

## **IC 24-5-11**

### Chapter 11. Home Improvement Contracts

#### **IC 24-5-11-1**

##### **Application of chapter**

Sec. 1. This chapter applies only to residential property, which means real property used in whole or in part as a dwelling of a consumer and includes all fixtures to, structures on, and improvements to the real property.

*As added by P.L.251-1987, SEC.3.*

#### **IC 24-5-11-2**

##### **"Consumer" defined**

Sec. 2. As used in this chapter, "consumer" means an individual who owns, leases, or rents the residential property that is the subject of a home improvement contract.

*As added by P.L.251-1987, SEC.3.*

#### **IC 24-5-11-3**

##### **"Home improvement" defined**

Sec. 3. As used in this chapter, "home improvement" means any alteration, repair, or other modification of residential property.

*As added by P.L.251-1987, SEC.3.*

#### **IC 24-5-11-4**

##### **"Home improvement contract" defined**

Sec. 4. As used in this chapter, "home improvement contract" means an agreement, oral or written, between a home improvement supplier and a consumer to make a home improvement and for which the contract price exceeds one hundred fifty dollars (\$150).

*As added by P.L.251-1987, SEC.3.*

#### **IC 24-5-11-5**

##### **"Home improvement contract price" defined**

Sec. 5. As used in this chapter, "home improvement contract price" means the amount actually charged for the services, materials, and work to be performed under the home improvement contract but does not include financing costs, loan consolidation amounts, taxes, and governmental fees paid by or on behalf of the consumer, amounts returned to or on behalf of the consumer, or similar costs not related to the home improvement.

*As added by P.L.251-1987, SEC.3.*

#### **IC 24-5-11-6**

##### **"Home improvement supplier" defined**

Sec. 6. As used in this chapter, "home improvement supplier" means a person who engages in or solicits home improvement contracts whether or not the person deals directly with the consumer.

*As added by P.L.251-1987, SEC.3.*

### **IC 24-5-11-7**

#### **"Person" defined**

Sec. 7. As used in this chapter, "person" means an individual, a corporation, the state or its subdivisions or agencies, a business trust, an estate, a trust, a partnership, an association, or a cooperative or any other legal entity.

*As added by P.L.251-1987, SEC.3.*

### **IC 24-5-11-8**

#### **"Specifications" defined**

Sec. 8. As used in this chapter, "specifications" means the plans, detailed drawings, lists of materials, or other methods customarily used in the home improvement industry as a whole to describe with particularity the work, workmanship, materials, and quality of materials for each home improvement.

*As added by P.L.251-1987, SEC.3.*

### **IC 24-5-11-9**

#### **License or permit as prerequisite**

Sec. 9. Where a license or permit is necessary for any part of a home improvement, the home improvement contract shall be subject to obtaining the necessary licenses or permits prior to any work commencing.

*As added by P.L.251-1987, SEC.3.*

### **IC 24-5-11-10**

#### **Contract requirements**

Sec. 10. (a) The home improvement supplier shall provide a completed home improvement contract to the consumer before it is signed by the consumer. Except as provided in subsection (c), the contract must contain at a minimum the following:

- (1) The name of the consumer and the address of the residential property that is the subject of the home improvement.
- (2) The name and address of the home improvement supplier and each of the telephone numbers and names of any agent to whom consumer problems and inquiries can be directed.
- (3) The date the home improvement contract was submitted to the consumer and any time limitation on the consumer's acceptance of the home improvement contract.
- (4) A reasonably detailed description of the proposed home improvements.
- (5) If the description required by subdivision (4) does not include the specifications for the home improvement, a statement that the specifications will be provided to the consumer before commencing any work and that the home improvement contract is subject to the consumer's separate written and dated approval of the specifications.
- (6) The approximate starting and completion dates of the home improvements.
- (7) A statement of any contingencies that would materially

change the approximate completion date.

(8) The home improvement contract price.

(9) Signature lines for the home improvement supplier or the supplier's agent and for each consumer who is to be a party to the home improvement contract with a legible printed or a typed version of that person's name placed directly after or below the signature.

(b) The home improvement contract must be in a form that each consumer who is a party to it can reasonably read and understand.

(c) If a home improvement contract is entered into as a result of damage, loss, or expense that is covered, in whole or in part, by the proceeds of an insurance policy, or damage, loss, or expense for which a third party is liable, the following conditions and requirements apply to the contract:

(1) For the purpose of subsection (a)(4) through (a)(7), the description, completion dates, and statement of contingencies must be prepared for the proposed home improvements to the extent that the damage, loss, or expense is reasonably known by the home improvement supplier.

(2) For the purpose of subsection (a)(4), the requirement that a reasonably detailed description be included in the contract may be satisfied with a statement that the subject real estate will be repaired or restored to the same condition in which the real estate existed before the damage, loss, or expense occurred, or to a comparable condition.

(3) For the purpose of subsection (a)(6), the starting and completion dates may be expressed in terms of the number of days elapsed from the date when sufficient approval of the insurance carrier terms allowing for adequate repair or restoration is obtained.

(4) For the purpose of subsection (a)(8), the consumer may agree to a contract price expressed in terms of the consumer's liability for payment after the application of insurance proceeds or payments from a liable third party.

(5) The consumer may elect, in writing, to authorize the commencement of work on the home before the consumer receives complete specifications. However, a consumer who elects to authorize the commencement of work under this subdivision is obligated for the home improvements specified and agreed to by the insurance carrier.

(d) A modification to a home improvement contract is not enforceable against a consumer unless the modification is stated in a writing that is signed by the consumer.

*As added by P.L.251-1987, SEC.3. Amended by P.L.119-2001, SEC.1.*

#### **IC 24-5-11-11**

##### **Signature of supplier**

Sec. 11. Before the consumer signs the home improvement contract and before the consumer can be required to make any down

payment, the home improvement supplier must have agreed unequivocally by written signature to all of the terms of the home improvement contract.

*As added by P.L.251-1987, SEC.3.*

#### **IC 24-5-11-12**

##### **Consumer's copy of dated contract**

Sec. 12. The home improvement supplier shall give a fully executed copy of the home improvement contract to the consumer immediately after the consumer signs it. The contract must also show the dates the supplier and each consumer executed the contract.

*As added by P.L.251-1987, SEC.3.*

#### **IC 24-5-11-13**

##### **Approval by consumer**

Sec. 13. Any approval required by this chapter shall not be unreasonably withheld by the consumer.

*As added by P.L.251-1987, SEC.3.*

#### **IC 24-5-11-14**

##### **Violation; penalties**

Sec. 14. A home improvement supplier who violates this chapter commits a deceptive act that is actionable by the attorney general or by a consumer under IC 24-5-0.5-4 and is subject to the remedies and penalties under IC 24-5-0.5.

*As added by P.L.251-1987, SEC.3.*