



Rep. Joyce Mason

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LRB101 07018 JLS 56927 a

1 AMENDMENT TO HOUSE BILL 2643

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2643 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Home Repair and Remodeling Act is amended  
5 by changing Section 20 and adding Section 22 as follows:

6 (815 ILCS 513/20)

7 Sec. 20. Consumer rights brochure.

8 (a) For any contract over \$1,000, any person engaging in  
9 the business of home repair and remodeling shall provide to its  
10 customers a copy of the "Home Repair: Know Your Consumer  
11 Rights" pamphlet prior to the execution of any home repair and  
12 remodeling contract. The consumer shall sign and date an  
13 acknowledgment form entitled "Consumer Rights Acknowledgment  
14 Form" that states: "I, the homeowner, have received from the  
15 contractor a copy of the pamphlet entitled 'Home Repair: Know  
16 Your Consumer Rights.'" The contractor or his or her

1 representative shall also sign and date the acknowledgment  
2 form, which includes the name and address of the home repair  
3 and remodeling business. The acknowledgment form shall be in  
4 duplicate and incorporated into the pamphlet. The original  
5 acknowledgment form shall be retained by the contractor and the  
6 duplicate copy shall be retained within the pamphlet by the  
7 consumer.

8 (b) For any contract for \$1,000 or under, any person  
9 engaging in the business of home repair and remodeling shall  
10 provide to its customers a copy of the "Home Repair: Know Your  
11 Consumer Rights" pamphlet. No written acknowledgment of  
12 receipt of the pamphlet is required for a contract of \$1,000 or  
13 under.

14 (c) The pamphlet must be a separate document, in at least  
15 12 point type, and in legible ink. The pamphlet shall read as  
16 follows:

17 "HOME REPAIR: KNOW YOUR CONSUMER RIGHTS

18 As you plan for your home repair/improvement project, it is  
19 important to ask the right questions in order to protect your  
20 investment. The tips in this fact sheet should allow you to  
21 protect yourself and minimize the possibility that a  
22 misunderstanding may occur.

23

AVOIDING HOME REPAIR FRAUD

1 Please use extreme caution when confronted with the following  
2 warning signs of a potential scam:

3 (1) Door-to-door salespersons with no local connections  
4 who offer to do home repair work for substantially less than  
5 the market price.

6 (2) Solicitations for repair work from a company that lists  
7 only a telephone number or a post-office box number to contact,  
8 particularly if it is an out-of-state company.

9 (3) Contractors who fail to provide customers references  
10 when requested.

11 (4) Persons offering to inspect your home for free. Do not  
12 admit anyone into your home unless he or she can present  
13 authentic identification establishing his or her business  
14 status. When in doubt, do not hesitate to call the worker's  
15 employer to verify his or her identity.

16 (5) Contractors demanding cash payment for a job or who ask  
17 you to make a check payable to a person other than the owner or  
18 company name.

19 (6) Offers from a contractor to drive you to the bank to  
20 withdraw funds to pay for the work.

21 CONTRACTS

22 (1) Get all estimates in writing.

23 (2) Do not be induced into signing a contract by

1 high-pressure sales tactics.

2 (3) Never sign a contract with blank spaces or one you do  
3 not fully understand. If you are taking out a loan to finance  
4 the work, do not sign the contract before your lender approves  
5 the loan.

6 (4) Remember, you have 3 business days (or 15 full business  
7 days if you are age 65 or older) from the time you sign your  
8 contract to cancel any contract if the sale is made at your  
9 home. The contractor cannot deprive you of this right by  
10 initiating work, selling your contract to a lender, or any  
11 other tactic.

12 (5) If the contractor does business under a name other than  
13 the contractor's real name, the business must either be  
14 incorporated or registered under the Assumed Business Name Act.  
15 Check with the Secretary of State to see if the business is  
16 incorporated or with the county clerk to see if the business  
17 has registered under the Assumed Business Name Act.

18 (6) Homeowners should check with local and county units of  
19 government to determine if permits or inspections are required.

20 (7) Determine whether the contractor will guarantee his or  
21 her work and products.

22 (8) Determine whether the contractor has the proper  
23 insurance.

24 (9) Do not sign a certificate of completion or make final  
25 payment until the work is done to your satisfaction.

26 (10) Before you pay your contractor, understand that the

1 Mechanics Lien Act requires that you shall request and the  
2 contractor shall give you a signed and notarized written  
3 statement (known as a "Sworn Statement") that lists all the  
4 persons or companies your contractor hired to work on your  
5 home, their addresses along with the amounts about to be paid,  
6 and the total amount owed after the payment to those persons or  
7 companies.

8 Suppliers and subcontractors have a right to file a lien  
9 against your home if they do not get paid for their labor or  
10 materials. To protect yourself against liens, you should demand  
11 that your contractor provide you with a Sworn Statement before  
12 you pay the contractor. You should also obtain lien waivers  
13 from all contractors and subcontractors if appropriate. You  
14 should consult with an attorney to learn more about your rights  
15 and obligations under the Mechanics Lien Act.

16 Disclaimer: The contents of this paragraph are required to  
17 be placed in the pamphlet for consumer guidance and information  
18 only. The contents of this paragraph are not substantive  
19 enforceable provisions of the Home Repair and Remodeling Act  
20 and are not intended to affect the substantive law of the  
21 Mechanics Lien Act.

22 BASIC TERMS TO BE INCLUDED IN A CONTRACT

23 (1) Contractor's full name, address, and telephone number.  
24 Illinois law requires that persons selling home repair and

1 improvement services provide their customers with notice of any  
2 change to their business name or address that comes about prior  
3 to the agreed dates for beginning or completing the work.

4 (2) A description of the work to be performed.

5 (3) Starting and estimated completion dates.

6 (4) Total cost of work to be performed.

7 (5) Schedule and method of payment, including down payment,  
8 subsequent payments, and final payment.

9 (6) A provision stating the grounds for termination of the  
10 contract by either party. However, the homeowner must pay the  
11 contractor for work completed. If the contractor fails to  
12 commence or complete work within the contracted time period,  
13 the homeowner may cancel and may be entitled to a refund of any  
14 down payment or other payments made towards the work, upon  
15 written demand by certified mail.

16 (7) A provision stating the grounds for termination of the  
17 contract if you are notified by your insurer that all or any  
18 part of the claim or contract is not a covered loss under the  
19 insurance policy, you may cancel the contract by mailing or  
20 delivering written notice to (name of contractor) at (address  
21 of contractor's place of business) at any time prior to the  
22 earlier of midnight on the fifth business day after you have  
23 received such notice from your insurer or the thirtieth  
24 business day after receipt of a properly executed proof of loss  
25 by the insurer from the insured. If you cancel, any payments  
26 made by you under the contract will be returned to you within

1 10 business days following receipt by the contractor of your  
2 cancellation notice. If, however, the contractor has provided  
3 any goods or services related to a catastrophe, acknowledged  
4 and agreed to by the insured homeowner in writing to be  
5 necessary to prevent damage to the premises, the contractor is  
6 entitled to the reasonable value of such goods and services.

7 Homeowners should obtain a copy of the signed contract and  
8 keep it in a safe place for reference as needed.

9 To file a complaint against a roofing contractor, contact  
10 the Illinois Department of Financial and Professional  
11 Regulation at 312-814-6910 or file a complaint directly on its  
12 website.

13 IF YOU THINK YOU HAVE BEEN DEFRAUDED OR YOU HAVE QUESTIONS

14 If you think you have been defrauded by a contractor or  
15 have any questions, please bring it to the attention of your  
16 State's Attorney or the Illinois Attorney General's Office.

17 Attorney General Toll-Free Numbers

18 Carbondale (800) 243-0607

19 Springfield (800) 243-0618

20 Chicago (800) 386-5438".

21 (Source: P.A. 100-670, eff. 1-1-19.)

22 (815 ILCS 513/22 new)

23 Sec. 22. Senior citizen; right of cancellation. A person  
24 age 65 or older who purchases home repair or remodeling

1 services may cancel any contract with a person engaged in home  
2 repair or remodeling by notifying that person within 15 full  
3 business days following the day on which the contract was  
4 signed if the agreement for the home repair or remodeling was  
5 made at the home of the purchaser.

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law.".