Sponsored by:
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District 4 (Camden and Gloucester)
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SYNOPSIS
Establishes professional board to regulate home improvement and home elevation contractors and requires licensure for each type of contractor.

CURRENT VERSION OF TEXT
As introduced.
AN ACT concerning the regulation of home improvement and home elevation contractors, revising various parts of the statutory law, and supplementing P.L.2007, c.232 (C.2C:21-35) and Title 45 of the New Jersey Statutes.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:


2. (New section) As used in P.L. , c. (C. ) (pending before the Legislature as this bill):
   “Board” means the New Jersey State Board of Home Improvement and Home Elevation Contractors.
   "Contractor" means an individual engaged in the business of making or selling home improvement or home elevation services, or both types of services, and includes a corporation, partnership, association and any other form of business organization or entity, and its officers, representatives, agents and employees. An individual who makes a home improvement or home elevation without compensation shall not be deemed to be a contractor with respect to that service.
   "Director" means the Director of the Division of Consumer Affairs in the Department of Law and Public Safety.
   "Division" means the Division of Consumer Affairs in the Department of Law and Public Safety.
   "Home elevation" means any home improvement that involves raising an entire residential structure to a higher level above the ground.
   “Home elevation contract” means a written agreement, or oral agreement if the cost of services is expected to be $500 or less, for the performance of a home elevation between a home elevation contractor and an owner, tenant or lessee, of a residential property, and includes all agreements under which the contractor is to perform the home elevation, or furnish materials in connection therewith.
   “Home elevation contractor” means a contractor who engages in the practice of home elevation and is authorized to perform home improvements, as defined in this section.
   "Home improvement" means the remodeling, altering, renovating, repairing, restoring, modernizing, moving, demolishing, installing in, or otherwise improving or modifying of the whole or any part of any residential property. Home improvement shall also

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
include insulation installation and the conversion of existing commercial structures into residential property.

"Home improvement contract" means a written agreement, or oral agreement if the cost of services is expected to be $500 or less, for the performance of a home improvement between a home improvement or home elevation contractor and an owner, tenant or lessee, of a residential property, and includes all agreements under which the contractor is to perform labor or render services for home improvements, or furnish materials in connection therewith.

“Home improvement contractor” means a contractor who engages solely in the practice of home improvement.

"Residential property" means any single or multi-unit structure used in whole or in part as a place of residence, and all structures appurtenant thereto, and any portion of the lot or site on which the structure is situated which is devoted to the residential use of the structure.

“Responsible managing employee” means an individual who is licensed as a home improvement or home elevation contractor with at least five years of experience and who provides effective supervision over the professional services rendered pursuant to a home improvement or home elevation contract. An individual who qualifies for licensure as a home improvement or home elevation contractor pursuant to section 16 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall also qualify as a responsible managing employee.

3. (New section) There is created within the Division of Consumer Affairs in the Department of Law and Public Safety, the New Jersey State Board of Home Improvement and Home Elevation Contractors. The board shall consist of nine members who shall be residents of the State. Except for the members first appointed: five members shall be licensed home improvement contractors, one member shall be a licensed home elevation contractor, two shall be members of the public, and one shall be appointed pursuant to subsection c. of section 2 of P.L.1971, c.60 (C.45:1-2.2). Of the two members of the public, one shall be appointed by the Governor upon recommendation of the Senate President and the other shall be appointed by the Governor upon recommendation of the Assembly Speaker. Of the members first appointed, the five members who are registered home improvement contractors shall have been so registered for at least ten years immediately preceding appointment to the board and the member who is a registered home elevation contractor shall have been so registered for at least four years immediately preceding appointment to the board.

Each member shall be appointed for a term of five years, except that of the members first appointed, the home elevation contractor member and a home improvement contractor member shall serve for a term of three years, two home improvement contractor
members shall serve for a term of two years, and two home
improvement contractor members shall serve for a term of one year.
Each member shall hold office until a successor has been qualified
and appointed. Any vacancy in the membership of the board shall
be filled for the unexpired term in the manner provided for in the
original appointment. No member of the board shall serve more
than two successive terms in addition to any unexpired term to
which the member has been appointed.

4. (New section) Members of the board shall be reimbursed
for expenses within the limits of funds appropriated or otherwise
made available for this purpose and provided with office and
meeting facilities and personnel required for the proper conduct of
the business of the board.

5. (New section) The board shall organize within 30 days
after the appointment of its members and shall annually elect from
its members a chairperson and a vice-chairperson, and may appoint
a secretary, who need not be a member of the board. The board
shall meet at least once a month and may hold additional meetings
as necessary to discharge its duties. A majority of board
membership shall constitute a quorum.

6. (New section) The board shall have the following powers
and duties:
   a. administer and enforce the provisions of P.L. , c.
(C. ) (pending before the Legislature as this bill);
   b. develop or designate an examination or examinations to
evaluate the knowledge, ability, and fitness of applicants to perform
as home improvement or home elevation contractors, which shall
include examination of State law on home improvement for
individuals seeking licensure as home improvement contractors, or
on home improvement and home elevation for individuals seeking
licensure as home elevation contractors;
   c. review the qualifications of applicants for licensure;
   d. issue and renew, on a biennial basis, licenses for home
improvement and home elevation contractors;
   e. refuse to admit an applicant for an examination or suspend,
revoke, or refuse to renew a license pursuant to the provisions of
P.L.1978, c.73 (C.45:1-14 et seq.);
   f. adopt a code of ethics and standards of conduct for licensed
home improvement and home elevation contractors;
   g. establish and change, if necessary, applicable fees including
for initial licensure and licensure renewal, reactivation and
reinstatement; and
   h. promulgate rules and regulations pursuant to the
To be eligible for licensure as a home improvement contractor or as a home elevation contractor, an applicant shall fulfill the following requirements:

a. be at least 18 years of age;

b. have successfully completed high school or the equivalent;

c. demonstrate, through an attestation as prescribed by the board, completion of:

(1) an apprenticeship program registered with or approved by the United States Department of Labor, or similar program as provided by a trade school or other facility accredited by a regional or national accrediting agency recognized by the United States Department of Education, that allows for the applicant to prepare for a career in home improvement or home elevation services; or

(2) at least two years of experience performing home improvement services under the direct supervision of a home improvement contractor or performing home improvement and home elevation services under the direct supervision of a home elevation contractor. For an applicant seeking licensure under this paragraph, the attestation shall require the signature of the applicant and of the home improvement or home elevation contractor who provided direct supervision of the applicant. The signature of the contractor who provided direct supervision may be an individual licensed pursuant to this section or licensed in accordance with the provisions of section 16 of P.L. , c. (C. ) (pending before the Legislature as this bill);

d. passage of an examination pursuant to subsection b. of section 6 of P.L. , c. (C. ) (pending before the Legislature as this bill);

e. proof of financial stability and of compliance with section 8 of P.L. , c. (C. ) (pending before the Legislature as this bill) regarding general liability insurance for a home improvement contractor, or general liability insurance and cargo or other insurance that covers home elevation services for a home elevation contractor, and financial stability. If an applicant for licensure is an employee and not an owner of a home improvement or home elevation business, the applicant shall submit information demonstrating proof of general liability insurance, cargo or other insurance covering home elevations, if applicable, and financial stability that is maintained by the business owner;

f. submission of a disclosure statement, as prescribed by the board, stating whether the applicant has been convicted of any crime, which for the purposes of P.L. , c. (C. ) (pending before the Legislature as this bill) shall mean a violation of section 9 of P.L. , c. (C. ) (pending before the Legislature as this bill); and

g. payment of all applicable fees.
8. (New section) a. Every licensed contractor who is engaged in home improvement or home elevation services shall secure, maintain and file with the board proof of a certificate of commercial general liability insurance in a minimum amount of $500,000 per occurrence.

b. Every licensed contractor engaged in providing home improvement or home elevation services whose commercial general liability insurance policy is cancelled or nonrenewed shall submit to the board a copy of the certificate of commercial general liability insurance for a new or replacement policy which meets the requirements of subsection a. of this section before the former policy is no longer effective.

c. In addition to the insurance required pursuant to subsection a. of this section, every home elevation contractor engaged in performing home elevations shall secure and maintain cargo or other insurance that specifically covers home elevation activities, in a minimum amount of $1,000,000 per occurrence to cover damages or other losses to the homeowner, lessee, tenant or other party resulting from a home elevation, except as otherwise provided in this subsection. The board, in consultation with the director and the Department of Banking and Insurance, may promulgate rules and regulations to require that home elevation contractors secure and maintain additional insurance of such kind and in such amounts as may be determined.

d. A home elevation contractor, prior to entering into an agreement to perform a home elevation, shall provide proof of insurance to the homeowner including the issuing insurer, policy number, type, and amount of insurance coverage maintained by the contractor in accordance with this section.

e. Every licensed contractor who is engaged in home improvement or home elevation services shall maintain, in effect during the entire period of licensure:

   (1) a bond issued by one or more sureties authorized to transact business in this State;

   (2) an irrevocable letter of credit issued by a bank; or

   (3) with the board securities, moneys or other security acceptable to the board to fulfill the requirements of this section.

   The principal sum of the bond, letter of credit, or securities, moneys or other security shall be a minimum of $100,000. The contractor shall, from time to time, to the extent that claims are paid, promptly replenish the amount of bond, letter of credit, securities, moneys or other security maintained with the board to a minimum of $100,000.

f. The bond, letter of credit, or securities, moneys or other security shall be filed or deposited with the board and shall be executed to the State of New Jersey for the use or benefit of any consumer who, after entering into a home improvement or home elevation contract, incurs damages or suffers any loss arising out of
a violation of P.L. , c. (C. ) (pending before the Legislature as this bill) by the contractor.

   g. The bond, letter of credit, or securities, moneys, or other security shall cover restitution and penalties.

   h. Any individual claiming against the bond, letter of credit, or securities, moneys or other security may maintain an action at law against the contractor and the surety, bank, or board, as the case may be.

   i. The bond, letter of credit, or securities, moneys, or other security shall not be payable for treble damage claims pursuant to the consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.).

   j. The board may make a claim against the bond, letter of credit, or securities, moneys or other security on behalf of a consumer, with notice to the licensed contractor.

   k. The aggregate liability of the surety, bank, or the board to all individuals for all breaches of the conditions of the bond, letter of credit or the securities, moneys or other security held by the board shall not exceed the amount of the bond, letter of credit, or the securities, moneys or other security held by the board.

   l. Every bond, letter of credit, or securities, moneys, or other security required to be filed shall provide that any consumer who may be claiming against the bond, letter of credit, or securities, moneys, or other security shall notify the board and the surety of the amount and nature of the claim prior to the initiation of any action at law against the contractor. The bond, letter of credit, or securities, moneys, or other security shall provide that the surety or bank may not pay any claim against the bond, letter of credit, or securities, moneys, or other security unless and until it shall have received authorization from the board to pay the claim.

   m. If the board determines that there is a substantial likelihood that the aggregate amount of claims against a bond will exceed the available principal amount of the bond, the board may apportion the proceeds of the bond among the claimants in an equitable manner.

   n. Every bond, letter of credit, or securities, moneys, or other security required to be filed with the board shall provide that cancellation or nonrenewal of the bond, letter of credit, or securities, moneys, or other security shall not be effective unless and until at least 10 days’ notice of intention to cancel or nonrenew the bond, letter of credit, or securities, moneys, or other security has been received in writing by the board from the issuer.

9. (New section) a. In addition to any other procedure, condition or information required by P.L. , c. (C. ) (pending before the Legislature as this bill), every applicant shall file a disclosure statement with the board, pursuant to subsection f. of section 7 of P.L. , c. (C. ) (pending before the Legislature as this bill), stating whether the applicant has been convicted of any crime, which for the purposes of P.L. , c. (C. ) (pending
before the Legislature as this bill) shall mean a violation of certain provisions of the "New Jersey Code of Criminal Justice," Title 2C of the New Jersey Statutes, or the equivalent under the laws of any other jurisdiction; provided, however, that an applicant shall not be disqualified from licensure or have a license suspended or revoked on the basis of any conviction disclosed, except as provided in subsection b. of this section or in sections 1 or 2 of P.L.2021, c.81 (C.45:1-21 and 45:1-21.5).

b. The board may refuse to issue or may suspend or revoke any license issued thereby upon proof that an applicant or a licensee:

(1) Has obtained a license through fraud, deception or misrepresentation;
(2) Has engaged in the use or employment of dishonesty, fraud, deception, misrepresentation, false promise or false pretense;
(3) Has engaged in gross negligence, gross malpractice or gross incompetence;
(4) Has engaged in repeated acts of negligence, malpractice or incompetence;
(5) Has engaged in professional or occupational misconduct as may be determined by the board;
(6) Has been convicted of any crime or offense that has a direct or substantial relationship to the activity regulated P.L. , c. (pending before the Legislature as this bill) or is of a nature such that licensure would be inconsistent with the public’s health, safety, or welfare, provided that the board shall make this determination in a manner consistent with section 2 of P.L.2021, c.81 (C.45:1-21.5). For the purpose of this subsection, a plea of guilty, non vult, nolo contendere or any other such disposition of alleged criminal activity shall be deemed a conviction;
(7) Has had the authority to engage in the activity regulated by the board revoked or suspended by any other state, agency or authority for reasons consistent with this section; or
(8) Has violated or failed to comply with the provisions of any State act, regulation or order administered or issued by the board or, other than traffic violations, by any other State agency.

c. At least 30 calendar days prior to denying an application for licensure or suspending or revoking a license pursuant to this section, the board shall notify the applicant or licensee of its intent to deny the application or suspend or revoke the license and afford the applicant an opportunity for a hearing in a manner provided for contested cases pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). If, however, the board intends to deny the application or suspend or revoke the license under paragraph (6) of subsection b. of this section, the provisions of P.L.2021, c.81 (C.45:1-21.5) shall apply.
d. An applicant shall have the continuing duty to provide any assistance or information requested by the board, and to cooperate in any inquiry, investigation, or hearing conducted by the board.
e. If any of the information required to be included in the disclosure statement changes, or if additional information should be added after the filing of the statement, the applicant shall provide that information to the board, in writing, within 20 calendar days of the change or addition.

10. (New section) a. Every contractor required to be licensed under P.L. , c. (C. ) (pending before the Legislature as this bill) shall be issued an identification badge by the board pursuant to subsection b. of this section. The identification badge shall be plainly visible and worn on the upper left corner of the torso when the contractor is performing, or engaging, or attempting to engage, in the business of selling home improvement or home elevation services.

b. The identification badge shall include a color photograph of the contractor's face, the contractor's name, the contractor's license number, and the name of the contractor's business displayed in a manner that will be plainly visible and permit recognition when worn by the contractor. The badge shall include a statement, written in such a way as to be plainly visible when worn by the contractor, that the badge is not for an electrical contractor, plumbing contractor or HVACR contractor license. The identification badge shall be made in such a way and of such material that any attempt to alter the badge will result in it being immediately, permanently and obviously ruined. The photograph included on the identification badge shall be taken no more than four weeks before the date upon which the identification badge is issued. A contractor shall apply for and obtain a new identification badge at least once every six years.

c. The board may charge the contractor a reasonable fee to cover the costs of the identification badge issued pursuant to this section.

d. A contractor who has been issued an identification badge pursuant to subsection b. of this section and whose license has been suspended, revoked, or has not been renewed, shall, within three days of that suspension, revocation or nonrenewal, surrender the identification badge to the board.

11. (New section) An individual who knowingly exhibits or displays an identification badge issued pursuant to subsection b. of section 10 of P.L. , c. (C. ) (pending before the Legislature as this bill) and is not at that time licensed as a contractor pursuant to P.L. , c. (C. ) (pending before the Legislature as this bill), including any contractor who has had the license revoked, suspended, or not renewed, is guilty of a crime of the fourth degree.
12. (New section) a. No individual shall offer to perform, or
genome, or attempt to engage in the business of performing or
selling home improvement services or home elevation services
unless licensed by the board.

b. In addition to any other civil or criminal penalty that may
apply, any individual who makes a false statement in connection
with the process for licensure as a home improvement or home
elevation contractor pursuant to section 7 of P.L. , c. (C. )
(pending before the Legislature as this bill) or who submits false
information in regards to any submissions and filings required by
the board pursuant to section 8 of P.L. , c. (C. ) (pending
before the Legislature as this bill) shall be liable for a civil penalty
of not less than $10,000 or more than $25,000. Such penalty may
be imposed by the board and shall be collected by summary
proceedings instituted in accordance with the "Penalty Enforcement

13. (New section) Except for individuals exempted pursuant to
section 15 of P.L. , c. (C. ) (pending before the Legislature
as this bill), any individual who advertises in print or puts out any
sign or card or other device which would indicate to the public that
the individual is a contractor in New Jersey, or who causes the
individual’s name or business name to be included in a classified
advertisement or directory in New Jersey under a classification for
home improvement or home elevation, as defined in section 2 of
P.L. , c. (C. ) (pending before the Legislature as this bill), is
subject to the provisions of P.L. , c. (C. ) (pending before
the Legislature as this bill). This section shall not be construed to
apply to simple residential alphabetical listings in standard
telephone directories, including directories or similar lists posted
online.

14. (New section) a. All licensees shall prominently display
their license numbers within their places of business, in all
advertisements distributed within this State, on business documents,
contracts and correspondence with consumers of home
improvement and home elevation services in this State, and on all
commercial vehicles registered in this State and leased or owned by
licensees and used by licensees for the purpose of providing home
improvement or home elevation services, except for vehicles leased
or rented to customers of licensees by a licensee or any agent or
representative thereof.

b. Any invoice, contract or correspondence given by a licensee
to a consumer shall prominently contain the toll-free telephone
number provided pursuant to section 20 of P.L. , c. (C. )
(pending before the Legislature as this bill).

15. (New section) The provisions of sections 7, 8, 9, 12, 13, and
14 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall not apply to:

a. Any individual required to register pursuant to "The New Home Warranty and Builders' Registration Act," P.L.1977, c.467 (C.46:3B-1 et seq.), but only in conjunction with the building of a new home as defined in P.L.1977, c.467 (C.46:3B-2);

b. Any individual regulated by the State as an architect, professional engineer, landscape architect, land surveyor, electrical contractor, master plumber, or any other individual in any other related profession requiring registration, certification, or licensure by the State, who is acting within the scope of practice of the individual’s profession;

c. Any individual who is employed by a common interest community, including, but not limited to, a community association or cooperative corporation, or by the owner or manager of any other residential property, while the individual is acting within the scope of that employment;

e. Any public utility as defined under R.S.48:2-13;

f. Any individual licensed under the provisions of section 16 of P.L.1960, c.41 (C.17:16C-77) but only in conjunction with selling a home repair contract as defined in section 1 of P.L.1960, c.41 (C.17:16C-62); and

g. Any home improvement or home elevation retailer with a net worth of more than $50,000,000, or employee of that retailer.

16. (New section) The provisions of subsections a., b., c., and d. of section 7 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall not apply to an individual who has been registered as a home improvement contractor in New Jersey for at least 10 years or to an individual who has at least 10 years of experience in providing home elevation services who has been registered as a home improvement contractor in New Jersey for at least 10 years or registered as a home elevation contractor in New Jersey for at least five years. A license shall be issued to an individual upon expiration of the contractor registration previously issued to the individual upon submission of an application in such form as may be prescribed by the board and payment of a fee established by the board.

17. (New section) The provisions of P.L. , c. (C. ) (pending before the Legislature as this bill) shall apply to any individual engaging in this State in any of the activities regulated by P.L. , c. (C. ) (pending before the Legislature as this bill), including individuals whose residence or principal place of business is located outside of this State.

18. (New section) a. P.L. , c. (C. ) (pending before the Legislature as this bill) shall supersede any municipal ordinance or
regulation that provides for the licensing or registration of home improvement or home elevation contractors or for the protection of homeowners by bonds or warranties required to be provided by home improvement or home elevation contractors, exclusive of those required by water, sewer, utility, or land use ordinances or regulations.

b. A municipality shall not issue a construction permit for any home improvement or home elevation if any part of the home improvement or home elevation is to be performed by any contractor who is neither licensed pursuant to, nor exempt from the requirements of, the provisions of P.L. , c. (C. ) (pending before the Legislature as this bill).

c. A municipality may issue a construction permit for a home improvement or home elevation only to:

(1) a contractor who is performing the home improvement or home elevation and who is licensed pursuant to P.L. , c. (C. ) (pending before the Legislature as this bill); or

(2) an individual who is performing the home improvement or home elevation and is not required to be licensed pursuant to sections 15 or 16 of P.L. , c. (C. ) (pending before the Legislature as this bill).

d. A contractor shall be liable for any fines or penalties resulting from a failure to obtain any permit necessary to complete the home improvement.

19. (New section) a. P.L. , c. (C. ) (pending before the Legislature as this bill) shall not deny to any municipality the power to inspect a contractor's work or equipment, the work of a contractor who performs improvements to commercial property, or the power to regulate the standards and manners in which the work of the contractor shall be done.

b. A municipality shall have the authority to bring a proceeding in accordance with the “Penalty Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.), in the municipal court or in Superior Court to recover fines and penalties for violations of P.L. , c. (C. ) (pending before the Legislature as this bill), committed by a contractor in connection with a home improvement or home elevation located within the municipality. Fines and penalties recovered from a contractor in a proceeding may be retained by the municipality.

20. (New section) a. The division shall establish and undertake a public information campaign to educate and inform contractors and the consumers of this State of the provisions of P.L. , c. (C. ) (pending before the Legislature as this bill).

b. The board shall provide a toll-free telephone number for consumers making inquiries regarding contractors or shall promote,
as part of the public information campaign, any toll-free telephone
number already established for inquiries.

21. (New section)

a. Every contract for a purchase price in
excess of $500 for home improvement, home elevation, or both
types of services, and all changes in the terms and conditions of the
contract, shall be in writing. The contract shall be signed by all
parties thereto and shall not contain any blank spaces for
information, including, but not limited to, terms and conditions, to
be added after the contract is signed by the consumer, and shall
clearly and accurately set forth in legible form and in
understandable language all terms and conditions of the contract,
including but not limited to:

(1) the legal name, business address, and license number of the
contractors;

(2) the legal name and license number of the contractor
designated as the responsible managing employee for the services
provided;

(3) a copy of the certificate of commercial general liability
insurance, of cargo or other insurance covering home elevations, if
applicable, required pursuant to section 8 of P.L. , c. (C. )
(pending before the Legislature as this bill) and the telephone
number of the insurance company issuing the certificate; and

(4) the total price or other consideration to be paid by the owner,
including the finance charges.

b. the contract shall include the following notice in 10-point
bold type or larger, directly above the space provided for the
signature of the consumer:

"NOTICE TO CONSUMER

Do not sign this contract if any of the spaces for information have
been left blank.
You are entitled to a copy of the contract at the time you sign.
Keep it to protect your legal rights.
Do not sign any completion certificate or agreement stating that you
are satisfied with the entire project before this project is complete.
Contractors are prohibited by law from requesting or accepting a
certificate of completion signed by the consumer prior to the actual
completion of the work to be performed under the contract."

c. Any contract for home improvement, home elevation, or
both types of services may be rescinded by the consumer, except as
provided in subsection k. of this section if the consumer:

(1) Furnishes to the contractor a notice of intent to rescind the
contract by certified mail, return receipt requested, postmarked not
later than 5 p.m. of the third business day following the day on
which the contract is executed; and

(2) Gives up possession of any goods, subject to a contract,
delivered to the consumer prior to receipt by the contractor of the
notice of intent to rescind.
d. Within 10 business days after receipt of a notice of intent to rescind a contract for home improvement, home elevation, or both types of services, a contractor shall:

(1) Pick up, at the contractor’s own expense, any goods subject to the contract, delivered to the consumer prior to receipt by the contractor of the notice;

(2) Refund to the consumer all amounts of money paid by the consumer, less reasonable charges for any damages to any goods which occurred while in the consumer’s possession; and

(3) Redeliver to the consumer any goods traded-in to the contractor on account of or in contemplation of the contract for home improvement, home elevation, or both types of services, less any reasonable charges actually incurred in making the goods ready for sale.

e. Each contractor shall maintain a record of the receipt of any consumer’s notice of intent to rescind a contract for at least 18 months after the receipt of a notice of intent to rescind.

f. At the time of executing every contract for home improvement, home elevation, or both types of services subject to the provisions of P.L. , c. (C. ) (pending before the Legislature as this bill), the contractor shall deliver to the consumer two copies of a receipt which clearly and conspicuously sets forth:

(1) The contractor's name and place of business;

(2) A description of the goods and services sold; and

(3) The amount of money paid by the consumer or the cash value of any goods delivered to the contractor at the time the contract for home improvement, home elevation, or both types of services was entered into.

g. The receipt required to be delivered to the consumer shall also clearly and conspicuously include, in at least 10-point bold type, the following statement:

“NOTICE TO CONSUMER: YOU MAY RESCIND THIS CONTRACT PROVIDED THAT YOU NOTIFY THE HOME IMPROVEMENT OR HOME ELEVATION CONTRACTOR OF YOUR INTENT TO DO SO BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, POSTMARKED NOT LATER THAN 5 P.M. OF THE THIRD BUSINESS DAY FOLLOWING THE SALE. FAILURE TO EXERCISE THIS OPTION, HOWEVER, WILL NOT INTERFERE WITH ANY OTHER REMEDIES AGAINST THE CONTRACTOR YOU MAY POSSESS. IF YOU WISH YOU MAY USE THIS PAGE AS NOTIFICATION BY WRITING “I HEREBY RESCIND” AND ADDING YOUR NAME AND ADDRESS. A DUPLICATE OF THIS RECEIPT IS PROVIDED BY THE CONTRACTOR FOR YOUR RECORDS.”

h. Except as provided in subsection k. of this section, a receipt required to be delivered by the consumer shall not contain, or be accompanied by, any document which contains provisions by which the consumer waives any rights under P.L. , c. (C. )
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(pending before the Legislature as this bill).

i. A contractor who in the ordinary course of business
regularly uses a language other than English in any advertising or
other solicitation of consumers, or in any printed forms for use by
consumers, or in any face-to-face negotiations with consumers,
shall deliver two copies of the receipt to a consumer whose
principal language is not English, one in English and one in the
other language.

j. A contract for home improvement, home elevation, or both
types of services for work needed by the consumer to meet a bona
fide emergency, where the contact with the contractor was initiated
by the consumer, shall not be subject to the cancellation provisions
of subsection c. of this section, if the consumer furnishes the
contractor with a statement separate from the contract, in a form
approved by the board, dated and signed by the consumer,
describing the situation requiring immediate remedy and expressly
acknowledging and waiving the right to cancel the contract within
three business days.

k. No contractor shall request or accept a certificate of
completion signed by the consumer prior to the actual completion of
the work to be performed under a contract for home improvement,
home elevation, or both types of services.

22. (New section) A county or municipal office of consumer
affairs established pursuant to P.L.1975, c.376 (C.40:23-6.47 et
seq.), that enters into a written agreement with the board in the form
specified by the board to accept consumer complaints, directly or on
a referral basis, and enforce P.L. , c. (C. ) (pending before
the Legislature as this bill) against contractors whose principal
place of business is in the county or municipality, shall be entitled
to a share of fees paid by contractors having their principal place of
business in the county or municipality as determined by the board
by regulation, which cost shall be reflected in the licensing fees
established by the board.

23. (New section) a. Any individual seeking to convert a home
improvement contractor license into a home elevation license may
do so by submitting documentation, as prescribed by the board,
demonstrating:

(1) at least two years of experience working on home elevations
under the direct supervision of a home elevation contractor who is
licensed pursuant to section 7 of P.L. , c. (C. ) (pending
before the Legislature as this bill) or qualifies for licensure pursuant
to section 16 of P.L. , c. (C. ) (pending before the
Legislature as this bill);

(2) that the individual has not had a home improvement
contractor license or registration or a home elevation contractor
license or registration revoked or suspended; and
(3) that the place of employment of the contractor maintains
cargo or other insurance covering home elevation services as
required pursuant to section 8 of P.L. , c. (C. ) (pending
before the Legislature as this bill).
b. The board may charge applicable fees to convert a license
from home improvement to home elevation.

24. Section 1 of P.L.1971, c.60 (C.45:1-2.1) is amended to read
as follows:
1. The provisions of this act shall apply to the following boards
and commissions: the New Jersey State Board of Accountancy, the
New Jersey State Board of Architects, the New Jersey State Board
of Cosmetology and Hairstyling, the Board of Examiners of
Electrical Contractors, the New Jersey State Board of Dentistry, the
State Board of Mortuary Science of New Jersey, the State Board of
Professional Engineers and Land Surveyors, the State Board of
Marriage and Family Therapy Examiners, the State Board of
Medical Examiners, the New Jersey Board of Nursing, the New
Jersey State Board of Optometrists, the State Board of Examiners of
Ophthalmic Dispensers and Ophthalmic Technicians, the Board of
Pharmacy, the State Board of Professional Planners, the State Board
of Psychological Examiners, the State Board of Examiners of
Master Plumbers, the New Jersey Real Estate Commission, the
State Board of Court Reporting, the State Board of Veterinary
Medical Examiners, the Radiologic Technology Board of
Examiners, the Acupuncture Examining Board, the State Board of
Chiropractic Examiners, the State Board of Respiratory Care, the
State Real Estate Appraiser Board, the State Board of Social Work
Examiners, the State Board of Examiners of Heating, Ventilating,
Air Conditioning and Refrigration Contractors, the Elevator,
Escalator, and Moving Walkway Mechanics Licensing Board, the
State Board of Physical Therapy Examiners, the Orthotics and
Prosthetics Board of Examiners, the New Jersey Cemetery Board,
the State Board of Polysomnography, the New Jersey Board of
Massage and Bodywork Therapy, the Genetic Counseling Advisory
Committee, the State Board of Dietetics and Nutrition, the New
Jersey State Board of Home Improvement and Home Elevation
Contractors, and any other entity hereafter created under Title 45 to
license or otherwise regulate a profession or occupation.
(cf: P.L.2019, c.331, s.16)

25. Section 2 of P.L.1971, c.60 (C.45:1-2.2) is amended to read
as follows:
a. All members of the several professional boards and
commissions shall be appointed by the Governor in the manner
prescribed by law; except in appointing members other than those
appointed pursuant to subsection b. or subsection c., the Governor
shall give due consideration to, but shall not be bound by,
recommendations submitted by the appropriate professional organizations of this State.

b. In addition to the membership otherwise prescribed by law, the Governor shall appoint in the same manner as presently prescribed by law for the appointment of members, two additional members to represent the interests of the public, to be known as public members, to each of the following boards and commissions: the New Jersey State Board of Accountancy, the New Jersey State Board of Architects, the New Jersey State Board of Cosmetology and Hairstyling, the New Jersey State Board of Dentistry, the State Board of Mortuary Science of New Jersey, the State Board of Professional Engineers and Land Surveyors, the State Board of Medical Examiners, the New Jersey Board of Nursing, the New Jersey State Board of Optometrists, the State Board of Examiners of Ophthalmic Dispensers and Ophthalmic Technicians, the Board of Pharmacy, the State Board of Professional Planners, the State Board of Psychological Examiners, the New Jersey Real Estate Commission, the State Board of Court Reporting, the State Board of Social Work Examiners, the Elevator, Escalator, and Moving Walkway Mechanics Licensing Board, and the State Board of Veterinary Medical Examiners, and one additional public member to each of the following boards: the Board of Examiners of Electrical Contractors, the State Board of Marriage and Family Therapy Examiners, the State Board of Examiners of Master Plumbers, [and] the State Real Estate Appraiser Board; and the New Jersey State Board of Home Improvement and Home Elevation Contractors. Each public member shall be appointed for the term prescribed for the other members of the board or commission and until the appointment of his successor. Vacancies shall be filled for the unexpired term only. The Governor may remove any such public member after hearing, for misconduct, incompetency, neglect of duty or for any other sufficient cause.

No public member appointed pursuant to this section shall have any association or relationship with the profession or a member thereof regulated by the board of which he is a member, where such association or relationship would prevent such public member from representing the interest of the public. Such a relationship includes a relationship with members of one's immediate family; and such association includes membership in the profession regulated by the board. To receive services rendered in a customary client relationship will not preclude a prospective public member from appointment. This paragraph shall not apply to individuals who are public members of boards on the effective date of this act.

It shall be the responsibility of the Attorney General to insure that no individual with the aforementioned association or relationship or any other questionable or potential conflict of interest shall be appointed to serve as a public member of any board regulated by this section.
Where a board is required to examine the academic and professional credentials of an applicant for licensure or to test such applicant orally, no public member appointed pursuant to this section shall participate in such examination process; provided, however, that public members shall be given notice of and may be present at all such examination processes and deliberations concerning the results thereof, and, provided further, that public members may participate in the development and establishment of the procedures and criteria for such examination processes.

c. The Governor shall designate a department in the Executive Branch of the State Government which is closely related to the profession or occupation regulated by each of the boards or commissions designated in section 1 of P.L.1971, c.60 (C.45:1-2.1) and shall appoint the head of such department, or the holder of a designated office or position in such department, to serve without compensation at the pleasure of the Governor as a member of such board or commission.

d. A majority of the voting members of such boards or commissions shall constitute a quorum thereof and no action of any such board or commission shall be taken except upon the affirmative vote of a majority of the members of the entire board or commission.

(cf: P.L.2012, c.71, s.14)

26. Sections 3 through 6 and sections 24 and 25 shall be effective immediately, but remain inoperative until the Governor appoints board members, by the first day of the tenth month next following enactment, for the purposes of promulgating rules and regulations pursuant to the “Administrative Procedures Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the purposes of this act. Sections 1, 2, and 7 through 23 shall be effective on the first day of the twenty-fifth month next following enactment. The director may take such anticipatory administrative action in advance thereof as shall be necessary for implementation of this act.

This bill repeals current law on the regulation of home improvement and home elevation contractors and establishes the New Jersey State Board of Home Improvement and Home Elevation Contractors as the regulating body of these contractors. Board membership is to consist of nine people, including five home improvement contractors, one home elevation contractor, two members of the public, and one member representing the Executive Branch. The board is to assemble within 30 days of the members being appointed. The board is to license, on a biennial basis, home improvement and home elevation contractors, establish a code of

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ethics and standards of conduct for contractors, and promulgate
rules and regulations as guidance for contractors.

Under the bill, requirements for licensure as either a home
improvement or home elevation contractor include demonstrating,
through an attestation as prescribed by the board, completion of
either 1) an apprenticeship program registered with or approved by
the United States Department of Labor, or a similar program as
provided by a trade school or other facility that is accredited by a
regional or national accrediting agency recognized by the United
States Department of Education, that allows an individual to
perform services that prepare the individual for a career in home
improvement or home elevation or 2) two years, at a minimum, of
experience performing home improvement services under the direct
supervision of a home improvement contractor for individuals
seeking licensure as a home improvement contractor or two years of
experience performing home improvement and home elevation
services under the direct supervision of a licensed home elevation
contractor. An individual applying for licensure is also required to
pass an exam to test knowledge of home improvement, and home
elevation, if applicable.

In this bill, a responsible managing employee is to be assigned to
oversee work as a requirement for contracts for services in home
improvement, home elevation, or both types of services. As defined
in the bill, a responsible managing employee is a licensed home
improvement or home elevation contractor with at least five years
of experience and who provides effective supervision over the
professional services rendered pursuant to a home improvement or
home elevation contract. A responsible managing employee may
also be a home improvement or home elevation contractor who is
eligible for licensure if the individual 1) has been registered as a
home improvement contractor in New Jersey for at least 10 years or
2) has at least 10 years of experience in providing home elevation
services who has been registered as a home improvement contractor
in New Jersey for at least 10 years or registered as a home elevation
contractor in New Jersey for at least five years. Additionally, a
consumer is permitted to waive the three-day waiting period during
which the consumer can exercise the right to cancel a contract for a
home improvement or home elevation service in the event of a bona
fide emergency.

Moreover, this bill requires a licensed contractor to post a bond,
letter of credit, or security to demonstrate financial stability. The
bill also establishes that a contractor is liable for fines or penalties
imposed on a consumer as a result of the contractor’s failure to
obtain construction permits. Penalties for the failure to complete a
home improvement or home elevation in accordance with a contract
are deemed an unlawful practice under the consumer fraud statute.
A contractor who commits an unlawful practice may be fined up to
$10,000 for a first offense and up to $20,000 for a second offense.
Exemptions from licensure in the bill apply to sections on 1) licensure requirements; 2) the nonrenewal of a license or licensure revocation or suspension; 3) liability insurance and proof of financial stability; 4) criminal penalties; 5) advertisements; and 6) licensure display. Language in the bill also exempts from licensure individuals currently registered as a home improvement contractor in New Jersey for at least 10 years and individuals who have at least 10 years of experience in providing home elevation services who have been registered as home improvement contractors in New Jersey for at least 10 years or registered as home elevation contractors in New Jersey for at least five years.

Language in current law on home improvement and home elevation contractors that addresses 1) the need for out-of-State individuals to be licensed if work is performed in New Jersey; 2) the filing of a disclosure statement on convictions for certain crimes or offenses; 3) the retention of general liability insurance, and cargo or other insurance covering home elevation services, if necessary; 4) identification badges; 5) the applicability of the law to municipalities; and 6) the establishment of a public information campaign is included in this bill.