

**AB2471 WAS SIGNED BY THE GOVERNOR AND EXTENDS THE  
THREE-DAY CANCELTION PERIOD TO FIVE BUSINESS  
DAYS (THUS AN ENTIRE CALENDAR WEEK)  
FOR ANY HOMEOWNER WHO IS 65 OR OLDER TO CANCEL A  
HOME IMPROVEMENT CONTRACT OR ANY PACE  
FINANCING**

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The Governor has signed Assembly Bill number 2471, which amends the *Business and Professions Code* and the *Civil Code* to provide a definition of a “senior citizen” being anyone 65 or older and providing that any home improvement contract or service & repair contract (which are contracts over \$500 entered into with the senior citizen owner of a residential property), will now have a ***five business-day period*** to cancel a contract. Considering that the Legislature has previously determined that Saturdays and Sundays are not business days, that means that a senior citizen homeowner now has an entire week (or perhaps a day longer if there is a holiday in the week), to cancel a home improvement contract.

Further, the same extension of time has been added to the requirements for PACE financing obtained by senior citizens so that PACE financing can be cancelled within five business days ***of the latest of:*** a) the date on which the contract was signed, b) the date on which the property owner received a statutorily-prescribed Financing Estimate or Disclosure, or c) the date on which the property owner received the notice of their right to cancel..

Remember, that the three-day right to cancel still applies to remodeling contracts for persons under 65-years of age, EXCEPT where there has been a declaration of emergency in which case the cancellation period is seven days.

The change will become effective on January 1, 2021. You should update your contracts to be ready to comply in the new year.



Bruce Rudman has been practicing construction law for 22 years. He has garnered a great reputation in the construction field not only as a litigator, but on licensing issues with the CSLB, particularly disciplinary proceedings. Abdulaziz, Grossbart & Rudman provides this information as a service to its friends & clients and it does not establish an attorney-client relationship with the reader. This document is of a general nature and is not a substitute for legal advice. Since laws change frequently, contact an attorney before using this information. Bruce Rudman can be reached at Abdulaziz, Grossbart & Rudman: (818) 760-2000 or by E-Mail at [bdr@agrlaw.com](mailto:bdr@agrlaw.com), or at [www.agrlaw.com](http://www.agrlaw.com)