

HB1087



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB1087

Introduced 02/04/11, by Rep. Thomas Holbrook

SYNOPSIS AS INTRODUCED:

815 ILCS 513/20

Amends the Home Repair and Remodeling Act. Provides that the consumer rights pamphlet that must be provided to customers by a person engaged in the business of home repair and remodeling may be printed on the back of the home repair and remodeling contract (as an alternative to being provided as a separate document). Provides that in either case, the pamphlet must be printed in at least 12 point type and in legible ink. Effective immediately.

LRB097 06420 AEK 46502 b

A BILL FOR

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Home Repair and Remodeling Act is amended by
5 changing Section 20 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
17 representative shall also sign and date the acknowledgment
18 form, which includes the name and address of the home repair
19 and remodeling business. The acknowledgment form shall be in
20 duplicate and incorporated into the pamphlet. The original
21 acknowledgment form shall be retained by the contractor and the
22 duplicate copy shall be retained within the pamphlet by the
23 consumer.

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

7 (c) The pamphlet may ~~must~~ be a separate document, or it may
8 be printed on the back of the home repair and remodeling
9 contract. In either case, however, the pamphlet must be printed
10 in at least 12 point type⁷ and in legible ink. The pamphlet
11 shall read as follows:

12 "HOME REPAIR: KNOW YOUR CONSUMER RIGHTS

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

18 AVOIDING HOME REPAIR FRAUD

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

21 (1) Door-to-door salespersons with no local connections
22 who offer to do home repair work for substantially less than

1 the market price.

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

5 (3) Contractors who fail to provide customers references
6 when requested.

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

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

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

17 CONTRACTS

18 (1) Get all estimates in writing.

19 (2) Do not be induced into signing a contract by
20 high-pressure sales tactics.

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

1 (4) Remember, you have 3 business days from the time you
2 sign your contract to cancel any contract if the sale is made
3 at your home. The contractor cannot deprive you of this right
4 by initiating work, selling your contract to a lender, or any
5 other tactic.

6 (5) If the contractor does business under a name other than
7 the contractor's real name, the business must either be
8 incorporated or registered under the Assumed Business Name Act.
9 Check with the Secretary of State to see if the business is
10 incorporated or with the county clerk to see if the business
11 has registered under the Assumed Business Name Act.

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

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

16 (8) Determine whether the contractor has the proper
17 insurance.

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

20 (10) Remember, homeowners should know who provides
21 supplies and labor for any work performed on your home.
22 Suppliers and subcontractors have a right to file a lien
23 against your property if the general contractor fails to pay
24 them. To protect your property, request lien waivers from the
25 general contractor.

1 BASIC TERMS TO BE INCLUDED IN A CONTRACT

2 (1) Contractor's full name, address, and telephone number.
3 Illinois law requires that persons selling home repair and
4 improvement services provide their customers with notice of any
5 change to their business name or address that comes about prior
6 to the agreed dates for beginning or completing the work.

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

8 (3) Starting and estimated completion dates.

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

10 (5) Schedule and method of payment, including down payment,
11 subsequent payments, and final payment.

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

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

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

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

1 Attorney General Toll-Free Numbers
2 Carbondale (800) 243-0607
3 Springfield (800) 243-0618
4 Chicago (800) 386-5438".
5 (Source: P.A. 91-230, eff. 1-1-00.)

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