

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 124
Commerce and Insurance Committee Substitute Adopted 4/25/23
PROPOSED HOUSE COMMITTEE SUBSTITUTE S124-PCS45465-CN-2

Short Title: Predatory Roofing.

(Public)

Sponsors:

Referred to:

February 20, 2023

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE A CANCELLATION PERIOD FOR RESIDENTIAL ROOF
3 REPLACEMENT OR REPAIR CONTRACTS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 14-401.13 reads as rewritten:

6 "§ 14-401.13. Failure to give right to cancel in off-premises sales.

7 ...

8 (b1) In addition to the requirements in subsection (a) of this section, contracts for
9 residential roof replacement or repair shall be subject to a five-business day cancellation period
10 following an insurance claim denial for the work to be performed under the contract, during
11 which time the seller shall not begin work or collect any payment until the five business days
12 have expired. If the residential roofing contractor has performed emergency services,
13 acknowledged by the insured in writing to be necessary to prevent further damage to the
14 premises, the residential roofing contractor shall be entitled to collect the amount due for the
15 emergency services at the time they are rendered. Notwithstanding any other provision of this
16 section, a violation of this subsection is a Class 1 misdemeanor.

17 (c) For the purposes of this section, the following definitions shall apply:

18 ...

19 (2) Consumer Goods or Services. – Goods or services purchased, leased, or rented
20 primarily for personal, family, or household purposes, including residential
21 roof replacement and repair services and courses of instruction or training
22 regardless of the purpose for which they are taken.

23 (3) Seller. – Any person, partnership, corporation, or association engaged in the
24 off-premises sale of consumer goods or ~~services.~~ services, including
25 residential roof replacement and repair services. However, a nonprofit
26 corporation or association, or member or employee thereof acting on behalf
27 of such an association or corporation, shall not be a seller within the meaning
28 of this section.

29 ...

30 (7) Residential Roof Replacement and Repair Services. – Reconstruction or repair
31 of any part of an existing roof of a residential home for the purpose of its
32 maintenance, including the total replacement of an existing roofing system,
33 except when performed by a licensed general contractor or a person or
34 subcontractor working under the supervision of a licensed general contractor.
35 This definition does not include a person engaged in the retail sale of materials



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1 and products that may be used for the construction, installation, renovation,
2 repair, maintenance, alteration, or waterproofing of a roof and, as part of that
3 retail business, offers the installation of the materials and products."
4 **SECTION 2.** This act becomes effective October 1, 2024, and applies to contracts
5 entered into on or after that date.