

## Senate Amendments to House Bill No. 1408

TO THE CLERK OF THE HOUSE:

THIS IS TO INFORM YOU THAT THE SENATE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

### AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

16           **SECTION 1.** Section 75-24-305, Mississippi Code of 1972, is  
17 amended as follows:

18           75-24-305. As used in Sections 75-24-301 through 75-24-311:

19                   (a) "Emergency services" means services performed with  
20 the express permission of the insured and that are immediately  
21 necessary for:

22                           (i) The preservation of the residential real  
23 estate; or

24                           (ii) The health of the insured, owner or  
25 possessor.

26 "Emergency services" does not include inspection of the  
27 residential roof system or an estimation of the repair costs.

28                   (b) "Insured" means an insured whose name appears on  
29 the face of the property and casualty insurance policy that  
30 provides coverage for the residential roof system to be repaired.

31                   (c) "Residential roofing contractor" means a person or  
32 entity contracting or offering to contract with an insured, owner

33 or possessor of a residential roof system to repair or replace a  
34 roof system on residential real estate, or any portion thereof,  
35 where all or part of the cost is expected to be paid as a benefit  
36 of a property and casualty insurance policy.

37 (d) "Residential" means a new or existing dwelling  
38 constructed for habitation by one (1) to four (4) families,  
39 including a detached garage.

40 (e) "Insurance benefits residential roof system repair  
41 contract" means a written contract with an insured to repair a  
42 roof system, or any part thereof, on residential real estate, or  
43 provide goods and services in connection with such repair, that is  
44 to be paid in whole, or in part, under a property and casualty  
45 insurance policy.

46 (f) "Roof system" means roof coverings, roof sheathing,  
47 roof weatherproofing, roof framing, roof ventilation system, and  
48 insulation.

49 **SECTION 2.** Section 75-24-307, Mississippi Code of 1972, is  
50 amended as follows:

51 75-24-307. (1) Before signing an insurance benefits  
52 residential roof system repair contract with an insured, a  
53 residential roofing contractor shall furnish to the insured:

54 (a) The following statement in at least \* \* \* 12-point  
55 boldface type that is attached to the contract:

56 "You may cancel this insurance benefits residential roof  
57 system repair contract at any time within \* \* \* five (5) business  
58 days after you have received written notice from your insurance

59 company that all or any part of your claim, or all or part of the  
60 services and goods to be provided by this contract, is not a  
61 covered loss under your insurance policy. A notice of  
62 cancellation form is provided to you with this contract. To  
63 cancel this contract under these circumstances, sign and date, and  
64 then mail or deliver the attached Notice of Cancellation, or  
65 another similar written notice of cancellation, to the contractor  
66 within \* \* \* five (5) business days after you have received such  
67 written notice from your insurance company. If you cancel, any  
68 payments made under this residential roofing system repair  
69 contract, except for emergency services and repairs subsequently  
70 approved for payment by the insurance company and already  
71 performed by the contractor, will be returned to you within ten  
72 (10) business days following receipt by the contractor of your  
73 cancellation notice."; and

74 (b) Duplicate copies of a completed form captioned  
75 "NOTICE OF CANCELLATION" that is attached to the contract, is  
76 easily detachable, and contains the following in at least \* \* \*  
77 12-point boldface type:

78 "NOTICE OF CANCELLATION

79 (Name and address of contractor - to be entered by  
80 contractor)

81 (Date of contract - to be entered by contractor)

82 (Address of residential real estate to be repaired - to be  
83 entered by contractor)

84 I have been notified by my insurance company that all or any  
85 part of my claim, or the services and goods to be provided in the  
86 residential roofing system repair contract, is not a covered loss  
87 under the insurance policy.

88 I HEREBY CANCEL THIS TRANSACTION  
89 Please return my prior payments within ten (10) days.

90 \_\_\_\_\_  
91 INSURED'S SIGNATURE DATE"

92 (2) (a) In circumstances in which payment may be made from  
93 the proceeds of a property and casualty insurance policy, a  
94 residential roofing contractor shall not require any payment from  
95 an insured until the five-day cancellation period has expired.

96 (b) For repairs made by a residential roofing  
97 contractor that are separate or additional to those repairs  
98 covered under the policy of insurance, the residential roofing  
99 contractor shall include a statement identifying those aspects of  
100 the repair or replacement which are separate from or additional to  
101 the repair or replacement of the damage to the roof system caused  
102 by a covered peril and explaining that payment of those excess or  
103 additional items are the insured's responsibility. This  
104 subsection does not limit an insured from communicating with the  
105 insurer about the estimated replacement cost of the repairs or  
106 replacement of the damaged roof system.

107 (3) A residential roofing contractor shall not represent or  
108 negotiate, or offer or advertise to represent or negotiate, on  
109 behalf of an owner or possessor of residential real estate on any

110 insurance claim in connection with the repair or replacement of a  
111 roof system. This subsection does not prohibit an insured from  
112 including the residential roofing contractor in the insured's  
113 communications with the insurer about the damages to the roof  
114 system or the estimated replacement cost of the repairs or  
115 replacement of the damaged roof system. This subsection does not  
116 apply to a public adjuster licensed under Sections 83-17-501  
117 through 83-17-527.

118 (4) (a) A residential roofing contractor shall not contract  
119 for, agree to, or receive anything of value from an attorney or  
120 other person acting in concert with an attorney for referring  
121 claims to the attorney or in connection with any claim for which  
122 the residential roofing contractor has performed or intends to  
123 perform services. A residential roofing contractor may not create  
124 a business relationship between an insured and an attorney or  
125 obligate an insured to hire a specified attorney.

126 (b) A residential roofing contractor shall not  
127 advertise or otherwise promise or offer to pay, or pay, or rebate  
128 all or any portion of an insured's insurance deductible as an  
129 inducement to enter into the residential roofing contract.

130 (5) A post-loss assignment by a named insured of rights or  
131 benefits to a residential roofing contractor under a property and  
132 casualty insurance policy insuring residential real estate shall  
133 authorize a residential roofing contractor only to be named as a  
134 co-payee for the payment of benefits under a property and casualty

135 insurance policy covering residential real estate. The assignment  
136 shall include all of the following:

137 (a) An itemized description of the work to be  
138 performed;

139 (b) An itemized description of the materials, labor and  
140 fees for the work to be performed;

141 (c) A total itemized amount to be paid for the work to  
142 be performed;

143 (d) A statement that the residential roofing contractor  
144 has made no assurances that the claimed loss will be covered fully  
145 by an insurance contract; and

146 (e) The following notice in capitalized fourteen-point  
147 type:

148 "You are agreeing to give up certain rights you have under  
149 your insurance policy. Please read and understand this document  
150 before signing. The itemized description of the work to be done  
151 shown in this assignment form has not been agreed to by the  
152 insurer. The insurer has the right to pay only for the cost to  
153 repair or replace damaged property caused by a covered peril."

154 (6) A copy of the executed assignment shall be provided to  
155 the insurer of the residential real estate no later than five (5)  
156 business days after the execution date of the assignment.

157 (7) The assignment shall not impair the interest of a  
158 mortgagee listed on the declarations page of the property and  
159 casualty insurance policy that is the subject of the assignment.

160       (8) An assignment shall not prevent or inhibit an insurer  
161 from communication with the named insured or mortgagee listed on  
162 the declarations page of the property and casualty insurance  
163 policy that is the subject of the assignment.

164       (9) A residential roofing contractor shall comply with all  
165 applicable building codes when replacing, repairing, constructing  
166 or reconstructing a roof system.

167       (10) Pursuant to the terms of the insured's contract,  
168 nothing in this section shall be construed to prohibit a  
169 residential roofing contractor from:

170           (a) Providing an insured an estimate for repair,  
171 replacement, construction or reconstruction of the insured's  
172 property and any such estimate may be submitted to the insured's  
173 insurance company;

174           (b) Conferring with an insurance company's  
175 representative about damage to an insured's property; or

176           (c) Discussing repair or replacement options with an  
177 insurance company's representative or the insured about options  
178 for the repair or replacement of the damage.

179       **SECTION 3.** Section 75-24-311, Mississippi Code of 1972, is  
180 amended as follows:

181       75-24-311. (1) Any residential roofing contractor in  
182 violation of Sections 75-24-301 through 75-24-311 shall be subject  
183 to the civil and criminal penalties and remedies under Sections  
184 75-24-19, 75-24-20 and 75-24-23, and may be liable under a private  
185 right of action of the consumer.

186 (2) A violation of Sections 75-24-301 through 75-24-311 by a  
187 residential roofing contractor is an unfair and deceptive act or  
188 practice as defined by the Mississippi Consumer Protection Law,  
189 Section 75-24-1 et seq.

190 (3) Sections 75-24-301 through 75-24-311 do not prohibit an  
191 insured that is harmed by a deceptive trade practice from  
192 commencing a civil action against a residential roofing  
193 contractor.

194 **SECTION 4.** This act shall take effect and be in force from  
195 and after July 1, 2024, and shall stand repealed on June 30, 2024.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 75-24-305, MISSISSIPPI CODE OF 1972,  
2 TO REVISE THE DEFINITION OF THE TERM "ROOF SYSTEM" UNDER THE  
3 INSURANCE BENEFITS ROOFING REPAIR CONSUMER PROTECTION ACT; TO  
4 AMEND SECTION 75-24-307, MISSISSIPPI CODE OF 1972, TO INCREASE THE  
5 REQUIRED CANCELLATION PERIOD IN ROOF SYSTEM REPAIR CONTRACTS FROM  
6 THREE TO FIVE DAYS AND TO PROHIBIT A RESIDENTIAL ROOFING  
7 CONTRACTOR FROM REQUIRING PAYMENT UNTIL THE EXPIRATION OF THE  
8 CANCELLATION PERIOD; TO PROHIBIT A RESIDENTIAL ROOFING CONTRACTOR  
9 FROM REPRESENTING A PROPERTY OWNER ON INSURANCE CLAIMS AND FROM  
10 RECEIVING PAYMENT FROM AN ATTORNEY FOR CLAIM REFERRALS; TO  
11 PRESCRIBE CERTAIN REQUIREMENTS FOR A POST-LOSS ASSIGNMENT BY AN  
12 INSURED TO A RESIDENTIAL ROOFING CONTRACTOR; TO AMEND SECTION  
13 75-24-311, MISSISSIPPI CODE OF 1972, TO CONFORM; AND FOR RELATED  
14 PURPOSES.

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Amanda White  
Secretary of the Senate