

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) As used in this section:

6 (a) "Prohibited advertisement" means any written or electronic communication  
7 by a contractor that encourages, instructs, or induces a residential property  
8 owner to contact any insurance company personnel for the purpose of  
9 making an insurance claim for roof damage. This includes but is not limited  
10 to a door hanger, business card, magnet, flyer, pamphlet, and email; and

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

13 (2) A person shall not:

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

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

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

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

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

25 (d) Provide an insured with an agreement authorizing roof repairs without  
26 providing a good-faith estimate of the itemized and detailed cost of services  
27 and materials for repairs undertaken pursuant to a property insurance

- 1 *claim. If the actual cost of repairs differs from the initial estimate as a result*
- 2 *of an insurance claim adjustment, it shall not be a violation of this section.*