SENATE BILL 141

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Manny M. Aragon

AN ACT

RELATING TO CONSTRUCTION INDUSTRIES; AMENDING THE CONSTRUCTION INDUSTRIES LICENSING ACT TO INCREASE THE PENALTY FEE FOR FAILURE TO DISCLOSE CERTAIN INFORMATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 60-13-19 NMSA 1978 (being Laws 1978, Chapter 78, Section 1, as amended) is amended to read:

"60-13-19. DIVISION--EVIDENCE OF POSSESSION--PENALTY.--

A. The licensee shall exhibit satisfactory evidence of the possession of a license on demand and shall clearly indicate his contractor's license number on all written bids and when applying for a building permit. [Before work is commenced, a contract is signed or funds are paid for any residential contracting, the contractor shall disclose in writing to the owner that the license issued under the

. 142671. 1

Construction Industries Licensing Act does not protect the consumer if the contractor defaults.

B. [Any] A contractor who fails to indicate his contractor's license number clearly on all written bids and when applying for a building permit [or who fails to make the disclosure statement required under this section] shall be assessed by the division a penalty fee of one hundred fifty dollars (\$150). The fee shall be payable to the code jurisdiction or political subdivision [which] that issued the permit or in which the work for which the bid is submitted is or would be permitted.

C. Before work is commenced, a contract is signed or funds are paid for residential contracting, the contractor shall disclose in writing to the owner, on a form approved by the division, that the license issued and the bond or other proof of responsibility required pursuant to the Construction Industries Licensing Act does not protect the owner if the contractor defaults. A contractor who fails to make the disclosure required by this subsection shall be assessed a penalty fee by the division in an amount not less than five hundred dollars (\$500) or more than one thousand five hundred dollars (\$1,500) as determined by the division. The penalty fee shall be payable to the division.

Section 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2003.

. 142671. 1