

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 Illinois Roofing Industry Licensing Act is
5 amended by changing Section 5 and by adding Section 5.1 as
6 follows:

7 (225 ILCS 335/5) (from Ch. 111, par. 7505)

8 (Section scheduled to be repealed on January 1, 2016)

9 Sec. 5. Display of license number; advertising.

10 (a) Each State licensed roofing contractor shall affix the
11 roofing contractor license number and the licensee's name, as
12 it appears on the license, to all of his or her contracts and
13 bids. In addition, the official issuing building permits shall
14 affix the roofing contractor license number to each application
15 for a building permit and on each building permit issued and
16 recorded.

17 (a-5) A person who knowingly, in the course of applying for
18 a building permit with a unit of local government, provides the
19 roofing license number of a roofing contractor whom he or she
20 does not intend to have perform the work on the roofing portion
21 of the project commits identity theft under paragraph (8) of
22 subsection (a) of Section 16G-15 of the Criminal Code of 1961.

23 (b) (Blank). ~~In addition, every roofing contractor shall~~

1 ~~affix the roofing contractor license number and the licensee's~~
2 ~~name, as it appears on the license, on all commercial vehicles~~
3 ~~used as part of his or her business as a roofing contractor.~~

4 (c) Every holder of a license shall display it in a
5 conspicuous place in his or her principal office, place of
6 business, or place of employment.

7 (d) No person licensed under this Act may advertise
8 services regulated by this Act unless that person includes in
9 the advertisement the roofing contractor license number and the
10 licensee's name, as it appears on the license. Nothing
11 contained in this subsection requires the publisher of
12 advertising for roofing contractor services to investigate or
13 verify the accuracy of the license number provided by the
14 licensee.

15 (e) A person who advertises services regulated by this Act
16 who knowingly (i) fails to display the license number and the
17 licensee's name, as it appears on the license, in any manner
18 required by this Section, (ii) fails to provide a publisher
19 with the correct license number as required by subsection (d),
20 or (iii) provides a publisher with a false license number or a
21 license number of another person, or a person who knowingly
22 allows his or her license number to be displayed or used by
23 another person to circumvent any provisions of this Section, is
24 guilty of a Class A misdemeanor with a fine of \$1,000, and, in
25 addition, is subject to the administrative enforcement
26 provisions of this Act. Each day that an advertisement runs or

1 each day that a person knowingly allows his or her license to
2 be displayed or used in violation of this Section constitutes a
3 separate offense.

4 (Source: P.A. 96-624, eff. 1-1-10; 96-1324, eff. 7-27-10.)

5 (225 ILCS 335/5.1 new)

6 Sec. 5.1. Commercial vehicles. Any entity offering
7 services regulated by the Roofing Industry Licensing Act shall
8 affix the roofing contractor license number and the licensee's
9 name, as it appears on the license, on all commercial vehicles
10 used in offering such services. An entity in violation of this
11 Section shall be subject to a \$250 civil penalty. This Section
12 may be enforced by local code enforcement officials employed by
13 units of local government as it relates to roofing work being
14 performed within the boundaries of their jurisdiction. For
15 purposes of this Section, "code enforcement official" means an
16 officer or other designated authority charged with the
17 administration, interpretation, and enforcement of codes on
18 behalf of a municipality or county. If the alleged violation
19 has been corrected prior to or on the date of the hearing
20 scheduled to adjudicate the alleged violation, it shall be
21 dismissed.

22 Section 10. The Home Repair and Remodeling Act is amended
23 by adding Section 18 and by changing Section 20 as follows:

1 (815 ILCS 513/18 new)

2 Sec. 18. Repairs following damaging weather.

3 (a) As used in this Section, "catastrophe" means a natural
4 occurrence, including but not limited to flood, drought,
5 earthquake, tornado, windstorm, or hailstorm, which damages or
6 destroys more than one residence.

7 (b) A contractor offering home repair or remodeling
8 services shall not advertise or promise to pay or rebate all or
9 any portion of any insurance deductible as an inducement to the
10 sale of goods or services. As used in this Section, a promise
11 to pay or rebate includes granting any allowance or offering
12 any discount against the fees to be charged or paying the
13 insured or any person directly or indirectly associated with
14 the property any form of compensation.

15 (c) A contractor offering home repair or remodeling
16 services shall not accept money or any form of compensation in
17 exchange for allowing an out of area contractor to use its
18 business name or license.

19 (d) A contractor offering home repair or remodeling
20 services shall include its Illinois State roofing contractor
21 license name and number as it appears on its Illinois State
22 roofing license on all contracts, bids, and advertisements
23 involving roofing work as required by the Illinois Roofing
24 Industry Licensing Act.

25 (e) A person who has entered into a written contract with a
26 contractor offering home repair or remodeling services to

1 provide goods or services to be paid from the proceeds of a
2 property and casualty insurance policy may cancel the contract
3 prior to midnight on the earlier of the fifth business day
4 after the insured has received written notice from the insurer
5 that all or any part of the claim or contract is not a covered
6 loss under the insurance policy or the thirtieth business day
7 after receipt of a properly executed proof of loss by the
8 insurer from the insured. Cancellation is evidenced by the
9 insured giving written notice of cancellation to the contractor
10 offering home repair or remodeling services at the address
11 stated in the contract. Notice of cancellation, if given by
12 mail, is effective upon deposit into the United States mail,
13 postage prepaid and properly addressed to the contractor.
14 Notice of cancellation may be given by delivering or mailing a
15 signed and dated copy of the written notice of cancellation to
16 the contractor's business address as stated in the contract.
17 Notice of cancellation shall include a copy of the written
18 notice from the insurer to the effect that all or part of the
19 claim is not a covered loss under the insurance policy. Notice
20 of cancellation need not take a particular form and is
21 sufficient if it indicates, by any form of written expression,
22 the intention of the insured not to be bound by the contract.

23 (f) Any contract referred to in subsection (e), must
24 contain a statement in at least 10 point boldface, in
25 substantially the following form:

26 "You may cancel this contract at any time before

1 midnight on the earlier of the fifth business day after
2 you have received written notification from your
3 insurer that all or any part of the claim or contract
4 is not a covered loss under the insurance policy or the
5 thirtieth business day after your insurer has received
6 properly executed proof(s) of loss from you. See
7 attached notice of cancellation form for an
8 explanation of this right."

9 (g) Upon executing a contract referred to in subsection
10 (e), furnish each insured a fully completed form in duplicate,
11 captioned "NOTICE OF CANCELLATION", which shall be attached to
12 the contract but easily detachable, and which shall contain
13 boldface type of a minimum size of 10 points the following
14 statement with the appropriate fields completed by the
15 contractor:

16 "NOTICE OF CANCELLATION

17 If you are notified by your insurer that all or any
18 part of the claim or contract is not a covered loss
19 under the insurance policy, you may cancel the contract
20 by mailing or delivering a signed and dated copy of
21 this cancellation notice or any other written notice to
22 (name of contractor) at (address of contractor's place
23 of business) at any time prior to midnight on the
24 earlier of the fifth business day after you have
25 received such notice from your insurer or the thirtieth
26 business day after your insurer has received properly

1 executed proof(s) of loss from you. If you cancel, any
 2 payments made by you under the contract, other than
 3 payments for goods or services related to a catastrophe
 4 which you agreed in writing to be necessary to prevent
 5 damage to your property, will be returned to you within
 6 10 business days following receipt by the contractor of
 7 your cancellation notice.

8 I HEREBY CANCEL THIS TRANSACTION

9

10 (date)

11

12 (insured's signature)".

13 (h) Within 10 days after a contract referred to in
 14 subsection (e) has been cancelled, the contractor offering home
 15 repair or remodeling services shall tender to the insured any
 16 payments, partial payments, or deposits made by the insured and
 17 any note or other evidence of indebtedness. If, however, the
 18 contractor has provided any goods or services related to a
 19 catastrophe, acknowledged and agreed to by the insured in
 20 writing to be necessary to prevent damage to the premises, the
 21 contractor is entitled to the reasonable value of such goods
 22 and services. Any provision in a contract referred to in
 23 subsection (e) that requires the payment of any fee for
 24 anything except goods or services related to a catastrophe
 25 shall not be enforceable against any insured who has cancelled
 26 a contract pursuant to this Section.

1 (i) A contractor offering home repair or remodeling
2 services shall not represent, or offer or advertise to
3 represent, on behalf of a homeowner on any insurance claim in
4 connection with the repair or replacement of roof systems, or
5 the performance of any other interior or exterior repair,
6 replacement, construction or reconstruction work; or otherwise
7 violate the Public Adjusters Law (Public Act 96-1332). A Public
8 Adjuster means any person who acts on behalf of the insured in
9 preparing and adjusting a claim for loss or damage covered by
10 an insurance contract. A contractor offering home repair or
11 remodeling services shall not call in or file a claim to an
12 insurance carrier on the insured's behalf. A contractor
13 offering home repair or remodeling services shall not climb on
14 a roof or inspect for exterior damage without the insured's
15 express permission. Nothing in this subsection shall be
16 construed to prohibit a residential contractor from: (1)
17 providing an insured an estimate for repair, replacement,
18 construction, or reconstruction of the insured's property and
19 any such estimate may be submitted to the insured's insurance
20 company; (2) conferring with an insurance company's
21 representative about damage to an insured's property; or (3)
22 discussing repair or replacement options with an insurance
23 company's representative or the insured about options for the
24 repair or replacement of the damage.

1 Sec. 20. Consumer rights brochure.

2 (a) For any contract over \$1,000, any person engaging in
3 the business of home repair and remodeling shall provide to its
4 customers a copy of the "Home Repair: Know Your Consumer
5 Rights" pamphlet prior to the execution of any home repair and
6 remodeling contract. The consumer shall sign and date an
7 acknowledgment form entitled "Consumer Rights Acknowledgment
8 Form" that states: "I, the homeowner, have received from the
9 contractor a copy of the pamphlet entitled 'Home Repair: Know
10 Your Consumer Rights.'" The contractor or his or her
11 representative shall also sign and date the acknowledgment
12 form, which includes the name and address of the home repair
13 and remodeling business. The acknowledgment form shall be in
14 duplicate and incorporated into the pamphlet. The original
15 acknowledgment form shall be retained by the contractor and the
16 duplicate copy shall be retained within the pamphlet by the
17 consumer.

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

24 (c) The pamphlet must be a separate document, in at least
25 12 point type, and in legible ink. The pamphlet shall read as
26 follows:

1 "HOME REPAIR: KNOW YOUR CONSUMER RIGHTS

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

7 AVOIDING HOME REPAIR FRAUD

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

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

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

16 (3) Contractors who fail to provide customers references
17 when requested.

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

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

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

5 (8) Determine whether the contractor has the proper
6 insurance.

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

9 (10) Remember, homeowners should know who provides
10 supplies and labor for any work performed on your home.
11 Suppliers and subcontractors have a right to file a lien
12 against your property if the general contractor fails to pay
13 them. To protect your property, request lien waivers from the
14 general contractor.

15 BASIC TERMS TO BE INCLUDED IN A CONTRACT

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

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

22 (3) Starting and estimated completion dates.

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

24 (5) Schedule and method of payment, including down payment,

1 subsequent payments, and final payment.

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

9 (7) A provision stating the grounds for termination of the
10 contract if you are notified by your insurer that all or any
11 part of the claim or contract is not a covered loss under the
12 insurance policy, you may cancel the contract by mailing or
13 delivering written notice to (name of contractor) at (address
14 of contractor's place of business) at any time prior to the
15 earlier of midnight on the fifth business day after you have
16 received such notice from your insurer or the thirtieth
17 business day after receipt of a properly executed proof of loss
18 by the insurer from the insured. If you cancel, any payments
19 made by you under the contract will be returned to you within
20 10 business days following receipt by the contractor of your
21 cancellation notice. If, however, the contractor has provided
22 any goods or services related to a catastrophe, acknowledged
23 and agreed to by the insured homeowner in writing to be
24 necessary to prevent damage to the premises, the contractor is
25 entitled to the reasonable value of such goods and services.

26 Homeowners should obtain a copy of the signed contract and

1 keep it in a safe place for reference as needed.

2 To file a complaint against a roofing contractor, contact
3 the Illinois Department of Financial and Professional
4 Regulation at 312-814-6910 or file a complaint directly on its
5 website.

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

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

10 Attorney General Toll-Free Numbers

11 Carbondale (800) 243-0607

12 Springfield (800) 243-0618

13 Chicago (800) 386-5438".

14 (Source: P.A. 91-230, eff. 1-1-00.)