



General Assembly

**Amendment**

January Session, 2021

LCO No. 9795



Offered by:

SEN. MARONEY, 14<sup>th</sup> Dist.  
REP. D'AGOSTINO, 91<sup>st</sup> Dist.  
SEN. WITKOS, 8<sup>th</sup> Dist.  
REP. RUTIGLIANO, 123<sup>rd</sup> Dist.

To: Subst. Senate Bill No. 266

File No. 14

Cal. No. 50

**"AN ACT CONCERNING NEW HOME CONSTRUCTION CONTRACTORS, HOME IMPROVEMENT CONTRACTORS, TRADE APPRENTICESHIPS AND LOCKSMITHS."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Section 20-417b of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective July 1, 2022*):

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

11 employees or officers by reason of such new home construction  
12 contractor's compliance with the provisions of sections 20-417a to 20-  
13 417j, inclusive.

14 (b) Any person seeking a certificate of registration shall apply to the  
15 commissioner, [in writing] online, on a form provided by the  
16 commissioner. The application shall include (1) the applicant's name,  
17 business street address and business telephone number, (2) the identity  
18 of the insurer that provides the applicant with insurance coverage for  
19 liability, (3) if such applicant is required by any provision of the general  
20 statutes to have workers' compensation coverage, the identity of the  
21 insurer that provides the applicant with such workers' compensation  
22 coverage, [and] (4) if such applicant is required by any provision of the  
23 general statutes to have an agent for service of process, the name and  
24 address of such agent, and (5) proof of general liability insurance  
25 coverage in an amount not less than twenty thousand dollars,  
26 demonstrated by providing the policy number and business name of the  
27 insurance provider. Each such application shall be accompanied by a fee  
28 of [two] one hundred [forty] twenty dollars, except that no such  
29 application fee shall be required if such person has paid the registration  
30 fee required under section 20-421, as amended by this act, during any  
31 year in which such person's registration as a new home construction  
32 contractor would be valid.

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

37 (d) All certificates issued under the provisions of sections 20-417a to  
38 20-417j, inclusive, shall expire [biennially] annually. The fee for renewal  
39 of a certificate shall be the same as the fee charged for an original  
40 application, except that no renewal fee is due if a person seeking  
41 renewal of a certificate has paid the registration fee under section 20-  
42 427, as amended by this act, during any year in which such person's  
43 registration as a new home construction contractor would be valid.

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

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

53 (g) The holder of a certificate of registration issued by the  
54 commissioner in accordance with the provisions of sections 20-417a to  
55 20-417j, inclusive, may opt to engage in home improvement, as defined  
56 in section 20-419, as amended by this act. If a new home construction  
57 contractor does opt to engage in such home improvement, such new  
58 home construction contractor shall first notify the commissioner in  
59 writing and shall pay to the Department of Consumer Protection any fee  
60 due to the Home Improvement Guaranty Fund pursuant to section 20-  
61 432, as amended by this act.

62 Sec. 2. (NEW) (*Effective July 1, 2022*) (a) (1) As used in this section,  
63 "contract" has the same meaning as provided in section 20-417a of the  
64 general statutes. A contract shall not be valid or enforceable against a  
65 consumer unless it: (A) Is in writing, (B) is signed by the new home  
66 construction contractor and the consumer, (C) contains the entire  
67 agreement between the new home construction contractor and the  
68 consumer, (D) contains the date of the transaction, (E) contains the name  
69 and address of the new home construction contractor and the  
70 contractor's registration number, (F) contains a starting date and  
71 completion date, (G) is entered into by a registered new home  
72 construction contractor, and (H) includes a provision disclosing each  
73 corporation, limited liability company, partnership, sole proprietorship  
74 or other legal entity, which is or has been a new home construction  
75 contractor pursuant to the provisions of chapter 399a of the general  
76 statutes, in which the owner or owners of the new home construction

77 contractor are or have been a shareholder, member, partner or owner  
78 during the previous five years.

79 (2) Each change in the terms and conditions of a contract shall be in  
80 writing and shall be signed by the new home construction contractor  
81 and the consumer, except that the commissioner may, by regulation  
82 adopted in accordance with the provisions of chapter 54 of the general  
83 statutes, dispense with the necessity for complying with the provisions  
84 of this subdivision.

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

88 (c) The commissioner may, by regulation adopted in accordance with  
89 the provisions of chapter 54 of the general statutes, require the inclusion  
90 of additional contractual provisions for contracts.

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

97 Sec. 3. Section 20-417i of the general statutes is repealed and the  
98 following is substituted in lieu thereof (*Effective July 1, 2022*):

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

101 (b) Each person who receives a certificate pursuant to sections 20-  
102 417a to 20-417j, inclusive, shall pay a fee of [four] two hundred [eighty]  
103 forty dollars [biennially] annually to the [fund] New Home  
104 Construction Guaranty Fund. Such [fee] fees shall be payable with the  
105 fee for an application for a certificate or renewal of a certificate.

106 (c) (1) For fiscal years commencing on or after July 1, 2003, payments

107 received under subsection (b) of this section shall be credited to the New  
108 Home Construction Guaranty Fund until the balance in the fund equals  
109 seven hundred fifty thousand dollars. Annually, if the balance in the  
110 fund exceeds seven hundred fifty thousand dollars, the first three  
111 hundred thousand dollars of the excess shall be deposited in the  
112 consumer protection enforcement account established in section 21a-8a.  
113 On June 1, 2004, and each June first thereafter, if the balance in the fund  
114 exceeds seven hundred fifty thousand dollars, the excess shall be  
115 deposited in the General Fund.

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

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

141 stating the amount of the decision, judgment, order or decree and the  
142 amount owing on the decision, judgment, order or decree at the date of  
143 application; and (3) made a good faith effort to satisfy any such decision,  
144 judgment, order or decree in accordance with the provisions of chapter  
145 906 which effort may include causing to be issued a writ of execution  
146 upon such decision, judgment, order or decree but the officer executing  
147 the same has made a return showing that no bank accounts or personal  
148 property of such contractor liable to be levied upon in satisfaction of the  
149 decision, judgment, order or decree could be found, or that the amount  
150 realized on the sale of them or of such of them as were found, under the  
151 execution, was insufficient to satisfy the actual damage portion of the  
152 decision, judgment, order or decree or stating the amount realized and  
153 the balance remaining due on the decision, judgment, order or decree  
154 after application on the decision, judgment, order or decree of the  
155 amount realized, except that the requirements of this subdivision shall  
156 not apply to a judgment, order or decree obtained by the consumer in  
157 small claims court. A true and attested copy of such executing officer's  
158 return, when required, shall be attached to such application, [and  
159 affidavit.] Whenever the consumer satisfies the commissioner or the  
160 commissioner's designee that it is not practicable to comply with the  
161 requirements of subdivision (3) of this subsection and that the consumer  
162 has taken all reasonable steps to collect the amount of the decision,  
163 judgment, order or decree or the unsatisfied part of the decision,  
164 judgment, order or decree and has been unable to collect the same, the  
165 commissioner or the commissioner's designee may, in the  
166 commissioner's or the commissioner's designee's discretion, dispense  
167 with the necessity for complying with such requirement. No application  
168 for an order directing payment out of the fund shall be made later than  
169 two years from the final determination of, or expiration of time for  
170 taking, an appeal of such decision, court judgment, order or decree and  
171 no such application shall be for an amount in excess of thirty thousand  
172 dollars.

173 (e) Upon receipt of such application together with such copy of the  
174 decision, court judgment, order or decree, [notarized affidavit]

175 statement and, except as otherwise provided in subsection (d) of this  
176 section, true and attested copy of the executing officer's return, the  
177 commissioner or the commissioner's designee shall inspect such  
178 documents for their veracity and upon a determination that such  
179 documents are complete and authentic and that the consumer has not  
180 been paid, the commissioner shall order payment out of the New Home  
181 Construction Guaranty Fund of the amount not exceeding thirty  
182 thousand dollars unpaid upon the decision, judgment, order or decree  
183 for actual damages and costs taxed by the court against the contractor,  
184 exclusive of punitive damages.

185 (f) Beginning October 1, 2000, whenever a consumer is awarded an  
186 order of restitution against any new home construction contractor for  
187 loss or damages sustained as a result of any violation of the provisions  
188 of sections 20-417a to 20-417j, inclusive, by a person holding a certificate  
189 or who has held a certificate under said sections within [the past] two  
190 years of the date of entering into the contract with the consumer, in (1)  
191 a proceeding brought by the commissioner pursuant to subsection (h)  
192 of this section or subsection (d) of section 42-110d, (2) a proceeding  
193 brought by the Attorney General pursuant to subsection (a) of section  
194 42-110m or subsection (d) of section 42-110d, or (3) a criminal  
195 proceeding pursuant to section 20-417e, such consumer may, upon the  
196 final determination of, or expiration of time for taking, an appeal in  
197 connection with any such order of restitution, apply to the  
198 commissioner for an order directing payment out of the New Home  
199 Construction Guaranty Fund of the amount not exceeding thirty  
200 thousand dollars unpaid upon the order of restitution. The  
201 commissioner may issue such order upon a determination that the  
202 consumer has not been paid.

203 (g) Before the commissioner may issue any order directing payment  
204 out of the New Home Construction Guaranty Fund to a consumer  
205 pursuant to subsection (e) or (f) of this section, the commissioner shall  
206 first notify the new home construction contractor of the consumer's  
207 application for an order directing payment out of the fund and of the  
208 new home construction contractor's right to a hearing to contest the

209 disbursement in the event that such contractor has already paid the  
210 consumer. Such notice shall be given to the new home construction  
211 contractor not later than fifteen days after receipt by the commissioner  
212 of the consumer's application for an order directing payment out of the  
213 fund. If the new home construction contractor requests a hearing, in  
214 writing, by certified mail not later than fifteen days after receiving the  
215 notice from the commissioner, the commissioner shall grant such  
216 request and shall conduct a hearing in accordance with the provisions  
217 of chapter 54. If the commissioner does not receive a written request for  
218 a hearing by certified mail from the new home construction contractor  
219 on or before the fifteenth day from the contractor's receipt of such notice,  
220 the commissioner shall conclude that the consumer has not been paid,  
221 and the commissioner shall issue an order directing payment out of the  
222 fund for the amount not exceeding thirty thousand dollars unpaid upon  
223 the judgment, order or decree for actual damages and costs taxed by the  
224 court against the new home construction contractor, exclusive of  
225 punitive damages, or for the amount not exceeding thirty thousand  
226 dollars unpaid upon the order of restitution.

227 (h) The commissioner or the commissioner's designee may proceed  
228 against any new home construction contractor holding a certificate or  
229 who has held a certificate under sections 20-417a to 20-417j, inclusive,  
230 within [the past] two years of the effective date of entering into the  
231 contract with the consumer, for an order of restitution arising from loss  
232 or damages sustained by any consumer as a result of any violation of  
233 the provisions of said sections 20-417a to 20-417j, inclusive. Any such  
234 proceeding shall be held in accordance with the provisions of chapter  
235 54. In the course of such proceeding, the commissioner or the  
236 commissioner's designee shall decide whether to (1) exercise the powers  
237 specified in section 20-417c, as amended by this act, (2) order restitution  
238 arising from loss or damages sustained by any consumer as a result of  
239 any violation of the provisions of sections 20-417a to 20-417j, inclusive,  
240 and (3) order payment out of the New Home Construction Guaranty  
241 Fund. Notwithstanding the provisions of chapter 54, the decision of the  
242 commissioner or the commissioner's designee shall be final with respect



243 to any proceeding to order payment out of the fund and the  
244 commissioner and the commissioner's designee shall not be subject to  
245 the requirements of chapter 54 as such requirements relate to an appeal  
246 from any such decision. The commissioner or the commissioner's  
247 designee may hear complaints of all consumers submitting claims  
248 against a single new home construction contractor in one proceeding.

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

255 (j) In order to preserve the integrity of the New Home Construction  
256 Guaranty Fund, the commissioner, in the commissioner's sole  
257 discretion, may order payment out of the fund of an amount less than  
258 the actual loss or damages incurred by the consumer or less than the  
259 order of restitution awarded by the commissioner or the Superior Court.  
260 In no event shall any payment out of the fund be in excess of thirty  
261 thousand dollars for any single claim by a consumer.

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

268 (l) Whenever the commissioner has caused any sum to be paid from  
269 the New Home Construction Guaranty Fund to a consumer, the  
270 commissioner shall be subrogated to all of the rights of the consumer up  
271 to the amount paid plus reasonable interest, and prior to receipt of any  
272 payment from the fund, the consumer shall assign all of the consumer's  
273 right, title and interest in the claim up to such amount to the  
274 commissioner, and any amount and interest recovered by the

275 commissioner on the claim shall be deposited in the fund.

276 (m) If the commissioner orders the payment of any amount as a result  
277 of a claim against a new home construction contractor, the  
278 commissioner shall determine if such contractor is possessed of assets  
279 liable to be sold or applied in satisfaction of the claim on the New Home  
280 Construction Guaranty Fund. If the commissioner discovers any such  
281 assets, the commissioner may request that the Attorney General take  
282 any action necessary for the reimbursement of the fund.

283 (n) If the commissioner orders the payment of an amount as a result  
284 of a claim against a new home construction contractor, the  
285 commissioner may, after notice and hearing in accordance with the  
286 provisions of chapter 54, revoke the certificate of such contractor and  
287 such contractor shall not be eligible to receive a new or renewed  
288 certificate until such contractor has repaid such amount in full, plus  
289 interest from the time such payment is made from the New Home  
290 Construction Guaranty Fund, at a rate to be in accordance with section  
291 37-3b, except that the commissioner may, in the commissioner's sole  
292 discretion, permit a new home construction contractor to receive a new  
293 or renewed certificate after such contractor has entered into an  
294 agreement with the commissioner whereby such contractor agrees to  
295 repay the fund in full in the form of periodic payments over a set period  
296 of time. Any such agreement shall include a provision providing for the  
297 summary suspension of any and all certificates held by the new home  
298 construction contractor if payment is not made in accordance with the  
299 terms of the agreement.

300 Sec. 4. Section 20-419 of the general statutes is repealed and the  
301 following is substituted in lieu thereof (*Effective July 1, 2022*):

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

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

305 (2) "Commissioner" means the Commissioner of Consumer

306 Protection or any person designated by the commissioner to administer  
307 and enforce this chapter.

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

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

340 and (F) any work performed without compensation by the owner on his  
341 own private residence or residential rental property.

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

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

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

351 (8) "Private residence" means a single family dwelling, a multifamily  
352 dwelling consisting of not more than six units, or a unit, common  
353 element or limited common element in a condominium, as defined in  
354 section 47-68a, or in a common interest community, as defined in section  
355 47-202, or any number of condominium units for which a condominium  
356 association acts as an agent for such unit owners.

357 (9) "Salesman" means any individual who (A) negotiates or offers to  
358 negotiate a home improvement contract with an owner, or (B) solicits or  
359 otherwise endeavors to procure by any means whatsoever, directly or  
360 indirectly, a home improvement contract from an owner on behalf of a  
361 contractor.

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

367 (11) "Residential underground heating oil storage tank system"  
368 means an underground storage tank system used with or without  
369 ancillary components in connection with real property composed of

370 four or less residential units.

371 (12) "Underground storage tank system" means an underground tank  
372 or combination of tanks, with any underground pipes or ancillary  
373 equipment or containment systems connected to such tank or tanks,  
374 used to contain an accumulation of petroleum, which volume is ten per  
375 cent or more beneath the surface of the ground.

376 Sec. 5. Section 20-420a of the general statutes is repealed and the  
377 following is substituted in lieu thereof (*Effective July 1, 2022*):

378 (a) No corporation shall perform or offer to perform home  
379 improvements in this state unless such corporation has been issued a  
380 certificate of registration by the commissioner. No such corporation  
381 shall be relieved of responsibility for the conduct and acts of its agents,  
382 employees or officers by reason of its compliance with the provisions of  
383 this section, nor shall any individual contractor be relieved of  
384 responsibility for home improvements performed by reason of his  
385 employment or relationship with such corporation.

386 (b) A qualifying corporation desiring a certificate of registration shall  
387 apply to the commissioner, [in writing] online, on a form provided by  
388 the commissioner. The application shall (1) state the name and address  
389 of such corporation, the city or town and the street and number where  
390 such corporation is to maintain its principal place of business in this  
391 state [,] and the names and addresses of officers; [,] and (2) contain a  
392 statement that one or more individuals who shall direct, supervise or  
393 perform home improvements for such corporation are registered home  
394 improvement contractors and such other information as the  
395 commissioner may require.

396 (c) Any certificate issued by the commissioner pursuant to this  
397 section may be revoked, [or] suspended, or have conditions placed upon  
398 the holder of the certificate by the commissioner after notice and hearing  
399 in accordance with the provisions of chapter 54 concerning contested  
400 cases, if it is shown that the holder of such certificate has not conformed  
401 to the requirements of this chapter, that the certificate was obtained

402 through fraud or misrepresentation or that the contractor of record  
403 employed by or acting on behalf of such corporation has had his  
404 certificate of registration suspended or revoked by the commissioner.  
405 The commissioner may refuse to issue or renew a certificate if any facts  
406 exist which would entitle the commissioner to suspend or revoke an  
407 existing certificate.

408 (d) Each such corporation shall file with the commissioner upon  
409 application or renewal thereof a designation of an individual or  
410 individuals registered to perform home improvements in this state who  
411 shall direct or supervise the performance of home improvements by  
412 such corporation in this state. Such corporation shall notify the  
413 commissioner of any change in such designation within thirty days after  
414 such change becomes effective.

415 (e) Each such corporation shall file with the commissioner upon  
416 application or renewal thereof a certificate of good standing issued by  
417 the office of the Secretary of the State. Such corporation shall notify the  
418 commissioner of any change in corporate good standing within thirty  
419 days after such change becomes effective.

420 Sec. 6. Subsection (a) of section 20-421 of the general statutes is  
421 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
422 *2022*):

423 (a) Any person seeking a certificate of registration shall apply to the  
424 commissioner [in writing] online, on a form provided by the  
425 commissioner. The application shall include the applicant's name,  
426 residence address, business address, business telephone number, proof  
427 that the applicant has obtained general liability insurance coverage in  
428 an amount not less than twenty thousand dollars, demonstrated by  
429 providing the policy number and business name of the insurance  
430 provider, and such other information as the commissioner may require.

431 Sec. 7. Subsection (e) of section 20-427 of the general statutes is  
432 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
433 *2022*):

434 (e) Certificates issued to home improvement contractors or salesmen  
435 shall not be transferable or assignable, except when the holder of the  
436 certificate changes only the name or type of business entity of such  
437 business.

438 Sec. 8. Section 20-432 of the general statutes is repealed and the  
439 following is substituted in lieu thereof (*Effective July 1, 2022*):

440 (a) The commissioner shall establish and maintain the Home  
441 Improvement Guaranty Fund.

442 (b) Each salesman who receives a certificate pursuant to this chapter  
443 shall pay a fee of forty dollars annually. Each contractor (1) who receives  
444 a certificate pursuant to this chapter, or (2) receives a certificate pursuant  
445 to chapter 399a and has opted to engage in home improvement pursuant  
446 to subsection (g) of section 20-417b, as amended by this act, shall pay a  
447 fee of one hundred dollars annually to the guaranty fund. Such fee shall  
448 be payable with the fee for an application for a certificate or renewal  
449 thereof. The annual fee for a contractor who receives a certificate of  
450 registration as a home improvement contractor acting solely as the  
451 contractor of record for a corporation shall be waived, provided the  
452 contractor of record shall use such registration for the sole purpose of  
453 directing, supervising or performing home improvements for such  
454 corporation.

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

466 (d) Whenever an owner obtains a binding arbitration decision, a court  
467 judgment, order or decree against any contractor holding a certificate or  
468 who has held a certificate under this chapter within [the past] two years  
469 of the effective date of entering into the contract with the owner, for loss  
470 or damages sustained by reason of performance of or offering to  
471 perform a home improvement within this state by a contractor holding  
472 a certificate under this chapter, such owner may, upon the final  
473 determination of, or expiration of time for, taking an appeal in  
474 connection with any such decision, judgment, order or decree, apply to  
475 the commissioner for an order directing payment out of said guaranty  
476 fund of the amount unpaid upon the decision, judgment, order or  
477 decree, for actual damages and costs taxed by the court against the  
478 contractor, exclusive of punitive damages. The application shall be  
479 made on forms provided by the commissioner and shall be  
480 accompanied by a copy of the decision, court judgment, order or decree  
481 obtained against the contractor, [together with a notarized affidavit,  
482 signed and sworn to by the owner, affirming that: (1) He or she has  
483 complied with all the requirements of this subsection; (2) he or she has  
484 obtained a judgment, order or decree, stating the amount thereof and  
485 the amount owing thereon at the date of application; and (3) he or she  
486 has caused to be issued a writ of execution upon said judgment, order  
487 or decree and the officer executing the same has made a return showing  
488 that no bank accounts or personal property of the contractor liable to be  
489 levied upon in satisfaction of the judgment, order or decree could be  
490 found, or that the amount realized on the sale of them or of such of them  
491 as were found, under the execution, was insufficient to satisfy the actual  
492 damage portion of the judgment, order or decree or stating the amount  
493 realized and the balance remaining due on the judgment, order or  
494 decree after application thereon of the amount realized, except that the  
495 requirements of this subdivision shall not apply to a judgment, order or  
496 decree obtained by the owner in small claims court. A true and attested  
497 copy of said executing officer's return, when required, shall be attached  
498 to such application and affidavit.] No application for an order directing  
499 payment out of the guaranty fund shall be made later than two years  
500 after the final determination of, or expiration of time for, taking an



501 appeal of said decision, court judgment, order or decree.

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

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

527 (g) Before the commissioner may issue any order directing payment  
528 out of the guaranty fund to an owner pursuant to subsections (e) or (f)  
529 of this section, the commissioner shall first notify the contractor of the  
530 owner's application for an order directing payment out of the guaranty  
531 fund and of the contractor's right to a hearing to contest the  
532 disbursement in the event that the contractor has already paid the owner  
533 or is complying with a payment schedule in accordance with a court

534 judgment, order or decree. Such notice shall be given to the contractor  
535 not later than fifteen days after receipt by the commissioner of the  
536 owner's application for an order directing payment out of the guaranty  
537 fund. If the contractor requests a hearing, in writing, by certified mail  
538 not later than fifteen days after receiving the notice from the  
539 commissioner, the commissioner shall grant such request and shall  
540 conduct a hearing in accordance with the provisions of chapter 54. If the  
541 commissioner does not receive a request by certified mail from the  
542 contractor for a hearing not later than fifteen days after the contractor's  
543 receipt of such notice, the commissioner shall determine that the owner  
544 has not been paid, and the commissioner shall issue an order directing  
545 payment out of the guaranty fund for the amount unpaid upon the  
546 judgment, order or decree for actual damages and costs taxed by the  
547 court against the contractor, exclusive of punitive damages, or for the  
548 amount unpaid upon the order of restitution.

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

568 in one proceeding.

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

573 (j) Whenever the owner satisfies the commissioner or his designee  
574 that it is not practicable to comply with the requirements of [subdivision  
575 (3) of] subsection (d) of this section and that the owner has taken all  
576 reasonable steps to collect the amount of the decision, judgment, order  
577 or decree or the unsatisfied part thereof and has been unable to collect  
578 the same, the commissioner or his designee may in his discretion  
579 dispense with the necessity for complying with such requirement.

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

587 (l) If the money deposited in the guaranty fund is insufficient to  
588 satisfy any duly authorized claim or portion thereof, the commissioner  
589 shall, when sufficient money has been deposited in the fund, satisfy  
590 such unpaid claims or portions thereof, in the order that such claims or  
591 portions thereof were originally determined.

592 (m) Whenever the commissioner has caused any sum to be paid from  
593 the guaranty fund to an owner, the commissioner shall be subrogated to  
594 all of the rights of the owner up to the amount paid plus reasonable  
595 interest, and prior to receipt of any payment from the guaranty fund,  
596 the owner shall assign all of this right, title and interest in the claim up  
597 to such amount to the commissioner, and any amount and interest  
598 recovered by the commissioner on the claim shall be deposited to the  
599 guaranty fund.

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

606 (o) If the commissioner orders the payment of an amount as a result  
607 of a claim against a contractor, the commissioner may, after notice and  
608 hearing in accordance with the provisions of chapter 54, revoke the  
609 certificate of the contractor and the contractor shall not be eligible to  
610 receive a new or renewed certificate until he has repaid such amount in  
611 full, plus interest from the time said payment is made from the guaranty  
612 fund, at a rate to be in accordance with section 37-3b, except that the  
613 commissioner may, in his sole discretion, permit a contractor to receive  
614 a new or renewed certificate after that contractor has entered into an  
615 agreement with the commissioner whereby the contractor agrees to  
616 repay the guaranty fund in full in the form of periodic payments over a  
617 set period of time. Any such agreement shall include a provision  
618 providing for the summary suspension of any and all certificates held  
619 by the contractor if payment is not made in accordance with the terms  
620 of the agreement.

621 Sec. 9. Section 20-417c of the general statutes is repealed and the  
622 following is substituted in lieu thereof (*Effective July 1, 2022*):

623 The commissioner may revoke, suspend, [or] refuse to issue or renew,  
624 or place conditions upon the renewal of any certificate issued pursuant  
625 to sections 20-417a to 20-417j, inclusive, or place a registrant on  
626 probation or issue a letter of reprimand after notice and hearing in  
627 accordance with the provisions of chapter 54 concerning contested cases  
628 if it is shown that the holder of such certificate has: (1) Failed to comply  
629 with any provision of sections 20-417a to 20-417j, inclusive, or any  
630 regulation adopted pursuant to said sections; (2) obtained the certificate  
631 through fraud or misrepresentation; (3) engaged in conduct of a  
632 character likely to mislead, deceive or defraud the public or the

633 commissioner; (4) engaged in any untruthful or misleading advertising;  
634 (5) failed to reimburse the New Home Construction Guaranty Fund  
635 established pursuant to section 20-417i, as amended by this act, for any  
636 moneys paid to a consumer pursuant to said section; (6) engaged in an  
637 unfair or deceptive business practice under subsection (a) of section 42-  
638 110b; (7) failed to timely complete any task, as specified in a written  
639 contract of sale; (8) failed to remedy any violation of any provision of  
640 sections 47-116 to 47-121, inclusive, or any regulation adopted pursuant  
641 to said sections; (9) failed to remedy any violation of any provision of  
642 the State Building Code; or (10) if applicable, failed to maintain its  
643 certificate of good standing issued by the office of the Secretary of the  
644 State.

645 Sec. 10. Section 20-420 of the general statutes is repealed and the  
646 following is substituted in lieu thereof (*Effective July 1, 2022*):

647 (a) No person shall hold himself or herself out to be a contractor or  
648 salesperson without first obtaining a certificate of registration from the  
649 commissioner as provided in this chapter, except (1) that an individual  
650 or partner, or officer or director of a corporation registered as a  
651 contractor shall not be required to obtain a salesperson's certificate, and  
652 (2) as provided in subsections (e) and (f) of this section. No certificate  
653 shall be given to any person who holds himself or herself out to be a  
654 contractor that performs radon mitigation unless such contractor  
655 provides evidence, satisfactory to the commissioner, that the contractor  
656 is certified as a radon mitigator by the National Radon Safety Board or  
657 the National Environmental Health Association. No certificate shall be  
658 given to any person who holds himself or herself out to be a contractor  
659 that performs removal or replacement of any residential underground  
660 heating oil storage tank system unless such contractor provides  
661 evidence, satisfactory to the commissioner, that the contractor [(1)] (A)  
662 has completed a hazardous material training program approved by the  
663 Department of Energy and Environmental Protection, and [(2)] (B) has  
664 presented evidence of liability insurance coverage of one million dollars.

665 (b) No contractor shall employ any salesman to procure business

666 from an owner unless the salesman is registered under this chapter.

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

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

674 (e) A retail establishment, which is a business that operates from a  
675 fixed location where goods or services are offered for sale, may apply  
676 annually for a certificate of registration as a salesperson on behalf of its  
677 employees if it employs or otherwise compensates one or more  
678 salespersons whose solicitation, negotiation and completion of sales are  
679 conducted entirely at the retail establishment or virtually or by phone.  
680 The retail establishment shall: (1) Apply for such registration on a form  
681 prescribed by the commissioner, (2) maintain a list of all salespersons  
682 intended to be covered by the retailer's certificate of registration, and (3)  
683 pay a fee equal to the amount that would be due if each person were to  
684 apply individually for a certificate of registration, including the amount  
685 that would be due under the guaranty fund. The list of salespersons  
686 covered by the retailer's certificate of registration shall be made  
687 available to the department upon request. If any person covered by the  
688 retail establishment's salesperson certificate of registration conducts  
689 activity covered by the salesperson credential at a place other than the  
690 retail establishment or virtually or by phone, such person shall apply for  
691 an individual salesperson certificate of registration using the form  
692 prescribed by the commissioner for such registrations and shall pay the  
693 corresponding application fee.

694 (f) Certificates of registration for salespersons issued to retail  
695 establishments shall not be transferable or assignable, except a retail  
696 establishment that is a holder of a salesperson certificate may remove an  
697 existing or former employee currently listed on the certification of

698 registration and replace such person with a new or existing employee  
699 employed as a salesperson. If the retail establishment adds or removes  
700 salespeople, there shall be no refund or supplemental payment. The fee  
701 shall be based on the number of salespeople at the time of each renewal.

702       Sec. 11. (NEW) (*Effective from passage*) While the holder of a limited  
703 license issued pursuant to chapter 393 of the general statutes is enrolled  
704 in an unlimited license apprenticeship program, such limited license  
705 holder shall continue to be considered a journeyman or contractor for  
706 limited work performance in such area for purposes of section 20-332b  
707 of the general statutes and any regulation of Connecticut state agencies  
708 adopted pursuant to said section. The limited license of the registered  
709 apprentice in an unlimited category shall not be used to calculate the  
710 number of apprentices that may be hired by a contractor in accordance  
711 with section 20-332b of the general statutes.

712       Sec. 12. Subsection (b) of section 20-691 of the general statutes is  
713 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
714 *2021*):

715       (b) (1) A person seeking registration as a locksmith shall apply to the  
716 commissioner on a form provided by the commissioner. The application  
717 shall include the applicant's name, residence address, business address,  
718 business telephone number, a question as to whether the applicant has  
719 been convicted of a felony in any state or jurisdiction, and such other  
720 information as the commissioner may require. The applicant shall  
721 submit to a request by the commissioner for a recent criminal history  
722 records check. No registration shall be issued unless the commissioner  
723 has received the results of a such records check. In accordance with the  
724 provisions of section 46a-80 and after a hearing held pursuant to chapter  
725 54, the commissioner may revoke, refuse to issue or refuse to renew a  
726 registration when an applicant's criminal history records check reveals  
727 the applicant has been convicted of a crime of dishonesty, fraud, theft,  
728 assault, other violent offense or a crime related to the performance of  
729 locksmithing.

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

732 (3) The department shall establish and maintain a registry of  
733 locksmiths. The registry shall contain the names and addresses of  
734 registered locksmiths and such other information as the commissioner  
735 may require. Such registry shall be updated at least annually by the  
736 department, be made available to the public upon request and be  
737 published on the department's Internet web site.

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

742 (5) The following persons shall be exempt from registration as a  
743 locksmith, but only if the person performing the service does not hold  
744 himself or herself out to the public as a locksmith: (A) Persons employed  
745 by a state, municipality or other political subdivision, or by any agency  
746 or department of the government of the United States, acting in their  
747 official capacity; (B) automobile service dealers who service, install,  
748 repair or rebuild automobile locks; (C) retail merchants selling locks or  
749 similar security accessories or installing, programming, repairing,  
750 maintaining, reprogramming, rebuilding or servicing electronic garage  
751 door devices; (D) members of the building trades who install or remove  
752 complete locks or locking devices in the course of residential or  
753 commercial new construction or remodeling; (E) employees of towing  
754 services, repossessioners, or an automobile club representative or  
755 employee opening automotive locks in the normal course of his or her  
756 business. The provisions of this section shall not prohibit an employee  
757 of a towing service from opening motor vehicles to enable a vehicle to  
758 be moved without towing, provided the towing service does not hold  
759 itself out to the public, by directory advertisement, through a sign at the  
760 facilities of the towing service or by any other form of advertisement, as  
761 a locksmith; (F) students in a course of study in locksmith programs  
762 approved by the department; (G) warranty services by a lock



763 manufacturer or its employees on the manufacturer's own products; (H)  
764 maintenance employees of a property owner or property management  
765 companies at multifamily residential buildings, who service, install,  
766 repair or open locks for tenants; [and] (I) persons employed as security  
767 personnel at schools or institutions of higher education who open locks  
768 while acting in the course of their employment; and (J) persons who  
769 service, install or repair electronic locks, access control devices or other  
770 similar locking devices that connect to an electronic security system,  
771 provided such persons maintain an electrical contractor or  
772 journeyperson licensed to perform such work as required pursuant to  
773 chapter 393.

774 Sec. 13. Subsection (d) of section 51-15 of the general statutes is  
775 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
776 *2022*):

777 (d) The procedure for the hearing and determination of small claims  
778 as the same may be prescribed, from time to time, by the judges of the  
779 Superior Court shall be used in all small claims sessions of the court. The  
780 small claims procedure shall only be applicable to (1) all actions [, except  
781 actions of libel and slander,] claiming money damages not in excess of  
782 five thousand dollars, [and to no other actions] except such procedure  
783 shall not be applicable to actions of libel and slander, and (2) actions  
784 claiming loss or damages not in excess of fifteen thousand dollars  
785 sustained by reason of (A) performance of, or offer to perform, home  
786 improvement, as defined in section 20-419, as amended by this act, by a  
787 contractor holding a certificate under chapter 400, or (B) a contract for  
788 new home construction with a new home construction contractor  
789 holding a certificate under chapter 399a. If an action is brought in the  
790 small claims session by a tenant pursuant to subsection (g) of section  
791 47a-21 to reclaim any part of a security deposit which may be due, the  
792 judicial authority hearing the action may award to the tenant the  
793 damages authorized by subsection (d) of said section and, if authorized  
794 by the rental agreement or any provision of the general statutes, costs,  
795 notwithstanding that the amount of such damages and costs, in the  
796 aggregate, exceeds the jurisdictional monetary limit established by

797 subdivision (1) of this subsection. If a motion is filed to transfer a small  
 798 claims matter to the regular docket in the court, the moving party shall  
 799 pay the fee prescribed by section 52-259. The Attorney General or an  
 800 assistant attorney general, or the head of any state agency or his or her  
 801 authorized representative, while acting in his or her official capacity  
 802 shall not be required to pay any small claims court fee. There shall be no  
 803 charge for copies of service on defendants in small claims matters.

804 Sec. 14. Subsection (c) of section 22-351a of the general statutes is  
 805 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
 806 *2022*):

807 (c) In addition to any economic damages awarded pursuant to  
 808 subsection (b) of this section, and except as provided in subsection (d)  
 809 of this section, the court may award punitive damages in an amount not  
 810 to exceed the jurisdictional monetary limit established by subdivision  
 811 (1) of subsection (d) of section 51-15, as amended by this act, together  
 812 with a reasonable attorney's fee."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2022</i>	20-417b
Sec. 2	<i>July 1, 2022</i>	New section
Sec. 3	<i>July 1, 2022</i>	20-417i
Sec. 4	<i>July 1, 2022</i>	20-419
Sec. 5	<i>July 1, 2022</i>	20-420a
Sec. 6	<i>July 1, 2022</i>	20-421(a)
Sec. 7	<i>July 1, 2022</i>	20-427(e)
Sec. 8	<i>July 1, 2022</i>	20-432
Sec. 9	<i>July 1, 2022</i>	20-417c
Sec. 10	<i>July 1, 2022</i>	20-420
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>July 1, 2021</i>	20-691(b)
Sec. 13	<i>July 1, 2022</i>	51-15(d)
Sec. 14	<i>July 1, 2022</i>	22-351a(c)