



Legislation Text

File #: 100593, Version: 0

100593

ORIGINAL

THE CHAIR

An ordinance eliminating the performance bond requirement for home improvement contractors.

95-14-5-0	am
95-14-5-a	rp
95-14-5 b	rn
95-14-5-c	ra
95-14-5-d	ra

This ordinance eliminates the performance bond requirement for home improvement contractors.

Current code requires a home improvement contractor to file a \$1,000 performance bond with the city clerk. This performance bond protects the city, not the resident, and is unnecessary because the city's liability insurance provides the same protection.

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 95-14-5-0 of the code is amended to read:

95-14. Home Improvement Contractor and Salesperson Licenses.

5. ~~[[BONDS AND]]~~INSURANCE. Upon application, every person applying for a contractor's license shall file with the city clerk ~~[[a performance bond in the sum of \$1,000 annual aggregate of all losses and]]~~a certificate of insurance as provided in ~~[[pars.]]~~>>par.<< a ~~[[and b]]~~.

Part 2. Section 95-14-5-a of the code is repealed.

Part 3. Section 95-14-5-b of the code is renumbered 95-14-5-a.

Part 4. Section 95-14-5-c and d of the code is renumbered 95-14-5-b and c and

amended to read:

b. Cancellation or Nonrenewal. In the event of a cancellation or nonrenewal of ~~[[either the performance bond or]]~~the certificate of insurance, the contractor's license shall be automatically suspended. The suspension shall terminate upon presentation of a certificate of insurance ~~[[or performance bond.]]~~that evidences that the policies required under this subsection have been issued or reissued to the contractor. All ~~[[bonds and]]~~ certificates shall be executed by ~~[[a corporate surety or]]~~>>an<<insurance company licensed to do business in the state of Wisconsin and shall have affixed thereto an affidavit of no interest.

c. Reinstatement Fee. If a home improvement contractor license is suspended due to the cancellation, expiration or nonrenewal of a ~~[[performance bond or]]~~certificate of insurance required by this section, the contractor shall pay a fee specified in s. 81-1-6 prior to reinstatement of the license.

APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

License Division

#121329-1

ANC

09/13/10