

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)



# 120th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2001

---

Legislative Document

No. 310

H.P. 261

House of Representatives, January 30, 2001

---

### **An Act to Require Bonding of Building Contractors.**

---

Reference to the Committee on Business and Economic Development suggested and ordered printed.

*Millicent M. MacFarland*

MILLICENT M. MacFARLAND, Clerk

Presented by Representative COWGER of Hallowell.  
Cosponsored by Senator CATHCART of Penobscot and  
Representatives: DUPLESSIE of Westbrook, McDONOUGH of Portland, McKENNEY of  
Cumberland, McLAUGHLIN of Cape Elizabeth, NORBERT of Portland, WATSON of  
Farmingdale, Senators: SAWYER of Penobscot, TREAT of Kennebec.

2 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 10 MRSA §1486, sub-§§6 and 7** are enacted to read:

6 **6. Home construction contractor.** "Home construction contractor" means a person who enters into a written or oral home construction contract with a homeowner or lessee.

8 **7. Prepayment.** "Prepayment" means payments, including advances and down payments, by the homeowner or lessee to a home construction contractor for construction work prior to the completion of the work. "Prepayment" does not include progress payments.

10 **Sec. 2. 10 MRSA §1489,** as enacted by PL 1987, c. 574, is amended to read:

14 **§1489. Exemption**

16 Parties to a home construction contract may exempt themselves from the requirements of this chapter, except section 1489-A, only if the contractor specifically informs the homeowner or lessee of his the homeowner or lessee's rights under this chapter and the parties then mutually agree to a contract or change order that does not contain the parts set forth in sections 1487 and 1488.

18 **Sec. 3. 10 MRSA §1489-A** is enacted to read:

20 **§1489-A. Bonding**

22 Home construction contractors must be bonded for an amount at least equal to the amount of a prepayment.

24 **SUMMARY**

26 This bill requires home construction contractors to be bonded for an amount equal to prepayments made by a homeowner or lessee.