

**AN ACT CONCERNING NEW HOME CONSTRUCTION
CONTRACTORS AND HOME IMPROVEMENT CONTRACTORS.**

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

1 Section 1. Section 20-417b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2021*):

3 (a) No person shall engage in the business of new home construction
4 or hold himself or herself out as a new home construction contractor
5 unless such person has been issued a certificate of registration by the
6 commissioner in accordance with the provisions of sections 20-417a to
7 20-417j, inclusive, as amended by this act. No new home construction
8 contractor shall be relieved of responsibility for the conduct and acts of
9 its agents, employees or officers by reason of such new home
10 construction contractor's compliance with the provisions of sections 20-
11 417a to 20-417j, inclusive, as amended by this act.

12 (b) Any person seeking a certificate of registration shall apply to the
13 commissioner, [in writing] online, on a form provided by the
14 commissioner. The application shall include (1) the applicant's name,
15 business street address and business telephone number, (2) the identity
16 of the insurer that provides the applicant with insurance coverage for
17 liability, (3) if such applicant is required by any provision of the general
18 statutes to have workers' compensation coverage, the identity of the
19 insurer that provides the applicant with such workers' compensation
20 coverage, and (4) if such applicant is required by any provision of the
21 general statutes to have an agent for service of process, the name and
22 address of such agent. Each such application shall be accompanied by a

23 fee of [two] one hundred [forty] twenty dollars, except that no such
24 application fee shall be required if such person has paid the registration
25 fee required under section 20-421, as amended by this act, during any
26 year in which such person's registration as a new home construction
27 contractor would be valid.

28 (c) Certificates issued to new home construction contractors shall not
29 be transferable or assignable, except when the holder of a certificate,
30 who is engaged in the business, changes the name or form of such
31 business.

32 (d) All certificates issued under the provisions of sections 20-417a to
33 20-417j, inclusive, as amended by this act, shall expire [biennially]
34 annually. The fee for renewal of a certificate shall be the same as the fee
35 charged for an original application, except that no renewal fee is due if
36 a person seeking renewal of a certificate has paid the registration fee
37 under section 20-427, as amended by this act, during any year in which
38 such person's registration as a new home construction contractor would
39 be valid.

40 (e) All certificates issued under the provisions of this chapter shall
41 expire [biennially and may be renewed by the applicant not later than
42 six months after the expiration date of such certificate] annually on the
43 thirty-first day of March. The fee for renewal of a certificate shall be the
44 same as charged for the original application. [but shall be charged on a
45 pro rata basis, based upon the application date for such renewal.]

46 (f) Failure to receive a notice of expiration or a renewal application
47 shall not exempt a new home construction contractor from the
48 obligation to renew.

49 (g) The holder of a certificate of registration issued by the
50 commissioner in accordance with the provisions of sections 20-417a to
51 20-417j, inclusive, as amended by this act, may opt to engage in home
52 improvement, as defined in section 20-419, as amended by this act. If a
53 new home construction contractor does opt to engage in such home
54 improvement, such new home construction contractor shall first notify

55 the commissioner in writing and shall pay to the Department of
56 Consumer Protection all the Home Improvement Guaranty Fund fees
57 due pursuant to section 20-432, as amended by this act.

58 Sec. 2. (NEW) (*Effective July 1, 2021*) (a) (1) A contract, as defined in
59 section 20-417a of the general statutes, shall not be valid or enforceable
60 against a consumer unless it: (A) Is in writing, (B) is signed by the new
61 home construction contractor and the consumer, (C) contains the entire
62 agreement between the new home construction contractor and the
63 consumer, (D) contains the date of the transaction, (E) contains the name
64 and address of the new home construction contractor and the
65 contractor's registration number, (F) contains a starting date and
66 completion date, (G) is entered into by a registered new home
67 construction contractor, and (H) includes a provision disclosing each
68 corporation, limited liability company, partnership, sole proprietorship
69 or other legal entity, which is or has been a new home construction
70 contractor pursuant to the provisions of chapter 399a of the general
71 statutes, in which the owner or owners of the new home construction
72 contractor are or have been a shareholder, member, partner or owner
73 during the previous five years.

74 (2) Each change in the terms and conditions of a contract, as defined
75 in section 20-417a of the general statutes, shall be in writing and shall be
76 signed by the new home construction contractor and the consumer,
77 except that the commissioner may, by regulation, dispense with the
78 necessity for complying with the provisions of this subdivision.

79 (b) The new home construction contractor shall provide and deliver
80 to the consumer, without charge, a completed copy of the new home
81 construction contract at the time such contract is executed.

82 (c) The commissioner may, by regulation, require the inclusion of
83 additional contractual provisions for contracts, as defined in section 20-
84 417a of the general statutes.

85 (d) Each contract, as defined in section 20-417a of the general statutes,
86 in which the consumer agrees to repay the new home construction

87 contractor an amount loaned or advanced to the consumer by the
88 contractor for the purposes of paying for the goods and services or real
89 estate provided in such contract, or which contains a finance charge, (1)
90 shall set forth the information required to be disclosed pursuant to the
91 Truth-in-Lending Act, sections 36a-675 to 36a-685, inclusive, of the
92 general statutes, (2) shall allow the consumer to pay off in advance the
93 full amount due and obtain a partial refund of any unearned finance
94 charge, and (3) may contain a finance charge set at a rate of not more
95 than the rate allowed for loans pursuant to section 37-4 of the general
96 statutes. As used in this subsection, "finance charge" means the amount
97 in excess of the cash price for goods, services and real estate under the
98 new home construction contract to be paid by the consumer for the
99 privilege of paying the contract price in installments over a period of
100 time.

101 (e) Nothing in this section shall preclude a new home construction
102 contractor who has complied with subparagraphs (A), (B), (F) and (G)
103 of subdivision (1) of subsection (a) of this section from the recovery of
104 payment for work performed based on the reasonable value of services
105 which were requested by the consumer, provided the court determines
106 that it would be inequitable to deny such recovery.

107 Sec. 3. Section 20-417i of the general statutes is repealed and the
108 following is substituted in lieu thereof (*Effective July 1, 2021*):

109 (a) The commissioner shall establish and maintain the New Home
110 Construction Guaranty Fund.

111 (b) Each person who receives a certificate pursuant to sections 20-
112 417a to 20-417j, inclusive, as amended by this act, shall pay a fee of [four]
113 three hundred [eighty] forty dollars [biennially] annually to the [fund]
114 New Home Construction Guaranty Fund. Such [fee] fees shall be
115 payable with the fee for an application for a certificate or renewal of a
116 certificate.

117 (c) (1) For fiscal years commencing on or after July 1, 2003, payments
118 received under subsection (b) of this section shall be credited to the New

119 Home Construction Guaranty Fund until the balance in the fund equals
120 seven hundred fifty thousand dollars. Annually, if the balance in the
121 fund exceeds seven hundred fifty thousand dollars, the first three
122 hundred thousand dollars of the excess shall be deposited in the
123 consumer protection enforcement account established in section 21a-8a.
124 On June 1, 2004, and each June first thereafter, if the balance in the fund
125 exceeds seven hundred fifty thousand dollars, the excess shall be
126 deposited in the General Fund.

127 (2) Any money in the New Home Construction Guaranty Fund may
128 be invested or reinvested in the same manner as funds of the state
129 employees retirement system and the interest arising from such
130 investments shall be credited to the fund.

131 (d) Beginning October 1, 2000, whenever a consumer obtains a
132 binding arbitration decision, a court judgment, order or decree against
133 or regarding any new home construction contractor holding a certificate
134 or who has held a certificate under sections 20-417a to 20-417j, inclusive,
135 as amended by this act, within [the past] two years of the date of
136 entering into the contract with the consumer, for loss or damages
137 sustained by reason of any violation of the provisions of sections 20-417a
138 to 20-417j, inclusive, as amended by this act, by a person holding a
139 certificate under said sections, such consumer may, upon the final
140 determination of, or expiration of time for taking, an appeal in
141 connection with any such decision, judgment, order or decree, apply to
142 the commissioner for an order directing payment out of the New Home
143 Construction Guaranty Fund of the amount, not exceeding thirty
144 thousand dollars, unpaid upon the decision, judgment, order or decree
145 for actual damages and costs taxed by the court against such contractor,
146 exclusive of punitive damages. The application shall be made on forms
147 provided by the commissioner and shall be accompanied by a copy of
148 the decision, court judgment, order or decree obtained against the new
149 home construction contractor together with a [notarized affidavit,]
150 statement signed and sworn to by the consumer, affirming that the
151 consumer has: (1) Complied with all the requirements of this subsection;
152 (2) obtained a decision, judgment, order or decree stating the amount of

153 the decision, judgment, order or decree and the amount owing on the
154 decision, judgment, order or decree at the date of application; and (3)
155 made a good faith effort to satisfy any such decision, judgment, order or
156 decree in accordance with the provisions of chapter 906 which effort
157 may include causing to be issued a writ of execution upon such decision,
158 judgment, order or decree but the officer executing the same has made
159 a return showing that no bank accounts or personal property of such
160 contractor liable to be levied upon in satisfaction of the decision,
161 judgment, order or decree could be found, or that the amount realized
162 on the sale of them or of such of them as were found, under the
163 execution, was insufficient to satisfy the actual damage portion of the
164 decision, judgment, order or decree or stating the amount realized and
165 the balance remaining due on the decision, judgment, order or decree
166 after application on the decision, judgment, order or decree of the
167 amount realized, except that the requirements of this subdivision shall
168 not apply to a judgment, order or decree obtained by the consumer in
169 small claims court. A true and attested copy of such executing officer's
170 return, when required, shall be attached to such application. [and
171 affidavit.] Whenever the consumer satisfies the commissioner or the
172 commissioner's designee that it is not practicable to comply with the
173 requirements of subdivision (3) of this subsection and that the consumer
174 has taken all reasonable steps to collect the amount of the decision,
175 judgment, order or decree or the unsatisfied part of the decision,
176 judgment, order or decree and has been unable to collect the same, the
177 commissioner or the commissioner's designee may, in the
178 commissioner's or the commissioner's designee's discretion, dispense
179 with the necessity for complying with such requirement. No application
180 for an order directing payment out of the fund shall be made later than
181 two years from the final determination of, or expiration of time for
182 taking, an appeal of such decision, court judgment, order or decree and
183 no such application shall be for an amount in excess of thirty thousand
184 dollars.

185 (e) Upon receipt of such application together with such copy of the
186 decision, court judgment, order or decree, [notarized affidavit]
187 statement and, except as otherwise provided in subsection (d) of this

188 section, true and attested copy of the executing officer's return, the
189 commissioner or the commissioner's designee shall inspect such
190 documents for their veracity and upon a determination that such
191 documents are complete and authentic and that the consumer has not
192 been paid, the commissioner shall order payment out of the New Home
193 Construction Guaranty Fund of the amount not exceeding thirty
194 thousand dollars unpaid upon the decision, judgment, order or decree
195 for actual damages and costs taxed by the court against the contractor,
196 exclusive of punitive damages.

197 (f) Beginning October 1, 2000, whenever a consumer is awarded an
198 order of restitution against any new home construction contractor for
199 loss or damages sustained as a result of any violation of the provisions
200 of sections 20-417a to 20-417j, inclusive, as amended by this act, by a
201 person holding a certificate or who has held a certificate under said
202 sections within [the past] two years of the date of entering into the
203 contract with the consumer, in (1) a proceeding brought by the
204 commissioner pursuant to subsection (h) of this section or subsection (d)
205 of section 42-110d, (2) a proceeding brought by the Attorney General
206 pursuant to subsection (a) of section 42-110m or subsection (d) of section
207 42-110d, or (3) a criminal proceeding pursuant to section 20-417e, such
208 consumer may, upon the final determination of, or expiration of time for
209 taking, an appeal in connection with any such order of restitution, apply
210 to the commissioner for an order directing payment out of the New
211 Home Construction Guaranty Fund of the amount not exceeding thirty
212 thousand dollars unpaid upon the order of restitution. The
213 commissioner may issue such order upon a determination that the
214 consumer has not been paid.

215 (g) Before the commissioner may issue any order directing payment
216 out of the New Home Construction Guaranty Fund to a consumer
217 pursuant to subsection (e) or (f) of this section, the commissioner shall
218 first notify the new home construction contractor of the consumer's
219 application for an order directing payment out of the fund and of the
220 new home construction contractor's right to a hearing to contest the
221 disbursement in the event that such contractor has already paid the

222 consumer. Such notice shall be given to the new home construction
223 contractor not later than fifteen days after receipt by the commissioner
224 of the consumer's application for an order directing payment out of the
225 fund. If the new home construction contractor requests a hearing, in
226 writing, by certified mail not later than fifteen days after receiving the
227 notice from the commissioner, the commissioner shall grant such
228 request and shall conduct a hearing in accordance with the provisions
229 of chapter 54. If the commissioner does not receive a written request for
230 a hearing by certified mail from the new home construction contractor
231 on or before the fifteenth day from the contractor's receipt of such notice,
232 the commissioner shall conclude that the consumer has not been paid,
233 and the commissioner shall issue an order directing payment out of the
234 fund for the amount not exceeding thirty thousand dollars unpaid upon
235 the judgment, order or decree for actual damages and costs taxed by the
236 court against the new home construction contractor, exclusive of
237 punitive damages, or for the amount not exceeding thirty thousand
238 dollars unpaid upon the order of restitution.

239 (h) The commissioner or the commissioner's designee may proceed
240 against any new home construction contractor holding a certificate or
241 who has held a certificate under sections 20-417a to 20-417j, inclusive, as
242 amended by this act, within [the past] two years of the effective date of
243 entering into the contract with the consumer, for an order of restitution
244 arising from loss or damages sustained by any consumer as a result of
245 any violation of the provisions of said sections 20-417a to 20-417j,
246 inclusive, as amended by this act. Any such proceeding shall be held in
247 accordance with the provisions of chapter 54. In the course of such
248 proceeding, the commissioner or the commissioner's designee shall
249 decide whether to (1) exercise the powers specified in section 20-417c,
250 as amended by this act, (2) order restitution arising from loss or
251 damages sustained by any consumer as a result of any violation of the
252 provisions of sections 20-417a to 20-417j, inclusive, as amended by this
253 act, and (3) order payment out of the New Home Construction Guaranty
254 Fund. Notwithstanding the provisions of chapter 54, the decision of the
255 commissioner or the commissioner's designee shall be final with respect
256 to any proceeding to order payment out of the fund and the

257 commissioner and the commissioner's designee shall not be subject to
258 the requirements of chapter 54 as such requirements relate to an appeal
259 from any such decision. The commissioner or the commissioner's
260 designee may hear complaints of all consumers submitting claims
261 against a single new home construction contractor in one proceeding.

262 (i) No application for an order directing payment out of the New
263 Home Construction Guaranty Fund shall be made later than two years
264 from the final determination of, or expiration of time for, an appeal in
265 connection with any judgment, order or decree of restitution, and no
266 such application shall be for an amount in excess of thirty thousand
267 dollars.

268 (j) In order to preserve the integrity of the New Home Construction
269 Guaranty Fund, the commissioner, in the commissioner's sole
270 discretion, may order payment out of the fund of an amount less than
271 the actual loss or damages incurred by the consumer or less than the
272 order of restitution awarded by the commissioner or the Superior Court.
273 In no event shall any payment out of the fund be in excess of thirty
274 thousand dollars for any single claim by a consumer.

275 (k) If the money deposited in the New Home Construction Guaranty
276 Fund is insufficient to satisfy any duly authorized claim or portion of a
277 claim, the commissioner shall, when sufficient money has been
278 deposited in the fund, satisfy such unpaid claims or portions of claims
279 not exceeding thirty thousand dollars, in the order that such claims or
280 portions of claims were originally determined.

281 (l) Whenever the commissioner has caused any sum to be paid from
282 the New Home Construction Guaranty Fund to a consumer, the
283 commissioner shall be subrogated to all of the rights of the consumer up
284 to the amount paid plus reasonable interest, and prior to receipt of any
285 payment from the fund, the consumer shall assign all of the consumer's
286 right, title and interest in the claim up to such amount to the
287 commissioner, and any amount and interest recovered by the
288 commissioner on the claim shall be deposited in the fund.

289 (m) If the commissioner orders the payment of any amount as a result
290 of a claim against a new home construction contractor, the
291 commissioner shall determine if such contractor is possessed of assets
292 liable to be sold or applied in satisfaction of the claim on the New Home
293 Construction Guaranty Fund. If the commissioner discovers any such
294 assets, the commissioner may request that the Attorney General take
295 any action necessary for the reimbursement of the fund.

296 (n) If the commissioner orders the payment of an amount as a result
297 of a claim against a new home construction contractor, the
298 commissioner may, after notice and hearing in accordance with the
299 provisions of chapter 54, revoke the certificate of such contractor and
300 such contractor shall not be eligible to receive a new or renewed
301 certificate until such contractor has repaid such amount in full, plus
302 interest from the time such payment is made from the New Home
303 Construction Guaranty Fund, at a rate to be in accordance with section
304 37-3b, except that the commissioner may, in the commissioner's sole
305 discretion, permit a new home construction contractor to receive a new
306 or renewed certificate after such contractor has entered into an
307 agreement with the commissioner whereby such contractor agrees to
308 repay the fund in full in the form of periodic payments over a set period
309 of time. Any such agreement shall include a provision providing for the
310 summary suspension of any and all certificates held by the new home
311 construction contractor if payment is not made in accordance with the
312 terms of the agreement.

313 Sec. 4. Section 20-419 of the general statutes is repealed and the
314 following is substituted in lieu thereof (*Effective July 1, 2021*):

315 As used in this chapter, unless the context otherwise requires:

316 (1) "Certificate" means a certificate of registration issued under
317 section 20-422.

318 (2) "Commissioner" means the Commissioner of Consumer
319 Protection or any person designated by the commissioner to administer
320 and enforce this chapter.

321 (3) "Contractor" means any person who owns and operates a home
322 improvement business or who undertakes, offers to undertake or agrees
323 to perform any home improvement. "Contractor" does not include a
324 person for whom the total price of all of his home improvement
325 contracts with all of his customers does not exceed one thousand dollars
326 during any period of twelve consecutive months.

327 (4) "Home improvement" includes, but is not limited to, the repair,
328 replacement, remodeling, alteration, conversion, modernization,
329 improvement, rehabilitation or sandblasting of, or addition to any land
330 or building or that portion thereof which is used or designed to be used
331 as a private residence, dwelling place or residential rental property, or
332 the construction, replacement, installation or improvement of alarm
333 systems not requiring electrical work as defined by section 20-330,
334 driveways, swimming pools, porches, garages, roofs, siding, insulation,
335 sunrooms, flooring, patios, landscaping, fences, doors and windows,
336 waterproofing, water, fire or storm restoration or mold remediation in
337 connection with such land or building or that portion thereof which is
338 used or designed to be used as a private residence, dwelling place or
339 residential rental property or the removal or replacement of a residential
340 underground heating oil storage tank system, in which the total price
341 for all work agreed upon between the contractor and owner or proposed
342 or offered by the contractor exceeds two hundred dollars. "Home
343 improvement" does not include: (A) The construction of a new home;
344 (B) the sale of goods by a seller who neither arranges to perform nor
345 performs, directly or indirectly, any work or labor in connection with
346 the installation or application of the goods or materials; (C) the sale of
347 goods or services furnished for commercial or business use or for resale,
348 provided commercial or business use does not include use as residential
349 rental property; (D) the sale of appliances, such as stoves, refrigerators,
350 freezers, room air conditioners and others which are designed for and
351 are easily removable from the premises without material alteration
352 thereof; [and] (E) tree cutting or the grinding of tree stumps or shrubs;
353 and (F) any work performed without compensation by the owner on his
354 own private residence or residential rental property.

355 (5) "Home improvement contract" means an agreement between a
356 contractor and an owner for the performance of a home improvement.

357 (6) "Owner" means a person who owns or resides in a private
358 residence and includes any agent thereof, including, but not limited to,
359 a condominium association. An owner of a private residence shall not
360 be required to reside in such residence to be deemed an owner under
361 this subdivision.

362 (7) "Person" means an individual, partnership, limited liability
363 company or corporation.

364 (8) "Private residence" means a single family dwelling, a multifamily
365 dwelling consisting of not more than six units, or a unit, common
366 element or limited common element in a condominium, as defined in
367 section 47-68a, or in a common interest community, as defined in section
368 47-202, or any number of condominium units for which a condominium
369 association acts as an agent for such unit owners.

370 (9) "Salesman" means any individual who (A) negotiates or offers to
371 negotiate a home improvement contract with an owner, or (B) solicits or
372 otherwise endeavors to procure by any means whatsoever, directly or
373 indirectly, a home improvement contract from an owner on behalf of a
374 contractor.

375 (10) "Residential rental property" means a single family dwelling, a
376 multifamily dwelling consisting of not more than six units, or a unit,
377 common element or limited common element in a condominium, as
378 defined in section 47-68a, or in a common interest community, as
379 defined in section 47-202, which is not owner-occupied.

380 (11) "Residential underground heating oil storage tank system"
381 means an underground storage tank system used with or without
382 ancillary components in connection with real property composed of
383 four or less residential units.

384 (12) "Underground storage tank system" means an underground tank
385 or combination of tanks, with any underground pipes or ancillary

386 equipment or containment systems connected to such tank or tanks,
387 used to contain an accumulation of petroleum, which volume is ten per
388 cent or more beneath the surface of the ground.

389 Sec. 5. Section 20-420a of the general statutes is repealed and the
390 following is substituted in lieu thereof (*Effective July 1, 2021*):

391 (a) No corporation shall perform or offer to perform home
392 improvements in this state unless such corporation has been issued a
393 certificate of registration by the commissioner. No such corporation
394 shall be relieved of responsibility for the conduct and acts of its agents,
395 employees or officers by reason of its compliance with the provisions of
396 this section, nor shall any individual contractor be relieved of
397 responsibility for home improvements performed by reason of his
398 employment or relationship with such corporation.

399 (b) A qualifying corporation desiring a certificate of registration shall
400 apply to the commissioner, [in writing] online, on a form provided by
401 the commissioner. The application shall (1) state the name and address
402 of such corporation, the city or town and the street and number where
403 such corporation is to maintain its principal place of business in this
404 state [] and the names and addresses of officers; [] and (2) contain a
405 statement that one or more individuals who shall direct, supervise or
406 perform home improvements for such corporation are registered home
407 improvement contractors and such other information as the
408 commissioner may require.

409 (c) Any certificate issued by the commissioner pursuant to this
410 section may be revoked, [or] suspended, or have conditions placed upon
411 the holder of the certificate by the commissioner after notice and hearing
412 in accordance with the provisions of chapter 54 concerning contested
413 cases, if it is shown that the holder of such certificate has not conformed
414 to the requirements of this chapter, that the certificate was obtained
415 through fraud or misrepresentation or that the contractor of record
416 employed by or acting on behalf of such corporation has had his
417 certificate of registration suspended or revoked by the commissioner.
418 The commissioner may refuse to issue or renew a certificate if any facts

419 exist which would entitle the commissioner to suspend or revoke an
420 existing certificate.

421 (d) Each such corporation shall file with the commissioner upon
422 application or renewal thereof a designation of an individual or
423 individuals registered to perform home improvements in this state who
424 shall direct or supervise the performance of home improvements by
425 such corporation in this state. Such corporation shall notify the
426 commissioner of any change in such designation within thirty days after
427 such change becomes effective.

428 (e) Each such corporation shall file with the commissioner upon
429 application or renewal thereof a certificate of good standing issued by
430 the office of the Secretary of the State. Such corporation shall notify the
431 commissioner of any change in corporate good standing within thirty
432 days after such change becomes effective.

433 Sec. 6. Subsection (a) of section 20-421 of the general statutes is
434 repealed and the following is substituted in lieu thereof (*Effective July 1,*
435 *2021*):

436 (a) Any person seeking a certificate of registration shall apply to the
437 commissioner [in writing] online, on a form provided by the
438 commissioner. The application shall include the applicant's name,
439 residence address, business address, business telephone number and
440 such other information as the commissioner may require.

441 Sec. 7. Subsection (e) of section 20-427 of the general statutes is
442 repealed and the following is substituted in lieu thereof (*Effective July 1,*
443 *2021*):

444 (e) Certificates issued to home improvement contractors or salesmen
445 shall not be transferable or assignable, except when the holder of the
446 certificate changes only the name or type of business entity of such
447 business.

448 Sec. 8. Section 20-432 of the general statutes is repealed and the
449 following is substituted in lieu thereof (*Effective July 1, 2021*):

450 (a) The commissioner shall establish and maintain the Home
451 Improvement Guaranty Fund.

452 (b) Each salesman who receives a certificate pursuant to this chapter
453 shall pay a fee of forty dollars annually. Each contractor who receives a
454 certificate pursuant to this chapter shall pay a fee of one hundred dollars
455 annually to the guaranty fund. Such fee shall be payable with the fee for
456 an application for a certificate or renewal thereof. The annual fee for a
457 contractor who receives a certificate of registration as a home
458 improvement contractor acting solely as the contractor of record for a
459 corporation shall be waived, provided the contractor of record shall use
460 such registration for the sole purpose of directing, supervising or
461 performing home improvements for such corporation.

462 (c) Payments received under subsection (b) of this section shall be
463 credited to the guaranty fund until the balance in such fund equals
464 seven hundred fifty thousand dollars. Annually, if the balance in the
465 fund exceeds seven hundred fifty thousand dollars, the first four
466 hundred thousand dollars of the excess shall be deposited into the
467 consumer protection enforcement account established in section 21a-8a.
468 Any excess thereafter shall be deposited in the General Fund. Any
469 money in the guaranty fund may be invested or reinvested in the same
470 manner as funds of the state employees retirement system, and the
471 interest arising from such investments shall be credited to the guaranty
472 fund.

473 (d) Whenever an owner obtains a binding arbitration decision, a court
474 judgment, order or decree against any contractor holding a certificate or
475 who has held a certificate under this chapter within [the past] two years
476 of the effective date of entering into the contract with the owner, for loss
477 or damages sustained by reason of performance of or offering to
478 perform a home improvement within this state by a contractor holding
479 a certificate under this chapter, such owner may, upon the final
480 determination of, or expiration of time for, taking an appeal in
481 connection with any such decision, judgment, order or decree, apply to
482 the commissioner for an order directing payment out of said guaranty

483 fund of the amount unpaid upon the decision, judgment, order or
484 decree, for actual damages and costs taxed by the court against the
485 contractor, exclusive of punitive damages. The application shall be
486 made on forms provided by the commissioner and shall be
487 accompanied by a copy of the decision, court judgment, order or decree
488 obtained against the contractor. [together with a notarized affidavit,
489 signed and sworn to by the owner, affirming that: (1) He or she has
490 complied with all the requirements of this subsection; (2) he or she has
491 obtained a judgment, order or decree, stating the amount thereof and
492 the amount owing thereon at the date of application; and (3) he or she
493 has caused to be issued a writ of execution upon said judgment, order
494 or decree and the officer executing the same has made a return showing
495 that no bank accounts or personal property of the contractor liable to be
496 levied upon in satisfaction of the judgment, order or decree could be
497 found, or that the amount realized on the sale of them or of such of them
498 as were found, under the execution, was insufficient to satisfy the actual
499 damage portion of the judgment, order or decree or stating the amount
500 realized and the balance remaining due on the judgment, order or
501 decree after application thereon of the amount realized, except that the
502 requirements of this subdivision shall not apply to a judgment, order or
503 decree obtained by the owner in small claims court.] A true and attested
504 copy of said executing officer's return, when required, shall be attached
505 to such application. [and affidavit.] No application for an order directing
506 payment out of the guaranty fund shall be made later than two years
507 after the final determination of, or expiration of time for, taking an
508 appeal of said decision, court judgment, order or decree.

509 (e) Upon receipt of said application together with said copy of the
510 decision, court judgment, order or decree, [notarized affidavit] and true
511 and attested copy of the executing officer's return, the commissioner or
512 his designee shall inspect such documents for their veracity and upon a
513 determination that such documents are complete and authentic, and a
514 determination that the owner has not been paid, the commissioner shall
515 order payment out of the guaranty fund of the amount unpaid upon the
516 decision, judgment, order or decree for actual damages and costs taxed
517 by the court against the contractor, exclusive of punitive damages.

518 (f) Whenever an owner is awarded an order of restitution against any
519 contractor for loss or damages sustained by reason of performance of or
520 offering to perform a home improvement in this state by a contractor
521 holding a certificate or who has held a certificate under this chapter
522 within [the past] two years of the date of entering into the contract with
523 the owner, in a proceeding brought by the commissioner pursuant to
524 this section or subsection (d) of section 42-110d, or in a proceeding
525 brought by the Attorney General pursuant to subsection (a) of section
526 42-110m or subsection (d) of section 42-110d, or a criminal proceeding
527 pursuant to section 20-427, as amended by this act, such owner may,
528 upon the final determination of, or expiration of time for, taking an
529 appeal in connection with any such order of restitution, apply to the
530 commissioner for an order directing payment out of said guaranty fund
531 of the amount unpaid upon the order of restitution. The commissioner
532 may issue said order upon a determination that the owner has not been
533 paid.

534 (g) Before the commissioner may issue any order directing payment
535 out of the guaranty fund to an owner pursuant to subsections (e) or (f)
536 of this section, the commissioner shall first notify the contractor of the
537 owner's application for an order directing payment out of the guaranty
538 fund and of the contractor's right to a hearing to contest the
539 disbursement in the event that the contractor has already paid the owner
540 or is complying with a payment schedule in accordance with a court
541 judgment, order or decree. Such notice shall be given to the contractor
542 not later than fifteen days after receipt by the commissioner of the
543 owner's application for an order directing payment out of the guaranty
544 fund. If the contractor requests a hearing, in writing, by certified mail
545 not later than fifteen days after receiving the notice from the
546 commissioner, the commissioner shall grant such request and shall
547 conduct a hearing in accordance with the provisions of chapter 54. If the
548 commissioner does not receive a request by certified mail from the
549 contractor for a hearing not later than fifteen days after the contractor's
550 receipt of such notice, the commissioner shall determine that the owner
551 has not been paid, and the commissioner shall issue an order directing
552 payment out of the guaranty fund for the amount unpaid upon the

553 judgment, order or decree for actual damages and costs taxed by the
554 court against the contractor, exclusive of punitive damages, or for the
555 amount unpaid upon the order of restitution.

556 (h) The commissioner or his designee may proceed against any
557 contractor holding a certificate or who has held a certificate under this
558 chapter within the past two years of the effective date of entering into
559 the contract with the owner, for an order of restitution arising from loss
560 or damages sustained by any person by reason of such contractor's
561 performance of or offering to perform a home improvement in this state.
562 Any such proceeding shall be held in accordance with the provisions of
563 chapter 54. In the course of such proceeding, the commissioner or his
564 designee shall decide whether to exercise his powers pursuant to section
565 20-426; whether to order restitution arising from loss or damages
566 sustained by any person by reason of such contractor's performance or
567 offering to perform a home improvement in this state; and whether to
568 order payment out of the guaranty fund. Notwithstanding the
569 provisions of chapter 54, the decision of the commissioner or his
570 designee shall be final with respect to any proceeding to order payment
571 out of the guaranty fund and the commissioner and his designee shall
572 not be subject to the requirements of chapter 54 as they relate to appeal
573 from any such decision. The commissioner or his designee may hear
574 complaints of all owners submitting claims against a single contractor
575 in one proceeding.

576 (i) No application for an order directing payment out of the guaranty
577 fund shall be made later than two years from the final determination of,
578 or expiration of time for, appeal in connection with any decision,
579 judgment, order or decree of restitution.

580 (j) Whenever the owner satisfies the commissioner or his designee
581 that it is not practicable to comply with the requirements of [subdivision
582 (3) of] subsection (d) of this section and that the owner has taken all
583 reasonable steps to collect the amount of the decision, judgment, order
584 or decree or the unsatisfied part thereof and has been unable to collect
585 the same, the commissioner or his designee may in his discretion

586 dispense with the necessity for complying with such requirement.

587 (k) In order to preserve the integrity of the guaranty fund, the
588 commissioner, in the commissioner's sole discretion, may order
589 payment out of said fund of an amount less than the actual loss or
590 damages incurred by the owner or less than the order of restitution
591 awarded by the commissioner or the Superior Court. In no event shall
592 any payment out of said guaranty fund be in excess of [~~fifteen~~] twenty-
593 five thousand dollars for any single claim by an owner.

594 (l) If the money deposited in the guaranty fund is insufficient to
595 satisfy any duly authorized claim or portion thereof, the commissioner
596 shall, when sufficient money has been deposited in the fund, satisfy
597 such unpaid claims or portions thereof, in the order that such claims or
598 portions thereof were originally determined.

599 (m) Whenever the commissioner has caused any sum to be paid from
600 the guaranty fund to an owner, the commissioner shall be subrogated to
601 all of the rights of the owner up to the amount paid plus reasonable
602 interest, and prior to receipt of any payment from the guaranty fund,
603 the owner shall assign all of this right, title and interest in the claim up
604 to such amount to the commissioner, and any amount and interest
605 recovered by the commissioner on the claim shall be deposited to the
606 guaranty fund.

607 (n) If the commissioner orders the payment of any amount as a result
608 of a claim against a contractor, the commissioner shall determine if the
609 contractor is possessed of assets liable to be sold or applied in
610 satisfaction of the claim on the guaranty fund. If the commissioner
611 discovers any such assets, he may request that the Attorney General take
612 any action necessary for the reimbursement of the guaranty fund.

613 (o) If the commissioner orders the payment of an amount as a result
614 of a claim against a contractor, the commissioner may, after notice and
615 hearing in accordance with the provisions of chapter 54, revoke the
616 certificate of the contractor and the contractor shall not be eligible to
617 receive a new or renewed certificate until he has repaid such amount in

618 full, plus interest from the time said payment is made from the guaranty
619 fund, at a rate to be in accordance with section 37-3b, except that the
620 commissioner may, in his sole discretion, permit a contractor to receive
621 a new or renewed certificate after that contractor has entered into an
622 agreement with the commissioner whereby the contractor agrees to
623 repay the guaranty fund in full in the form of periodic payments over a
624 set period of time. Any such agreement shall include a provision
625 providing for the summary suspension of any and all certificates held
626 by the contractor if payment is not made in accordance with the terms
627 of the agreement.

628 Sec. 9. Section 20-417c of the general statutes is repealed and the
629 following is substituted in lieu thereof (*Effective July 1, 2021*):

630 The commissioner may revoke, suspend, [or] refuse to issue or renew,
631 or place conditions upon the renewal of any certificate issued pursuant
632 to sections 20-417a to 20-417j, inclusive, as amended by this act, or place
633 a registrant on probation or issue a letter of reprimand after notice and
634 hearing in accordance with the provisions of chapter 54 concerning
635 contested cases if it is shown that the holder of such certificate has: (1)
636 Failed to comply with any provision of sections 20-417a to 20-417j,
637 inclusive, as amended by this act, or any regulation adopted pursuant
638 to said sections; (2) obtained the certificate through fraud or
639 misrepresentation; (3) engaged in conduct of a character likely to
640 mislead, deceive or defraud the public or the commissioner; (4) engaged
641 in any untruthful or misleading advertising; (5) failed to reimburse the
642 New Home Construction Guaranty Fund established pursuant to
643 section 20-417i , as amended by this act, for any moneys paid to a
644 consumer pursuant to said section; (6) engaged in an unfair or deceptive
645 business practice under subsection (a) of section 42-110b; (7) failed to
646 timely complete any task, as specified in a written contract of sale; (8)
647 failed to remedy any violation of any provision of sections 47-116 to 47-
648 121, inclusive, or any regulation adopted pursuant to said sections; (9)
649 failed to remedy any violation of any provision of the State Building
650 Code; or (10) if applicable, failed to maintain its certificate of good
651 standing issued by the office of the Secretary of the State.

652 Sec. 10. Section 20-417j of the general statutes is repealed and the
653 following is substituted in lieu thereof (*Effective July 1, 2021*):

654 (a) Sections 20-417a to 20-417i, inclusive, as amended by this act, do
655 not apply to any of the following persons or organizations: (1) Any
656 person holding a current license as a real estate broker or salesperson
657 issued pursuant to chapter 392, provided such person engages only in
658 work for which such person is licensed under chapter 392; (2) any
659 person licensed or otherwise authorized under chapter 412 to sell or
660 place a mobile manufactured home, as defined in section 21-64, upon a
661 mobile manufactured home park or mobile manufactured space or lot,
662 both as defined in section 21-64, provided such person engages only in
663 work for which such person is licensed or otherwise authorized under
664 chapter 412; (3) any other person holding a professional or occupational
665 license, registration or certificate issued pursuant to the general statutes,
666 provided such person engages only in the work for which such person
667 is licensed, registered or certified; and (4) any new home construction
668 contractor who enters into one or more new home construction
669 contracts related to the same new home when such contract or contracts
670 in the aggregate with respect to that home has a total price for work or
671 services that is less than three thousand five hundred dollars.

672 (b) The commissioner shall reimburse the amount of the fees paid for
673 a certificate issued under section 20-417b, as amended by this act, and
674 the amount of fees paid into the New Home Construction Guaranty
675 Fund pursuant to section 20-417i, as amended by this act, if such person
676 for whom reimbursement is requested (1) is a person exempt from
677 registration as a new home construction contractor pursuant to
678 subsection (a) of this section, and (2) makes such request in writing to
679 the Department of Consumer Protection on a form supplied by the
680 department and such request is received by the department on or before
681 June 30, 2001.

682 Sec. 11. Section 20-420 of the general statutes is repealed and the
683 following is substituted in lieu thereof (*Effective July 1, 2021*):

684 (a) No person shall hold himself or herself out to be a contractor or

685 salesperson without first obtaining a certificate of registration from the
686 commissioner as provided in this chapter, except that an individual or
687 partner, or officer or director of a corporation registered as a contractor
688 shall not be required to obtain a salesperson's certificate, except as
689 provided in subsection (e) of this section. No certificate shall be given to
690 any person who holds himself or herself out to be a contractor that
691 performs radon mitigation unless such contractor provides evidence,
692 satisfactory to the commissioner, that the contractor is certified as a
693 radon mitigator by the National Radon Safety Board or the National
694 Environmental Health Association. No certificate shall be given to any
695 person who holds himself or herself out to be a contractor that performs
696 removal or replacement of any residential underground heating oil
697 storage tank system unless such contractor provides evidence,
698 satisfactory to the commissioner, that the contractor (1) has completed a
699 hazardous material training program approved by the Department of
700 Energy and Environmental Protection, and (2) has presented evidence
701 of liability insurance coverage of one million dollars.

702 (b) No contractor shall employ any salesman to procure business
703 from an owner unless the salesman is registered under this chapter.

704 (c) No individual shall act as a home improvement salesman for an
705 unregistered contractor.

706 (d) On and after July 1, 2008, a home improvement contractor shall
707 not perform gas hearth product work, as defined in subdivision (22) of
708 section 20-330, unless such home improvement contractor holds a
709 limited contractor or journeyman gas hearth installer license pursuant
710 to section 20-334f.

711 (e) A retail establishment shall apply for a certificate of registration if
712 it employs or otherwise compensates one or more salespersons whose
713 sales are made pursuant to negotiations initiated by prospective buyers
714 at or with a retail establishment that operates from a fixed location
715 where goods or services are offered for sale. Such application for a
716 certificate of registration shall include the name, residence address,
717 business address, business telephone number and such other

718 information as the commissioner may require, for each such
719 salesperson. The application fee shall be one hundred twenty dollars per
720 salesperson listed on the application.

721 Sec. 12. (NEW) (*Effective from passage*) While the holder of a limited
722 license issued pursuant to chapter 393 of the general statutes is enrolled
723 in an unlimited license apprenticeship program, such limited license
724 holder shall be considered a journeyman or contractor for purposes of
725 section 20-332b of the general statutes and any regulation of Connecticut
726 state agencies adopted pursuant to said section.

727 Sec. 13. Subsection (b) of section 20-691 of the general statutes is
728 repealed and the following is substituted in lieu thereof (*Effective July 1,*
729 *2020*):

730 (b) (1) A person seeking registration as a locksmith shall apply to the
731 commissioner on a form provided by the commissioner. The application
732 shall include the applicant's name, residence address, business address,
733 business telephone number, a question as to whether the applicant has
734 been convicted of a felony in any state or jurisdiction, and such other
735 information as the commissioner may require. The applicant shall
736 submit to a request by the commissioner for a recent criminal history
737 records check. No registration shall be issued unless the commissioner
738 has received the results of a such records check. In accordance with the
739 provisions of section 46a-80 and after a hearing held pursuant to chapter
740 54, the commissioner may revoke, refuse to issue or refuse to renew a
741 registration when an applicant's criminal history records check reveals
742 the applicant has been convicted of a crime of dishonesty, fraud, theft,
743 assault, other violent offense or a crime related to the performance of
744 locksmithing.

745 (2) The application fee for registration as a locksmith and the biennial
746 renewal fee for such registration shall be two hundred dollars.

747 (3) The department shall establish and maintain a registry of
748 locksmiths. The registry shall contain the names and addresses of
749 registered locksmiths and such other information as the commissioner

750 may require. Such registry shall be updated at least annually by the
751 department, be made available to the public upon request and be
752 published on the department's Internet web site.

753 (4) No person shall engage in locksmithing, use the title locksmith or
754 display or use any words, letters, figures, title, advertisement or other
755 method to indicate said person is a locksmith unless such person has
756 obtained a registration as provided in this section.

757 (5) The following persons shall be exempt from registration as a
758 locksmith, but only if the person performing the service does not hold
759 himself or herself out to the public as a locksmith: (A) Persons employed
760 by a state, municipality or other political subdivision, or by any agency
761 or department of the government of the United States, acting in their
762 official capacity; (B) automobile service dealers who service, install,
763 repair or rebuild automobile locks; (C) retail merchants selling locks or
764 similar security accessories or installing, programming, repairing,
765 maintaining, reprogramming, rebuilding or servicing electronic garage
766 door devices; (D) members of the building trades who install or remove
767 complete locks or locking devices in the course of residential or
768 commercial new construction or remodeling; (E) employees of towing
769 services, repossessioners, or an automobile club representative or
770 employee opening automotive locks in the normal course of his or her
771 business. The provisions of this section shall not prohibit an employee
772 of a towing service from opening motor vehicles to enable a vehicle to
773 be moved without towing, provided the towing service does not hold
774 itself out to the public, by directory advertisement, through a sign at the
775 facilities of the towing service or by any other form of advertisement, as
776 a locksmith; (F) students in a course of study in locksmith programs
777 approved by the department; (G) warranty services by a lock
778 manufacturer or its employees on the manufacturer's own products; (H)
779 maintenance employees of a property owner or property management
780 companies at multifamily residential buildings, who service, install,
781 repair or open locks for tenants; [and] (I) persons employed as security
782 personnel at schools or institutions of higher education who open locks
783 while acting in the course of their employment; and (J) persons who

784 service, install or repair electronic locks, access control devices or other
785 similar locking devices that connect to an electronic security system,
786 provided such persons maintain an electrical contractor or
787 journeyperson licensed to perform such work as required pursuant to
788 chapter 393.

789 Sec. 14. Subsection (d) of section 51-15 of the general statutes is
790 repealed and the following is substituted in lieu thereof (*Effective July 1,*
791 *2021*):

792 (d) The procedure for the hearing and determination of small claims
793 as the same may be prescribed, from time to time, by the judges of the
794 Superior Court shall be used in all small claims sessions of the court. The
795 small claims procedure shall be applicable to all actions, except actions
796 of libel and slander, claiming money damages not in excess of five
797 thousand dollars, and to no other actions, except actions claiming loss
798 or damages not in excess of fifteen thousand dollars sustained by reason
799 of performance of or offering to perform home improvement by a
800 contractor holding a certificate under chapter 400 or pursuant to a
801 contract for new home construction with a new home construction
802 contractor holding a certificate under chapter 399a. If an action is
803 brought in the small claims session by a tenant pursuant to subsection
804 (g) of section 47a-21 to reclaim any part of a security deposit which may
805 be due, the judicial authority hearing the action may award to the tenant
806 the damages authorized by subsection (d) of said section and, if
807 authorized by the rental agreement or any provision of the general
808 statutes, costs, notwithstanding that the amount of such damages and
809 costs, in the aggregate, exceeds the jurisdictional monetary limit
810 established by this subsection. If a motion is filed to transfer a small
811 claims matter to the regular docket in the court, the moving party shall
812 pay the fee prescribed by section 52-259. The Attorney General or an
813 assistant attorney general, or the head of any state agency or his or her
814 authorized representative, while acting in his or her official capacity
815 shall not be required to pay any small claims court fee. There shall be no
816 charge for copies of service on defendants in small claims matters.

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

Section 1	<i>July 1, 2021</i>	20-417b
Sec. 2	<i>July 1, 2021</i>	New section
Sec. 3	<i>July 1, 2021</i>	20-417i
Sec. 4	<i>July 1, 2021</i>	20-419
Sec. 5	<i>July 1, 2021</i>	20-420a
Sec. 6	<i>July 1, 2021</i>	20-421(a)
Sec. 7	<i>July 1, 2021</i>	20-427(e)
Sec. 8	<i>July 1, 2021</i>	20-432
Sec. 9	<i>July 1, 2021</i>	20-417c
Sec. 10	<i>July 1, 2021</i>	20-417j
Sec. 11	<i>July 1, 2021</i>	20-420
Sec. 12	<i>from passage</i>	New section
Sec. 13	<i>July 1, 2020</i>	20-691(b)
Sec. 14	<i>July 1, 2021</i>	51-15(d)