

AMENDED IN SENATE APRIL 7, 2025

SENATE BILL

No. 784

**Introduced by Senator Durazo
(Coauthor: Senator Allen)**

February 21, 2025

An act to amend Section 7159 of the Business and Professions Code, and to amend Sections 1689.6, 1689.7, and 1689.13 of, and to add Title 1.87 (commencing with Section 1799.220) to Part 4 of Division 3 of, the Civil Code, relating to consumer credit.

LEGISLATIVE COUNSEL'S DIGEST

SB 784, as amended, Durazo. Home improvement loans: right to cancel contracts.

(1) Existing law generally regulates various types of consumer credit contracts and transactions, including consumer loans, home solicitation contracts and offers, and home improvement businesses and contracts.

This bill would regulate home improvement loans. The bill would require a lender to take specified actions before a consumer executes a contract for a home improvement loan, including obtaining oral confirmation of key terms of the home improvement loan contract, as defined and specified. The bill would require a lender that offers or provides a home improvement loan to make certain information available to the consumer ~~or the property owner, as specified~~, and would prescribe how a lender must respond to requests for information from a consumer. The bill would prohibit a consumer's repayment obligations under a home improvement ~~home~~ loan until the lender has taken specified actions. ~~The bill would prohibit a lender making a home improvement loan from providing cash or material value to a third party in excess of the actual price charged by that third party.~~

(2) Existing law authorizes a buyer ~~who cancels~~ *to cancel* certain home solicitation contracts or offers until midnight of the 3rd business day after the day on which the buyer signs an agreement or offer to purchase that complies with specified requirements. Existing law authorizes a buyer to cancel a home solicitation contract written for certain home improvement work until midnight of the 3rd business day after the buyer receives a signed and dated copy of the contract or offer to purchase that complies with specified requirements. Existing law requires contracts for a home solicitation contract or offer to include a notice of cancellation form with specified statements as to the buyer's right to cancel. Existing law permits a buyer to provide a seller an express waiver to this right to cancel, if the contract meets other specified requirements.

Existing law requires specific provisions and requirements for home improvement contracts, as defined, that are not governed by the provisions described above. Existing law requires these contracts to include a notice regarding the buyer's 3-day right to cancel.

Existing law provides an alternate 5-day period of time to cancel the contracts or offers described above if the buyer or property owner is a senior citizen, as defined, for contracts entered into, or offers to purchase conveyed, on or after January 1, 2021.

This bill would extend those 3-day and 5-day periods to 5-day and 7-day periods, respectively. The bill would also make conforming changes. The bill would apply these new extended periods to transactions on or after January 1, 2026.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 7159 of the Business and Professions
- 2 Code is amended to read:
- 3 7159. (a) (1) This section identifies the projects for which a
- 4 home improvement contract is required, outlines the contract
- 5 requirements, and lists the items that shall be included in the
- 6 contract, or may be provided as an attachment.
- 7 (2) This section does not apply to service and repair contracts
- 8 that are subject to Section 7159.10, if the contract for the applicable
- 9 services complies with Sections 7159.10 to 7159.14, inclusive.

1 (3) This section does not apply to the sale, installation, and
2 servicing of a fire alarm sold in conjunction with an alarm system,
3 as defined in Section 7590.1, if all costs attributable to making the
4 fire alarm system operable, including sale and installation costs,
5 do not exceed five hundred dollars (\$500), and the licensee
6 complies with the requirements set forth in Section 7159.9.

7 (4) This section does not apply to any costs associated with
8 monitoring a burglar or fire alarm system.

9 (5) Failure by the licensee, their agent or salesperson, or by a
10 person subject to be licensed under this chapter, to provide the
11 specified information, notices, and disclosures in the contract, or
12 to otherwise fail to comply with any provision of this section, is
13 cause for discipline.

14 (b) For purposes of this section, “home improvement contract”
15 means an agreement, whether oral or written, or contained in one
16 or more documents, between a contractor and an owner or between
17 a contractor and a tenant, regardless of the number of residence
18 or dwelling units contained in the building in which the tenant
19 resides, if the work is to be performed in, to, or upon the residence
20 or dwelling unit of the tenant, for the performance of a home
21 improvement, as defined in Section 7151, and includes all labor,
22 services, and materials to be furnished and performed thereunder,
23 if the aggregate contract price specified in one or more
24 improvement contracts, including all labor, services, and materials
25 to be furnished by the contractor, exceeds five hundred dollars
26 (\$500). “Home improvement contract” also means an agreement,
27 whether oral or written, or contained in one or more documents,
28 between a salesperson, whether or not they are a home
29 improvement salesperson, and an owner or a tenant, regardless of
30 the number of residence or dwelling units contained in the building
31 in which the tenant resides, which provides for the sale, installation,
32 or furnishing of home improvement goods or services.

33 (c) In addition to the specific requirements listed under this
34 section, every home improvement contract and any person subject
35 to licensure under this chapter or their agent or salesperson shall
36 comply with all of the following:

37 (1) The writing shall be legible.

38 (2) Any printed form shall be readable. Unless a larger typeface
39 is specified in this article, text in any printed form shall be in at

1 least 10-point typeface and the headings shall be in at least 10-point
2 boldface type.

3 (3) (A) Before any work is started, the contractor shall give the
4 buyer a copy of the contract signed and dated by both the contractor
5 and the buyer. The buyer's receipt of the copy of the contract
6 initiates the buyer's rights to cancel the contract pursuant to
7 Sections 1689.5 to 1689.14, inclusive, of the Civil Code.

8 (B) The contract shall contain on the first page, in a typeface
9 no smaller than that generally used in the body of the document,
10 both of the following:

11 (i) The date the buyer signed the contract.

12 (ii) The name and address of the contractor to which the
13 applicable "Notice of Cancellation" is to be mailed, immediately
14 preceded by a statement advising the buyer that the "Notice of
15 Cancellation" may be sent to the contractor at the address noted
16 on the contract.

17 (4) The contract shall include a statement that, upon satisfactory
18 payment being made for any portion of the work performed, the
19 contractor, prior to any further payment being made, shall furnish
20 to the person contracting for the home improvement or swimming
21 pool work a full and unconditional release from any potential lien
22 claimant claim or mechanics lien authorized pursuant to Sections
23 8400 and 8404 of the Civil Code for that portion of the work for
24 which payment has been made.

25 (5) A change-order form for changes or extra work shall be
26 incorporated into the contract and shall become part of the contract
27 only if it is in writing and signed by the parties prior to the
28 commencement of any work covered by a change order.

29 (6) The contract shall contain, in close proximity to the
30 signatures of the owner and contractor, a notice stating that the
31 owner or tenant has the right to require the contractor to have a
32 performance and payment bond.

33 (7) If the contract provides for a contractor to furnish joint
34 control, the contractor shall not have any financial or other interest
35 in the joint control.

36 (8) The provisions of this section are not exclusive and do not
37 relieve the contractor from compliance with any other applicable
38 provision of law.

39 (d) A home improvement contract and any changes to the
40 contract shall be in writing and signed by the parties to the contract

1 prior to the commencement of work covered by the contract or an
2 applicable change order and, except as provided in paragraph (8)
3 of subdivision (a) of Section 7159.5, shall include or comply with
4 all of the following:

5 (1) The name, business address, and license number of the
6 contractor.

7 (2) If applicable, the name and registration number of the home
8 improvement salesperson that solicited or negotiated the contract.

9 (3) The following heading on the contract form that identifies
10 the type of contract in at least 10-point boldface type: “Home
11 Improvement.”

12 (4) The following statement in at least 12-point boldface type:
13 “You are entitled to a completely filled in copy of this agreement,
14 signed by both you and the contractor, before any work may be
15 started.”

16 (5) The heading: “Contract Price,” followed by the amount of
17 the contract in dollars and cents.

18 (6) If a finance charge will be charged, the heading: “Finance
19 Charge,” followed by the amount in dollars and cents. The finance
20 charge is to be set out separately from the contract amount.

21 (7) The heading: “Description of the Project and Description
22 of the Significant Materials to be Used and Equipment to be
23 Installed,” followed by a description of the project and a description
24 of the significant materials to be used and equipment to be installed.
25 For swimming pools, the project description required under this
26 paragraph also shall include a plan and scale drawing showing the
27 shape, size, dimensions, and the construction and equipment
28 specifications.

29 (8) If a downpayment will be charged, the details of the
30 downpayment shall be expressed in substantially the following
31 form, and shall include the text of the notice as specified in
32 subparagraph (C):

33 (A) The heading: “Downpayment.”

34 (B) A space where the actual downpayment appears.

35 (C) The following statement in at least 12-point boldface type:

36
37 “THE DOWNPAYMENT MAY NOT EXCEED \$1,000 OR 10
38 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS
39 LESS.”
40

(9) If payments, other than the downpayment, are to be made before the project is completed, the details of these payments, known as progress payments, shall be expressed in substantially the following form, and shall include the text of the statement as specified in subparagraph (C):

(A) A schedule of progress payments shall be preceded by the heading: "Schedule of Progress Payments."

(B) Each progress payment shall be stated in dollars and cents and specifically reference the amount of work or services to be performed and materials and equipment to be supplied.

(C) The section of the contract reserved for the progress payments shall include the following statement in at least 12-point boldface type:

"The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment. IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWNPAYMENT."

(10) The contract shall address the commencement of work to be performed in substantially the following form:

(A) A statement that describes what constitutes substantial commencement of work under the contract.

(B) The heading: "Approximate Start Date."

(C) The approximate date on which work will be commenced.

(11) The estimated completion date of the work shall be referenced in the contract in substantially the following form:

(A) The heading: "Approximate Completion Date."

(B) The approximate date of completion.

(12) If applicable, the heading: "List of Documents to be Incorporated into the Contract," followed by the list of documents incorporated into the contract.

(13) The heading: "Note About Extra Work and Change Orders," followed by the following statement:

1 “Extra Work and Change Orders become part of the contract
2 once the order is prepared in writing and signed by the parties prior
3 to the commencement of work covered by the new change order.
4 The order must describe the scope of the extra work or change,
5 the cost to be added or subtracted from the contract, and the effect
6 the order will have on the schedule of progress payments.”
7

8 (e) Except as provided in paragraph (8) of subdivision (a) of
9 Section 7159.5, all of the following notices shall be provided to
10 the owner as part of the contract form as specified or, if otherwise
11 authorized under this subdivision, may be provided as an
12 attachment to the contract:

13 (1) A notice concerning commercial general liability insurance.
14 This notice may be provided as an attachment to the contract if
15 the contract includes the following statement: “A notice concerning
16 commercial general liability insurance is attached to this contract.”
17 The notice shall include the heading “Commercial General Liability
18 Insurance (CGL),” followed by whichever of the following
19 statements is both relevant and correct:

20 (A) “(The name on the license or ‘This contractor’) does not
21 carry commercial general liability insurance.”

22 (B) “(The name on the license or ‘This contractor’) carries
23 commercial general liability insurance written by (the insurance
24 company). You may call (the insurance company) at ____ to check
25 the contractor’s insurance coverage.”

26 (C) “(The name on the license or ‘This contractor’) is
27 self-insured.”

28 (D) “(The name on the license or ‘This contractor’) is a limited
29 liability company that carries liability insurance or maintains other
30 security as required by law. You may call (the insurance company
31 or trust company or bank) at ____ to check on the contractor’s
32 insurance coverage or security.”

33 (2) A notice concerning workers’ compensation insurance. This
34 notice may be provided as an attachment to the contract if the
35 contract includes the statement: “A notice concerning workers’
36 compensation insurance is attached to this contract.” The notice
37 shall include the heading “Workers’ Compensation Insurance”
38 followed by whichever of the following statements is correct:

1 (A) “(The name on the license or ‘This contractor’) has no
2 employees and is exempt from workers’ compensation
3 requirements.”

4 (B) “(The name on the license or ‘This contractor’) carries
5 workers’ compensation insurance for all employees.”

6 (3) A notice that provides the buyer with the following
7 information about the performance of extra or change-order work:

8 (A) A statement that the buyer may not require a contractor to
9 perform extra or change-order work without providing written
10 authorization prior to the commencement of work covered by the
11 new change order.

12 (B) A statement informing the buyer that extra work or a change
13 order is not enforceable against a buyer unless the change order
14 also identifies all of the following in writing prior to the
15 commencement of work covered by the new change order:

16 (i) The scope of work encompassed by the order.

17 (ii) The amount to be added or subtracted from the contract.

18 (iii) The effect the order will make in the progress payments or
19 the completion date.

20 (C) A statement informing the buyer that the contractor’s failure
21 to comply with the requirements of this paragraph does not
22 preclude the recovery of compensation for work performed based
23 upon legal or equitable remedies designed to prevent unjust
24 enrichment.

25 (4) A notice with the heading “Mechanics Lien Warning” written
26 as follows:

27
28 “MECHANICS LIEN WARNING:
29

30 Anyone who helps improve your property, but who is not paid,
31 may record what is called a mechanics lien on your property. A
32 mechanics lien is a claim, like a mortgage or home equity loan,
33 made against your property and recorded with the county recorder.

34 Even if you pay your contractor in full, unpaid subcontractors,
35 suppliers, and laborers who helped to improve your property may
36 record mechanics liens and sue you in court to foreclose the lien.
37 If a court finds the lien is valid, you could be forced to pay twice
38 or have a court officer sell your home to pay the lien. Liens can
39 also affect your credit.

1 To preserve their right to record a lien, each subcontractor and
2 material supplier must provide you with a document called a
3 ‘Preliminary Notice.’ This notice is not a lien. The purpose of the
4 notice is to let you know that the person who sends you the notice
5 has the right to record a lien on your property if they are not paid.

6 BE CAREFUL. The Preliminary Notice can be sent up to 20
7 days after the subcontractor starts work or the supplier provides
8 material. This can be a big problem if you pay your contractor
9 before you have received the Preliminary Notices.

10 You will not get Preliminary Notices from your prime contractor
11 or from laborers who work on your project. The law assumes that
12 you already know they are improving your property.

13 PROTECT YOURSELF FROM LIENS. You can protect
14 yourself from liens by getting a list from your contractor of all the
15 subcontractors and material suppliers that work on your project.
16 Find out from your contractor when these subcontractors started
17 work and when these suppliers delivered goods or materials. Then
18 wait 20 days, paying attention to the Preliminary Notices you
19 receive.

20 PAY WITH JOINT CHECKS. One way to protect yourself is
21 to pay with a joint check. When your contractor tells you it is time
22 to pay for the work of a subcontractor or supplier who has provided
23 you with a Preliminary Notice, write a joint check payable to both
24 the contractor and the subcontractor or material supplier.

25 For other ways to prevent liens, visit CSLB’s internet website
26 at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752).

27 REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING
28 A LIEN PLACED ON YOUR HOME. This can mean that you
29 may have to pay twice, or face the forced sale of your home to pay
30 what you owe.”

31
32 (5) The following notice shall be provided in at least 12-point
33 typeface:

34
35 “Information about the Contractors State License Board (CSLB):
36 CSLB is the state consumer protection agency that licenses and
37 regulates construction contractors.

38 Contact CSLB for information about the licensed contractor you
39 are considering, including information about disclosable

1 complaints, disciplinary actions, and civil judgments that are
2 reported to CSLB.

3 Use only licensed contractors. If you file a complaint against a
4 licensed contractor within the legal deadline (usually four years),
5 CSLB has authority to investigate the complaint. If you use an
6 unlicensed contractor, CSLB may not be able to help you resolve
7 your complaint. Your only remedy may be in civil court, and you
8 may be liable for damages arising out of any injuries to the
9 unlicensed contractor or the unlicensed contractor's employees.

10 For more information:

11 Visit CSLB's internet website at www.cslb.ca.gov

12 Call CSLB at 800-321-CSLB (2752)

13 Write CSLB at P.O. Box 26000, Sacramento, CA 95826."

14
15 (6) (A) The notice set forth in subparagraph (B) and entitled
16 "Five-Day Right to Cancel," or entitled "Seven-Day Right to
17 Cancel" for contracts with a senior citizen, shall be provided to
18 the buyer unless the contract is:

19 (i) Negotiated at the contractor's place of business.

20 (ii) Subject to the "Seven-Day Right to Cancel," as set forth in
21 paragraph (7).

22 (iii) Subject to licensure under the Alarm Company Act (Chapter
23 11.6 (commencing with Section 7590)), provided the alarm
24 company licensee complies with Sections 1689.5, 1689.6, and
25 1689.7 of the Civil Code, as applicable.

26
27 (B) (i) "Five-Day Right to Cancel

28 You, the buyer, have the right to cancel this contract within five
29 business days. You may cancel by emailing, mailing, faxing, or
30 delivering a written notice to the contractor at the contractor's
31 place of business by midnight of the fifth business day after you
32 received a signed and dated copy of the contract that includes this
33 notice. Include your name, your address, and the date you received
34 the signed copy of the contract and this notice.

35 If you cancel, the contractor must return to you anything you
36 paid within 10 days of receiving the notice of cancellation. For
37 your part, you must make available to the contractor at your
38 residence, in substantially as good condition as you received them,
39 goods delivered to you under this contract or sale. Or, you may,
40 if you wish, comply with the contractor's instructions on how to

1 return the goods at the contractor's expense and risk. If you do
2 make the goods available to the contractor and the contractor does
3 not pick them up within 20 days of the date of your notice of
4 cancellation, you may keep them without any further obligation.
5 If you fail to make the goods available to the contractor, or if you
6 agree to return the goods to the contractor and fail to do so, then
7 you remain liable for performance of all obligations under the
8 contract.”
9

10 (ii) References to “five” and “fifth” in the notice set forth in
11 clause (i) shall be changed to “seven” and “seventh” respectively,
12 for a buyer who is a senior citizen.

13 (C) The notice required by this paragraph shall comply with all
14 of the following:

15 (i) The text of the notice is at least 12-point boldface type.

16 (ii) The notice is in immediate proximity to a space reserved
17 for the owner's signature.

18 (iii) The owner acknowledges receipt of the notice by signing
19 and dating the notice form in the signature space.

20 (iv) The notice is written in the same language, e.g., Spanish,
21 as that principally used in any oral sales presentation.

22 (v) The notice may be attached to the contract if the contract
23 includes, in at least 12-point boldface type, a checkbox with one
24 of the following statements, as applicable:

25 (I) For a contract with a senior citizen: “The law requires that
26 the contractor give you a notice explaining your right to cancel.
27 Initial the checkbox if the contractor has given you a ‘Notice of
28 the Seven-Day Right to Cancel.’”

29 (II) For all other contracts: “The law requires that the contractor
30 give you a notice explaining your right to cancel. Initial the
31 checkbox if the contractor has given you a ‘Notice of the Five-Day
32 Right to Cancel.’”

33 (vi) (I) The notice shall be accompanied by a completed form
34 in duplicate, captioned “Notice of Cancellation,” which also shall
35 be attached to the agreement or offer to purchase and be easily
36 detachable, and which shall contain the following statement written
37 in the same language, e.g., Spanish, as used in the contract:
38

39 “Notice of Cancellation”

40 /enter date of transaction/

1 _____
2 (Date)

3
4 “You may cancel this transaction, without any penalty or
5 obligation, within five business days from the above date.

6 If you cancel, any property traded in, any payments made by
7 you under the contract or sale, and any negotiable instrument
8 executed by you will be returned within 10 days following receipt
9 by the seller of your cancellation notice, and any security interest
10 arising out of the transaction will be canceled.

11 If you cancel, you must make available to the seller at your
12 residence, in substantially as good condition as when received,
13 any goods delivered to you under this contract or sale, or you may,
14 if you wish, comply with the instructions of the seller regarding
15 the return shipment of the goods at the seller’s expense and risk.

16 If you do make the goods available to the seller and the seller
17 does not pick them up within 20 days of the date of your notice of
18 cancellation, you may retain or dispose of the goods without any
19 further obligation. If you fail to make the goods available to the
20 seller, or if you agree to return the goods to the seller and fail to
21 do so, then you remain liable for performance of all obligations
22 under the contract.”

23
24 To cancel this transaction, mail or deliver a signed and dated copy of this
25 cancellation notice, or any other written notice, or send a telegram
26 to _____,
27 /name of seller/
28 at _____
29 /address of seller’s place of business/
30 not later than midnight of _____.
31 (Date)

32 I hereby cancel this transaction. _____
33 (Date)

34 _____
35 (Buyer’s signature)

36
37 (II) The reference to “five” in the statement set forth in subclause
38 (I) shall be changed to “seven” for a buyer who is a senior citizen.

39 (7) (A) The following notice entitled “Seven-Day Right to
40 Cancel” shall be provided to the buyer for any contract that is

1 written for the repair or restoration of residential premises damaged
2 by any sudden or catastrophic event for which a state of emergency
3 has been declared by the President of the United States or the
4 Governor, or for which a local emergency has been declared by
5 the executive officer or governing body of any city, county, or city
6 and county:

7
8 “Seven-Day Right to Cancel

9 You, the buyer, have the right to cancel this contract within seven
10 business days. You may cancel by emailing, mailing, faxing, or
11 delivering a written notice to the contractor at the contractor’s
12 place of business by midnight of the seventh business day after
13 you received a signed and dated copy of the contract that includes
14 this notice. Include your name, your address, and the date you
15 received the signed copy of the contract and this notice.

16 If you cancel, the contractor must return to you anything you
17 paid within 10 days of receiving the notice of cancellation. For
18 your part, you must make available to the contractor at your
19 residence, in substantially as good condition as you received them,
20 goods delivered to you under this contract or sale. Or, you may,
21 if you wish, comply with the contractor’s instructions on how to
22 return the goods at the contractor’s expense and risk. If you do
23 make the goods available to the contractor and the contractor does
24 not pick them up within 20 days of the date of your notice of
25 cancellation, you may keep them without any further obligation.
26 If you fail to make the goods available to the contractor, or if you
27 agree to return the goods to the contractor and fail to do so, then
28 you remain liable for performance of all obligations under the
29 contract.”

30
31 (B) The “Seven-Day Right to Cancel” notice required by this
32 subdivision shall comply with all of the following:

- 33 (i) The text of the notice is at least 12-point boldface type.
34 (ii) The notice is in immediate proximity to a space reserved
35 for the owner’s signature.
36 (iii) The owner acknowledges receipt of the notice by signing
37 and dating the notice form in the signature space.
38 (iv) The notice is written in the same language, e.g., Spanish,
39 as that principally used in any oral sales presentation.

(v) The notice may be attached to the contract if the contract includes, in at least 12-point boldface type, a checkbox with the following statement: “The law requires that the contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you a ‘Notice of the Seven-Day Right to Cancel.’”

(vi) The notice shall be accompanied by a completed form in duplicate, captioned “Notice of Cancellation,” which shall also be attached to the agreement or offer to purchase and be easily detachable, and which shall contain the following statement written in the same language, e.g., Spanish, as used in the contract:

“Notice of Cancellation”

/enter date of transaction/

(Date)

“You may cancel this transaction, without any penalty or obligation, within seven business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller’s expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.”

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to _____,

(3) (A) In addition to any other right to revoke an offer, the buyer has the right to cancel a home solicitation contract or offer to purchase written pursuant to Section 7159.10 of the Business and Professions Code, until the buyer receives a signed and dated copy of a service and repair contract that complies with the contract requirements specified in Section 7159.10 of the Business and Professions Code and the work commences.

(B) For any contract written pursuant to Section 7159.10 of the Business and Professions Code, or otherwise presented to the buyer as a service and repair contract, unless all of the conforming requirements listed under subdivision (a) of that section are met, the requirements set forth under Section 7159 of the Business and Professions Code shall be applicable, regardless of the aggregate contract price, including the right to cancel as set forth under this section.

(4) The five-day right to cancel added by the act that amended paragraphs (1) and (2) shall apply to contracts entered into, or offers to purchase conveyed, on or after January 1, 2021.

(5) The five-day and seven-day rights to cancel added by the act amending paragraphs (1) and (2) in the 2025–26 Regular Session of the Legislature shall apply to contracts entered into, or offers to purchase conveyed, on or after January 1, 2026.

(b) In addition to any other right to revoke an offer, any buyer has the right to cancel a home solicitation contract or offer for the purchase of a personal emergency response unit until midnight of the seventh business day after the day on which the buyer signs an agreement or offer to purchase which complies with Section 1689.7. This subdivision shall not apply to a personal emergency response unit installed with, and as part of, a home security alarm system subject to the Alarm Company Act (Chapter 11.6 (commencing with Section 7590) of Division 3 of the Business and Professions Code) which has two or more stationary protective devices used to enunciate an intrusion or fire and is installed by an alarm company operator operating under a current license issued pursuant to the Alarm Company Act, which shall instead be subject to subdivision (a).

(c) In addition to any other right to revoke an offer, a buyer has the right to cancel a home solicitation contract or offer for the repair or restoration of residential premises damaged by a disaster that was not void pursuant to Section 1689.14, until midnight of the seventh business day after the buyer signs and dates the contract unless the provisions of Section 1689.15 are applicable.

(d) Cancellation occurs when the buyer gives written notice of cancellation to the seller at the address specified in the agreement or offer.

(e) Notice of cancellation, if given by mail, is effective when deposited in the mail properly addressed with postage prepaid.

1 (f) Notice of cancellation given by the buyer need not take the
2 particular form as provided with the contract or offer to purchase
3 and, however expressed, is effective if it indicates the intention of
4 the buyer not to be bound by the home solicitation contract or
5 offer.

6 (g) “Personal emergency response unit,” for purposes of this
7 section, means an in-home radio transmitter device or two-way
8 radio device generally, but not exclusively, worn on a neckchain,
9 wrist strap, or clipped to clothing, and connected to a telephone
10 line through which a monitoring station is alerted of an emergency
11 and emergency assistance is summoned.

12 SEC. 3. Section 1689.7 of the Civil Code is amended to read:

13 1689.7. (a) (1) Except for contracts written pursuant to
14 Sections 7151.2 and 7159.10 of the Business and Professions Code,
15 in a home solicitation contract or offer, the buyer’s agreement or
16 offer to purchase shall be written in the same language, e.g.,
17 Spanish, as principally used in the oral sales presentation, shall be
18 dated, shall be signed by the buyer, and except as provided in
19 paragraph (2), shall contain in immediate proximity to the space
20 reserved for the buyer’s signature, a conspicuous statement in a
21 size equal to at least 10-point boldface type, as follows:

22 (A) For a buyer who is a senior citizen: “You, the buyer, may
23 cancel this transaction at any time prior to midnight of the seventh
24 business day after the date of this transaction. See the attached
25 notice of cancellation form for an explanation of this right.”

26 (B) For all other buyers: “You, the buyer, may cancel this
27 transaction at any time prior to midnight of the fifth business day
28 after the date of this transaction. See the attached notice of
29 cancellation form for an explanation of this right.”

30 (2) The statement required pursuant to this subdivision for a
31 home solicitation contract or offer for the purchase of a personal
32 emergency response unit, as defined in Section 1689.6, that is not
33 installed with and as part of a home security alarm system subject
34 to the Alarm Company Act (Chapter 11.6 (commencing with
35 Section 7590) of Division 3 of the Business and Professions Code)
36 that has two or more stationary protective devices used to enunciate
37 an intrusion or fire and is installed by an alarm company operator
38 operating under a current license issued pursuant to the Alarm
39 Company Act, is as follows: “You, the buyer, may cancel this
40 transaction at any time prior to midnight of the seventh business

1 day after the date of this transaction. See the attached notice of
2 cancellation form for an explanation of this right.”

3 (3) Except for contracts written pursuant to Sections 7151.2 and
4 7159.10 of the Business and Professions Code, the statement
5 required pursuant to this subdivision for the repair or restoration
6 of residential premises damaged by a disaster pursuant to
7 subdivision (c) of Section 1689.6 is as follows: “You, the buyer,
8 may cancel this transaction at any time prior to midnight of the
9 seventh business day after the date of this transaction. See the
10 attached notice of cancellation form for an explanation of this
11 right.”

12 (4) (A) A home solicitation contract written pursuant to Section
13 7151.2 of the Business and Professions Code shall be written in
14 the same language, e.g., Spanish, as principally used in the oral
15 sales presentation. The contract, or an attachment to the contract
16 that is subject to Section 7159 of the Business and Professions
17 Code shall include in immediate proximity to the space reserved
18 for the buyer’s signature, the following statement in a size equal
19 to at least 12-point boldface type, which shall be dated and signed
20 by the buyer:

21
22 “Five-Day Right to Cancel
23

24 You, the buyer, have the right to cancel this contract within five
25 business days. You may cancel by e-mailing, mailing, faxing, or
26 delivering a written notice to the contractor at the contractor’s
27 place of business by midnight of the fifth business day after you
28 received a signed and dated copy of the contract that includes this
29 notice. Include your name, your address, and the date you received
30 the signed copy of the contract and this notice.

31 If you cancel, the contractor must return to you anything you
32 paid within 10 days of receiving the notice of cancellation. For
33 your part, you must make available to the contractor at your
34 residence, in substantially as good condition as you received it,
35 any goods delivered to you under this contract or sale. Or, you
36 may, if you wish, comply with the contractor’s instructions on
37 how to return the goods at the contractor’s expense and risk. If
38 you do make the goods available to the contractor and the
39 contractor does not pick them up within 20 days of the date of your
40 notice of cancellation, you may keep them without any further

1 obligation. If you fail to make the goods available to the contractor,
2 or if you agree to return the goods to the contractor and fail to do
3 so, then you remain liable for performance of all obligations under
4 the contract.”

5 (B) References to “five” and “fifth” in the statement set forth
6 in subparagraph (A) shall be changed to “seven” and “seventh,”
7 respectively, for a buyer who is a senior citizen.

8 (b) The agreement or offer to purchase shall contain on the first
9 page, in a type size no smaller than that generally used in the body
10 of the document, the following: (1) the name and address of the
11 seller to which the notice is to be mailed, and (2) the date the buyer
12 signed the agreement or offer to purchase.

13 (c) (1) Except for contracts written pursuant to Sections 7151.2
14 and 7159.10 of the Business and Professions Code, or except as
15 provided in subdivision (d), the agreement or offer to purchase
16 shall be accompanied by a completed form in duplicate, captioned
17 “Notice of Cancellation” which shall be attached to the agreement
18 or offer to purchase and be easily detachable, and which shall
19 contain in type of at least 10-point the following statement written
20 in the same language, e.g., Spanish, as used in the contract:

21
22 “Notice of Cancellation”

23 /enter date of transaction/
24

25 _____
26 (Date)

27 “You may cancel this transaction, without any penalty or
28 obligation, within five business days from the above date.

29 If you cancel, any property traded in, any payments made by
30 you under the contract or sale, and any negotiable instrument
31 executed by you will be returned within 10 days following receipt
32 by the seller of your cancellation notice, and any security interest
33 arising out of the transaction will be canceled.

34 If you cancel, you must make available to the seller at your
35 residence, in substantially as good condition as when received,
36 any goods delivered to you under this contract or sale, or you may,
37 if you wish, comply with the instructions of the seller regarding
38 the return shipment of the goods at the seller’s expense and risk.

39 If you do make the goods available to the seller and the seller
40 does not pick them up within 20 days of the date of your notice of

1 cancellation, you may retain or dispose of the goods without any
2 further obligation. If you fail to make the goods available to the
3 seller, or if you agree to return the goods to the seller and fail to
4 do so, then you remain liable for performance of all obligations
5 under the contract.”

6
7 To cancel this transaction, mail or deliver a signed and dated copy of this
8 cancellation notice, or any other written notice, or send a telegram
9 to _____ ,

10 _____ /name of seller/

11 at _____
12 _____ /address of seller's place of business/

13 not later than midnight of _____ .
14 (Date)

15 I hereby cancel this transaction. _____
16 (Date)

17 _____
18 (Buyer's signature)

19
20 (2) The reference to “five” in the statement set forth in paragraph
21 (1) shall be changed to “seven” for a buyer who is a senior citizen.

22 (d) Any agreement or offer to purchase a personal emergency
23 response unit, as defined in Section 1689.6, which is not installed
24 with and as part of a home security alarm system subject to the
25 Alarm Company Act which has two or more stationary protective
26 devices used to enunciate an intrusion or fire and is installed by
27 an alarm company operator operating under a current license issued
28 pursuant to the Alarm Company Act, shall be subject to the
29 requirements of subdivision (c), and shall be accompanied by the
30 “Notice of Cancellation” required by subdivision (c), except that
31 the first paragraph of that notice shall be deleted and replaced with
32 the following paragraph:

33 You may cancel this transaction, without any penalty or
34 obligation, within seven business days from the above date.

35 (e) A home solicitation contract written pursuant to Section
36 7151.2 of the Business and Professions Code for the repair or
37 restoration of residential premises damaged by a disaster that is
38 subject to subdivision (c) of Section 1689.6, shall be written in the
39 same language, e.g., Spanish, as principally used in the oral sales
40 presentation. The contract, or an attachment to the contract that is

1 subject to Section 7159 of the Business and Professions Code shall
2 include, in immediate proximity to the space reserved for the
3 buyer's signature, the following statement in a size equal to at least
4 12-point boldface type, which shall be signed and dated by the
5 buyer:

6
7 "Seven-Day Right to Cancel
8

9 You, the buyer, have the right to cancel this contract within seven
10 business days. You may cancel by e-mailing, mailing, faxing, or
11 delivering a written notice to the contractor at the contractor's
12 place of business by midnight of the seventh business day after
13 you received a signed and dated copy of the contract that includes
14 this notice. Include your name, your address, and the date you
15 received the signed copy of the contract and this notice.

16 If you cancel, the contractor must return to you anything you
17 paid within 10 days of receiving the notice of cancellation. For
18 your part, you must make available to the contractor at your
19 residence, in substantially as good condition as you received it,
20 any goods delivered to you under this contract or sale. Or, you
21 may, if you wish, comply with the contractor's instructions on
22 how to return the goods at the contractor's expense and risk. If
23 you do make the goods available to the contractor and the
24 contractor does not pick them up within 20 days of the date of your
25 notice of cancellation, you may keep them without any further
26 obligation. If you fail to make the goods available to the contractor,
27 or if you agree to return the goods to the contractor and fail to do
28 so, then you remain liable for performance of all obligations under
29 the contract."

30 (f) The seller shall provide the buyer with a copy of the contract
31 or offer to purchase and the attached notice of cancellation, and
32 shall inform the buyer orally of the buyer's right to cancel and the
33 requirement that cancellation be in writing, at the time the home
34 solicitation contract or offer is executed.

35 (g) Until the seller has complied with this section the buyer may
36 cancel the home solicitation contract or offer.

37 (h) "Contract or sale" as used in subdivision (c) means "home
38 solicitation contract or offer" as defined by Section 1689.5.

39 (i) The five-day right to cancel added by the act that added
40 subparagraph (A) to paragraph (1) and subparagraph (B) to

1 paragraph (4) of subdivision (a), and paragraph (2) to subdivision
2 (c) applies to contracts, or offers to purchase conveyed, entered
3 into, on or after January 1, 2021.

4 (j) The five-day and seven-day rights to cancel added by the act
5 in the 2025–26 Regular Session of the Legislature that amended
6 subdivisions (a) and (c) apply to contracts entered into, or offers
7 to purchase conveyed, on or after January 1, 2026.

8 SEC. 4. Section 1689.13 of the Civil Code is amended to read:
9 1689.13. Sections 1689.5, 1689.6, 1689.7, 1689.10, 1689.12,
10 and 1689.14 do not apply to a contract that meets all of the
11 following requirements:

12 (a) The contract is initiated by the buyer or the buyer’s agent
13 or insurance representative.

14 (b) The contract is executed in connection with making of
15 emergency or immediately necessary repairs that are necessary
16 for the immediate protection of persons or real or personal property.

17 (c) (1) The buyer gives the seller a separate statement that is
18 dated and signed that describes the situation that requires
19 immediate remedy, and expressly acknowledges and waives the
20 right to cancel the sale within the applicable time period.

21 (2) The waiver of the five-day right to cancel added by the act
22 that amended paragraph (1) shall apply to contracts entered into,
23 or offers to purchase conveyed, on or after January 1, 2021.

24 (3) The waiver of the five-day and seven-day rights to cancel
25 added by the act in the 2025–26 Regular Session of the Legislature
26 that amended paragraph (1) applies to contracts entered into, or
27 offers to purchase conveyed, on or after January 1, 2026.

28 SEC. 5. Title 1.87 (commencing with Section 1799.220) is
29 added to Part 4 of Division 3 of the Civil Code, to read:

30
31 TITLE 1.87. HOME IMPROVEMENT LOANS

32
33 1799.220. For purposes of this title:

34 (a) “Consumer” has the same meaning as defined in Section
35 4052 of the Financial Code.

36 (b) “Consumer loan” has the same meaning as defined in Section
37 22203 of the Financial Code.

38 (c) “*Dealer fee*” means a charge associated with a home
39 improvement loan that meets any of the following conditions:

1 *(1) The charge is paid to the lender by a third party as a*
2 *condition of the extension of credit.*

3 *(2) The charge is retained by the lender as a condition of the*
4 *extension of credit.*

5 *(3) The charge is treated by the lender as seller's points*
6 *pursuant to Section 1026.4 of Title 12 of the Code of Federal*
7 *Regulations.*

8 ~~(e)~~

9 *(d) "Home improvement" has the same meaning as defined in*
10 *Section 7151 of the Business and Professions Code.*

11 ~~(d)~~

12 *(e) "Home improvement contract" has the same meaning as*
13 *defined in Section 7159 of the Business and Professions Code.*

14 ~~(e)~~

15 *(f) (1) "Home improvement loan" means a consumer loan that*
16 *will be disbursed to a contractor in connection with a home*
17 *solicitation contract to finance a home improvement.*

18 *(2) "Home improvement loan" does not include a PACE*
19 *assessment.*

20 ~~(f)~~

21 *(g) "Home solicitation contract" has the same meaning as*
22 *defined in Section 1689.5.*

23 ~~(g)~~

24 *(h) "PACE assessment" has the same meaning as defined in*
25 *Section 22015 of the Financial Code.*

26 ~~(h)~~

27 *(i) "Solar energy system" has the same meaning as defined in*
28 *Section 7151 of the Business and Professions Code.*

29 1799.221. (a) Except as provided in subdivision (b), a
30 consumer's repayment obligations under a home improvement
31 loan, including, but not limited to, payments, fees, penalties, and
32 interest, shall not commence until the lender has done either of the
33 following:

34 (1) Confirmed that all home improvements financed in whole
35 or in part by the home improvement loan have been given final
36 approval by all permitting agencies and the consumer confirms,
37 orally and in writing, that the improvements are operational.

38 (2) Completed a reasonable investigation and determined that
39 all home improvements are operational.

(b) If the home improvement is a solar energy system, a consumer's repayment obligations under a home improvement loan shall not commence until the lender confirms that the utility supplying electricity to the property has been connected to the solar energy system and has granted permission to operate the solar energy system, and the consumer confirms, orally and in writing, that the solar energy system is operating.

(c) A lender shall not report a home improvement loan to a credit reporting agency or record a financing statement in connection with the home improvement loan until the consumer repayment obligations have commenced pursuant to this section.

~~1799.222.—A lender making a home improvement loan shall not provide any direct or indirect cash payment or other thing of material value to a third party in excess of the actual price charged by that third party for the home improvement financed by the home improvement loan.~~

1799.222. (a) *Before a consumer executes a home improvement loan, the lender shall disclose to the consumer orally and in writing the dealer fee, if any, associated with the loan in compliance with this section.*

(b) *A lender shall complete and deliver to the consumer a printed copy of the disclosure set forth below, or a substantially similar printed document that displays the same information in a substantially similar format, in no smaller than 14-point type. The disclosure shall be signed by the consumer before a loan agreement may be executed.*

“The amount of your loan may include a dealer fee that is not included as a finance charge for the purpose of calculating the annual percentage rate (APR) of the loan. This means that the true cost of this loan may be higher than indicated by the APR. If you seek financing from another lender that does not have a relationship with your contractor, the loan is unlikely to include a dealer fee. For this reason, you are encouraged to shop around and compare the costs of different loans before deciding which to use for this project.

The dealer fee for this loan is \$____. You will be required to pay this back. The dealer fee is added on top of the actual cost of the project paid to the contractor, which for this loan is \$____.

Confirmation of Receipt:

1 Your signature below serves to show you have received this
2 disclosure. Your signature on this form is not a contract to enter
3 into a home improvement loan.

4
5 _____
6 Consumer Signature Date”

7 (c) The oral disclosure required by this section shall be provided
8 in substantially the same form as the written disclosure set forth
9 in subdivision (b).

10 1799.223. (a) In a dispute arising out of a home solicitation
11 wherein a home improvement loan is obtained, a consumer may
12 assert against the lender a claim or defense arising out of the
13 solicitation of a home improvement loan available to the consumer
14 against a contractor, salesperson, or ~~broker~~. broker who solicited
15 the home improvement loan with misrepresentations as to the key
16 terms of the loan, as defined in Section 1799.224, or the financial
17 benefits of the home improvement.

18 (b) A lender shall not be held liable pursuant to subdivision (a)
19 for a misrepresentation made by a contractor, salesperson, or
20 broker that is cured by the lender in the telephone, video, or digital
21 call required by Section 1799.224.

22 (c) This section does not limit any rights or remedies available
23 to the consumer by any other law.

24 1799.224. (a) For purposes of this section:

25 (1) “Key terms” means the material terms of the home
26 improvement loan, including, but not limited to, all of the
27 following:

28 (A) What home improvements are being financed.

29 (B) The name of the contractor who will receive the loan
30 proceeds.

31 (C) The loan term or period of time for repayment.

32 (D) The total cost of the loan.

33 (E) The monthly payment amounts

34 (F) The finance charge and due dates.

35 (G) Whether the amount of monthly payments due will change
36 during the term of the loan.

37 (H) The annual percentage rate of interest.

38 (I) How late fees may be incurred.

1 (J) How payments more than the minimum payment will be
2 applied.

3 (K) Whether there are any prepayment penalties.

4 (L) When the first payment is due.

5 (2) “Their own interpreter” means a person who meets all of
6 the following conditions:

7 (A) The person is not a minor

8 (B) The person is able to speak fluently and read with full
9 understanding both the English language and any of the languages
10 specified in Section 1632 of the Civil Code.

11 (C) The person is not employed by, and whose services are not
12 made available through, the lender or the contractor.

13 (b) (1) Before a consumer executes a contract for a home
14 improvement loan to pay for a home improvement and before the
15 right-to-cancel time period expires for a home improvement
16 contract that is being financed by a home improvement loan, the
17 lender shall do all of the following:

18 (A) Obtain a copy of the home improvement contract for the
19 home improvement that is being financed by the home
20 improvement loan.

21 (B) Complete and document a telephone, video, or digital call
22 with the consumer, or an authorized representative of the consumer
23 to obtain oral confirmations about both of the following:

24 (i) All owners of the property have received a copy of the home
25 improvement loan contract, with the key terms completed, the
26 financing estimate and disclosure form required under the federal
27 Truth in Lending Act, and the right-to-cancel form.

28 (ii) The key terms of the home improvement loan contract, in
29 plain language, with the consumer on the call or to a verified
30 authorized representative of the consumer on the call, and an
31 acknowledgment from the consumer on the call to whom the oral
32 confirmation is given.

33 (C) Determine with reasonable certainty that the consumer, or
34 an authorized representative of the consumer, understands the
35 terms of the home improvement loan contract.

36 (2) (A) At the commencement of the oral confirmation required
37 by subparagraph (B) of paragraph (1), the lender shall ask if the
38 consumer on the call would prefer to communicate during the oral
39 confirmation primarily in a language other than English that is
40 specified in Section 1632 of the Civil Code. If the preferred

1 language is supported by the lender, the oral confirmation shall be
2 given in that primary language, except where the consumer on the
3 call chooses to communicate through their own interpreter. If the
4 preferred language is not supported and an interpreter is not chosen
5 by the consumer on the call, the home improvement loan contract
6 shall not proceed.

7 (B) The oral confirmation required pursuant to subparagraph
8 (B) of paragraph (1) shall include, but is not limited to, all of the
9 following information:

10 (i) The consumer on the call has the right to have other persons
11 present for the call, and an inquiry as to whether the consumer
12 requests to exercise the right to include anyone else on the call.
13 This shall occur at the onset of the call, after the determination of
14 the preferred language of communication. The contractor or
15 contractor salesperson, or both, for the home improvements being
16 financed by the loan shall not be present during or participate in
17 the call. A third party shall not be allowed to participate in the call
18 unless expressly authorized by the consumer.

19 (ii) The consumer on the call is informed that they should review
20 the home improvement loan and financing estimate and disclosure
21 form with all other owners of the property.

22 (iii) The home improvements being installed that are being
23 financed by the home improvement loan, including, but not limited
24 to, the description of the home improvements as described in the
25 home improvement contract.

26 (iv) The key terms of the home improvement loan.

27 (v) Confirmation of the consumer's gross monthly household
28 income and ability to pay the monthly payment amount and total
29 cost.

30 (vi) The consumer understands that any estimates of cost savings
31 from the home improvements are not guaranteed and may be
32 unreliable.

33 (vii) Whether the property will be subject to a financing
34 statement filing requirement, as specified in Section 9501 of the
35 Commercial Code, during the term of the loan contract and that
36 the obligations under the loan contract may be required to be paid
37 in full before the property owner sells or refinances the property.

38 (viii) Confirmation of the identity of the consumer, including
39 their email address, that they have signed a home improvement
40 loan with the lender, and if the lender will send communications

1 to the borrower through email, confirmation that the consumer is
2 able to access email.

3 (3) The lender shall maintain a recording of the oral confirmation
4 required by subparagraph (B) of paragraph (1) for at least five
5 years after the loan term ends and shall make it available to the
6 consumer upon request.

7 (c) If the oral confirmation required by this section was
8 conducted primarily in a language other than English that is
9 specified in Section 1632 of the Civil Code, the lender shall deliver
10 in writing to the consumer, in the language used during the oral
11 confirmation, the disclosures and contract or agreement required
12 by law, including, but not limited to, all of the following:

13 (1) The loan contract.

14 (2) The right-to-cancel form.

15 (3) The financing estimate and disclosure form required under
16 the federal Truth in Lending Act.

17 1799.225. (a) A lender that offers or provides a home
18 improvement loan shall make available to the ~~consumer or property~~
19 ~~owner, or both,~~ *consumer*, upon request, information in the control
20 or possession of the lender concerning the home improvement loan
21 that was provided to the consumer to finance the home
22 improvement ~~contract, including, but not limited to, information~~
23 ~~relating to any transaction, series of transactions, or to the account,~~
24 ~~including costs, charges, and payment history.~~ *contract, as set*
25 *forth in this section.*

26 (b) A lender shall comply with the requirements of this section
27 for any written request for information from a consumer or their
28 ~~verified~~ *authorized* representative that includes the name of the
29 consumer, *the project subject to the financing agreement*,
30 information that enables the lender to identify the consumer's
31 account, and *that* states the information the consumer is requesting.

32 (c) A lender shall provide to the consumer or their ~~verified~~
33 authorized representative, upon *written* request, any of the
34 following documentation:

35 (1) The financing ~~application completed by the consumer.~~
36 *application.*

37 (2) Financing agreement and disclosures, including all
38 certificates, disclosures, and contracts associated with the home
39 improvement loan, and including any signed or initialed copies.

1 (3) A copy of the home improvement contract for the financed
2 work.

3 (4) Completion certificates or other *documentation relied upon*
4 *to* evidence that performance of ~~a~~ *the financed* home improvement
5 ~~is complete~~ *was completed* or satisfactorily concluded, including
6 any signed copies.

7 (5) Documentation of any electronic signatures obtained in
8 connection with the home improvement loan, including electronic
9 certificates, electronic signature envelopes, or audit trails.

10 (6) Documentation of all payments to the contractor.

11 (7) The transaction history between the lender and the consumer.

12 (8) Financing estimate and disclosures.

13 (9) An accounting from *the* date of original transaction to the
14 present.

15 (10) If secured by a financing statement, as described in Section
16 9501 of the Commercial Code, ~~the lender shall provide that~~
17 ~~financing statement and the list of collateral or statement of~~
18 ~~account, or both, under Section 9210 of the Commercial Code. a~~
19 *copy of the financing statement.*

20 (11) Recordings of all oral confirmation calls with the consumer
21 or their ~~verified representative.~~ *authorized representative or*
22 *representatives.*

23 (12) Documentation of any investigation performed in
24 compliance with Section 1799.221.

25 (13) *Documentation of any dealer fees.*

26 (14) *Documentation of the lender's compliance with Section*
27 *1799.222.*

28 (d) A lender shall maintain each of the records specified in
29 subdivision (c) relating to any transaction for five years from the
30 end of the loan term or the last date the loan is active, whichever
31 is later.

32 (e) A lender, by written notice provided to a consumer, may
33 establish an address that a consumer must use to request
34 information in accordance with the procedures in this section.

35 (f) No later than 30 business days after the lender receives the
36 request for information, the lender shall do one of the following:

37 (1) Provide the consumer with the requested information and
38 contact information, including a telephone number, for further
39 assistance in writing.

- 1 (2) Conduct a reasonable search for the requested information
2 and provide the consumer with a written notification that states
3 that the lender has determined that the requested information is
4 not available to the lender. That notification shall also identify the
5 basis for the lender's determination, and provide contact
6 information, including a telephone number, for further assistance.
- 7 (g) A lender, as a condition of responding to an information
8 request, shall not charge a fee, or require a consumer to make any
9 payment that may be owed on the consumer's account, or impose
10 any other requirement.