LRB093 10795 LCB 14414 a

- 1 AMENDMENT TO SENATE BILL 1063
- 2 AMENDMENT NO. ____. Amend Senate Bill 1063, on page 2,
- 3 line 3, by replacing "\$5,000" with "\$7,500"; and
- 4 on page 2, line 9, after "purchaser.", by inserting "Any
- 5 money deposited with the builder for extras, additions, or
- 6 changes to the property, made subsequent to the initial
- 7 earnest money, deposit, or payment paid by a purchaser, shall
- 8 be excluded from the deposit requirements of this Act and
- 9 shall be exclusively applied by the builder to the cost of
- 10 extras, additions, or changes of the purchaser."; and
- on page 2, line 17, after "residence.", by inserting "If the
- 12 deposit exceeds the allowable insured amount by the Federal
- 13 Deposit Insurance Corporation, the builder may open an
- 14 additional account but failure to do so shall not be a
- 15 violation of this Act. All risk of loss of any moneys
- 16 deposited with a federally insured account and the recovery
- 17 of the same from the Federal Deposit Insurance Corporation
- 18 and financial institution shall be the responsibility and
- 19 duty of the purchaser. The purchaser shall not be barred from
- 20 raising the loss or encumbrance of the money so deposited as
- 21 a defense or affirmative action to default of the
- 22 construction contract the purchaser may have with the
- 23 builder."; and

- on page 2, line 19, after "contract.", by inserting "The
- 2 purchaser shall be liable for all costs and fees of opening
- 3 and maintaining the accounts."; and
- 4 on page 2, line 23, after "property.", by inserting "The
- 5 builder's sole liability under this Act to a purchaser for a
- 6 default shall be to refund the deposited sum and the
- 7 purchaser's acceptance of the same shall bar any additional
- 8 recovery against the builder under this Act."; and
- 9 on page 2, line 30, by replacing "The parties to" with "The
- 10 builder may elect to"; and
- on page 2, line 31, by deleting "the contract may"; and
- 12 on page 3, by replacing lines 12 through 14 with the
- 13 following:
- 14 "Section 35. Violation.
- 15 (a) A violation of this Act by a builder shall
- 16 constitute an unlawful practice within the meaning of the
- 17 Consumer Fraud and Deceptive Business Practices Act.
- 18 (b) It is a violation of this Act for a purchaser to:
- 19 (1) permit a third party, unrelated to the
- 20 construction project on the property, to attach the funds
- 21 deposited;
- 22 (2) withdraw any of the funds deposited; or
- 23 (3) pledge or use the funds deposited as collateral
- on any other transaction except for the purchase of the
- 25 property or a loan to secure the purchase of the
- 26 property.".