



Senate

General Assembly

File No. 240

February Session, 2000

Substitute Senate Bill No. 366

Senate, March 27, 2000

The Committee on General Law reported through SEN. COLAPIETRO of the 31st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

An Act Concerning Home Improvement Contracts.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 20-429 of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 (a) No home improvement contract shall be valid or enforceable
4 against an owner unless it: (1) Is in writing, (2) is signed by the owner
5 and the contractor, (3) contains the entire agreement between the
6 owner and the contractor, (4) contains the date of the transaction, (5)
7 contains the name and address of the contractor, (6) contains a notice
8 of the owner's cancellation rights in accordance with the provisions of
9 chapter 740, (7) contains a starting date and completion date, (8)
10 contains a statement in plain language regarding any financing
11 provided by the contractor, and [(8)] (9) is entered into by a registered
12 [salesman] salesperson or registered contractor. Each change in the
13 terms and conditions of a contract shall be in writing and shall be
14 signed by the owner and contractor, except that the commissioner

15 may, by regulation, dispense with the necessity for complying with the
16 requirement that each change in a home improvement contract shall be
17 in writing and signed by the owner and contractor.

18 (b) No home improvement contract shall be valid if it includes any
19 provision obligating the owner to instruct the home improvement
20 contractor, by a date determined by such contractor, that periodic
21 home improvements are not to be performed unless it also includes a
22 provision requiring the contractor to remind the owner of that
23 obligation by means of a card or letter mailed to the owner and
24 postmarked not earlier than twenty days, and not later than ten days,
25 prior to such date.

26 (c) No home improvement contract shall be valid if the contractor or
27 salesperson is a party to or signatory of any insurance settlement
28 resulting from a property loss by the owner related to the home
29 improvements to be performed.

30 [(c)] (d) The contractor shall provide and deliver to the owner,
31 without charge, a completed copy of the home improvement contract
32 at the time such contract is executed.

33 [(d)] (e) The commissioner may, by regulation, require the inclusion
34 of additional contractual provisions.

35 [(e)] (f) Each home improvement contract entered into shall be
36 considered a home solicitation sale pursuant to chapter 740 and shall
37 be subject to the requirements of said chapter regardless of the location
38 of the transaction or of the signing of the contract.

39 [(f)] (g) Nothing in this section shall preclude a contractor who has
40 complied with subdivisions (1), (2), (6), (7) and [(8)] (9) of subsection
41 (a) of this section from the recovery of payment for work performed
42 based on the reasonable value of services which were requested by the
43 owner, provided the court determines that it would be inequitable to

44 deny such recovery.

45 Sec. 2. Section 20-429a of the general statutes is repealed and the
46 following is substituted in lieu thereof:

47 (a) No contractor or [salesman] salesperson shall solicit or otherwise
48 endeavor to procure home improvement work or a home
49 improvement contract from an owner by notifying the owner that a
50 contractor will commence home improvement work unless the owner
51 instructs the contractor not to commence such work by a date
52 determined by the contractor.

53 (b) No contractor or salesperson shall solicit or otherwise endeavor
54 to procure home improvement work or a home improvement contract
55 from an owner if the contractor or salesperson is a party to or
56 signatory of any insurance settlement resulting from a property loss by
57 the owner related to the home improvements to be performed.

Statement of Legislative Commissioners:

"Salesman" was changed to "salesperson" in sections 1 (a), 1 (c), 2 (a) and 2 (b) for purposes of gender neutrality. In section 1 (a) "plain language statement" was changed to "statement in plain language" for clarity, and "if applicable" was deleted to avoid redundancy.

GL Committee Vote: Yea 15 Nay 0 JFS-LCO

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Affected Agencies: Department of Consumer Protection

Municipal Impact: None

Explanation

State Impact:

There is no fiscal impact resulting from passage of this bill.

OLR Bill Analysis

sSB 366

AN ACT CONCERNING HOME IMPROVEMENT CONTRACTS.**SUMMARY:**

This bill prohibits home improvement contractors and salesmen from soliciting a home improvement contract if the contractor or salesman is a party to, or signatory of, any insurance settlement resulting from a property loss relating to the home improvement to be performed under the contract. It makes any contract entered into under these circumstances invalid. Finally, it requires home improvement contracts to include a plain language statement about any financing provided by the contractor.

EFFECTIVE DATE: October 1, 2000

BACKGROUND***Home Improvement Contractors and Salesmen***

The law requires home improvement contractors and salesmen to register with the Department of Consumer Protection. It requires home improvement contracts, to be valid and enforceable in court against a homeowner, to (1) be written and signed by both parties, (2) state the contractor's name and address, (3) contain the entire agreement and the date of the transaction, (4) include a notice of a homeowner's three-day right to cancel, and (5) be entered into by a registered contractor or salesman.

COMMITTEE ACTION

General Law Committee

Joint Favorable Report

Yea 15 Nay 0

