

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.