

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-

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(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 energy-
efficiency 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