



# SENATE BILL 124: Predatory Roofing.

2023-2024 General Assembly

---

<b>Committee:</b>	House Judiciary 2. If favorable, re-refer to Insurance. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	May 15, 2024
<b>Introduced by:</b>	Sen. Johnson	<b>Prepared by:</b>	Susan Sitze
<b>Analysis of:</b>	PCS to Second Edition S124-CSCN-2		Michael Johnston Staff Attorneys

---

**OVERVIEW:** *The Proposed Committee Substitute (PCS) to Senate Bill 124 would regulate residential roof replacement and repair contracts by requiring a five-business day cancellation period following an insurance claim denial, except for emergency roof repairs. A violation of this law would be a Class 1 misdemeanor.*

**CURRENT LAW:** Under G.S. 14-401.13, a seller of consumer goods or services generally must inform a buyer that the buyer has the right to cancel the transaction within three business days if the seller personally solicits a sale resulting in the buyer's agreement at a place other than the seller's place of business. If the buyer requests to cancel the transaction within three business days, the seller generally must honor that request within 10 business days. A seller's failure to comply with these requirements is a Class 3 misdemeanor.

**BILL ANALYSIS:** The PCS would add a new subsection to G.S. 14-401.13 addressing the right to cancel residential roof replacement or repair contracts. Residential roof replacement or repair contracts would be required to have a five-business day cancellation period following an insurance claim denial for the contracted work, during which time the seller may not begin work or collect payment. If a residential roofing contractor performs emergency repairs on a roof, as acknowledged by the insured in writing, the contractor would be entitled to the amount due for the emergency repairs. This provision would not apply to work performed by a licensed general contractor, individuals working for a licensed general contractor, or a seller of materials used for roof repair who offers to install the materials. A violation of this law would be a Class 1 misdemeanor.

**EFFECTIVE DATE:** The PCS would be effective October 1, 2024, and apply to contracts entered into on or after that date.

Jeffrey Hudson  
Director



Legislative Analysis  
Division  
919-733-2578