

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 1543

PRINTER'S NO. 4242

AMOUNT

No Fiscal Impact to the Commonwealth

FUND

General
Home Improvement Restricted Revenue Account

DATE INTRODUCED

June 18, 2013

PRIME SPONSOR

Representative Killion

DESCRIPTION AND PURPOSE OF BILL

House Bill 1543 amends the Home Improvement Consumer Protection Act (Act 132 of 2008) to permit the use of "time and materials" contracts. The amendment removes changes to the existing language for appropriating funds to the Attorney General from the Home Improvement restricted revenue account and maintains the General Assembly's authority to appropriate funds in the General Appropriations act. The bill also requires registered contractors to update any required information in the contractor's active registration that has changed within 30 days of that change. It specifies that no fee shall be imposed for updating the information in an active registration.

The bill specifies that a home improvement contract includes the total sale price or includes a time and materials provision wherein the contractor and owner agree in writing to the following:

- The contractor provides an initial cost estimate before any work commences;
- The contract states:
 - The dollar value of the initial cost estimate for the services performed under the time and materials provision;
 - The cost of the services under the time and materials provision may not exceed 10% above the initial cost estimate;
 - The total potential cost under the time and materials provision is the initial cost estimate plus a maximum of 10% of that estimate, expressed in actual dollars.
 - A written change order signed by the contractor and the owner must be executed if the initial cost estimate of the services under the time and materials provision is increased more than 10%.

The act shall take effect immediately.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

FISCAL IMPACT:

No fiscal impact to the Commonwealth is anticipated. The bill, as amended, maintains the General Assembly's authority to appropriate funds in the General Appropriations act to the Attorney General from the Home Improvement restricted revenue account. The FY 2014-15 appropriation from the account is \$1.693 million.