

REFERENCE TITLE: **contractors; home remodeling contracts**

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SB 1293

Introduced by
Senator Leff

AN ACT

AMENDING TITLE 32, CHAPTER 10, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-1158.02; RELATING TO CONTRACTORS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Title 32, chapter 10, article 3, Arizona Revised Statutes,
3 is amended by adding section 32-1158.02, to read:
4 32-1158.02. Residential remodeling; construction contracts
5 A. IN ADDITION TO THE REQUIREMENTS OF SECTION 32-1158, A LICENSED
6 CONTRACTOR WHO ENTERS INTO A CONTRACT FOR RESIDENTIAL REMODELING THAT
7 INVOLVES MULTIPLE TRADES, THAT IS AT LEAST TWO THOUSAND DOLLARS AND NOT MORE
8 THAN ONE HUNDRED FIFTY THOUSAND DOLLARS AND THAT IS ENTERED INTO WITH A
9 PURCHASER WHO RESIDES IN THE RESIDENCE OR WHO INTENDS TO RESIDE IN THE
10 RESIDENCE AFTER THE COMPLETION OF THE CONTRACT SHALL INCLUDE AT LEAST THE
11 FOLLOWING PROVISIONS:
12 1. THE FOLLOWING PAYMENT PROVISIONS:
13 (a) AN INITIAL DOWN PAYMENT OF AN AMOUNT THAT IS NOT MORE THAN THE
14 COST OF COMPLETING THE INITIAL PHASE OF THE PROJECT.
15 (b) AT THE INITIATION OF THE SECOND PHASE, A PAYMENT OF UP TO
16 TWENTY-FIVE PER CENT OF THE TOTAL CONTRACT PRICE.
17 (c) AT THE THIRD PHASE, A PAYMENT OF THE REMAINDER OF THE CONTRACT.
18 2. A PROVISION THAT IS IN A FORM APPROVED BY THE REGISTRAR AND THAT IS
19 IN AT LEAST TEN POINT TYPE AND THAT GIVES NOTICE TO THE PURCHASER OF THE
20 PURCHASER'S RIGHT TO RECEIVE WRITTEN MATERIAL THAT ADVISES THE PURCHASER OF
21 THE PROVISIONS OF THIS SECTION AND OF THE PROCEDURES PROVIDED FOR BY THE
22 REGISTRAR FOR THE RESOLUTION OF CLAIMS AND DISPUTES WITH LICENSED
23 CONTRACTORS.
24 3. A PROVISION THAT IS IN A FORM APPROVED BY THE REGISTRAR, THAT IS IN
25 AT LEAST TEN POINT TYPE AND THAT ADVISES THE PURCHASER OF THE PURCHASER'S
26 RIGHTS UNDER TITLE 44, CHAPTER 15.
27 B. ANY CHANGES, ADDITIONS OR DELETIONS TO THE WORK SPECIFIED IN THE
28 ORIGINAL CONTRACT SHALL BE INCLUDED IN A WRITTEN CHANGE ORDER.
29 C. A CONTRACTOR'S FAILURE TO COMPLY WITH THIS SECTION IS A VIOLATION
30 OF SECTION 32-1154, SUBSECTION A.
31 D. UNDER THIS SECTION, A LICENSED GENERAL CONTRACTOR MUST HIRE ONLY
32 LICENSED SUBCONTRACTORS AND DECLARE TO THE PURCHASER THE NAMES OF THOSE
33 SUBCONTRACTORS AT THE TIME THE CONTRACT IS INITIATED.