

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, waiver*
17 *of any insurance deductible, or any other thing of value in exchange for:*

18 *1. Allowing the person or his or her agent to conduct an inspection of the*
19 *residential property owner's roof; or*

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

22 *(c) Offer, deliver, receive, or accept any compensation, inducement, or reward*
23 *for the referral of any work to a business or person that performs repair*
24 *work services on residential property for which insurance proceeds are*
25 *payable; or*

26 *(d) Provide an insured with an agreement authorizing repairs without*
27 *providing a good-faith estimate of the itemized and detailed cost of services*

1 *and materials for repairs undertaken pursuant to a property insurance*
2 *claim. If the actual cost of repairs differs from the initial estimate as a result*
3 *of an insurer adjusting the claim, it shall not be a violation of this*
4 *subsection.*