.

25 _____
26 Date

27 _____
28 Signature

29 b. The notice shall be executed by the person with
30 whom the residential contractor is contracting prior to
31 or contemporaneously with entering into the contract.

32 5. A contract entered into with a residential
33 contractor is void if the residential contractor
34 violates subsection 2, 3, or 4.

35 6. A residential contractor violating this section
36 is subject to the penalties and remedies prescribed by
37 this chapter.

38 7. This section shall not be construed to alter
39 or affect the rights and duties prescribed in chapter
40 555A.>

41 2. Page 21, after line 18 by inserting:

42 <Sec. ____. APPLICABILITY. The section of this Act
43 enacting section 103A.71 applies to contracts entered
44 into on or after July 1, 2012.>

45 3. Title page, line 3, after <date> by inserting
46 <and applicability>

47 4. By renumbering as necessary.

BALTIMORE of Boone
