

1 AN ACT relating to trade practices.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 365 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) For the purposes of this section:

6 (a) "Prohibited advertisement" means any written or electronic
7 communications by a contractor that encourages, instructs, or induces a
8 residential property owner to contact any insurance company personnel for
9 the purpose of making an insurance claim for roof damage. This includes
10 but is not limited to door hangers, business cards, magnets, flyers,
11 pamphlets, and emails; and

12 (b) "Solicit" means to contact a residential property owner in person or
13 through electronic means, including but not limited to email or telephone.

14 (2) A person shall not:

15 (a) Solicit a residential property owner by means of a prohibited advertisement;

16 (b) Offer a residential property owner a rebate, gift card, cash, coupon, or
17 waiver of any insurance deductible, or any other thing of value in exchange
18 for:

19 1. Allowing a person to conduct an inspection of the residential property
20 owner's roof; or

21 2. Making an insurance claim for damage to the residential property
22 owner's roof in a way that purports to interpret an insurance policy;

23 (c) Offer, deliver, receive, or accept any compensation, inducement, or reward
24 for the referral of any services for which insurance proceeds are payable;

25 (d) Interpret policy provisions or advertise to an insured regarding coverage or
26 duties of the insured under his or her property insurance policy or adjust a
27 property insurance claim on behalf of the insured, unless the person holds a

1 license as a public adjuster pursuant to KRS 304.9-430; or
2 (e) Provide an insured with an agreement authorizing repairs without
3 providing a good-faith estimate of the itemized and detailed cost of services
4 and materials for repairs undertaken pursuant to a property insurance
5 claim. If the actual repairs differ from the initial estimate as a result of an
6 insurer adjusting the claim, it shall not be a violation of this subsection.
7 (3) This section shall not apply if the trade practices are in regard to a residential
8 property that is located within an area named in a Presidential Declaration of
9 Disaster or an executive order of the Governor that declares a state of emergency
10 under KRS Chapter 39A.