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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 100 Session of  
2007

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INTRODUCED BY TOMLINSON, WONDERLING, BOSCOLA, RAFFERTY,  
ERICKSON, LAVALLE, FERLO, BROWNE, PILEGGI, STACK AND LOGAN,  
MARCH 2, 2007

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REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,  
MARCH 2, 2007

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AN ACT

1 Providing for the regulation of home improvement contracts and  
2 for the registration of certain contractors; prohibiting  
3 certain acts; and providing for penalties.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Short title.

7 This act shall be known and may be cited as the Home  
8 Improvement Consumer Protection Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall  
11 have the meanings given to them in this section unless the  
12 context clearly indicates otherwise:

13 "Arbitration clause." A process in which a neutral  
14 arbitrator or panel of neutral arbitrators is engaged by the  
15 parties to settle a dispute between a contractor and an owner.

16 "Bureau." The Bureau of Consumer Protection in the Office of  
17 Attorney General.

1 "Contractor." Any person who owns and operates a home  
2 improvement business or who undertakes, offers to undertake or  
3 agrees to perform any home improvement. The term includes a  
4 subcontractor or independent contractor who has contracted with  
5 a home improvement retailer, regardless of the retailer's net  
6 worth, to provide home improvement services to the retailer's  
7 customers. The term does not include any of the following:

8 (1) A person for whom the total cash value of all of  
9 that person's home improvements is less than \$5,000 during  
10 any period of 12 consecutive months.

11 (2) A home improvement retailer having a net worth of  
12 more than \$50,000,000 or an employee of that retailer.

13 "Home improvement."

14 (1) The term includes all of the following done in  
15 connection with land or a portion of the land adjacent to a  
16 private residence or a building or a portion of the building  
17 which is used or designed to be used as a private residence  
18 for which the total cash price of all work agreed upon  
19 between the contractor and owner is more than \$500.

20 (i) Repair, replacement, remodeling, demolition,  
21 removal, renovation, installation, alteration,  
22 conversion, modernization, improvement, rehabilitation or  
23 sandblasting.

24 (ii) Construction, replacement, installation or  
25 improvement of driveways, swimming pools, pool houses,  
26 porches, garages, roofs, siding, insulation, solar energy  
27 systems, security systems, flooring, patios, fences,  
28 gazebos, sheds, cabanas, landscaping of a type that is  
29 not excluded under paragraph (2)(vi), painting, doors and  
30 windows and waterproofing.

1 (iii) Without regard to affixation, the installation  
2 of central heating or air conditioning or storm windows  
3 or awnings.

4 (iv) The conversion of existing commercial  
5 structures into residential or noncommercial structures.

6 (2) The term does not include:

7 (i) The construction of a new home.

8 (ii) The sale of goods or materials by a seller who  
9 neither arranges to nor performs, directly or indirectly,  
10 any work or labor in connection with the installation or  
11 application of the goods or materials.

12 (iii) The sale of services furnished for commercial  
13 or business use or for resale, if the service takes place  
14 somewhere other than at a private residence.

15 (iv) The sale of appliances, including stoves,  
16 refrigerators, freezers, room air conditioners and others  
17 which are designed for and are easily removable from the  
18 premises without material alteration.

19 (v) Any work performed without compensation by the  
20 owner of the owner's private residence or residential  
21 rental property.

22 (vi) Any work performed by a landscaper certified by  
23 the Department of Agriculture under the act of December  
24 16, 1992 (P.L.1228, No.162), known as the Plant Pest Act,  
25 except to the extent that the work involves any of the  
26 following at a private residence:

27 (A) The construction, replacement, installation  
28 or improvement of buildings, driveways, swimming  
29 pools, porches, garages, roofs, siding, insulation,  
30 solar energy systems, security systems, flooring,

1           patios, nondecorative fences, doors, lighting  
2           systems, concrete walkways and windows.

3           (B) The placement of retaining walls, fountains  
4           or drainage systems.

5           (vii) Emergency work pursuant to section 7 of the  
6           act of December 17, 1968 (P.L.1224, No.387), known as the  
7           Unfair Trade Practices and Consumer Protection Law.

8           "Home improvement contract." An agreement between a  
9           contractor, subcontractor or salesperson and an owner for the  
10          performance of a home improvement which includes all agreements  
11          for labor, services and materials to be furnished and performed  
12          under the contract.

13          "Owner."

14          (1) The term includes any of the following:

15               (i) An owner of a private residence, including any  
16               person authorized by an owner to act on the owner's  
17               behalf to order, contract for or purchase a home  
18               improvement.

19               (ii) A person entitled to the performance of the  
20               work of a contractor pursuant to a home improvement  
21               contract.

22          (2) An owner of a private residence shall not be  
23          required to reside in the residence to be deemed an owner  
24          under this act.

25          (3) A person who owns three or more private residences  
26          in this Commonwealth shall not be deemed an owner except with  
27          respect to the person's primary residence or the part of the  
28          building which houses the primary residence of the owner.

29          "Person." An individual, partnership, limited partnership,  
30          limited liability company, joint venture or corporation.

1 "Private residence." Any of the following:

2 (1) A single family dwelling.

3 (2) A multifamily dwelling consisting of not more than  
4 three units.

5 (3) A single unit located within any multifamily  
6 dwelling, including condominiums and co-op units.

7 "Special order material." Any material, product or equipment  
8 that is not a stock item and must be specially ordered from the  
9 factory or distributor and which is produced or processed for  
10 the contractor for a specific home improvement contract. Special  
11 order materials are not returnable by the contractor for a  
12 refund or credit and have no usefulness for other home  
13 improvement contracts because they are specially ordered for a  
14 specific home improvement contract.

15 "Specifications." The plans, detailed drawings, lists of  
16 materials, stated allowances or other methods customarily used  
17 in the home improvement industry as a whole to describe with  
18 particularity the work, workmanship, materials and quality of  
19 materials for each home improvement.

20 "Tenant." A person who has entered into a lease or other  
21 contractual arrangement with the owner.

## 22 Section 3. Registration of contractors.

23 (a) General rule.--No person shall hold himself out as a  
24 contractor nor shall a person perform any home improvement  
25 without first registering with the bureau as provided for in  
26 this act.

27 (b) Public access to registration information.--The bureau  
28 shall maintain a toll-free telephone number from which a caller  
29 can obtain information as to whether a contractor is registered  
30 with the bureau pursuant to this act, as well as information

1 that may be obtained on the bureau's website.

2 (c) Confidentiality of personal information.--The bureau  
3 shall create a policy for the disclosure of personal information  
4 to the public. The bureau may not disclose to the public a  
5 contractor's Social Security number.

6 (d) Nongrant or renewal of license.--The Department of  
7 Banking shall not grant or renew a license to any person  
8 registered, or required to be registered, as a home improvement  
9 contractor pursuant to any of the following:

10 (1) The act of December 12, 1980 (P.L.1179, No.219),  
11 known as the Secondary Mortgage Loan Act.

12 (2) The act of December 22, 1989 (P.L.687, No.90), known  
13 as the Mortgage Bankers and Brokers and Consumer Equity  
14 Protection Act.

15 Section 4. Procedures for registration as a contractor.

16 (a) Application.--

17 (1) A person shall apply to the bureau in writing, or  
18 electronically via a secure Internet connection, if permitted  
19 by the bureau, on a form provided by the bureau. The  
20 application shall include the following information:

21 (i) For an individual applicant, the name, home  
22 address, home telephone number and driver's license  
23 identification number of the applicant or an  
24 identification card issued by the Pennsylvania Department  
25 of Transportation, as well as the individual's business  
26 name, address and telephone number if different, and all  
27 prior business names and addresses of home improvement  
28 businesses.

29 (ii) For a partnership applicant, the name, home  
30 address, home telephone number and driver's license

1 identification number of each partner as well as the  
2 partnership name, address and telephone number.

3 (iii) For a corporation, limited liability company  
4 or limited partnership applicant, the name, home address,  
5 home telephone number and driver's license identification  
6 number of each officer, each director or each individual  
7 holding greater than a 5% stake in the business, as well  
8 as the entity's business name, address and telephone  
9 number.

10 (iv) For an out-of-State corporation, limited  
11 liability or limited partnership, the name and address of  
12 the entity's resident agent or registered office provider  
13 within this Commonwealth and any registration number or  
14 license number issued to the entity by its home state or  
15 political subdivision of such other state, if applicable.

16 (v) For a joint venture applicant, the name, address  
17 and telephone number of the joint venture, as well as the  
18 name, address and telephone number of each party to the  
19 joint venture. When the parties to a joint venture  
20 include business entities, the information required from  
21 such entities pursuant to paragraph (2) and subsection  
22 (b) shall also be provided.

23 (vi) A complete description of the nature of the  
24 contracting business of the applicant.

25 (vii) A statement whether:

26 (A) The individual or individuals making  
27 application, even if doing so as part of a business  
28 entity application, has ever been convicted of a  
29 criminal offense related to a home improvement  
30 transaction, fraud, theft, a crime of deception or a

1 crime involving fraudulent business practices, as  
2 well as a statement whether the applicant has ever  
3 filed a petition in bankruptcy or within the last ten  
4 years received a final civil judgment entered against  
5 the applicant or businesses in which the applicant  
6 held an interest that was related to a home  
7 improvement transaction.

8 (B) The applicant's certificate or the  
9 certificate of a business with which the person  
10 making application held an interest has ever been  
11 revoked or suspended pursuant to an order issued by a  
12 court of competent jurisdiction in this Commonwealth  
13 or any other state or political subdivision thereof  
14 and, if so, the current status of the license.

15 (viii) Whether within the last ten years the  
16 applicant has ever been suspended or debarred from  
17 participating in any Federal, State or local program  
18 through which funding or other assistance is provided to  
19 consumers for home improvements.

20 (ix) Proof of liability insurance covering personal  
21 injury in an amount not less than \$50,000 and insurance  
22 covering property damage caused by the work of a home  
23 improvement contractor in an amount not less than  
24 \$50,000.

25 (2) Information requested in paragraph (1)(i) through  
26 (v) shall be for a ten-year period, prior to the time of  
27 registration. The applicant shall provide information prior  
28 to the last ten years or as further clarification of the  
29 information provided, if the bureau requests such  
30 information.



1 (b) Reporting of multiple registrations or licensures.--Any  
2 registered contractor in this Commonwealth who is registered or  
3 licensed as a home improvement contractor in any other state, or  
4 political subdivision thereof, shall report this information to  
5 the bureau on the initial registration and biennial registration  
6 application. Any disciplinary action taken in such other  
7 jurisdiction shall be reported to the bureau on the initial  
8 registration application or, if such action occurred subsequent  
9 to submission of an initial application, on the biennial  
10 registration application or within 90 days of final disposition,  
11 whichever is sooner. Multiple registrations or licensures shall  
12 be noted by the bureau on the contractor's registration, and  
13 such state, or political subdivision thereof, shall be notified  
14 by the bureau of any disciplinary actions taken against such  
15 contractor in this Commonwealth.

16 Section 5. Application fees.

17 Each application for a certificate for a home improvement  
18 contractor or renewal of that certificate shall be accompanied  
19 by a fee of \$50. After completion of the application and payment  
20 of the fee, the bureau shall issue the home improvement  
21 contractor a registration certificate identifying the name of  
22 the individual contractor, name and address of the business and  
23 a registration number. Renewals shall be on a biennial basis.

24 Section 6. Home improvement contracts.

25 (a) Requirements.--No home improvement contract shall be  
26 valid or enforceable against an owner unless it:

27 (1) Is in writing and legible and contains the home  
28 improvement contractor registration number of the performing  
29 contractor.

30 (2) Is signed by all of the following:

1 (i) The owner, his agent or other contracted party.

2 (ii) The contractor or a salesperson on behalf of a  
3 contractor.

4 (3) Contains the entire agreement between the owner and  
5 the contractor, including attached copies of all required  
6 notices.

7 (4) Contains the date of the transaction.

8 (5) Contains the name, address and telephone number of  
9 the contractor. For the purposes of this paragraph, a post  
10 office box number alone shall not be considered an address.

11 (6) Contains the approximate starting date and  
12 completion date.

13 (7) Includes a description of the work to be performed,  
14 the materials to be used and a set of specifications that  
15 cannot be changed without a written change order signed by  
16 the owner and contractor.

17 (8) Includes the total sales price due under the  
18 contract.

19 (9) Includes the amount of any down payment plus any  
20 amount advanced for the purchase of special order materials.  
21 The amount of the down payment and the cost of the special  
22 order materials must be listed separately.

23 (10) Includes the names, addresses and telephone numbers  
24 of all subcontractors on the project known at the date of  
25 signing the contract. For the purposes of this paragraph, a  
26 post office box number alone shall not be considered an  
27 address.

28 (11) Except as provided in section 12, agrees to  
29 maintain liability insurance covering personal injury in an  
30 amount not less than \$50,000 and insurance covering property

1 damage caused by the work of a home improvement contractor in  
2 an amount not less than \$50,000 and identifies the current  
3 amount of insurance coverage maintained at the time of  
4 signing the contract.

5 (b) Right of rescission.--An individual signing a home  
6 improvement contract, except as provided in the emergency  
7 provisions of section 7 of the act of December 17, 1968  
8 (P.L.1224, No.387), known as the Unfair Trade Practices and  
9 Consumer Protection Law, shall be permitted to rescind the  
10 contract without penalty regardless of where the contract was  
11 signed, within three days of the date of signing.

12 (c) Copy to be provided.--A contractor or salesperson shall  
13 provide and deliver to the owner, without charge, a completed  
14 copy of the home improvement contract at the time the contract  
15 is executed which shall contain all required notices.

16 (d) Arbitration clause.--Nothing in this act shall preclude  
17 the court from setting aside an arbitration clause on any basis  
18 permitted under Pennsylvania law. If the contract contains an  
19 arbitration clause, it shall meet the following requirements or  
20 be deemed void by the court upon motion of either party, filed  
21 prior to the commencement of arbitration:

22 (1) The text of the clause must be in capital letters.

23 (2) The text shall be printed in 12-point boldface type  
24 and the arbitration clause must appear on a separate page  
25 from the rest of the contract.

26 (3) The clause shall contain a separate line for each of  
27 the parties to indicate their assent to be bound thereby.

28 (4) The clause shall not be effective unless both  
29 parties have assented as evidenced by signature and date,  
30 which shall be the date on which the contract was executed.

1           (5) The clause shall state clearly whether the decision  
2 of the arbitration is binding on the parties or may be  
3 appealed to the court of common pleas.

4           (6) The clause shall state whether the facts of the  
5 dispute, related documents and the decision are confidential.

6           (e) Voidable clauses.--If a home improvement contract  
7 contains any of the following clauses, the home improvement  
8 contract shall be voidable:

9           (1) A hold harmless clause.

10          (2) A waiver of Federal, State or local health, life,  
11 safety or building code requirements.

12          (3) A confession of judgment clause.

13          (4) A waiver of any right to a jury trial in any action  
14 brought by or against the owner.

15          (5) (Reserved).

16          (6) An assignment of or order for payment of wages or  
17 other compensation for services.

18          (7) A provision by which the owner agrees not to assert  
19 any claim or defense arising out of the contract.

20          (8) A provision that the contractor shall be awarded  
21 attorney fees and costs.

22          (9) A clause by which the owner relieves the contractor  
23 from liability for acts committed by the contractor or the  
24 contractor's agents in the collection of any payments or in  
25 the repossession of any goods.

26          (10) A waiver of any rights provided under this act.

27          (11) A provision providing for the automatic or  
28 recurring renewal of any provisions of the agreement, unless:

29               (i) the contract establishes a procedure by which

30               the consumer can choose not to renew the provision or

1 provisions, thereby avoiding any new fees or charges, by  
2 providing written notice to the contractor via first  
3 class mail postmarked no later than three business days  
4 prior to any renewal;

5 (ii) such procedure is clearly and conspicuously  
6 disclosed in the agreement; and

7 (iii) the contract includes a provision requiring  
8 the contractor to notify the consumer of any automatic or  
9 recurring renewal, and the consumer's option to cancel  
10 such renewal, by mail not earlier than 20 days and not  
11 later than ten days prior to the date of any such  
12 renewal.

13 (f) Home improvement retailer contracts.--A home improvement  
14 retailer having a net worth of more than \$50,000,000 or an  
15 employee of that retailer shall comply with the provisions of  
16 this subsection. No home improvement contract issued by a home  
17 improvement retailer having a net worth of more than \$50,000,000  
18 or an employee of that retailer shall be valid or enforceable  
19 against an owner unless the contract:

20 (1) Is in writing and legible and contains all of the  
21 following:

22 (i) The name, address and telephone number of the  
23 retailer.

24 (ii) The name of the person signing the contract on  
25 behalf of the retailer and the person's position with the  
26 retailer or the person's authority to sign the contract.

27 (iii) The signature of the owner, the owner's agent  
28 or other contracted party.

29 (2) Complies with subsections (a)(3), (4), (6), (7), (8)  
30 and (9), (b), (c), (d) and (e).

(g) Contractor's recovery right.--Nothing in this section shall preclude a contractor who has complied with subsection (a) from the recovery of payment for work performed based on the reasonable value of services which were requested by the owner if a court determines that it would be inequitable to deny such recovery.

Section 7. Home improvement fraud.

(a) Offense defined.--A person commits the offense of home improvement fraud if, with intent to defraud or injure anyone or with knowledge that he is facilitating a fraud or injury to be perpetrated by anyone, the actor:

(1) makes a false or misleading statement to induce, encourage or solicit a person to enter into any written or oral agreement for home improvement services or provision of home improvement materials or to justify an increase in the previously agreed upon price;

(2) receives any advance payment for performing home improvement services or providing home improvement materials and fails to perform or provide such services or materials when specified in the contract taking into account any force majeure or unforeseen labor strike that would extend the time frame or unless extended by agreement with the consumer and fails to return the payment received for such services or materials which were not provided by that date;

(3) while soliciting a person to enter into an agreement for home improvement services or materials, misrepresents or conceals the contractor's or salesperson's real name, the name of the contractor's business, the contractor's business address or any other identifying information;

(4) damages a person's property with the intent to

1 induce, encourage or solicit that person to enter into a  
2 written or oral agreement for performing home improvement  
3 services or providing home improvement materials;

4 (5) misrepresents himself or another as an employee or  
5 agent of the Federal, Commonwealth or municipal government,  
6 any other governmental unit or any public utility, with the  
7 intent to cause a person to enter into any agreement for  
8 performing home improvement services or providing home  
9 improvement materials;

10 (6) misrepresents an item as a special order material or  
11 to misrepresent the cost of the special order material;

12 (7) alters a home improvement agreement, mortgage,  
13 promissory note or other document incident to performing or  
14 selling a home improvement without the consent of the  
15 consumer; or

16 (8) directly or indirectly publishes a false or  
17 deceptive advertisement in violation of State law governing  
18 advertising about home improvement.

19 (b) Grading.--

20 (1) A violation of subsection (a)(1), (3), (4), (5), (6)  
21 or (7) constitutes:

22 (i) a felony of the third degree if the amount  
23 involved exceeds \$2,000; or

24 (ii) a misdemeanor of the first degree if the amount  
25 involved is \$2,000 or less or if the amount involved  
26 cannot be satisfactorily ascertained.

27 (2) A violation of subsection (a)(2) constitutes:

28 (i) a felony of the third degree if the amount of  
29 the payment retained exceeds \$2,000; or

30 (ii) a misdemeanor of the first degree if the amount

1 of the payment retained is \$2,000 or less or if the  
2 amount of the payment cannot be satisfactorily  
3 ascertained.

4 (3) Amounts involved pursuant to one scheme or course of  
5 conduct, whether involving one or more victims, may be  
6 aggregated in determining the grade of the offense pursuant  
7 to subsection (a).

8 (4) Where a person commits an offense under subsection  
9 (a) and the victim is 60 years of age or older, the grading  
10 of the offense shall be one grade higher than specified in  
11 paragraphs (1), (2) and (3). This paragraph shall not be  
12 applicable to persons whose sentence would be enhanced  
13 pursuant to paragraph (5).

14 (5) Notwithstanding any other provisions of this  
15 section, where a person commits a second or subsequent  
16 offense described in subsection (a), the offense will  
17 constitute a felony of the second degree regardless of the  
18 amount of money involved. For this paragraph to be  
19 applicable, the second or subsequent offense must have  
20 occurred after the first conviction. Paragraph (4) shall not  
21 be applicable to persons whose sentences would be enhanced  
22 pursuant to this paragraph.

23 (6) In addition to any other penalty imposed by this  
24 act, the court may revoke or suspend the certificate of  
25 registration issued under section 3. At the time of  
26 sentencing, the court shall state the reasons for such  
27 revocation or suspension. A person whose registration has  
28 been revoked or suspended may petition the court of original  
29 jurisdiction for reinstatement after a period of five years  
30 from the date of revocation or suspension, or as specified in



1 the court's order.

2 (c) Jurisdiction.--

3 (1) The district attorneys of the several counties shall  
4 have the authority to investigate and to institute criminal  
5 proceedings for any violation of this section.

6 (2) In addition to the authority conferred upon the  
7 Attorney General by the act of October 15, 1980 (P.L.950,  
8 No.164), known as the Commonwealth Attorneys Act, the  
9 Attorney General shall have the authority to investigate and  
10 institute criminal proceedings for any violation of this  
11 section or any series of such violations involving more than  
12 one county of this Commonwealth or involving any county of  
13 this Commonwealth and another state. No person charged with a  
14 violation of this section by the Attorney General shall have  
15 standing to challenge the authority of the Attorney General  
16 to investigate or prosecute the case, and, if any such  
17 challenge is made, the challenge shall be dismissed and no  
18 relief shall be available in the courts of this Commonwealth  
19 to the person making the challenge.

20 Section 8. Prohibited acts.

21 No person shall:

22 (1) Fail to register as required by this act.

23 (2) Fail to refund the amount paid for a home  
24 improvement within ten days of either the acceptance and  
25 execution of a return receipt for certified mail containing a  
26 written request for a refund or the refusal to accept the  
27 certified mail sent to the contractor's last known address if  
28 all of the following apply:

29 (i) No substantial portion of the contracted work

30 has been performed at the time of the request.

(ii) More than 45 days have elapsed since the starting date specified in the written contract.

(3) Accept a municipal certificate of occupancy or other proof that performance of a home improvement contract is complete or satisfactorily concluded with knowledge that the document or proof is false and the performance is incomplete.

(4) Utter, offer or use a completion certificate or other proof that a home improvement contract is complete or satisfactorily concluded when the person knows or has reason to know that the document or proof is false and is made to accomplish any of the following:

(i) Make or accept an assignment or negotiation of the right to receive payment under a home improvement contract.

(ii) Get or grant credit or a loan on security of the right to receive payment under a home improvement contract.

(5) Abandon or fail to perform, without justification, any home improvement contract or project engaged in or undertaken by a contractor. For the purposes of this paragraph, the term "justification" shall include nonpayment by the owner as required under the contract or any other violation of the contract by the owner.

(6) Deviate from or disregard plans or specifications, in any material respect, without a written change order dated and signed by both the contractor and owner, which contains the accompanying price changes for each deviation.

(7) Prepare, arrange, accept or participate in the financing of a home improvement contract with knowledge that the home improvement contract states a greater monetary

obligation than the actual price of the home improvement.

(8) Advertise or offer, by any means, to perform a home improvement if the person does not intend to do any of the following:

(i) Accept a home improvement contract.

(ii) Perform the home improvement.

(iii) Charge for the home improvement at the price advertised or offered.

(9) Demand or receive any payment for a home improvement before the home improvement contract is signed.

(10) For a home improvement contract in which the total price is more than \$1,000, receive a deposit in excess of:

(i) one-third of the home improvement contract price; or

(ii) one-third of the home improvement contract price in the event special order materials are included.

(11) While acting as a salesperson, fail to account for or remit to the contractor whom the salesperson represents a payment received in connection with a home improvement.

## Section 9. Unfair Trade Practices and Consumer Protection Law.

A violation of any of the provisions of this act shall be deemed a violation of the act of December 17, 1968 (P.L.1224, No.387), known as the Unfair Trade Practices and Consumer Protection Law. Nothing in this act shall preclude a consumer from exercising any right provided under the Unfair Trade Practices and Consumer Protection Law.

## Section 10. Regulations.

The bureau may adopt rules and regulations necessary to carry out the provisions of this act.

## Section 11. Preemption of local registration.

1 Registration under this act shall preclude any requirement of  
2 payment of a fee or registration or licensing of any home  
3 improvement contractor by any political subdivision. Political  
4 subdivisions shall be permitted to require building permits and  
5 local enforcement of the building code for that political  
6 subdivision, for which a reasonable fee may be charged. This  
7 provision does not affect a municipality's responsibilities or  
8 authority under the act of November 10, 1999 (P.L.491, No.45),  
9 known as the Pennsylvania Construction Code Act, or the  
10 requirements under section 302(e) of the act of June 2, 1915  
11 (P.L.736, No.338), known as the Workers' Compensation Act,  
12 regarding workers' compensation. This provision does not affect  
13 existing licensing standards in effect on the effective date of  
14 this act, with respect to electricians and plumbers, where  
15 licensing is conditioned on requirements of testing or  
16 possession of certificates obtained through specific training in  
17 electricity or plumbing. This provision does not affect  
18 standards for liability insurance adopted by a municipality  
19 prior to January 1, 2006, and which are in effect on the  
20 effective date of this section.

21 Section 12. Exemptions.

22 This act shall not apply to any of the following persons or  
23 organizations:

24 (1) The Commonwealth, or any of its political  
25 subdivisions.

26 (2) The Federal Government.

27 Section 13. Applicability.

28 This act shall not apply to local regulations, relating to  
29 liability insurance coverage for contractors which were adopted  
30 by a municipality prior to January 1, 2006, and which are in

1 effect on the effective date of this section.

2 Section 14. Repeal.

3 All acts and parts of acts are repealed insofar as they are  
4 inconsistent with this act.

5 Section 20. Effective date.

6 This act shall take effect in 180 days.