



Rep. André Thapedi

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LRB100 13196 JLS 36907 a

1 AMENDMENT TO HOUSE BILL 4268

2 AMENDMENT NO. _____. Amend House Bill 4268 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 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.

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 from the time you
7 sign your contract to cancel any contract if the sale is made
8 at your home. The contractor cannot deprive you of this right
9 by initiating work, selling your contract to a lender, or any
10 other tactic.

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

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

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

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

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

25 (10) Before you pay your contractor, understand that the
26 Mechanics Lien Act requires that you shall request and the

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

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

15 Disclaimer: The contents of this paragraph are required to
16 be placed in the pamphlet for consumer guidance and information
17 only. The contents of this paragraph are not substantive
18 enforceable provisions of the Home Repair and Remodeling Act
19 and are not intended to affect the substantive law of the
20 Mechanics Lien Act. Remember, homeowners should know who
21 provides supplies and labor for any work performed on your
22 home. 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 (7) A provision stating the grounds for termination of the
20 contract if you are notified by your insurer that all or any
21 part of the claim or contract is not a covered loss under the
22 insurance policy, you may cancel the contract by mailing or
23 delivering written notice to (name of contractor) at (address
24 of contractor's place of business) at any time prior to the
25 earlier of midnight on the fifth business day after you have

1 received such notice from your insurer or the thirtieth
2 business day after receipt of a properly executed proof of loss
3 by the insurer from the insured. If you cancel, any payments
4 made by you under the contract will be returned to you within
5 10 business days following receipt by the contractor of your
6 cancellation notice. If, however, the contractor has provided
7 any goods or services related to a catastrophe, acknowledged
8 and agreed to by the insured homeowner in writing to be
9 necessary to prevent damage to the premises, the contractor is
10 entitled to the reasonable value of such goods and services.

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

13 To file a complaint against a roofing contractor, contact
14 the Illinois Department of Financial and Professional
15 Regulation at 312-814-6910 or file a complaint directly on its
16 website.

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

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

21 Attorney General Toll-Free Numbers

22 Carbondale (800) 243-0607

23 Springfield (800) 243-0618

24 Chicago (800) 386-5438".

25 (Source: P.A. 97-235, eff. 1-1-12.)".