

HOUSE No. 4299

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, January 21, 2020.

The committee on Consumer Protection and Professional Licensure to whom were referred the petition (accompanied by bill, Senate, No. 140) of Diana DiZoglio for legislation relative to partial payments, and the petition (accompanied by bill, House, No. 231) of Ann-Margaret Ferrante for legislation to further regulate residential contracting agreements, reports recommending that the accompanying bill (House, No. 4299) ought to pass.

For the committee,

TACKEY CHAN.

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**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act relative to partial payment.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 2 of chapter 142A of the General Laws, as appearing in the 2018
2 Official Edition, is hereby amended by striking out clause (6), and inserting in place thereof the
3 following:-

4 (6) a time schedule of payments to be made under said contract and the amount of each
5 payment stated in dollars, including all finance charges. Any deposit required under the contract
6 to be paid in advance of the commencement of work under said contract shall not exceed the
7 greater of one-third of the total contract price or the actual cost of any materials or equipment of
8 a special order or custom made nature, which must be ordered in advance of the commencement
9 of work, in order to assure that the project will proceed on schedule. No final payment shall be
10 demanded until the contract is completed to the satisfaction of the parties thereto; provided,
11 however, the provisions of this clause (6), except for the first sentence, shall not apply to
12 contractors furnishing a performance and payment bond, lien or completion bond, or a bond
13 equivalent approved by the director of consumer affairs and business regulation covering a
14 minimum of two million dollars;

15 SECTION 2. Said section 2 of chapter 142A, as so appearing, is hereby further amended
16 by adding at the end thereof the following:-

17 Any violation of this section shall constitute an unfair method of competition or unfair or
18 deceptive act or practice in violation of chapter 93A.