

AUTHENTICATED, OHIO LEGISLATIVE SERVICE COMMISSION DOCUMENT #242788

Ohio Revised Code

Section 4722.02 Service contract. Effective: August 31, 2012 Legislation: House Bill 383 - 129th General Assembly

(A) Except as provided in division (C) of this section, no home construction service supplier shall perform any home construction service the cost of which equals or exceeds twenty-five thousand dollars unless the supplier enters into a written home construction services contract with the owner. The contract shall include all agreements and conditions related to the home construction service, including all of the following:

(1) The supplier's name, physical business address, business telephone number, and taxpayer identification number;

(2) The owner's name, address, and telephone number;

(3) The address or location of the property where the home construction service is to be performed;

(4) A general description of the home construction service, including the goods and services to be furnished as part of the service;

(5) The anticipated date or time period the home construction service is to begin and the anticipated date or time period it is to be completed;

(6) The total estimated cost of the home construction service;

(7) Any cost of installation, delivery, or other cost that the total estimated cost does not cover;

(8) A copy of the supplier's certificate of insurance showing general liability coverage in an amount of not less than two hundred fifty thousand dollars;

(9) The dated signatures of the owner and the supplier.



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(B)(1) If the total amount of reasonably unforeseen, but necessary, excess costs of a home construction service at any time exceeds five thousand dollars over the course of the entire home construction contract, prior to performing the work related to the excess costs, the home construction service supplier shall provide an owner with a notice that contains a written or oral estimate, depending on which type the owner has designated in the contract.

(2) To determine the type of notice an owner requires when the costs of a home construction service exceed the estimate provided in the contract, the contract shall include a statement in substantially the following language:

"EXCESS COSTS

IF AT ANY TIME A HOME CONSTRUCTION SERVICE REQUIRES EXTRA COSTS ABOVE THE COST SPECIFIED OR ESTIMATED IN THE CONTRACT THAT WERE REASONABLY UNFORESEEN, BUT NECESSARY, AND THE TOTAL OF ALL EXTRA COSTS TO DATE EXCEEDS FIVE THOUSAND DOLLARS OVER THE COURSE OF THE ENTIRE HOME CONSTRUCTION CONTRACT, YOU HAVE A RIGHT TO AN ESTIMATE OF THOSE EXCESS COSTS BEFORE THE HOME CONSTRUCTION SERVICE SUPPLIER BEGINS WORK RELATED TO THOSE COSTS. INITIAL YOUR CHOICE OF THE TYPE OF ESTIMATE YOU REQUIRE:

_____ written estimate _____ oral estimate"

(3) If the contract stipulates that the specified cost of the home construction service is a firm price and the home construction service supplier will not charge the owner with any excess costs, the home construction service supplier need not comply with the notice requirements of this division.

(C) A home construction service supplier who enters into a cost-plus contract with an owner for a home construction service need not comply with the requirements in divisions (A) and (B) of this section.