



## “RESIDENTIAL ROOFING BILL OF RIGHTS”

### SB38 Factsheet

To Whom it May Concern:

Since SB38 was signed on 6-6-12, the Colorado Roofing Association (CRA) has received numerous calls with varied questions from both contractors and homeowners affected by our recent storms throughout Colorado.

CRA developed this informative factsheet to inform you on the old and new law, new contract provisions and the penalties and protocol for reporting violations.

CRA has followed this bill from the start, worked with both legislators and attorneys as the bill moved through the process and has been answering question(s) based on that perspective. We are not offering legal advice, but can only inform the public of what we have been told by those close to the legislation.

The CRA is dedicated to EDUCATING both our members and consumers regarding the new roofing law. **CRA is not a consumer agency nor will we “police” the new law.** *Although, we do ask consumers to contact us if they have a dispute with a member.*

CRA’s continued commitment is to promote the ethics, education, and image of the roofing industry throughout the State of Colorado. We do not have control over what contractors do with the new law, but can only continue to educate our members and consumers to adopt ethical business practices.

Board of Directors  
Colorado Roofing Association



Attention  
CRA Members, Colorado  
Roofing Contractors & Consumers  
**Stay informed on SB38!**

## **FACTSHEET: SB38 -The Consumer Protection/Residential Roofing Bill of Rights**

*'Concerning measures to protect consumers who engage a roofing contractor to perform roofing services on residential property.'*

### **This Legislation:**

GOVERNOR HICKENLOOPER HAS SIGNED SB 38 AND IT **BECAME EFFECTIVE ON WEDNESDAY JUNE 6, 2012.**

There is no 'grace period' for compliance. The recommendation is to ***comply with the spirit and intent of the law immediately*** and get contracts printed or altered with newly required contract language as soon as is practical and possible.

Applies to residential properties for roofing work over \$1000.

Requires a written & signed contract between the property owner and the roofing contractor which must include at least the following:

- *scope of work & materials to be provided*
- *cost for same based on damages known at the time the contract is entered into*
- *approximate dates of service*
- *roofing contractor's contact information*
- *identification of contractor's surety & liability coverage insurer & their contact information*
- *contractor's policy regarding cancellation of contract & refund of any deposit including a rescission clause allowing the property owner to rescind the contract for roofing services and obtain a full refund of any deposit within 72 hours after entering the contract.*
- *a statement that if the property owner plans to pay for the roofing services through an insurance claim, the contractor cannot pay, waive or rebate the homeowner's insurance deductible in part or in whole.*
- *a statement that the contractor shall hold in trust any payment from the property owner until the contractor has delivered roofing materials to the jobsite or has performed a majority of the roofing work on the property.*
- *a statement that the property owner may rescind a contract for services, the payment for which will be made from the proceeds of a property insurance claim, within 72 hours after receiving notice from their insurer that the claim is denied in whole or in part.*

Prohibits a roofing contractor from paying, waiving or rebating an insurance deductible for a property owner. (Nor may a contractor *advertise or promise to waive, pay or rebate same.*)

Requires a contractor to return any payment or deposit made by the property owner in conjunction with the contract for roofing work within 10 days after rescission of a contract.

- A contractor may retain an amount of any payment made by the property owner to compensate for actual work performed however, as long as the work is completed in a workmanlike manner consistent with standard roofing practices.

States that if a roofing contractor promises to pay, waive or rebate a homeowner's deductible, the insurance carrier for the property owner is not obligated to consider the estimate of costs for the roofing work prepared by that contractor.

- **This does not mean that an insurer can deny a claim simply because a contractor offered to pay a deductible.** It means they do not have to consider the estimate from *that* contractor. Insurance companies have strict requirements about unreasonably delaying or denying a claim. (CRS 10-3-1115 & 10-3-1116) Enforced by the Division of Insurance, any such tactic to delay or deny, subjects the carrier to double damages and attorney's fees.

Prohibits a roofing contractor from acting as or claiming to be a public adjuster, adjusting claims for losses or damages *unless legally licensed to do so.*

- **This does not mean that a contractor is unable to discuss the scope of work with an insurer!** Specifically *"Nothing in this subsection precludes a roofing contractor from discussing, on behalf of the property owner, the scope of repairs with a property and casualty insurer when the roofing contractor has a valid contract with the property owner of the residential property on which the roofing contractor has contracted to perform roofing work."*

**Please feel free to contact Amy Hawkins, CRA Government Relations Chair with any questions at 303.443.4646.**



**SB38**  
**The Consumer Protection/Roofing Bill**  
**Effective 6/6/12**

**Additional Information**

SB 38, applying to residential properties for roofing work over \$1000, **was signed into law by Governor Hickenlooper and became effective on Wednesday June 6, 2012.**

There is no 'grace period' for compliance. The recommendation is to *comply with the spirit and intent of the law immediately* and get contracts printed or altered with newly required contract language as soon as is practical and possible.

**Therefore, effective 6/6/12:**

Allow for the stated rescission periods; do not waive, pay or rebate any deductibles; if your company requires/accepts deposits from property owners, set up a trust account to hold funds as required by law.

Immediately and always include in the *required written & signed contract* between the property owner and roofing contractor the following information:

- scope of roofing services & materials to be provided
- cost for same based on damages known at the time the contract is entered into
- approximate dates of service
- roofing contractor's contact information

**The statute also requires that the written contract must include provisions**

(1) stating that the roofing contractor shall hold in trust any payment from the property owner until the roofing contractor has delivered materials or has performed a majority of the work; (2) identifying the contractor's surety and liability coverage insurer if applicable; (3) stating the contractor's cancellation and refund policy, including a 72 hour right of rescission; (4) stating that the contract may be rescinded within 72 hours after the property owner receives written notice that its insurance claim has been denied; and (5) stating that that contractor cannot pay or waive an insurance deductible.

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**IN AN EFFORT TO FACILITATE COMPLIANCE WITH THE NEW STATUTE, THE CRA CONSULTED WITH ATTORNEY STEPHEN PHILLIPS, OF HENDRICK, PHILLIPS, SALZMAN & FLATT WHO HAS OFFERED SAMPLE LANGUAGE\* WHICH CLOSELY MONITORS THE LANGUAGE IN THE STATUTE FOR THESE PROVISIONS.**

*\*OBVIOUSLY, CRA MEMBERS/ROOFING CONTRACTORS SHOULD FEEL FREE TO USE WHATEVER LANGUAGE THEY DEEM SUITABLE AND CONSIDER SEEKING ADVICE FROM YOUR CURRENT LEGAL ADVISOR.*

**Sample Language:**

1. **[Name of CRA Member] shall hold in trust any payment received from you until [Name of CRA Member] has delivered roofing materials at the site or has performed a majority of the roofing work on your property.**

*\*The above provision is to be on the face of the contract in bold face type!*

2. [Name of CRA Member] carries workers' compensation, automobile and commercial general liability (bodily injury and property damage) insurance. A Certificate of Insurance identifying our insurance carrier and the types and amounts of coverage and our insurance contact information is attached or will be provided to Customer and is incorporated herein by reference and should be considered as part of this contract.

OR

[Name of CRA Member's] liability coverage insurer is [Name of CRA Member's liability insurance carrier (s)] and can be contacted through [Name and contact information for CRA Member's insurance agent(s) or address for CRA Member's insurance carrier(s).]

*\*'Because the statute refers only to "liability coverage insurer," it is unknown which liability insurance carriers are to be disclosed. I would think that the intent of the statute is to identify the roofing contractor's general liability policy, but to be safe, a roofing contractor might provide the name and contact for general liability, auto liability and workers' compensation/employer liability policies. If the same agent handles all these policies, only one contact would need to be included in the contract'.*

3. You have the right to rescind this contract and obtain a full refund of any deposit within 72 hours after entering the contract. If you plan to use the proceeds of a property and casualty insurance policy to pay for the roofing work, you may rescind this contract within 72 hours after you receive written notice from the property and casualty insurer that your claim has been denied in whole or



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**Additional Information**  
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in part. However, [Name of CRA Member] is entitled to retain payments or deposits to compensate [Name of CRA Member] for roofing work actually performed in a workmanlike manner consistent with standard roofing industry practices. [Name of CRA Member] cannot pay, waive, rebate, or promise to pay, waive or rebate all or part of any insurance deductible applicable to the insurance claim for payment for roofing work on your property.

4. Property Owner is \_\_\_\_\_ / is not \_\_\_\_\_ intending to make payment from the proceeds of a property and casualty insurance policy.

**Other Items of advisement:**

CRA Members should consider not beginning any work and/or ordering any materials until after the 72 hour right of rescission period(s) have expired.

Include in contract language a statement regarding entitlement to compensation for custom or non-returnable materials that may have been ordered prior to any contract rescission.

**Penalties:**

1. Existing Colorado statute related to property insurance fraud (CRS 18.13.119.5) states that paying, waiving or rebating a property owner's insurance deductible is a Class 2 Misdemeanor. This bill goes farther to say that if it is proven a deductible was paid/waived/rebated, the insurance company does not have to consider the estimate from any contractor violating the provision, and the property owner or the insurer may sue the contractor for any damages related to same. Damages may include just the deductible amount, or the cost difference between appropriate roofing materials and any lesser quality materials that a contractor may have used in order to offset the cost of the deductible, etc. Recoverable damages would be case specific.
2. A contract lacking SB38's specific written provisions may be found to be unenforceable by either party.

**Feel free to contact Amy Hawkins, CRA Government Relations Chair  
with any questions at 303.443.4646.**

# An Act

SENATE BILL 12-038

BY SENATOR(S) Tochtrop, Aguilar, Bacon, Newell;  
also REPRESENTATIVE(S) Priola, Labuda, Todd, Williams A.

CONCERNING MEASURES TO PROTECT CONSUMERS WHO ENGAGE A ROOFING  
CONTRACTOR TO PERFORM ROOFING SERVICES ON RESIDENTIAL  
PROPERTY.

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, **add** article 22 to title  
6 as follows:

## **ARTICLE 22** **Roofing Services - Residential Property**

**6-22-101. Legislative declaration.** (1) THE GENERAL ASSEMBLY  
HEREBY DECLARES THAT THE PURPOSE OF ENACTING THIS ARTICLE IS TO  
PROTECT COLORADO CONSUMERS BY:

(a) REQUIRING ROOFING CONTRACTORS OFFERING TO PERFORM  
ROOFING WORK ON RESIDENTIAL PROPERTY IN THIS STATE TO SIGN A  
WRITTEN CONTRACT WITH PROPERTY OWNERS DETAILING THE SCOPE AND  
COST OF THE ROOFING WORK AND CONTACT INFORMATION FOR THE ROOFING

CONTRACTOR;

(b) REQUIRING ROOFING CONTRACTORS TO PERMIT PROPERTY OWNERS TO RESCIND A CONTRACT FOR THE PERFORMANCE OF ROOFING WORK AND OBTAIN A REFUND OF ANY DEPOSIT PAID TO THE ROOFING CONTRACTOR; AND

(c) PROHIBITING ROOFING CONTRACTORS FROM PAYING, WAIVING, REBATING, OR PROMISING TO PAY, WAIVE, OR REBATE ALL OR PART OF ANY INSURANCE DEDUCTIBLE APPLICABLE TO AN INSURANCE CLAIM MADE TO THE PROPERTY OWNER'S PROPERTY AND CASUALTY INSURER FOR PAYMENT FOR ROOFING WORK ON THE RESIDENTIAL PROPERTY COVERED BY A PROPERTY AND CASUALTY INSURANCE POLICY.

**6-22-102. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "PROPERTY OWNER" MEANS THE OWNER OF RESIDENTIAL PROPERTY OR THE OWNER'S LEGAL REPRESENTATIVE.

(2) (a) "RESIDENTIAL PROPERTY" MEANS:

(I) A DETACHED, ONE- OR TWO-FAMILY DWELLING; OR

(II) MULTIPLE SINGLE-FAMILY DWELLINGS THAT ARE NOT MORE THAN THREE STORIES ABOVE GRADE PLANE HEIGHT AND PROVIDE SEPARATE MEANS OF EGRESS.

(b) "RESIDENTIAL PROPERTY" DOES NOT INCLUDE:

(I) A STRUCTURE COMPRISING MULTIPLE, ATTACHED SINGLE-FAMILY DWELLINGS, UNLESS MAINTENANCE, REPAIR, OR REPLACEMENTS OF THE DWELLINGS' ROOF IS THE RESPONSIBILITY OF A CONDOMINIUM ASSOCIATION, HOMEOWNERS' ASSOCIATION, COMMON INTEREST COMMUNITY, UNIT OWNERS' ASSOCIATION, OR ANY OTHER ENTITY SUBJECT TO THE "COLORADO COMMON INTEREST OWNERSHIP ACT", ARTICLE 33.3 OF TITLE 38, C.R.S., REGARDLESS OF WHEN THE ENTITY WAS FORMED; OR

(II) NEW CONSTRUCTION.

(3) "ROOFING CONTRACTOR" MEANS:

(a) AN INDIVIDUAL OR SOLE PROPRIETORSHIP THAT PERFORMS ROOFING WORK OR ROOFING SERVICES IN THIS STATE FOR COMPENSATION; OR

(b) (I) A FIRM, PARTNERSHIP, CORPORATION, ASSOCIATION, BUSINESS TRUST, LIMITED LIABILITY COMPANY, OR OTHER LEGAL ENTITY THAT PERFORMS OR OFFERS TO PERFORM ROOFING WORK IN THIS STATE ON RESIDENTIAL PROPERTY FOR COMPENSATION.

(II) AS USED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (b), "ASSOCIATION" DOES NOT INCLUDE A CONDOMINIUM ASSOCIATION, HOMEOWNERS' ASSOCIATION, COMMON INTEREST COMMUNITY, UNIT OWNERS' ASSOCIATION, OR ANY OTHER ENTITY SUBJECT TO THE "COLORADO COMMON INTEREST OWNERSHIP ACT", ARTICLE 33.3 OF TITLE 38, C.R.S., REGARDLESS OF WHEN THE ENTITY WAS FORMED.

(4) (a) "ROOFING WORK" OR "ROOFING SERVICES" MEANS THE CONSTRUCTION, RECONSTRUCTION, ALTERATION, MAINTENANCE, OR REPAIR OF A ROOF ON A RESIDENTIAL PROPERTY AND THE USE OF MATERIALS AND ITEMS IN THE CONSTRUCTION, RECONSTRUCTION, ALTERATION, MAINTENANCE, AND REPAIR OF ROOFING AND WATERPROOFING OF ROOFS, ALL IN A MANNER TO COMPLY WITH PLANS, SPECIFICATIONS, CODES, LAWS, RULES, REGULATIONS, AND ROOFING INDUSTRY STANDARDS FOR WORKMANLIKE PERFORMANCE APPLICABLE TO THE CONSTRUCTION, RECONSTRUCTION, ALTERATION, MAINTENANCE, AND REPAIR OF ROOFS ON RESIDENTIAL PROPERTIES.

(b) "ROOFING WORK" OR "ROOFING SERVICES" DOES NOT INCLUDE ROOFING WORK OR SERVICES FOR WHICH THE COMPENSATION IS ONE THOUSAND DOLLARS OR LESS PER CONTRACT.

**6-22-103. Contracts for roofing services - writing required - required terms.** (1) PRIOR TO ENGAGING IN ANY ROOFING WORK, A ROOFING CONTRACTOR SHALL PROVIDE A WRITTEN CONTRACT TO THE PROPERTY OWNER, SIGNED BY BOTH THE ROOFING CONTRACTOR OR HIS OR HER DESIGNEE AND THE PROPERTY OWNER, STATING AT LEAST THE FOLLOWING TERMS:



(a) THE SCOPE OF ROOFING SERVICES AND MATERIALS TO BE PROVIDED;

(b) THE APPROXIMATE DATES OF SERVICE;

(c) THE APPROXIMATE COSTS OF THE SERVICES BASED ON DAMAGES KNOWN AT THE TIME THE CONTRACT IS ENTERED;

(d) THE ROOFING CONTRACTOR'S CONTACT INFORMATION, INCLUDING PHYSICAL ADDRESS, ELECTRONIC MAIL ADDRESS, TELEPHONE NUMBER, AND ANY OTHER CONTACT INFORMATION AVAILABLE FOR THE ROOFING CONTRACTOR;

(e) IDENTIFICATION OF THE ROOFING CONTRACTOR'S SURETY AND LIABILITY COVERAGE INSURER AND THEIR CONTACT INFORMATION, IF APPLICABLE;

(f) (I) THE ROOFING CONTRACTOR'S POLICY REGARDING CANCELLATION OF THE CONTRACT AND REFUND OF ANY DEPOSIT, INCLUDING A RESCISSION CLAUSE ALLOWING THE PROPERTY OWNER TO RESCIND THE CONTRACT AND OBTAIN A FULL REFUND OF ANY DEPOSIT WITHIN SEVENTY-TWO HOURS AFTER ENTERING THE CONTRACT; AND

(II) A WRITTEN STATEMENT THAT THE PROPERTY OWNER MAY RESCIND A ROOFING CONTRACT PURSUANT TO SECTION 6-22-104; AND

(g) A WRITTEN STATEMENT THAT IF THE PROPERTY OWNER PLANS TO USE THE PROCEEDS OF A PROPERTY AND CASUALTY INSURANCE POLICY ISSUED PURSUANT TO PART 1 OF ARTICLE 4 OF TITLE 10, C.R.S., TO PAY FOR THE ROOFING WORK, PURSUANT TO SECTION 6-22-105, THE ROOFING CONTRACTOR CANNOT PAY, WAIVE, REBATE, OR PROMISE TO PAY, WAIVE, OR REBATE ALL OR PART OF ANY INSURANCE DEDUCTIBLE APPLICABLE TO THE INSURANCE CLAIM FOR PAYMENT FOR ROOFING WORK ON THE COVERED RESIDENTIAL PROPERTY.

(2) IN ADDITION TO THE CONTRACT TERMS REQUIRED IN SUBSECTION (1) OF THIS SECTION, A ROOFING CONTRACTOR SHALL INCLUDE, ON THE FACE OF THE CONTRACT, IN BOLD-FACED TYPE, A STATEMENT INDICATING THAT THE ROOFING CONTRACTOR SHALL HOLD IN TRUST ANY PAYMENT FROM THE PROPERTY OWNER UNTIL THE ROOFING CONTRACTOR HAS DELIVERED



ROOFING MATERIALS AT THE RESIDENTIAL PROPERTY SITE OR HAS PERFORMED A MAJORITY OF THE ROOFING WORK ON THE RESIDENTIAL PROPERTY.

**6-22-104. Residential roofing contract - payment from insurance proceeds - right to rescind - return of payments.** (1) (a) A PROPERTY OWNER WHO ENTERS INTO A WRITTEN CONTRACT WITH A ROOFING CONTRACTOR TO PERFORM ROOFING WORK ON THE PROPERTY OWNER'S RESIDENTIAL PROPERTY, THE PAYMENT FOR WHICH WILL BE MADE FROM THE PROCEEDS OF A PROPERTY AND CASUALTY INSURANCE POLICY ISSUED PURSUANT TO PART 1 OF ARTICLE 4 OF TITLE 10, C.R.S., MAY RESCIND THE CONTRACT WITHIN SEVENTY-TWO HOURS AFTER THE PROPERTY OWNER RECEIVES WRITTEN NOTICE FROM THE PROPERTY AND CASUALTY INSURER THAT THE CLAIM FOR PAYMENT FOR ROOFING WORK ON THE RESIDENTIAL PROPERTY IS DENIED IN WHOLE OR IN PART. THE PROPERTY OWNER'S RIGHT OF RESCISSION UNDER THIS SUBSECTION (1) DOES NOT APPLY WHEN THE PROPERTY AND CASUALTY INSURER DENIES, IN WHOLE OR IN PART, A CLAIM RELATED TO A REQUEST FOR SUPPLEMENTAL ROOFING SERVICES IF THE DAMAGE REQUIRING THE SUPPLEMENTAL ROOFING SERVICES COULD NOT HAVE BEEN REASONABLY FORESEEN AS A NECESSARY AND RELATED ROOFING SERVICE AT THE TIME OF THE INITIAL ROOFING INSPECTION OR THE EXECUTION OF THE INITIAL ROOFING CONTRACT.

(b) THE PROPERTY OWNER SHALL GIVE WRITTEN NOTICE OF RESCISSION OF THE CONTRACT TO THE ROOFING CONTRACTOR AT THE PHYSICAL ADDRESS PROVIDED IN THE CONTRACT WITHIN SEVENTY-TWO HOURS AFTER HE OR SHE IS NOTIFIED OF THE DENIAL. THE PROPERTY OWNER MAY GIVE NOTICE OF RESCISSION OF THE CONTRACT:

(I) IN AN ELECTRONIC FORM, WHICH IS EFFECTIVE ON THE DATE OF THE ELECTRONIC TRANSMISSION;

(II) BY MAIL, WHICH IS EFFECTIVE UPON DEPOSIT IN THE UNITED STATES MAIL, POSTAGE PREPAID, SENT TO THE PHYSICAL ADDRESS STATED IN THE CONTRACT; OR

(III) BY PERSONAL DELIVERY TO THE ROOFING CONTRACTOR, WHICH IS EFFECTIVE UPON DELIVERY.

(2) WITHIN TEN DAYS AFTER RESCISSION OF A CONTRACT IN

ACCORDANCE WITH SUBSECTION (1) OF THIS SECTION, THE ROOFING CONTRACTOR SHALL RETURN TO THE PROPERTY OWNER ANY PAYMENTS OR DEPOSITS MADE BY OR EVIDENCE OF INDEBTEDNESS OF THE PROPERTY OWNER IN CONNECTION WITH THE CONTRACT FOR ROOFING WORK ON THE RESIDENTIAL PROPERTY.

(3) NOTHING IN THIS SECTION PRECLUDES A ROOFING CONTRACTOR FROM RETAINING ALL OR A PORTION OF ANY PAYMENTS OR DEPOSITS MADE BY A PROPERTY OWNER TO COMPENSATE THE ROOFING CONTRACTOR FOR ROOFING WORK ACTUALLY PERFORMED ON THE RESIDENTIAL PROPERTY IN A WORKMANLIKE MANNER CONSISTENT WITH STANDARD ROOFING INDUSTRY PRACTICES, BUT THE ROOFING CONTRACTOR MAY RETAIN ONLY AN AMOUNT REQUIRED TO COMPENSATE THE ROOFING CONTRACTOR FOR THE ACTUAL WORK PERFORMED.

(4) NOTHING IN THIS SECTION ABROGATES THE ROOFING CONTRACTOR'S RIGHT TO PURSUE COMMON LAW REMEDIES FOR THE REASONABLE VALUE OF ROOFING MATERIALS ORDERED AND ACTUALLY INSTALLED ON THE RESIDENTIAL PROPERTY PURSUANT TO A CONTRACT FOR ROOFING WORK BEFORE THE PROPERTY OWNER RESCINDED THE CONTRACT, AS LONG AS THE ROOFING CONTRACTOR PERFORMED THE ROOFING SERVICES CONSISTENT WITH ROOFING INDUSTRY STANDARDS FOR WORKMANLIKE PERFORMANCE OF ROOFING SERVICES.

(5) NOTHING IN THIS SECTION ABROGATES A PROPERTY AND CASUALTY INSURER'S DUTIES, RESPONSIBILITIES, OR LIABILITY UNDER SECTIONS 10-3-1115 AND 10-3-1116, C.R.S.

**6-22-105. Waiver of insurance deductible prohibited.** (1) A ROOFING CONTRACTOR THAT PERFORMS ROOFING WORK, THE PAYMENT FOR WHICH WILL BE MADE FROM THE PROCEEDS OF A PROPERTY AND CASUALTY INSURANCE POLICY ISSUED PURSUANT TO PART 1 OF ARTICLE 4 OF TITLE 10, C.R.S., SHALL NOT ADVERTISE OR PROMISE TO PAY, WAIVE, OR REBATE ALL OR PART OF ANY INSURANCE DEDUCTIBLE APPLICABLE TO THE CLAIM FOR PAYMENT FOR ROOFING WORK ON THE COVERED RESIDENTIAL PROPERTY.

(2) IF A ROOFING CONTRACTOR VIOLATES SUBSECTION (1) OF THIS SECTION:

(a) THE INSURER TO WHOM THE PROPERTY OWNER SUBMITTED THE

CLAIM FOR PAYMENT FOR THE ROOFING WORK IS NOT OBLIGATED TO CONSIDER THE ESTIMATE OF COSTS FOR THE ROOFING WORK PREPARED BY THE ROOFING CONTRACTOR; AND

(b) THE PROPERTY OWNER WHOSE RESIDENTIAL PROPERTY IS INSURED UNDER THE PROPERTY AND CASUALTY INSURANCE POLICY OR THE INSURER THAT ISSUED THE POLICY MAY BRING AN ACTION AGAINST THE ROOFING CONTRACTOR IN A COURT OF COMPETENT JURISDICTION TO RECOVER DAMAGES SUSTAINED BY THE PROPERTY OWNER OR INSURER AS A CONSEQUENCE OF THE VIOLATION.

(3) A ROOFING CONTRACTOR SOLICITING ROOFING SERVICES IN THIS STATE SHALL NOT CLAIM TO BE OR ACT AS A PUBLIC INSURANCE ADJUSTER ADJUSTING CLAIMS FOR LOSSES OR DAMAGES. NOTHING IN THIS ARTICLE PREVENTS A PUBLIC INSURANCE ADJUSTER LICENSED PURSUANT TO SECTION 10-2-417, C.R.S., FROM ACTING OR HOLDING HIMSELF OR HERSELF OUT AS A PUBLIC INSURANCE ADJUSTER. NOTHING IN THIS SUBSECTION (3) PRECLUDES A ROOFING CONTRACTOR FROM DISCUSSING, ON BEHALF OF THE PROPERTY OWNER, THE SCOPE OF REPAIRS WITH A PROPERTY AND CASUALTY INSURER WHEN THE ROOFING CONTRACTOR HAS A VALID CONTRACT WITH THE PROPERTY OWNER OF THE RESIDENTIAL PROPERTY ON WHICH THE ROOFING CONTRACTOR HAS CONTRACTED TO PERFORM ROOFING WORK.

**SECTION 2. Applicability.** The provisions of this act apply to roofing work performed on residential property in this state on or after the effective date of this act.

**SECTION 3. Safety clause.** The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

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Brandon C. Shaffer  
PRESIDENT OF  
THE SENATE

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Frank McNulty  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Cindi L. Markwell  
SECRETARY OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED \_\_\_\_\_

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John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO