



General Assembly

Amendment

February Session, 2016

LCO No. 4293



Offered by:

SEN. LEONE, 27th Dist.
SEN. CRISCO, 17th Dist.
REP. BARAM, 15th Dist.
REP. MEGNA, 97th Dist.

To: House Bill No. 5327

File No. 65

Cal. No. 374

"AN ACT REQUIRING CERTAIN RESIDENTIAL RESTORATION SERVICE PROVIDERS TO REGISTER AS HOME IMPROVEMENT CONTRACTORS."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Section 38a-313a of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective January 1, 2017*):

5 (a) (1) Prior to commencing any repair, remediation or mitigation
6 pursuant to a loss occurring on or after [October 1, 2013] January 1,
7 2017, under a personal risk insurance policy, as defined in section 38a-
8 663, or a commercial risk policy, as defined in section 38a-663, the
9 person who will perform the repair, remediation or mitigation shall:

10 (A) Provide an insured with a written notice that indicates the scope
11 of the work to be completed and the estimated total price. Such notice
12 shall not be required for [(i)] any repair of an automobile that is subject

13 to this chapter; [, or (ii) any repair that is subject to chapter 400; and]

14 (B) Include, in any contract or document in connection with such
15 repair, remediation or mitigation that authorizes an insurer to make a
16 payment directly to the person performing such repair, remediation or
17 mitigation, a provision that discloses to the signatory, in not less than
18 twelve-point type immediately above the signature line, that the
19 insured has the right to be named as a joint payee on the payment
20 instrument; and

21 (C) Include, in any contract or document in connection with such
22 repair, remediation or mitigation, if (i) such contract or document is
23 subject to chapter 740, and (ii) such repair, remediation or mitigation is
24 to be performed to meet a bona fide immediate personal emergency of
25 the insured, a provision that discloses that the insured may waive the
26 right to cancel within three business days pursuant to chapter 740 by
27 providing to the person performing the repair, remediation or
28 mitigation a separate dated and signed personal statement in the
29 insured's handwriting describing the bona fide personal emergency
30 requiring immediate remedy and expressly acknowledging and
31 waiving the right to cancel within three business days.

32 (2) No such contract or document shall include any provision that
33 creates a power of attorney or waives the signatory's or insured's legal
34 rights against the person performing such repair, remediation or
35 mitigation.

36 (b) If the person performing the repair, remediation or mitigation or
37 a contract or document in connection with such repair, remediation or
38 mitigation fails to comply with the requirements set forth in subsection
39 (a) of this section, any contract between such person and such insured
40 for, or document in connection with, such repair, remediation or
41 mitigation shall be void.

42 (c) As used in this section, "remediation" includes, but is not limited
43 to, cleaning services.

44 Sec. 502. Subsection (a) of section 20-429 of the general statutes is
45 repealed and the following is substituted in lieu thereof (*Effective*
46 *January 1, 2017*):

47 (a) ~~(1) (A)~~ No home improvement contract shall be valid or
48 enforceable against an owner unless it: ~~[(1)] (i)~~ Is in writing, ~~[(2)] (ii)~~ is
49 signed by the owner and the contractor, ~~[(3)] (iii)~~ contains the entire
50 agreement between the owner and the contractor, ~~[(4)] (iv)~~ contains the
51 date of the transaction, ~~[(5)] (v)~~ contains the name and address of the
52 contractor and the contractor's registration number, ~~[(6)] (vi)~~ contains a
53 notice of the owner's cancellation rights in accordance with the
54 provisions of chapter 740, ~~[(7)] (vii)~~ contains a starting date and
55 completion date, ~~[(8)] (viii)~~ is entered into by a registered salesman or
56 registered contractor, and ~~[(9)] (ix)~~ includes a provision disclosing each
57 corporation, limited liability company, partnership, sole proprietorship
58 or other legal entity, which is or has been a home improvement
59 contractor pursuant to the provisions of this chapter or a new home
60 construction contractor pursuant to the provisions of chapter 399a, in
61 which the owner or owners of the home improvement contractor are
62 or have been a shareholder, member, partner, or owner during the
63 previous five years.

64 ~~(B)~~ Each change in the terms and conditions of a contract shall be in
65 writing and shall be signed by the owner and contractor, except that
66 the commissioner may, by regulation, dispense with the necessity for
67 complying with the requirement that each change in a home
68 improvement contract shall be in writing and signed by the owner and
69 contractor.

70 (2) A contract for repair, remediation or mitigation as set forth in
71 section 38a-313a, as amended by this act, shall conform to the
72 requirements set forth in subparagraph (A) of subdivision (1) of this
73 subsection and section 38a-313a, as amended by this act."

This act shall take effect as follows and shall amend the following sections:

Sec. 501	<i>January 1, 2017</i>	38a-313a
Sec. 502	<i>January 1, 2017</i>	20-429(a)