

State of Misconsin 2013 - 2014 LEGISLATURE



2013 SENATE BILL 640

February 28, 2014 - Introduced by LAW REVISION COMMITTEE. Referred to Committee on Judiciary and Labor.

AN ACT to amend 100.65 (3) (b) of the statutes; relating to: form required for certain residential repair or construction contracts (suggested as remedial legislation by the Legislative Reference Bureau).

Analysis by the Legislative Reference Bureau

Current law allows consumers to cancel certain contracts for repairs or construction of one-family or two-family dwellings under specified circumstances. If work under the contract is to be paid under a property insurance policy and the insurer wholly or partially denies the consumer's claim, current law allows the consumer to cancel the contract if he or she provides a cancellation notice to the contractor before a specified deadline. Subject to an exception that applies if the contractor has performed emergency services, current law requires the contractor to return to the consumer any payments and other items within 10 days after receiving the cancellation notice. However, current law also requires the contractor to provide the consumer with a form before entering into the contract, and that form includes a statement that the contractor must return payments within 10 business days, rather than 10 days, after receiving a cancellation notice. This bill revises the form so that it refers to 10 days instead of 10 business days.

For further information, see the Note provided by the Law Revision Committee of the Joint Legislative Council.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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Law Revision Committee Prefatory Note: This bill is a remedial legislation proposal, requested by the Legislative Reference Bureau and introduced by the Law Revision Committee under s. 13.83 (1) (c) 4. and 5., stats. After careful consideration of the various provisions of the bill, the Law Revision Committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

SECTION 1. 100.65 (3) (b) of the statutes, as created by 2013 Wisconsin Act 24, is amended to read:

100.65 (3) (b) Furnish the consumer a completed form in duplicate that is attached to the contract, is easily detachable, and contains, in boldface type of a minimum size of 10 point, the following statement:

NOTICE OF CANCELLATION

If you are notified by your insurer that the claim under the property insurance policy has been denied in whole or in part, you may cancel the contract by personal delivery or by mailing by 1st class mail a signed and dated copy of this cancellation notice or other written notice to (name of contractor) at (contractor's business address) at any time before midnight on the third business day after you have received the notice from your insurer. If you cancel the contract, any payments made by you under the contract, except for certain emergency work already performed by the contractor, will be returned to you within 10 business days following receipt by the contractor of your cancellation notice.

I CANCEL THIS CONTRACT

17 Date

Customer's signature

Note: Corrects the form so that it is consistent with s. 100.65 (6), which requires the return to be made within 10 days.

19 (END)