

367.628 Acts prohibited for contractor.

- (1)
 - (a) Except as provided in paragraphs (b) and (c) of this subsection, a contractor, or person representing a contractor, shall not represent, negotiate, or advertise to represent or negotiate on behalf of any insured on any insurance claim in connection with the provision of goods or services relating to real estate.
 - (b) Nothing in this subsection shall be construed to prohibit a contractor, or person representing a contractor, from:
 1. Providing an estimate for the provision of goods or services relating to real estate; or
 2. Conferring with an insurance company's representative about damage to real estate after a claim has been submitted by an insured.
 - (c) This subsection shall not apply to a public adjuster licensed under Subtitle 9 of KRS Chapter 304.
- (2) Where goods or services relating to real estate are expected to be paid from property, casualty, or property and casualty insurance proceeds, a contractor or person representing a contractor shall not:
 - (a) Cause damage to any part of the real estate in order to increase the scope of goods or services provided, or encourage a person to cause damage to any part of the real estate in order to secure a contract for goods or services;
 - (b) Offer to pay or rebate all or any portion of an insurance deductible or claims proceeds as an inducement to the sale of goods or services by a contractor;
 - (c) Grant an allowance or discount against the fee to be charged by a contractor;
 - (d) Pay or offer to pay the insured, or his or her representative, for whom services have been or will be performed, for any reason, any form of compensation in excess of one hundred dollars (\$100), including but not limited to a:
 1. Bonus;
 2. Coupon;
 3. Credit;
 4. Gift;
 5. Prize;
 6. Referral fee; or
 7. Any other item having a monetary value; or
 - (e) File or claim a mechanic's lien pursuant to KRS 376.010 against an insured by reason of the insured's failure or refusal to pay any excess charge over and above the amount paid or expected to be paid by an insurer under a property, casualty, or property and casualty insurance policy.

Effective: June 27, 2025

History: Amended 2025 Ky. Acts ch. 15, sec. 6, effective June 27, 2025. -- Amended 2017 Ky. Acts ch. 46, sec. 1, effective June 29, 2017. -- Created 2012 Ky. Acts ch. 97, sec. 5, effective July 12, 2012.

Legislative Research Commission Note (6/27/2025). 2025 Ky. Acts ch. 15, sec. 10, provides that the amendments to this statute in that Act shall apply to contracts entered on or after June 27, 2025.