Hall of the House of Representatives

87th General Assembly - Regular Session, 2009 **Amendment Form**

Subtitle of House Bill No. 2028

"TO REGULATE THE SALE OF HOME EXTENDED WARRANTY COVERAGE AND HOME SERVICE CONTRACTS TO PROVIDE GREATER CONSUMER PROTECTION."

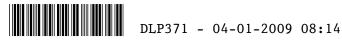
Amendment No. 2 to House Bill No. 2028.

Amend House Bill No. 2028 as engrossed, H3/26/09 (version: 03-26-2009 08:53):

Page 2, delete lines 7 through 15 and substitute the following: "(2)(A) Under a home service contract: (i)(a) Except as provided in subdivision (b)(2)(A)(i)(b) of this section, service or repair an item or product with used products, used parts, or products or parts other than the original manufacturer's products or parts. (b) If disclosed in accordance with § 4-114-106: (1) New products or new parts may be used if the original manufacturer's products or parts are not available; and (2) Used products or used parts may be used if the original manufacturer's products or parts are not available and new products or new parts are not available; or (ii) Replace an item or product with products or parts that do not meet: (a) If applicable, the United States Department of Energy efficiency requirements or other minimum current energyefficiency standards for the item or product; and (b) All other standards of the industry. (B) If the cost to service or repair an item or product under a home service contract exceeds thirty percent (30%) of the cost to replace the item or product with an item or product that meets the minimum energy-efficiency standards, if applicable, and other minimum industry standards, a provider shall give a consumer the option of accepting the equivalent value of the total cost to service and repair the item or product as a credit toward the purchase of a new item or product under the home service contract."

AND

Page 2, delete lines 20 through 25 and substitute the following: "(d) A home service contract shall not be sold, assigned, or



transferred in this state unless the provider or its representative provides to the consumer a:

(1) Written summary or link to a website containing a description of the home service contract; and

(2) Telephone number to answer questions the consumer asks about the home service contract.

(e) As used in this section, "home service contract" means a service contract that covers the service, repair, or replacement of appliances, equipment, and if applicable, other products located on the premises at the time a home is purchased by a consumer."

The Amendment was read _____ By: Representative Carroll DLP/LHA - 04-01-2009 08:14 DLP371

Chief Clerk