

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

HOUSE BILL 1308

5 By: Representative Steimel
6 By: Senator B. Johnson
7

For An Act To Be Entitled

9 AN ACT CONCERNING UNFAIR PRACTICES RELATED TO
10 RESIDENTIAL REAL ESTATE REPAIR CONTRACTS; TO REGULATE
11 SOLICITING RESIDENTIAL CONTRACTORS AND TREE TRIMMERS;
12 AND FOR OTHER PURPOSES.
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Subtitle

15 CONCERNING UNFAIR PRACTICES RELATED TO
16 RESIDENTIAL REAL ESTATE REPAIR
17 CONTRACTS; AND TO REGULATE SOLICITING
18 RESIDENTIAL CONTRACTORS AND TREE
19 TRIMMERS.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 4-88-902, concerning definitions used for
25 unfair practices related to residential real estate repair contracts, is
26 amended to add additional subdivisions to read as follows:

27 (7)(A) "Soliciting" means contacting an insured:

28 (i) In person; or

29 (ii) By electronic means, including without
30 limitation email through an unpublished telephone number and any other real
31 time communication.

32 (B) "Soliciting" does not include contacting an insured
33 through a published telephone number; and

34 (8) "Tree trimmer" means a person or an entity in the business
35 of:

36 (A) Felling trees;



- 1 (B) Cutting or trimming tree limbs or branches; or
- 2 (C) Diagnosing or treating diseased trees.

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4 SECTION 2. Arkansas Code § 4-88-905, concerning violations for unfair
5 practices related to residential real estate repair contracts, is amended to
6 add additional subsections to read as follows:

7 (c) A residential contractor or tree trimmer may receive a fine up ten
8 thousand dollars (\$10,000) for a first and each subsequent violation of this
9 subchapter.

10 (d) An unlicensed residential contractor who engages in an act
11 prohibited by this subchapter is guilty upon conviction of unlicensed
12 contracting and is subject to the penalties under § 17-25-103.

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14 SECTION 3. Arkansas Code Title 4, Chapter 88, Subchapter 9, is amended
15 to add an additional section to read as follows:

16 4-88-906. Prohibited practices.

17 (a) A residential contractor or tree trimmer shall not:

18 (1) Engage in the practice of soliciting a residential real
19 estate contract from an insured;

20 (2) Offer to an insured a rebate, gift, gift card, cash, coupon,
21 waiver of an insurance deductible, or any other thing of value in exchange
22 for:

23 (A) Allowing the residential contractor or tree trimmer to
24 conduct an inspection of the residential real estate's roof system; or

25 (B) Making an insurance claim for damage to the
26 residential real estate's roof system;

27 (3)(A) Offer, deliver, receive, or accept any compensation,
28 inducement, or reward for the referral of a service for which property
29 insurance proceeds are payable or would be used for repairs to or replacement
30 of the insured's roof system.

31 (B) Payment by the insured or property and casualty
32 insurance company to a residential contractor or tree trimmer for services to
33 a roof system rendered does not constitute compensation for a referral under
34 subdivision (a)(3)(A) of this section;

35 (4) Interpret property and casualty insurance policy provisions
36 or advise an insured regarding coverages or duties under the insured's

1 property and casualty insurance policy or adjust a property and casualty
2 insurance claim on behalf of the insured; or

3 (5)(A) Provide an insured with a residential real estate repair
4 contract authorizing repairs to the roof system of the residential real
5 estate without providing a good faith estimate of the itemized and detailed
6 cost of services and materials for the repairs undertaken under a property
7 and casualty insurance claim.

8 (B) A residential contractor or tree trimmer does not
9 violate subdivision (a)(5)(A) of this section if, as a result of the process
10 of the insurer adjusting a property and casualty insurance claim, the actual
11 cost of repairs differs from the initial estimate.

12 (b) For the purposes of this section, an act of any person on behalf
13 of a residential contractor or tree trimmer, including without limitation the
14 acts of a compensated employee or a nonemployee who is compensated for
15 engaging in the prohibited acts in subsection (a) of this section, is
16 considered an action of the residential contractor or tree trimmer.

17 (c)(1) A residential contractor or tree trimmer shall not execute a
18 contract with an insured to repair or replace a roof system without including
19 a notice that the residential contractor or tree trimmer shall not engage in
20 the practices stated under subsection (a) of this section.

21 (2) If the residential contractor or tree trimmer fails to
22 include the notice required under subdivision (c)(1) of this section, the
23 insured may cancel the contract within ten (10) days after executing it.

24 (d)(1) The prohibitions under subsection (a) of this section does not
25 preclude a residential contractor or tree trimmer from suggesting or
26 otherwise recommending to an insured that the insured consider contacting his
27 or her property and casualty insurance company to determine if the proposed
28 repair is covered under the insured's property and casualty insurance policy.

29 (2) The residential contractor or tree trimmer may discuss or
30 explain a bid for construction or repair of covered residential real estate
31 with the insured who has suffered loss or damage covered by a property and
32 casualty insurance policy, or the property and casualty insurance company of
33 the residential real estate, if the residential contractor or tree trimmer is
34 doing so for the usual and customary fees applicable to the work to be
35 performed as stated in the residential real estate repair contract.

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