

STATE OF NEW YORK

3897

2017-2018 Regular Sessions

IN SENATE

January 27, 2017

Introduced by Sen. CARLUCCI -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to roofing contract provisions

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 770 of the general business law is amended by
2 adding a new subdivision 8 to read as follows:

3 8. "Roofing contractors" means residential owners and farmers who
4 perform their own roofing improvement work and any federal, state or
5 municipal employees performing roofing work.

6 § 2. The general business law is amended by adding a new section 771-b
7 to read as follows:

8 § 771-b. Requirements and responsibilities of roofing contractors. 1.
9 A roofing contractor shall enter into a written contract with a property
10 owner before engaging in roof repair services. Such contract shall
11 follow all of the requirements for a home improvement contractor pursu-
12 ant to section seven hundred seventy-one-a of this article.

13 2. Roofing contractors are prohibited from advertising, promising to
14 pay or rebate any or all of an insurance deductible as an inducement to
15 the sale of any goods or services.

16 3. A homeowner has the right to cancel a roofing improvement contract
17 within three business days after notice from their insurer that the
18 claim for repairs has been denied in whole or in part.

19 4. An owner shall not be responsible for any payments after the
20 contract has been cancelled except for work done before such cancella-
21 tion. Such right shall not apply to emergency repairs where the work was
22 initiated by the owner to meet a bona fide emergency of the owner and
23 the roofing contractor is entitled to the reasonable value of such
24 repairs.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

LBD09369-01-7

1 5. A roofing contractor shall not require a deposit in excess of fifty
2 percent of the total contract amount.

3 6. A roofing contractor shall not abandon or fail to perform, without
4 justification, an executed roofing improvement contract, nor can such
5 contractor materially deviate from or disregard the plans or specifica-
6 tions for such work.

7 7. A roofing contractor shall not fail to pay for materials or
8 services rendered when such contractor has received sufficient funds as
9 payment for the contract applicable to those materials and services.

10 8. A roofing contractor shall not perform any reporting, adjusting or
11 negotiating of a claim for the owner, nor can such contractor receive
12 compensation for a referral to an entity that performs such claim
13 services.

14 9. Minimum insurance requirements for roofing contractors shall apply
15 to roofing improvement contracts performed in political subdivisions
16 that do not contain any insurance requirements for roofing contracts.
17 The roofing contractor shall provide a valid certificate of workers'
18 compensation insurance coverage (or if a sole proprietor a certificate
19 of exemption), a certificate of general liability and property damage
20 insurance with limits of at least one hundred thousand dollars per
21 person and three hundred thousand dollars per occurrence for bodily
22 injury and at least fifty thousand dollars for each occurrence and
23 aggregate for property damage.

24 § 3. This act shall take effect on the one hundred eightieth day after
25 it shall have become a law.