

[Fourth Reprint]

**ASSEMBLY, No. 2138**

**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

INTRODUCED FEBRUARY 7, 2022

**Sponsored by:**

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**District 4 (Camden and Gloucester)**

**Assemblyman RAJ MUKHERJI**

**District 33 (Hudson)**

**Assemblywoman ANGELA V. MCKNIGHT**

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**District 37 (Bergen)**

**Senator ROBERT W. SINGER**

**District 30 (Monmouth and Ocean)**

**Co-Sponsored by:**

**Assemblyman Catalano, Assemblywomen Chaparro, Quijano,  
Assemblymen Benson, Conaway, Assemblywoman Lampitt, Assemblymen  
Spearman and Karabinchak**

**SYNOPSIS**

Updates regulation of home improvement and home elevation contractors and contractors' businesses.

**CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on November 30, 2023, with amendments.



**(Sponsorship Updated As Of: 12/21/2023)**

1 AN ACT concerning the regulation of home improvement and home  
 2 elevation contractors, revising various parts of the statutory law,  
 3 and supplementing <sup>4</sup>[P.L.2007, c.232 (C.2C:21-35) and]<sup>4</sup> Title  
 4 45 of the <sup>4</sup>[New Jersey] Revised<sup>4</sup> Statutes.

5  
 6 **BE IT ENACTED** by the Senate and General Assembly of the State  
 7 of New Jersey:

8  
 9 <sup>4</sup>[1. P.L.2004, c.16 (C.56:8-136 et seq.), P.L.2013, c.144  
 10 (C.56:8-138.1), and P.L.2014, c.34 (C.56:8-138.2 et al.) are  
 11 repealed.]<sup>4</sup>

12  
 13 <sup>4</sup>1. (New section) Sections 1 through 24 of  
 14 P.L. , c. (C. ) (pending before the Legislature as this bill)  
 15 shall be known and may be cited as the “Home Improvement and  
 16 Home Elevation Contractor Licensing Act.”<sup>4</sup>

17  
 18 2. (New section) As used in P.L. , c. (C. ) (pending  
 19 before the Legislature as this bill):

20 “Board” means the New Jersey State Board of Home  
 21 Improvement and Home Elevation Contractors.

22 "Contractor" means an individual <sup>1</sup>[engaged in the business of  
 23 making or selling] providing<sup>1</sup> home improvement or home  
 24 elevation services, or both types of services, <sup>1</sup>[and includes] for<sup>1</sup> a  
 25 corporation, partnership, association<sup>1</sup>, sole proprietorship,<sup>1</sup> and any  
 26 other form of business organization or entity <sup>2</sup>that enters into  
 27 <sup>4</sup>contracts for<sup>4</sup> home improvement, home elevation, or both types of  
 28 <sup>4</sup>[contracts] services<sup>4</sup> with consumers <sup>4</sup>[.]<sup>4</sup> <sup>1</sup>[, and its officers,  
 29 representatives, agents and employees]<sup>1</sup>. <sup>1</sup>This shall not include:  
 30 (1) an individual who owns or manages a home improvement or  
 31 home elevation business but does not perform home improvement  
 32 or home elevations services; or (2) employees of or individuals  
 33 contracted by a sole proprietorship, corporation, partnership,  
 34 association, or other form of a business entity hired or contracted to  
 35 sell home improvement or home elevation services, or both types of  
 36 services.<sup>1</sup> An individual who makes a home improvement or home  
 37 elevation without compensation shall not be deemed to be a  
 38 contractor with respect to that service.

39 "Director" means the Director of the Division of Consumer  
 40 Affairs in the Department of Law and Public Safety.

41 "Division" means the Division of Consumer Affairs in the  
 42 Department of Law and Public Safety.

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly ACO committee amendments adopted June 2, 2022.

<sup>2</sup>Assembly ACO committee amendments adopted September 15, 2022.

<sup>3</sup>Assembly ACE committee amendments adopted February 13, 2023.

<sup>4</sup>Senate SBA committee amendments adopted November 30, 2023.

1 "Home elevation" means any home improvement that involves  
2 raising an entire residential structure to a higher level above the  
3 ground.

4 <sup>4</sup>["Home elevation contract" means a written agreement, or oral  
5 agreement if the cost of services is expected to be \$500 or less, for  
6 the performance of a home elevation between a home elevation  
7 contractor and an owner, tenant or lessee, of a residential property,  
8 and includes all agreements under which the contractor is to  
9 perform the home elevation, or furnish materials in connection  
10 therewith.]<sup>4</sup>

11 "Home elevation contractor" means a contractor who engages in  
12 the practice of home elevation and is authorized to perform home  
13 <sup>4</sup>[improvements, as defined in this section] improvement services<sup>4</sup>.

14 "Home improvement" means the remodeling, altering,  
15 renovating, repairing, restoring, modernizing, moving, demolishing,  
16 installing in, or otherwise improving or modifying of the whole or  
17 any part of any residential property. Home improvement shall also  
18 include insulation <sup>2,2</sup> installation and the conversion of existing  
19 commercial structures into residential property. <sup>1</sup>Home  
20 improvement shall not include the construction of a new residential  
21 property.<sup>1</sup>

22 <sup>4</sup>["Home improvement contract" means a written agreement, or  
23 oral agreement if the cost of services is expected to be \$500 or less,  
24 for the performance of a home improvement between a home  
25 improvement or home elevation contractor and an owner, tenant or  
26 lessee, of a residential property, and includes all agreements under  
27 which the contractor is to perform labor or render services for home  
28 improvements, or furnish materials in connection therewith.]<sup>4</sup>

29 "Home improvement contractor" means a contractor who  
30 engages solely in the practice of home improvement.

31 <sup>4</sup>"Limited specialty services license" means a license issued by  
32 the board that authorizes an individual only to perform services in a  
33 specialty of home improvement, the scope of which shall be  
34 determined by the board.

35 "Limited specialty services licensee" means an individual  
36 licensed by the board to provide limited specialty home  
37 improvement services.<sup>4</sup>

38 <sup>1</sup>"Principal home improvement contractor" or "principal home  
39 elevation contractor" means a licensed home improvement or home  
40 elevation contractor who oversees the performance of services for  
41 contracts (1) valued at a minimum of \$120,000 and (2) that require  
42 the submittal of plans with more than one subcode.<sup>1</sup> <sup>2</sup>A principal  
43 home improvement or principal home elevation contractor may also  
44 provide services as a home improvement contractor or home  
45 elevation contractor if a contract is valued at less than \$120,000 or  
46 does not require submittal of plans with more than one subcode.<sup>2</sup>

47 "Residential property" means any single or multi-unit structure  
48 used in whole or in part as a place of residence, and all structures

1 appurtenant thereto, and any portion of the lot or site on which the  
2 structure is situated which is devoted to the residential use of the  
3 structure.

4 <sup>1</sup>["Responsible managing employee" means an individual who is  
5 licensed as a home improvement or home elevation contractor with  
6 at least five years of experience and who provides effective  
7 supervision over the professional services rendered pursuant to a  
8 home improvement or home elevation contract. An individual who  
9 qualifies for licensure as a home improvement or home elevation  
10 contractor pursuant to section 16 of P.L. , c. (C. ) (pending  
11 before the Legislature as this bill) shall also qualify as a responsible  
12 managing employee.]<sup>1</sup>

13

14 3. (New section) There is created within the Division of  
15 Consumer Affairs in the Department of Law and Public Safety, the  
16 New Jersey State Board of Home Improvement and Home Elevation  
17 Contractors. The board shall consist of nine members who shall be  
18 residents of the State. Except for the members first appointed: five  
19 members shall be licensed home improvement contractors, <sup>1</sup>[one  
20 member shall be a licensed home elevation contractor] of whom  
21 two shall represent <sup>4</sup>[a]<sup>4</sup> trade <sup>4</sup>[association] associations<sup>4</sup> focused  
22 on the home improvement industry, one member shall be a licensed  
23 construction code official<sup>1</sup>, two <sup>1</sup>members<sup>1</sup> shall <sup>1</sup>[be members of]  
24 <sup>4</sup>[represent<sup>1</sup>] be members of<sup>4</sup> the public, and one <sup>1</sup>member<sup>1</sup> shall  
25 be appointed pursuant to subsection c. of section 2 of P.L.1971,  
26 c.60 (C.45:1-2.2). Of the two members of the public, one shall be  
27 appointed by the Governor upon recommendation of the Senate  
28 President and the other shall be appointed by the Governor upon  
29 recommendation of the Assembly Speaker. Of the members first  
30 appointed, the five members who are registered home improvement  
31 contractors shall have been so registered for at least ten years  
32 immediately preceding appointment to the board <sup>1</sup>[and the member  
33 who is a registered home elevation contractor shall have been so  
34 registered for at least four years immediately preceding  
35 appointment to the board]<sup>1</sup>. <sup>3</sup>The members first appointed shall be  
36 appointed no later than the first day of the <sup>4</sup>[third] sixth<sup>4</sup> month  
37 following enactment of P.L. , c. (C. ) (pending before the  
38 Legislature as this bill).<sup>3</sup>

39 Each member shall be appointed for a term of five years, except  
40 that of the members first appointed, <sup>1</sup>[the home elevation contractor  
41 member and a] two<sup>1</sup> home improvement contractor <sup>1</sup>[member]  
42 members<sup>1</sup> shall serve for a term of three years, two home  
43 improvement contractor members shall serve for a term of two  
44 years, and <sup>1</sup>[two] one<sup>1</sup> home improvement contractor <sup>2</sup>[members]  
45 member<sup>2</sup> shall serve for a term of one year. Each member shall  
46 hold office until a successor has been qualified and appointed. Any  
47 vacancy in the membership of the board shall be filled for the

1 unexpired term in the manner provided for in the original  
 2 appointment. No member of the board shall serve more than two  
 3 successive terms in addition to any unexpired term to which the  
 4 member has been appointed.

5  
 6 4. (New section) <sup>2</sup>a. The board shall be entitled to retain all  
 7 funds collected as a result of fees paid for initial licensure <sup>4</sup>[and  
 8 registration,]<sup>4</sup> and for licensure <sup>4</sup>[and registration]<sup>4</sup> renewal,  
 9 reactivation, and reinstatement to administer and enforce the  
 10 provisions of P.L. , c. (C. ) (pending before the Legislature  
 11 as this bill).

12 <sup>b.</sup><sup>2</sup> Members of the board <sup>2</sup>[shall] may<sup>2</sup> be reimbursed for  
 13 expenses within the limits of funds appropriated or otherwise made  
 14 available for this purpose and provided with office and meeting  
 15 facilities and personnel required for the proper conduct of the  
 16 business of the board.

17  
 18 5. (New section) <sup>3</sup>a.<sup>3</sup> The board shall organize within <sup>4</sup>[30]  
 19 <sup>60</sup><sup>4</sup> days after the appointment of its members and shall annually  
 20 elect from its members a chairperson and a vice-chairperson, and  
 21 may appoint a secretary, who need not be a member of the board.  
 22 The board shall meet at least once a month and may hold additional  
 23 meetings as necessary to discharge its duties. A majority of board  
 24 membership shall constitute a quorum.

25 <sup>3</sup>b. The board shall promulgate rules and regulations pursuant to  
 26 the “Administrative <sup>4</sup>[Procedures] Procedure<sup>4</sup> Act,” P.L.1968,  
 27 c.410 (C.52:14B-1 et seq.) to effectuate the purposes of <sup>4</sup>[this act,  
 28 no later than the first day of the 10th month next following  
 29 enactment of]<sup>4</sup> P.L. , c. (C. ) (pending before the  
 30 Legislature as this bill). The provisions of sections <sup>4</sup>[3, 4, and 6] <sup>9</sup>  
 31 through 13 of P.L. , c. (C. ) (pending before the Legislature  
 32 as this bill)<sup>4</sup> shall remain inoperative until <sup>4</sup>[such time as the board  
 33 promulgates] the first day of the sixth month next following the  
 34 promulgation by the board of<sup>4</sup> the rules and regulations.<sup>3</sup>

35  
 36 6. (New section) The board shall have the following powers  
 37 and duties:

38 a. administer and enforce the provisions of P.L. ,  
 39 c. (C. ) (pending before the Legislature as this bill);

40 b. <sup>1</sup>develop education requirements and<sup>1</sup> develop or designate  
 41 an examination or examinations to evaluate the knowledge, ability,  
 42 and fitness of applicants <sup>4</sup>for licensure<sup>4</sup> to perform as home  
 43 improvement or home elevation contractors, which shall include  
 44 examination of State law on home improvement for individuals  
 45 seeking licensure as home improvement contractors, or on home  
 46 improvement and home elevation for individuals seeking licensure  
 47 as home elevation contractors <sup>1</sup>. The requirements shall include:

- 1     (1) establishing education requirements for home improvement  
 2 contractors, including principal home improvement contractors, and  
 3 home elevation contractors, including principal home elevation  
 4 contractors; and
- 5     (2) developing <sup>2</sup>[a mandatory] <sup>4</sup>[an<sup>2</sup> examination preparation  
 6 course<sup>1</sup> <sup>2</sup>that] the curriculum for or identifying courses in which<sup>4</sup>  
 7 an applicant may enroll in<sup>2</sup> <sup>4</sup>to prepare for licensing examinations  
 8 developed or designated pursuant to paragraph (1) of this  
 9 subsection<sup>4</sup> ;
- 10     c. review the qualifications of applicants for licensure;
- 11     d. issue and renew, on a biennial basis <sup>1</sup>[,] <sup>4</sup>[:
- 12     (1)<sup>1</sup>],<sup>4</sup> licenses for home improvement and home elevation  
 13 contractors; <sup>4</sup>[<sup>1</sup>and
- 14     (2) registrations for home improvement and home elevation  
 15 businesses;<sup>1</sup>]<sup>4</sup>
- 16     e. refuse to admit an applicant for an examination or suspend,  
 17 revoke, or refuse to renew a license pursuant to the provisions of  
 18 P.L.1978, c.73 (C.45:1-14 et seq.) <sup>4</sup>and, in the case of a suspension,  
 19 revocation, or refusal to renew, notify the contractor business  
 20 registered pursuant to P.L.2004, c.16 (C.56:8-136 et seq.) that  
 21 employs the licensed individual of the decision and notify the  
 22 division that the individual is not authorized to perform home  
 23 improvements, home elevations, or services pursuant to a limited  
 24 specialty services license on behalf of the registered contractor  
 25 business that employs the individual until such time as the license is  
 26 restored<sup>4</sup>;
- 27     f. adopt a code of ethics and standards of conduct for licensed  
 28 home improvement and home elevation contractors;
- 29     g. establish and change, if necessary, applicable fees including  
 30 for initial licensure and licensure renewal, reactivation and  
 31 reinstatement; <sup>1</sup>[and]<sup>1</sup>
- 32     h. <sup>1</sup>establish standards for continuing education requirements;  
 33 <sup>3</sup>[and]<sup>3</sup>
- 34     i.<sup>1</sup> <sup>4</sup>[<sup>3</sup>oversee registration of individuals registered pursuant to  
 35 subsection d. of section 16 of P.L. , c. (C. ) (pending before  
 36 the Legislature as this bill); and
- 37     j.<sup>3</sup>]<sup>4</sup> promulgate rules and regulations pursuant to the  
 38 “Administrative <sup>4</sup>[Procedures] Procedure<sup>4</sup> Act,” P.L.1968, c.410  
 39 (C.52:14B-1 et seq.) <sup>4</sup>;
- 40     j. issue, from time to time and as determined by the board,  
 41 limited specialty services licenses in home improvement contracting  
 42 specialties, including, but not limited to, drywall installation;  
 43 painting and plastering; roofing; and carpeting and flooring;
- 44     (1) The board shall establish requirements for licensure in a  
 45 limited specialty service, which may include the passage of an  
 46 examination specific to the specialty.

1       (2) An individual may hold more than one limited specialty  
 2 services license.

3       (3) An individual who is not licensed as a home improvement or  
 4 home elevation contractor but has a limited specialty services  
 5 license issued by the board may provide any services within the  
 6 scope of practice, to be determined by the board, of the specialty  
 7 services license; and

8       k. establish standards for:

9       (1) the scope of practice for principal home improvement and  
 10 principal home elevation contractors; home improvement and home  
 11 elevation contractors; and limited specialty services licensees; and

12       (2) the supervision of employees of home improvement, home  
 13 elevation, and specialty service businesses.<sup>4</sup>

14

15       7. (New section) To be eligible for licensure as a home  
 16 improvement contractor or as a home elevation contractor, an  
 17 applicant shall fulfill the following requirements:

18       a. be at least 18 years of age;

19       b. <sup>3</sup>have successfully completed high school or the equivalent;

20       c. <sup>3</sup>demonstrate <sup>3</sup>], through an attestation as prescribed by the  
 21 board, <sup>3</sup> completion of:

22       (1) <sup>3</sup>through submission of an attestation as prescribed by the  
 23 board,<sup>3</sup> an apprenticeship program registered with or approved by  
 24 the United States Department of Labor, or similar program as  
 25 provided by a trade school or other facility accredited by a regional  
 26 or national accrediting agency recognized by the United States  
 27 Department of Education, that allows for the applicant to prepare  
 28 for a career in home improvement or home elevation services; or

29       (2) at least two years of experience performing home  
 30 improvement services <sup>1</sup>[under the direct supervision of] <sup>4</sup>[for<sup>1</sup>]  
 31 subject to the direct oversight of<sup>4</sup> a home improvement contractor  
 32 <sup>2</sup>or a home elevation contractor,<sup>2</sup> or performing home improvement  
 33 and home elevation services <sup>1</sup>[under the direct supervision of]  
 34 <sup>4</sup>[for<sup>1</sup>] subject to the direct oversight of<sup>4</sup> a home elevation  
 35 contractor. <sup>4</sup>“Direct oversight” shall not require the supervising  
 36 individual to remain on-site.<sup>4</sup> <sup>1</sup>[For an applicant seeking licensure

37 under this paragraph, the attestation] An application for licensure<sup>1</sup>  
 38 shall require the signature of the applicant <sup>4</sup>[and] ,<sup>4</sup> <sup>1</sup>[of the home  
 39 improvement or home elevation contractor who provided direct  
 40 supervision of] the name and address of the home improvement or  
 41 home elevation business for whom<sup>1</sup> the applicant <sup>1</sup>worked<sup>1</sup> <sup>4</sup>, and  
 42 an attestation, in a form as determined by the board, that the  
 43 applicant, when providing contracting services, adhered to industry  
 44 best practices and followed standard procedures in a safe and  
 45 healthy manner<sup>4</sup>. <sup>1</sup>[The signature of the contractor who provided  
 46 direct supervision may be an individual licensed pursuant to this  
 47 section or licensed in accordance with the provisions of section 16

1 of P.L. , c. (C. ) (pending before the Legislature as this  
 2 bill)]<sup>1</sup> <sup>2</sup>The two years of experience required in this section may be  
 3 obtained by an applicant who can demonstrate to the board, in a  
 4 manner and form as determined by the board, the performance of  
 5 services in home improvement or home elevation:

6 (a) under a home improvement or home elevation contractor in  
 7 another state or jurisdiction of the United States with, as determined  
 8 by the board, substantially equivalent requirements to the  
 9 requirements in this State; or

10 (b) through work obtained by the applicant as a home  
 11 improvement or home elevation contractor in another state or  
 12 jurisdiction of the United States with, as determined by the board,  
 13 substantially equivalent requirements to the requirements in this  
 14 State<sup>2</sup>;

15 <sup>3</sup>[d.] <sup>3</sup>c.<sup>3</sup> <sup>1</sup>completion of educational requirements established  
 16 pursuant to paragraph (1) of subsection b. of section 6 of P.L. ,  
 17 c. (C. ) (pending before the Legislature as this bill) and<sup>1</sup>  
 18 passage of an examination pursuant to <sup>4</sup>paragraph (2) of<sup>4</sup>  
 19 b. of section 6 of P.L. , c. (C. ) (pending before the  
 20 Legislature as this bill);

21 <sup>3</sup>[e.] <sup>3</sup>d.<sup>3</sup> <sup>1</sup>[proof of financial stability and of compliance with  
 22 section 8 of P.L. , c. (C. ) (pending before the Legislature  
 23 as this bill) regarding general liability insurance for a home  
 24 improvement contractor, or general liability insurance and cargo or  
 25 other insurance that covers home elevation services for a home  
 26 elevation contractor, and financial stability. If an applicant for  
 27 licensure is an employee and not an owner of a home improvement  
 28 or home elevation business, the applicant shall submit information  
 29 demonstrating proof of general liability insurance, cargo or other  
 30 insurance covering home elevations, if applicable, and financial  
 31 stability that is maintained by the business owner;

32 f.]<sup>1</sup> submission of a disclosure statement, as prescribed by the  
 33 board, stating whether the applicant has been convicted of any  
 34 crime, which for the purposes of P.L. , c. (C. ) (pending  
 35 before the Legislature as this bill) shall mean a violation of section  
 36 <sup>4</sup>[9] <sup>4</sup>§<sup>4</sup> of P.L. , c. (C. ) (pending before the Legislature as  
 37 this bill); and

38 <sup>1</sup>[g.] <sup>3</sup>[f.] <sup>1</sup>e.<sup>3</sup> payment of all applicable fees.

39 <sup>4</sup>[<sup>3</sup>[g.] <sup>3</sup>f.] <sup>3</sup>To register as a home improvement or home  
 40 elevation business, a business shall submit, as part of the  
 41 application to the board and in a form as determined by the board,  
 42 proof of:

43 (1) general liability insurance <sup>2</sup>[and] <sup>2</sup>workers' compensation  
 44 insurance <sup>2</sup>, and a compliance bond, letter of credit, or securities,  
 45 moneys, or other securities<sup>2</sup> pursuant to section 8 of P.L. ,  
 46 c. (C. ) (pending before the Legislature as this bill);

47 (2) employment by the business of at least one licensed home  
 48 improvement or home elevation contractor; and



1       (3) compliance with all applicable tax, business, and other laws  
2 in the State.<sup>1</sup><sup>4</sup>

3  
4       <sup>4</sup>[8. (New section) a. <sup>1</sup>[Every licensed contractor who is  
5 engaged in home improvement or home elevation services] A home  
6 improvement or home elevation business<sup>1</sup> shall secure, maintain  
7 and file with the board proof of a certificate of <sup>1</sup>[.] :

8       (1)<sup>1</sup> commercial general liability insurance in a minimum  
9 amount of \$500,000 per occurrence <sup>1</sup>; and

10       (2) workers' compensation insurance.<sup>1</sup>

11       b. <sup>1</sup>[Every licensed contractor engaged in providing home  
12 improvement or home elevation services] A registered business<sup>1</sup>  
13 whose commercial general liability insurance <sup>1</sup>or workers'  
14 compensation<sup>1</sup> policy is cancelled or nonrenewed shall submit to  
15 the board<sup>1</sup>, before the former policy is no longer available,<sup>1</sup> a copy  
16 of the certificate of <sup>1</sup>;

17       (1)<sup>1</sup> commercial general liability insurance for a new or  
18 replacement policy which meets the requirements of <sup>1</sup>paragraph (1)  
19 of<sup>1</sup> subsection a. of this section <sup>1</sup>[before the former policy is no  
20 longer effective] ; or

21       (2) a copy of the certificate of workers' compensation insurance  
22 for a new or replacement policy<sup>1</sup>.

23       c. In addition to the insurance required pursuant to subsection  
24 a. of this section, every <sup>1</sup>[home elevation contractor] registered  
25 business<sup>1</sup> engaged in performing home elevations shall secure and  
26 maintain cargo or other insurance that specifically covers home  
27 elevation activities, in a minimum amount of \$1,000,000 per  
28 occurrence to cover damages or other losses to the homeowner,  
29 lessee, tenant or other party resulting from a home elevation, except  
30 as otherwise provided in this subsection. The board, in consultation  
31 with the director and the Department of Banking and Insurance,  
32 may promulgate rules and regulations to require that home elevation  
33 <sup>1</sup>[contractors] businesses<sup>1</sup> secure and maintain additional insurance  
34 of such kind and in such amounts as may be determined.

35       d. A home elevation <sup>1</sup>[contractor] business<sup>1</sup>, prior to entering  
36 into an agreement to perform a home elevation, shall provide proof  
37 of insurance to the homeowner including the issuing insurer, policy  
38 number, type, and amount of insurance coverage maintained by the  
39 <sup>1</sup>[contractor] business<sup>1</sup> in accordance with this section.

40       e. Every <sup>1</sup>[licensed contractor who] registered business that<sup>1</sup> is  
41 engaged in home improvement or home elevation services shall  
42 maintain, in effect during the entire period of <sup>2</sup>[licensure]  
43 registration<sup>2</sup> :

44       (1) a <sup>1</sup>compliance<sup>1</sup> bond issued by one or more sureties  
45 authorized to transact business in this State;

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

1 (3) <sup>2</sup>~~with the board~~<sup>2</sup> securities, moneys or other security  
2 acceptable to the board to fulfill the requirements of this section.

3 <sup>1</sup>~~f.~~<sup>1</sup> The principal sum of the <sup>1</sup>compliance<sup>1</sup> bond, letter of credit,  
4 or securities, moneys or other security shall be a minimum of  
5 <sup>1</sup>~~[\$100,000.]~~ :

6 (1) <sup>2</sup>~~for Class A registered home improvement or home~~  
7 ~~elevation contractors.]~~<sup>2</sup> \$50,000 for the performance of services  
8 pursuant to a contract valued at more than \$120,000 or for the  
9 performance of services, in the previous 12 months, for contracts  
10 valued at a minimum of \$750,000;

11 (2) <sup>2</sup>~~for Class B licensed home improvement or home elevation~~  
12 ~~contractors.]~~<sup>2</sup> \$25,000 for the performance of services pursuant to a  
13 contract valued between \$10,000 and \$120,000 or for the  
14 performance of services, in the previous 12 months, for contracts  
15 valued between \$150,000 and \$750,000; and

16 (3) <sup>2</sup>~~for Class C licensed home improvement or home elevation~~  
17 ~~contractors.]~~<sup>2</sup> \$10,000 for the performance of services pursuant to a  
18 contract valued at less than \$10,000 or for the performance of  
19 services, in the previous 12 months, for contracts valued less than  
20 \$150,000.

21 ~~g.~~<sup>1</sup> The <sup>1</sup>~~contractor~~<sup>1</sup> business<sup>1</sup> shall, from time to time, to the  
22 extent that claims are paid, promptly replenish the amount of <sup>2</sup>~~the~~  
23 compliance<sup>2</sup> bond, letter of credit, securities, moneys or other  
24 security maintained <sup>2</sup>~~with the board~~<sup>2</sup> <sup>1</sup>~~to a minimum of~~  
25 ~~\$100,000]~~<sup>1</sup> pursuant <sup>1</sup>~~to paragraphs (1) through (3) of subsection f.~~  
26 ~~of this section~~<sup>1</sup>.

27 <sup>1</sup>~~f.~~ The bond, letter of credit, or securities, moneys or other  
28 security shall be filed or deposited with the board and shall be  
29 executed to the State of New Jersey for the use or benefit of any  
30 consumer who, after entering into a home improvement or home  
31 elevation contract, incurs damages or suffers any loss arising out of  
32 a violation of P.L. , c. (C. ) (pending before the Legislature  
33 as this bill) by the contractor

34 ~~g.]~~ <sup>1</sup>~~h.~~<sup>1</sup> The <sup>2</sup>compliance<sup>2</sup> bond, letter of credit, or securities,  
35 moneys, or other security shall cover <sup>1</sup>~~restitution and]~~<sup>1</sup> penalties  
36 <sup>1</sup>~~assessed by the board for violations of P.L. , c. (C. )~~  
37 ~~(pending before the Legislature as this bill)~~<sup>1</sup>.

38 <sup>1</sup>~~h.]~~ <sup>1</sup>~~i.~~<sup>1</sup> <sup>2</sup>~~Any individual~~<sup>1</sup> ~~claiming]~~ seeking to claim<sup>1</sup> against  
39 the bond, letter of credit, or securities, moneys or other security  
40 may maintain an action <sup>1</sup>~~at law against the contractor and the~~  
41 ~~surety, bank, or]~~ with<sup>1</sup> the board <sup>1</sup>~~,~~ as the case may be<sup>1</sup>.

42 <sup>1</sup>~~i.]~~ <sup>1</sup>~~j.~~<sup>1</sup> <sup>2</sup>~~The~~ <sup>2</sup>compliance<sup>2</sup> bond, letter of credit, or securities,  
43 moneys, or other security shall not be payable for treble damage  
44 claims pursuant to the consumer fraud act, P.L.1960, c.39 (C.56:8-1  
45 et seq.).

46 <sup>1</sup>~~j.]~~ <sup>2</sup>~~k.~~<sup>1</sup> The board may make a claim against the bond, letter  
47 of credit, or securities, moneys or other security on behalf of a

1 consumer, with notice to the licensed contractor. ]<sup>2</sup>

2 <sup>1</sup>[k.] <sup>2</sup>[ l.<sup>1</sup> ] j.<sup>2</sup> The aggregate liability of the surety, bank, or  
3 <sup>2</sup>[the board] issuer of securities, moneys or other security<sup>2</sup> to all  
4 individuals for all breaches of the conditions of the <sup>2</sup>compliance<sup>2</sup>  
5 bond, letter of credit or the securities, moneys or other security  
6 <sup>2</sup>[held by the board]<sup>2</sup> shall not exceed the amount of the bond,  
7 letter of credit, or the securities, moneys or other security <sup>2</sup>[held by  
8 the board]<sup>2</sup>.

9 <sup>1</sup>[l.] <sup>2</sup>[m.<sup>1</sup>] Every bond, letter of credit, or securities, moneys, or  
10 other security required to be filed shall provide that any consumer  
11 who may be claiming against the bond, letter of credit, or securities,  
12 moneys, or other security shall notify the board and the surety of  
13 the amount and nature of the claim prior to the initiation of any  
14 action at law against the <sup>1</sup>[contractor] business<sup>1</sup>. The bond, letter of  
15 credit, or securities, moneys, or other security shall provide that the  
16 surety or bank may not pay any claim against the bond, letter of  
17 credit, or securities, moneys, or other security unless and until it  
18 shall have received authorization from the board to pay the claim.

19 <sup>1</sup>[m.] n.<sup>1</sup> If the board determines that there is a substantial  
20 likelihood that the aggregate amount of claims against a bond will  
21 exceed the available principal amount of the bond, the board may  
22 apportion the proceeds of the bond among the claimants in an  
23 equitable manner.

24 <sup>1</sup>[n.] o.<sup>1</sup> ] k.<sup>2</sup> Every bond, letter of credit, or securities, moneys,  
25 or other security <sup>2</sup>[required to be filed with the board]<sup>2</sup> shall  
26 provide that cancellation or nonrenewal of the bond, letter of credit,  
27 or securities, moneys, or other security shall not be effective unless  
28 and until at least 10 days' notice of intention to cancel or nonrenew  
29 the bond, letter of credit, or securities, moneys, or other security has  
30 been received in writing by the <sup>2</sup>[board] registered business<sup>2</sup> from  
31 the <sup>2</sup>surety, bank, or other<sup>2</sup> issuer.

32 <sup>2</sup>[<sup>1</sup>p. (1)] l. (1)<sup>2</sup> A business may reduce, by half, the amount of  
33 the <sup>2</sup>compliance<sup>2</sup> bond, letter of credit, or securities, moneys or  
34 other securities required pursuant to paragraphs (1) through (3) of  
35 subsection f. of this section upon demonstration <sup>2</sup>by a member of  
36 senior management of the business<sup>2</sup> of completion of, prior to the  
37 next registration renewal period, a course in financial responsibility  
38 and stability developed or designated by the board.

39 (2) The board shall have discretion to require a business <sup>2</sup>that has  
40 a member of senior management who completed a course in  
41 financial responsibility and stability by the next registration renewal  
42 period<sup>2</sup> to maintain the full amount of the bond, letter of credit, or  
43 securities, moneys or other securities required pursuant to  
44 paragraphs (1) through (3) of subsection f. of this section if a  
45 business <sup>2</sup>[or licensed contractor employed by the business has  
46 multiple complaints made against them by consumers]  
47 demonstrates on the application for registration renewal that a

1 claim<sup>2</sup> or multiple claims<sup>2</sup>, in a dollar amount as determined by the  
 2 board, were<sup>2</sup> made against the bond<sup>2,2</sup> letter of credit, or  
 3 securities, moneys or other securities held by the<sup>2</sup> [licensee]  
 4 business<sup>2,1</sup> ]<sup>4</sup>

5  
 6 <sup>4</sup>[9.] 8.<sup>4</sup> (New section) a. In addition to any other procedure,  
 7 condition or information required by P.L. , c. (C. ) (pending  
 8 before the Legislature as this bill), every applicant <sup>1</sup>for licensure<sup>1</sup>  
 9 shall file a disclosure statement with the board, pursuant to  
 10 subsection <sup>3</sup>[e.] d.<sup>3</sup> of section 7 of P.L. , c. (C. ) (pending  
 11 before the Legislature as this bill), stating whether the applicant has  
 12 been convicted of any crime, which for the purposes of P.L. ,  
 13 c. (C. ) (pending before the Legislature as this bill) shall  
 14 mean a violation of certain provisions of the "New Jersey Code of  
 15 Criminal Justice," Title 2C of the New Jersey Statutes, or the  
 16 equivalent under the laws of any other jurisdiction; provided,  
 17 however, that an applicant shall not be disqualified from licensure  
 18 or have a license suspended or revoked on the basis of any  
 19 conviction disclosed, except as provided in subsection b. of this  
 20 section or in sections 1 or 2 of P.L.2021, c.81 (C.45:1-21 and 45:1-  
 21 21.5).

22 b. The board may refuse to issue or may suspend or revoke any  
 23 license issued thereby <sup>4</sup>or impose any of the additional, alternative  
 24 remedies set forth in section 9 of P.L.1978, c.73 (C.45:1-22) or  
 25 section 12 of P.L.1978, c.73 (C.45:1-25)<sup>4</sup> upon proof that an  
 26 applicant or a licensee:

27 (1) Has obtained a license through fraud, deception or  
 28 misrepresentation;

29 (2) Has engaged in the use or employment of dishonesty, fraud,  
 30 deception, misrepresentation, false promise or false pretense;

31 (3) Has engaged in gross negligence, gross malpractice or gross  
 32 incompetence;

33 (4) Has engaged in repeated acts of negligence, malpractice or  
 34 incompetence;

35 (5) Has engaged in professional or occupational misconduct as  
 36 may be determined by the board;

37 (6) Has been convicted of any crime or offense that has a direct  
 38 or substantial relationship to the activity regulated <sup>4</sup>by<sup>4</sup> P.L. ,  
 39 c. (C. ) (pending before the Legislature as this bill) or is of a  
 40 nature such that licensure would be inconsistent with the public's  
 41 health, safety, or welfare, provided that the board shall make this  
 42 determination in a manner consistent with section 2 of P.L.2021,  
 43 c.81 (C.45:1-21.5). For the purpose of this subsection, a plea of  
 44 guilty, non vult, nolo contendere or any other such disposition of  
 45 alleged criminal activity shall be deemed a conviction;

46 (7) Has had the authority to engage in the activity regulated by  
 47 the board revoked or suspended by any other state, agency or  
 48 authority for reasons consistent with this section; <sup>4</sup>[or]<sup>4</sup>

1 (8) Has violated or failed to comply with the provisions of any  
 2 State act, regulation or order administered or issued by the board or,  
 3 other than traffic violations, by any other State agency <sup>4</sup>; or

4 (9) Has engaged in any other conduct enumerated in section 8 of  
 5 P.L.1978, c.73 (C.45:1-21)<sup>4</sup>.

6 c. At least 30 calendar days prior to denying an application for  
 7 licensure or suspending or revoking a license pursuant to this  
 8 section, the board shall notify the applicant or licensee of its intent  
 9 to deny the application or suspend or revoke the license and afford  
 10 the applicant an opportunity for a hearing in a manner provided for  
 11 contested cases pursuant to the "Administrative Procedure Act,"  
 12 P.L.1968, c.410 (C.52:14B-1 et seq.). If, however, the board  
 13 intends to deny the application or suspend or revoke the license  
 14 under paragraph (6) of subsection b. of this section, the provisions  
 15 of P.L.2021, c.81 (C.45:1-21.5) shall apply.

16 d. An applicant shall have the continuing duty to provide any  
 17 assistance or information requested by the board, and to cooperate  
 18 in any inquiry, investigation, or hearing conducted by the board.

19 e. If any of the information required to be included in the  
 20 disclosure statement changes, or if additional information should be  
 21 added after the filing of the statement, the applicant shall provide  
 22 that information to the board, in writing, within 20 calendar days of  
 23 the change or addition.

24 <sup>4</sup>1f. If a licensed home improvement or licensed home elevation  
 25 contractor employed by a business registered pursuant to subsection  
 26 <sup>3</sup>g.1 f.3 of section 7 of P.L. , c. (C. ) (pending before the  
 27 Legislature as this bill) is the only contractor licensed pursuant to  
 28 section 7 of P.L. , c. (C. ) (pending before the Legislature  
 29 as this bill) employed by the registered business and the individual  
 30 leaves their employment, the registered business shall have 60 days  
 31 within which to hire a licensed home improvement or home  
 32 elevation contractor and notify the board of the change. If no new  
 33 hire is made within 60 days, the board shall revoke the registration  
 34 of the business. Upon the hiring of a new contractor licensed  
 35 pursuant to section 7 of P.L. , c. (C. ) (pending before the  
 36 Legislature as this bill), the registered business shall apply for  
 37 reinstatement of registration.1<sup>4</sup>

38  
 39 <sup>4</sup>10. (New section) a. Every contractor required to be licensed  
 40 under P.L. , c. (C. ) (pending before the Legislature as this  
 41 bill) shall be issued an identification badge by the board pursuant to  
 42 subsection b. of this section. The identification badge shall be  
 43 plainly visible and worn on the upper left corner of the torso when  
 44 the contractor is performing <sup>1</sup>, or engaging, or attempting to  
 45 engage, in the business of selling<sup>1</sup> home improvement or home  
 46 elevation services <sup>2</sup>[include a recent and clear photograph]<sup>2</sup>.

47 b. The identification badge shall include a color photograph of  
 48 the contractor's face, the contractor's name, the contractor's license

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

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

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

22 <sup>1</sup>e. Notwithstanding the definition of "contractor" pursuant to  
 23 section 2 of P.L. , c. (C. ) (pending before the Legislature  
 24 as this bill), if an employee of or individual contracted by a sole  
 25 proprietorship, corporation, partnership, association, or other form  
 26 of a business entity hired or contracted <sup>2</sup>[sells] to sell<sup>2</sup> home  
 27 improvement or home elevation services, or both types of services,  
 28 in-person to consumers, an identification badge required pursuant to  
 29 this section shall be required for the employee or contracted  
 30 individual.

31 f. A temporary badge, in paper, <sup>2</sup>[may] shall<sup>2</sup> be issued to a  
 32 contractor <sup>2</sup>and shall accompany the license of the contractor<sup>2</sup> in the  
 33 event of a delay in the processing of the identification badge  
 34 required pursuant to this section.<sup>1</sup>]<sup>4</sup>

35  
 36 <sup>4</sup>[11. (New section) An individual who knowingly exhibits or  
 37 displays an identification badge issued pursuant to subsection b. of  
 38 section 10 of P.L. , c. (C. ) (pending before the Legislature  
 39 as this bill) and is not at that time licensed as a contractor pursuant  
 40 to P.L. , c. (C. ) (pending before the Legislature as this  
 41 bill), including any contractor who has had the license revoked,  
 42 suspended, or not renewed, is guilty of a crime of the fourth  
 43 degree.]<sup>4</sup>

44  
 45 <sup>4</sup>[12.] 9.<sup>4</sup> (New section) <sup>4</sup>[a.]<sup>4</sup> <sup>3</sup>[No] Except for individuals  
 46 exempted pursuant to section <sup>4</sup>[15] 11<sup>4</sup> of P.L. , c. (C. )  
 47 (pending before the Legislature as this bill), no<sup>3</sup> individual shall  
 48 <sup>1</sup>[offer to]<sup>1</sup> perform <sup>1</sup>[, or engage, or attempt to engage in the

1 business of performing or selling<sup>1</sup> home improvement services or  
2 home elevation services unless licensed by the board.

3 <sup>4</sup>[b. In addition to any other civil or criminal penalty that may  
4 apply, any individual who makes a false statement in connection  
5 with the process for licensure as a home improvement or home  
6 elevation contractor pursuant to section 7 of P.L. , c. (C. )  
7 (pending before the Legislature as this bill) or who submits false  
8 information in regards to any submissions and filings required by  
9 the board pursuant to section 8 of P.L. , c. (C. ) (pending  
10 before the Legislature as this bill) shall be liable for a civil penalty  
11 of not less than \$10,000 or more than \$25,000. Such penalty may  
12 be imposed by the board and shall be collected by summary  
13 proceedings instituted in accordance with the "Penalty Enforcement  
14 Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).]<sup>4</sup>

15  
16 <sup>4</sup>[13.] 10.<sup>4</sup> (New section) <sup>4</sup>a.<sup>4</sup> Except for individuals exempted  
17 pursuant to section <sup>4</sup>[15] 11<sup>4</sup> of P.L. , c. (C. ) (pending  
18 before the Legislature as this bill), any individual <sup>4</sup>[licensed or  
19 business registered pursuant to P.L. , c. (C. ) (pending  
20 before the Legislature as this bill)]<sup>4</sup> who <sup>4</sup>or business that<sup>4</sup>  
21 advertises in print or <sup>4</sup>electronic media or who<sup>4</sup> puts out any sign or  
22 card or other device which would indicate to the public that the  
23 individual is a contractor in New Jersey <sup>4</sup>[the business is a  
24 registered home improvement or home elevation contracting  
25 business in New Jersey.]<sup>1</sup><sup>4</sup> or who causes the individual's name or  
26 business name to be included in a classified advertisement or  
27 directory in New Jersey under a classification for home  
28 improvement or home elevation, as defined in section 2 of P.L. ,  
29 c. (C. ) (pending before the Legislature as this bill), is subject  
30 to the provisions of P.L. , c. (C. ) (pending before the  
31 Legislature as this bill). This section shall not be construed to apply  
32 to simple residential alphabetical listings in standard telephone  
33 directories, including directories or similar lists posted online.

34 <sup>4</sup>b. No individual holding a limited specialty services license  
35 shall advertise in print or electronic media or put out any sign or  
36 card or other device which would indicate to the public that the  
37 individual is licensed as a home improvement or home elevation  
38 contractor or is authorized to perform services outside of the scope  
39 of the limited specialty services license.<sup>4</sup>

40  
41 <sup>4</sup>[14. (New section) a. All <sup>1</sup>[licensees]<sup>1</sup> registered businesses<sup>1</sup>  
42 shall prominently display their <sup>1</sup>[license]<sup>1</sup> registration<sup>1</sup> numbers  
43 within their places of business, in all advertisements distributed  
44 within this State, on business documents, contracts and  
45 correspondence with consumers of home improvement and home  
46 elevation services in this State, and on all commercial vehicles  
47 registered in this State and leased or owned by licensees and used  
48 by licensees for the purpose of providing home improvement or

1 home elevation services, except for vehicles leased or rented to  
2 customers of licensees by a licensee or any agent or representative  
3 thereof.

4 b. Any invoice, contract or correspondence given by a licensee  
5 to a consumer shall prominently contain the toll-free telephone  
6 number provided pursuant to section 20 of P.L. , c. (C. )  
7 (pending before the Legislature as this bill).]<sup>4</sup>

8  
9 <sup>4</sup>[15.] 11.<sup>4</sup> (New section) The provisions of sections 7, 8, 9,<sup>4</sup>[  
10 <sup>2</sup>10,<sup>2</sup> 12]<sup>4</sup>, <sup>2</sup>[13 10, and]<sup>2</sup> <sup>4</sup>[14 <sup>2</sup>, 16, 17, 21, 22, 23, 26, 27, 28,  
11 and 29<sup>2</sup>] 12, 13, 17, and 20 through 23<sup>4</sup> of P.L. , c. (C. )  
12 (pending before the Legislature as this bill) shall not apply to:

13 a. Any individual required to register pursuant to "The New  
14 Home Warranty and Builders' Registration Act," P.L.1977, c.467  
15 (C.46:3B-1 et seq.), but only in conjunction with the building of a  
16 new home as defined in <sup>4</sup>section 2 of<sup>4</sup> P.L.1977, c.467 (C.46:3B-2);

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

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

28 <sup>3</sup>[e.] d.<sup>3</sup> Any public utility as defined under R.S.48:2-13;

29 <sup>3</sup>[f.] e.<sup>3</sup> Any individual licensed under the provisions of section  
30 16 of P.L.1960, c.41 (C.17:16C-77) but only in conjunction with  
31 selling a home repair contract as defined in section 1 of P.L.1960,  
32 c.41 (C.17:16C-62) <sup>2</sup>and as also applicable to P.L.1968, c.224  
33 (C.17:16C-95 et seq.) <sup>4</sup>[, except requirements under section 10 of  
34 P.L. , c. (C. ) (pending before the Legislature as this bill)  
35 regarding identification badges shall apply to individuals making  
36 in-person sales to consumers pursuant to P.L.1968, c.224  
37 (C.17:16C-95 et seq.)<sup>2</sup> ]<sup>4</sup>; <sup>4</sup>[and]<sup>4</sup>

38 <sup>3</sup>[g.] f.<sup>3</sup> Any home improvement or home elevation retailer with  
39 <sup>4</sup>[a net worth] sales<sup>4</sup> of more than \$50,000,000, or employee of that  
40 retailer <sup>4</sup>while acting on behalf of that retailer; and

41 g. Any individual who is seeking a license in home  
42 improvement pursuant to paragraph (2) of subsection b. in section 7  
43 of P.L. , c. (C. ) (pending before the Legislature as this  
44 bill)<sup>4</sup>.

45  
46 <sup>4</sup>[16.] 12.<sup>4</sup> (New section) <sup>2</sup>a.<sup>2</sup> The provisions of subsections a.,  
47 b., <sup>3</sup>and<sup>3</sup> c. <sup>3</sup>[, and d.]<sup>3</sup> of section 7 of P.L. , c. (C. )  
48 (pending before the Legislature as this bill) shall not apply to an



1 individual who <sup>4</sup>, as of the effective date of P.L. , c. (C. )  
2 (pending before the Legislature as this bill),<sup>4</sup> has been registered as  
3 a home improvement <sup>4</sup>or home elevation<sup>4</sup> contractor in New Jersey  
4 for at least <sup>1</sup>[10] five<sup>1</sup> years <sup>4</sup>[or to an individual who has at least  
5 <sup>1</sup>[10] five<sup>1</sup> years of experience in providing home elevation  
6 services who has been registered as a home improvement contractor  
7 in New Jersey for at least <sup>1</sup>[10] five<sup>1</sup> years or registered as a home  
8 elevation contractor in New Jersey for at least five years]<sup>4</sup>. <sup>4</sup>[A  
9 license shall be issued <sup>1</sup>[to an individual]<sup>1</sup> upon] The board shall  
10 issue a license to an individual who meets the requirements of this  
11 subsection which shall take effect at the time of<sup>4</sup> expiration of the  
12 contractor registration previously issued <sup>1</sup>[to the individual]<sup>1</sup> upon  
13 submission <sup>4</sup>by an individual<sup>4</sup> of an application in such form as may  
14 be prescribed by the board and payment of a fee established by the  
15 board.

16 <sup>2</sup>b. An individual who qualifies for licensure as a home  
17 improvement or home elevation contractor under subsection a. of  
18 this section and who can demonstrate experience overseeing the  
19 performance of services for contracts (1) valued at a minimum of  
20 \$120,000 and (2) that require the submittal of plans with more than  
21 one subcode shall qualify as a principal home improvement or  
22 principal home elevation contractor.<sup>2</sup>

23 <sup>3</sup>c. The provisions of subsections a., b., and c. of section 7 and  
24 the provisions of sections <sup>4</sup>[26 through 30] 20 through 23<sup>4</sup> of  
25 P.L. , c. (C. ) (pending before the Legislature as this bill)  
26 shall not apply to an individual who provides services included in  
27 the definition of “home improvement” but earns a maximum of  
28 \$1,500 per contract and \$25,000 on an annual basis.

29 <sup>4</sup>d. [An individual registered pursuant to subsection c. of this  
30 section shall:

31 (1) annually register with the board, in a form as prescribed by  
32 the board and for a fee as determined by the board. The form shall  
33 require an individual to demonstrate proof of earnings in order to  
34 qualify for registration under this subsection;

35 (2) comply with:

36 (a) paragraph (1) of subsection a. of section 8 of P.L. ,  
37 c. (C. ) (pending before the Legislature as this bill) regarding  
38 commercial general liability insurance; and

39 (b) section 10 regarding the issuance of an identification badge;  
40 and

41 (3) be required to perform services agreed to in a contract  
42 pursuant to section 21 of P.L. , c. (C. ) (pending before the  
43 Legislature as this bill) but shall only be required to include in the  
44 contract the following:

45 (a) the legal name, business address and registration number of  
46 the contractor;

1 (b) a copy of the certificate of commercial general liability  
 2 insurance required pursuant to paragraph (1) of subsection a. of  
 3 section 8 of P.L. , c. (C. ) (pending before the Legislature  
 4 as this bill);

5 (c) a “Notice to Consumer” pursuant to subsection b. of section  
 6 21 of P.L. , c. (C. ) (pending before the Legislature as this  
 7 bill); and

8 (d) the provisions of subsections e. through k. of section 21 of  
 9 P.L. , c. (C. ) (pending before the Legislature as this bill)]  
 10 An individual covered under subsection c. of this section shall  
 11 continue to be subject to the requirement to maintain annual  
 12 registration pursuant to P.L.2004, c.16 (C.56:8-136 et seq.)<sup>4</sup> .

13 e. An individual registered pursuant to subsection d. of this  
 14 section shall be liable for penalties pursuant to subsection b. of  
 15 section <sup>4</sup>[12] 8<sup>4</sup> of P.L. , c. (C. ) (pending before the  
 16 Legislature as this bill) for making false statements, including  
 17 falsification of records demonstrating earnings, in connection with  
 18 the process to register.

19 f. Upon annual registration renewal, if an individual registered  
 20 pursuant to subsection d. of this section has earnings that have  
 21 increased above \$1,500 per contract for services provided during  
 22 the previous calendar year, or has earned more than \$25,000  
 23 performing home improvements during the previous calendar year,  
 24 the individual shall apply for a biennial license, the fee and  
 25 additional requirements of which shall be determined by the board.<sup>3</sup>

26  
 27 <sup>4</sup>[17.] 13.<sup>4</sup> (New section) The provisions of  
 28 P.L. , c. (C. ) (pending before the Legislature as this bill)  
 29 shall apply to any individual <sup>4</sup>[engaging in this State] who engages  
 30 or seeks to engage<sup>4</sup> in any of the activities <sup>4</sup>in this State which are<sup>4</sup>  
 31 regulated by <sup>4</sup>the board pursuant to<sup>4</sup> P.L. , c. (C. ) (pending  
 32 before the Legislature as this bill), including individuals whose  
 33 residence or principal place of business is located outside of this  
 34 State.

35  
 36 <sup>4</sup>[18.] 14.<sup>4</sup> (New section) a. P.L. , c. (C. ) (pending  
 37 before the Legislature as this bill) shall supersede any municipal  
 38 ordinance or regulation that provides for the licensing <sup>4</sup>[or  
 39 registration]<sup>4</sup> of home improvement or home elevation contractors  
 40 or for the protection of homeowners by bonds or warranties  
 41 required to be provided by <sup>4</sup>[home improvement or home elevation  
 42 contractors] contractor registration businesses pursuant to section 7  
 43 of P.L.2004, c.16 (C.56:8-142)<sup>4</sup>, exclusive of those required by  
 44 water, sewer, utility, or land use ordinances or regulations.

45 b. A municipality shall not issue a construction permit for any  
 46 home improvement or home elevation if any part of the home  
 47 improvement or home elevation is to be performed by any  
 48 contractor who is neither licensed pursuant to, nor exempt from the

1 requirements of, the provisions of P.L. , c. (C. ) (pending  
2 before the Legislature as this bill).

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

5 (1) a contractor who is performing the home improvement or  
6 home elevation and who is licensed pursuant to P.L. ,  
7 c. (C. ) (pending before the Legislature as this bill) <sup>2</sup>or who  
8 will obtain a license upon expiration of a registration pursuant to  
9 section <sup>4</sup>[16] 12<sup>4</sup> of P.L. , c. (C. ) (pending before the  
10 Legislature as this bill)<sup>2</sup>; <sup>1</sup>[or]<sup>1</sup>

11 (2) an individual who is performing the home improvement or  
12 home elevation and is not required to be licensed pursuant to  
13 <sup>2</sup>[sections] section<sup>2</sup> <sup>4</sup>[15] 11<sup>4</sup> <sup>2</sup>[or 16]<sup>2</sup> of P.L. , c. (C. )  
14 (pending before the Legislature as this bill) <sup>1</sup>; or

15 (3) a single-family homeowner who performs plumbing,  
16 electrical, or heating, ventilation, and air conditioning work in the  
17 homeowner's own dwelling.<sup>1</sup>

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

21

22 <sup>4</sup>[19.] 15.<sup>4</sup> (New section) a. P.L. , c. (C. ) (pending  
23 before the Legislature as this bill) shall not deny to any  
24 municipality the power <sup>1</sup>, pursuant to the "State Uniform  
25 Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.).<sup>1</sup>  
26 to inspect a contractor's work or equipment, the work of a  
27 contractor who performs improvements to commercial property, or  
28 the power to regulate the standards and manners in which the work  
29 of the contractor shall be done.

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

39

40 <sup>4</sup>[20.] 16.<sup>4</sup> (New section) a. The division shall establish and  
41 undertake a public information campaign to educate and inform  
42 contractors <sup>1</sup>, applicable businesses,<sup>1</sup> and the consumers of this  
43 State of the provisions of P.L. , c. (C. ) (pending before the  
44 Legislature as this bill).

45 b. The board shall provide a toll-free telephone number for  
46 consumers making inquiries regarding <sup>4</sup>[contractors] any  
47 individual engaging in or offering to engage in home improvement,  
48 home elevation, or limited specialty services<sup>4</sup> or shall promote, as

1 part of the public information campaign, any toll-free telephone  
2 number already established for inquiries.

3  
4 <sup>4</sup>[21. (New section) a. Every contract for a purchase price in  
5 excess of \$500 for home improvement, home elevation, or both  
6 types of services, and all changes in the terms and conditions of the  
7 contract, shall be in writing. The contract shall be signed by all  
8 parties thereto and shall not contain any blank spaces for  
9 information, including, but not limited to, terms and conditions, to  
10 be added after the contract is signed by the consumer, and shall  
11 clearly and accurately set forth in legible form and in  
12 understandable language all terms and conditions of the contract,  
13 including but not limited to:

14 (1) the legal name, business address, <sup>1</sup>registration number of the  
15 business,<sup>1</sup> and license number of the contractors <sup>1</sup>performing the  
16 <sup>2</sup>[work]<sup>2</sup> services pursuant to the contract<sup>1</sup>;

17 (2) the legal name and license number of the contractor  
18 designated as the <sup>1</sup>[responsible managing employee] principal  
19 home improvement contractor or home elevation contractor, if  
20 applicable,<sup>1</sup> for the services provided;

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

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

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

31 "NOTICE TO CONSUMER

32 Do not sign this contract if any of the spaces for information have  
33 been left blank.

34 You are entitled to a copy of the contract at the time you sign.

35 Keep it to protect your legal rights.

36 Do not sign any completion certificate or agreement stating that you  
37 are satisfied with the entire project before this project is complete.

38 Contractors are prohibited by law from requesting or accepting a  
39 certificate of completion signed by the consumer prior to the actual  
40 completion of the work to be performed under the contract."

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

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

48 (2) Gives up possession of any goods, subject to a contract,

1 delivered to the consumer prior to receipt by the contractor of the  
2 notice of intent to rescind.

3 d. Within 10 business days after receipt of a notice of intent to  
4 rescind a contract for home improvement, home elevation, or both  
5 types of services, a contractor shall:

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

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

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

17 e. Each <sup>1</sup>**[contractor]** registered business<sup>1</sup> shall maintain a  
18 record of the receipt of any consumer's notice of intent to rescind a  
19 contract for at least 18 months after the receipt of a notice of intent  
20 to rescind.

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

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

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

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

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

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

48 h. Except as provided in subsection j. of this section, a receipt  
49 required to be delivered by the consumer shall not contain, or be

1 accompanied by, any document which contains provisions by which  
2 the consumer waives any rights under P.L. , c. (C. )  
3 (pending before the Legislature as this bill).

4 i. A <sup>1</sup>【contractor who】 business that<sup>1</sup> in the ordinary course of  
5 business regularly uses a language other than English in any  
6 advertising or other solicitation of consumers, or in any printed  
7 forms for use by consumers, or in any face-to-face negotiations with  
8 consumers, shall deliver two copies of the receipt to a consumer  
9 whose principal language is not English, one in English and one in  
10 the other language.

11 j. A contract for home improvement, home elevation, or both  
12 types of services for work needed by the consumer to meet a bona  
13 fide emergency, where the contact with the <sup>1</sup>【contractor】 registered  
14 business<sup>1</sup> was initiated by the consumer, shall not be subject to the  
15 cancellation provisions of subsection c. of this section, if the  
16 consumer furnishes the <sup>1</sup>【contractor】 registered business<sup>1</sup> with a  
17 statement separate from the contract, in a form approved by the  
18 board, dated and signed by the consumer, describing the situation  
19 requiring immediate remedy and expressly acknowledging and  
20 waiving the right to cancel the contract within three business days.

21 k. No <sup>1</sup>【contractor】 registered business<sup>1</sup> shall request or accept  
22 a certificate of completion signed by the consumer prior to the  
23 actual completion of the work to be performed under a contract for  
24 home improvement, home elevation, or both types of services.

25 <sup>1</sup>l. Any contract for home improvement or home elevation  
26 services <sup>2</sup>valued at a minimum of \$120,000 and requiring the  
27 submittal of plans with more than one subcode<sup>2</sup> shall include, in a  
28 clear and conspicuous manner, <sup>2</sup>【that pursuant to section 2 of  
29 P.L. , c. (C. ) (pending before the Legislature as this bill),  
30 a】 the name of the<sup>2</sup> principal home improvement contractor or  
31 principal home elevation contractor <sup>2</sup>【shall oversee the performance  
32 of home improvement or home elevation services if the services to  
33 be performed are valued at a minimum of \$120,000 and require the  
34 submittal of plans with more than one subcode<sup>1</sup>】 assigned to  
35 oversee the performance of services.<sup>2</sup>】<sup>4</sup>

36  
37 <sup>4</sup>【22. (New section) A county or municipal office of consumer  
38 affairs established pursuant to P.L.1975, c.376 (C.40:23-6.47 et  
39 seq.), that enters into a written agreement with the board in the form  
40 specified by the board to accept consumer complaints, directly or on  
41 a referral basis, and enforce P.L. , c. (C. ) (pending before  
42 the Legislature as this bill) against contractors <sup>1</sup>or registered  
43 businesses<sup>1</sup> whose principal place of business is in the county or  
44 municipality, shall be entitled to a share of fees paid by contractors  
45 <sup>1</sup>or registered businesses<sup>1</sup> having their principal place of business in  
46 the county or municipality as determined by the board by

1 regulation, which cost shall be reflected in the licensing <sup>1</sup>and  
2 registration<sup>1</sup> fees established by the board. **】**<sup>4</sup>

3 <sup>4</sup>**【23.】 17.**<sup>4</sup> (New section) a. Any individual seeking to convert  
4 a home improvement contractor license into a home elevation  
5 license may do so by submitting documentation, as prescribed by  
6 the board, demonstrating:

7 (1) at least two years of experience working on home elevations  
8 under <sup>1</sup>**【the direct supervision of】**<sup>1</sup> a home elevation contractor who  
9 is licensed pursuant to section 7 of P.L. , c. (C. ) (pending  
10 before the Legislature as this bill) or qualifies for licensure pursuant  
11 to section <sup>4</sup>**【16】 12**<sup>4</sup> of P.L. , c. (C. ) (pending before the  
12 Legislature as this bill);

13 (2) that the individual has not had a home improvement  
14 contractor license or registration or a home elevation contractor  
15 license or registration revoked or suspended; and

16 (3) that the <sup>1</sup>**【place of employment】** <sup>4</sup>**【registered business**<sup>1</sup> of]  
17 contractor business registered pursuant to P.L.2004, c.16 (C.56:8-  
18 136 et seq.) that employs<sup>4</sup> the contractor maintains cargo or other  
19 insurance covering home elevation services as required pursuant to  
20 section <sup>4</sup>**【8 of P.L. , c. (C. ) (pending before the Legislature**  
21 **as this bill)】 7 of P.L.2004, c.16 (C.56:8-142)**<sup>4</sup>.

22 b. The board may charge applicable fees to convert a license  
23 from home improvement to home elevation.

24 <sup>4</sup>c. The board shall establish the standards and requirements  
25 necessary for a limited specialty services licensee to obtain a home  
26 improvement or home elevation license.<sup>4</sup>

27

28 <sup>4</sup>**【24.】 18.**<sup>4</sup> Section 1 of P.L.1971, c.60 (C.45:1-2.1) is amended  
29 to read as follows:

30 1. The provisions of this act shall apply to the following boards  
31 and commissions: the New Jersey State Board of Accountancy, the  
32 New Jersey State Board of Architects, the New Jersey State Board  
33 of Cosmetology and Hairstyling, the Board of Examiners of  
34 Electrical Contractors, the New Jersey State Board of Dentistry, the  
35 State Board of Mortuary Science of New Jersey, the State Board of  
36 Professional Engineers and Land Surveyors, the State Board of  
37 Marriage and Family Therapy Examiners, the State Board of  
38 Medical Examiners, the New Jersey Board of Nursing, the New  
39 Jersey State Board of Optometrists, the State Board of Examiners of  
40 Ophthalmic Dispensers and Ophthalmic Technicians, the Board of  
41 Pharmacy, the State Board of Professional Planners, the State Board  
42 of Psychological Examiners, the State Board of Examiners of  
43 Master Plumbers, the New Jersey Real Estate Commission, the  
44 State Board of Court Reporting, the State Board of Veterinary  
45 Medical Examiners, the Radiologic Technology Board of  
46 Examiners, the Acupuncture Examining Board, the State Board of  
47 Chiropractic Examiners, the State Board of Respiratory Care, the  
48 State Real Estate Appraiser Board, the State Board of Social Work

1 Examiners, the State Board of Examiners of Heating, Ventilating,  
2 Air Conditioning and Refrigeration Contractors, the Elevator,  
3 Escalator, and Moving Walkway Mechanics Licensing Board, the  
4 State Board of Physical Therapy Examiners, the Orthotics and  
5 Prosthetics Board of Examiners, the New Jersey Cemetery Board,  
6 the State Board of Polysomnography, the New Jersey Board of  
7 Massage and Bodywork Therapy, the Genetic Counseling Advisory  
8 Committee, the State Board of Dietetics and Nutrition, the New  
9 Jersey State Board of Home Improvement and Home Elevation  
10 Contractors, and any other entity hereafter created under Title 45 to  
11 license or otherwise regulate a profession or occupation.  
12 (cf: P.L.2019, c.331, s.16)

13  
14 <sup>4</sup>**[25.]** 19.<sup>4</sup> Section 2 of P.L.1971, c.60 (C.45:1-2.2) is amended  
15 to read as follows:

16 2. a. All members of the several professional boards and  
17 commissions shall be appointed by the Governor in the manner  
18 prescribed by law; except in appointing members other than those  
19 appointed pursuant to subsection b. or subsection c., the Governor  
20 shall give due consideration to, but shall not be bound by,  
21 recommendations submitted by the appropriate professional  
22 organizations of this State.

23 b. In addition to the membership otherwise prescribed by law,  
24 the Governor shall appoint in the same manner as presently  
25 prescribed by law for the appointment of members, two additional  
26 members to represent the interests of the public, to be known as  
27 public members, to each of the following boards and commissions:  
28 the New Jersey State Board of Accountancy, the New Jersey State  
29 Board of Architects, the New Jersey State Board of Cosmetology  
30 and Hairstyling, the New Jersey State Board of Dentistry, the State  
31 Board of Mortuary Science of New Jersey, the State Board of  
32 Professional Engineers and Land Surveyors, the State Board of  
33 Medical Examiners, the New Jersey Board of Nursing, the New  
34 Jersey State Board of Optometrists, the State Board of Examiners of  
35 Ophthalmic Dispensers and Ophthalmic Technicians, the Board of  
36 Pharmacy, the State Board of Professional Planners, the State Board  
37 of Psychological Examiners, the New Jersey Real Estate  
38 Commission, the State Board of Court Reporting, the State Board of  
39 Social Work Examiners, the Elevator, Escalator, and Moving  
40 Walkway Mechanics Licensing Board, and the State Board of  
41 Veterinary Medical Examiners, and one additional public member  
42 to each of the following boards: the Board of Examiners of  
43 Electrical Contractors, the State Board of Marriage and Family  
44 Therapy Examiners, the State Board of Examiners of Master  
45 Plumbers, **[and]** the State Real Estate Appraiser Board, and the  
46 New Jersey State Board of Home Improvement and Home Elevation  
47 Contractors. Each public member shall be appointed for the term  
48 prescribed for the other members of the board or commission and  
49 until the appointment of his successor. Vacancies shall be filled for



1 the unexpired term only. The Governor may remove any such  
2 public member after hearing, for misconduct, incompetency, neglect  
3 of duty or for any other sufficient cause.

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

15 It shall be the responsibility of the Attorney General to insure  
16 that no individual with the aforementioned association or  
17 relationship or any other questionable or potential conflict of  
18 interest shall be appointed to serve as a public member of any board  
19 regulated by this section.

20 Where a board is required to examine the academic and  
21 professional credentials of an applicant for licensure or to test such  
22 applicant orally, no public member appointed pursuant to this  
23 section shall participate in such examination process; provided,  
24 however, that public members shall be given notice of and may be  
25 present at all such examination processes and deliberations  
26 concerning the results thereof, and, provided further, that public  
27 members may participate in the development and establishment of  
28 the procedures and criteria for such examination processes.

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

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

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

43  
44 <sup>1</sup>[26. Sections 3 through 6 and sections 24 and 25 shall be  
45 effective immediately, but remain inoperative until the Governor  
46 appoints board members, by the first day of the tenth month next  
47 following enactment, for the purposes of promulgating rules and  
48 regulations pursuant to the "Administrative Procedures Act,"  
49 P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the purposes of

1 this act. Sections 1, 2, and 7 through 23 shall be effective on the  
2 first day of the twenty-fifth month next following enactment. The  
3 director may take such anticipatory administrative action in advance  
4 thereof as shall be necessary for implementation of this act. **1**

5  
6 **126.** **20.** (New section) a. Each licensee shall complete not  
7 less than six hours of continuing education requirements as a  
8 condition of licensure renewal pursuant to P.L. , c. (C. )  
9 (pending before the Legislature as this bill).

10 b. The board shall:

11 (1) approve continuing education courses, course providers, and  
12 instructors. Entities approved by the board as home improvement or  
13 home elevation contractor instructors, pursuant to **126.** **20.**  
14 through **30.** section **20** of P.L. , c. (C. ) (pending before  
15 the Legislature as this bill), shall be deemed approved providers of  
16 continuing education courses. Building, construction, contracting  
17 and related professional trade associations that qualify under the  
18 standards to be established by the board as approved providers may  
19 offer approved continuing education courses;

20 (2) confer continuing education credits for courses completed in  
21 other states <sup>2</sup>or jurisdictions of the United States<sup>2</sup> on topics  
22 approved by the board as appropriate for elective courses, provided  
23 that the courses have been approved as continuing education  
24 courses by the agency exercising regulatory authority over home  
25 improvement or home elevation contractors in the other state <sup>2</sup>or  
26 jurisdiction of the United States<sup>2</sup> and that satisfactory evidence of  
27 the licensees' attendance at and completion of the courses is  
28 provided to the board by the course provider;

29 (3) confer continuing education credits for courses offered in  
30 this State on topics deemed of a timely nature but which have not  
31 been granted prior approval by the board, provided that the courses  
32 are advertised prior to the time of offering as not having been  
33 approved, the course provider eventually submits and receives  
34 approval of the course offering, and satisfactory evidence of the  
35 licensee's attendance at and completion of the course is provided to  
36 the board by the course provider;

37 (4) set parameters for the auditing and monitoring of course  
38 providers;

39 (5) establish, by regulation, the amount of the application fee  
40 payable for continuing education course providers approved by the  
41 board and providers seeking approval and individuals seeking  
42 approval as instructors of a continuing education course. These fees  
43 shall be non-refundable and shall be in amounts which do not  
44 exceed the costs incurred by the board to review these applications;

45 (6) waive or grant an extension to comply with continuing  
46 education requirements, in whole or in part, on the grounds of  
47 illness, emergency, hardship or active duty military service; and

1       (7) confer continuing education credits upon a licensee who is  
2 approved by the board as an instructor of an approved continuing  
3 education course offered by an approved provider. <sup>2</sup>Licensees  
4 approved by the board to instruct an approved continuing education  
5 course shall receive twice the credit conferred upon those licensees  
6 attending the course. <sup>2</sup> Regardless of the number of times during a  
7 biennial licensure term that the same approved course is taught by  
8 that licensee, that licensee shall receive <sup>2</sup>double the <sup>2</sup> continuing  
9 education credit <sup>2</sup>【towards】 for that course only <sup>2</sup> once <sup>2</sup> to satisfy  
10 part of <sup>2</sup> the continuing education requirement for the renewal of  
11 their license. <sup>1</sup>

12  
13       <sup>4</sup>【127.】 21. <sup>4</sup> (New section) <sup>2</sup>a. <sup>2</sup> Continuing education courses  
14 may be delivered in a classroom setting or <sup>2</sup> , to the extent  
15 practicable, <sup>2</sup> offered via the Internet or video modalities, subject to  
16 the approval by the board of the providers and the content of the  
17 courses and of the measures utilized to ensure the security and  
18 integrity of the course delivery process. The board may approve  
19 continuing education courses which include periodic progress  
20 assessments and the achievement of a satisfactory level of  
21 performance by the licensee on progress assessments as a condition  
22 to continuing to a succeeding segment of the course. The board  
23 shall not require, as a condition of the receipt of credit for  
24 attendance at any continuing education course, that a licensee pass a  
25 comprehensive examination testing the licensee's knowledge of the  
26 entire course content. <sup>1</sup>

27       <sup>2</sup>b. A licensee may fulfill all continuing education requirements  
28 in-person, via the Internet or video modalities, or through a  
29 combination of these options. <sup>2</sup>

30  
31       <sup>4</sup>【128.】 22. <sup>4</sup> (New section) Continuing education requirements,  
32 as set forth by the board, shall be completed on or before the date  
33 the biennial license expires. Any licensee required to complete  
34 continuing education requirements who fails to do so prior to the  
35 date of expiration of a biennial license term shall be subject to a  
36 reasonable processing fee, as determined by the board, of not more  
37 than \$200, unless a waiver was granted by the board pursuant to  
38 paragraph (6) of subsection b. of section <sup>4</sup>【26】 20 <sup>4</sup> of P.L. ,  
39 c. (C. ) (pending before the Legislature as this bill). <sup>1</sup>

40  
41       <sup>4</sup>【129.】 23. <sup>4</sup> (New section) a. Not less than 50 percent of the  
42 continuing education courses of study that licensees are required to  
43 complete as a condition for licensure renewal shall demonstrate  
44 significant intellectual or practical content and deal with matters  
45 directly related to home improvement or home elevation  
46 contracting, workforce safety, or the business of running a company  
47 in the home improvement or home elevation industry or trade. In no

1 event shall the board require that courses in these core topics  
2 comprise more than 60 percent of the total continuing education  
3 hours required for the renewal of any license.

4 b. In the case of continuing education courses and programs,  
5 each hour of instruction shall be equivalent to one credit.<sup>1</sup>  
6

7 <sup>4</sup>[<sup>1</sup>30.] 24.<sup>4</sup> (New section) Course providers shall maintain  
8 records of the successful completion of continuing education  
9 courses by licensees and shall transmit this data to the board in a  
10 manner as directed by the board.<sup>1</sup>  
11

12 <sup>3</sup>[<sup>1</sup>31. Sections 3 through 6 and sections 24 and 25 of this act  
13 shall be effective immediately, but remain inoperative until the  
14 Governor appoints board members, by the first day of the tenth  
15 month next following enactment, for the purposes of promulgating  
16 rules and regulations pursuant to the "Administrative Procedures  
17 Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the  
18 purposes of this act. Sections 1, 2, 7 through 23, and 26 through 30  
19 of this act shall be effective on the first day of the 25th month next  
20 following the appointment of <sup>2</sup>a majority of<sup>2</sup> the board. The director  
21 may take such anticipatory administrative action in advance thereof  
22 as shall be necessary for implementation of this act.<sup>1</sup><sup>3</sup>  
23

24 <sup>4</sup>[<sup>3</sup>31. Sections 3 through 6 and sections 24 and 25 of this act  
25 shall be effective immediately, but sections 3, 4 and 6 shall remain  
26 inoperative until such time as provided in section 5. Sections 1, 2,  
27 7 through 23, and 26 through 30 shall be effective on the first day  
28 of the 25th month next following enactment. The director and the  
29 board may take such anticipatory administrative action in advance  
30 thereof as shall be necessary for implementation of this act.<sup>3</sup><sup>4</sup>  
31

32 <sup>4</sup>25. Section 1 of P.L.2004, c.16 (C.56:8-136) is amended to  
33 read as follows:

34 1. [This act] P.L.2004, c.16 (C.56:8-136 et seq.) shall be  
35 known and may be cited as the "Contractors' Business Registration  
36 Act."<sup>4</sup>

37 (cf: P.L.2004, c.16, s.1)  
38

39 <sup>4</sup>26. Section 2 of P.L.2004, c.16 (C.56:8-137) is amended to  
40 read as follows:

41 2. As used in [this act] P.L.2004, c.16 (C.56:8-136 et seq.):

42 "Board" means the New Jersey State Board of Home  
43 Improvement and Home Elevation Contractors.

44 "Contractor" means [a person engaged in the business of making  
45 or selling home improvements and includes a corporation,  
46 partnership, association and any other form of business organization  
47 or entity, and its officers, representatives, agents and employees] an

1 individual providing home improvement or home elevation  
2 services, or both types of services, for a corporation, partnership,  
3 association, sole proprietorship, and any other form of business  
4 organization or entity that enters into contracts for home  
5 improvement, home elevation, or both types of services.

6 “Contractor business” means a business that is a corporation,  
7 partnership, association, sole proprietorship or any other form of  
8 business organization or entity that provides home improvement,  
9 home elevation, or both types of services with at least one employee  
10 who is a licensed contractor, as defined pursuant to this section. An  
11 individual who provides services included in the definition of  
12 “home improvement” and who earns a maximum of \$1,500 per  
13 contract and \$25,000 on an annual basis for those services shall be  
14 required to maintain registration and comply with registration  
15 requirements pursuant to section 3 of P.L.2004, c.16 (C.56:8-138),  
16 but shall not be required to have at least one employee who is a  
17 licensed contractor.

18 "Director" means the Director of the Division of Consumer  
19 Affairs in the Department of Law and Public Safety.

20 "Division" means the Division of Consumer Affairs in the  
21 Department of Law and Public Safety.

22 "Home elevation" means any home improvement that involves  
23 raising an entire residential **[or non-commercial]** structure to a  
24 higher level above the ground.

25 "Home elevation contractor" means a contractor who engages in  
26 the practice of home elevation and is authorized to perform home  
27 improvement services.

28 "Home improvement" means the remodeling, altering,  
29 renovating, repairing, restoring, modernizing, moving, demolishing,  
30 or otherwise improving or modifying of the whole or any part of  
31 any residential **[or non-commercial]** property. Home improvement  
32 shall also include insulation, installation, **[home elevation,]** and the  
33 conversion of existing commercial structures into residential **[or**  
34 **non-commercial]** property. Home improvement shall not include  
35 the construction of a new residential property.

36 "Home improvement contract" means **[an oral or]** a written  
37 agreement , or oral agreement if the cost of services is expected to  
38 be \$500 or less, for the performance of a home improvement  
39 between a home improvement or home elevation contractor  
40 business and an owner, tenant or lessee, of a residential **[or**  
41 noncommercial] property, and includes all agreements under which  
42 the contractor is to perform labor or render services for home  
43 improvements or for home elevations, or furnish materials in  
44 connection therewith.

45 “Limited specialty services license” means a license issued by  
46 the board that authorizes an individual only to perform services in a  
47 specialty of home improvement the scope of which shall be  
48 determined by the board.

1 “Limited specialty services licensee” means an individual  
2 licensed by the board to provide limited specialty home  
3 improvement services.

4 “Principal home improvement contractor” or “principal home  
5 elevation contractor” means a licensed home improvement or home  
6 elevation contractor who oversees the performance of services for  
7 contracts (1) valued at a minimum of \$120,000 and (2) that require  
8 the submittal of plans with more than one subcode. A principal  
9 home improvement or principal home elevation contractor may also  
10 provide services as a home improvement contractor or home  
11 elevation contractor if a contract is valued at less than \$120,000 or  
12 does not require submittal of plans with more than one subcode.

13 "Residential **【or non-commercial】** property" means any single or  
14 multi-unit structure used in whole or in part as a place of residence,  
15 and all structures appurtenant thereto, and any portion of the lot or  
16 site on which the structure is situated which is devoted to the  
17 residential use of the structure.<sup>4</sup>

18 (cf: P.L.2014, c.34, s.3)

19

20 <sup>4</sup>27. Section 3 of P.L.2004, c.16 (C.56:8-138) is amended to  
21 read as follows:

22 3. a. **【On or after December 31, 2005, no person】** No  
23 contractor business shall offer to perform, or engage, or attempt to  
24 engage in the business of making or selling home improvements  
25 unless registered with the Division of Consumer Affairs in  
26 accordance with the provisions of **【this act】** P.L.2004, c.16 (C.56:8-  
27 136 et seq.).

28 b. Every contractor business shall annually register with the  
29 director. Application for registration shall be on a form provided by  
30 the division and shall be accompanied by a reasonable fee, set by  
31 the director in an amount sufficient to defray the division's expenses  
32 incurred in administering and enforcing **【this act】** P.L.2004, c.16  
33 (C.56:8-136 et seq.).

34 c. Every contractor business required to register under **【this**  
35 **act】** P.L.2004, c.16 (C.56:8-136 et seq.) shall file an amended  
36 registration within 20 days after any change in the information  
37 required to be included thereon. No fee shall be required for the  
38 filing of an amendment.

39 d. A contractor business that performs home improvement or  
40 home elevation services pursuant to a contract (1) valued at  
41 minimum of \$120,000 and (2) that require the submittal of plans  
42 with more than one subcode shall be required to employ at least one  
43 licensed principal home improvement contractor or licensed  
44 principal home elevation contractor, as applicable.

45 e. A contractor business that performs home improvement or  
46 home elevation services pursuant to contracts valued at less than  
47 \$120,000 shall be required to employ at least one licensed home  
48 improvement or licensed home elevation contractor, as applicable,

1 unless the registered contractor business performs only limited  
2 specialty services.

3 f. A contractor business that performs services pursuant to  
4 contracts valued at less than \$120,000 and offers only specialty  
5 services shall employ at least one individual who holds a limited  
6 specialty services license that corresponds to the services that the  
7 contractor business offers. A contractor business that does not  
8 employ a principal home improvement or principal home elevation  
9 contractor or a licensed home improvement or licensed home  
10 elevation contractor shall offer services only in the specialties for  
11 which the business employs limited specialty services licensees.

12 g. A contractor business that is required to employ a principal  
13 home improvement or principal home elevation contractor pursuant  
14 to subsection d. of this section, a licensed home improvement or  
15 licensed home elevation contractor pursuant to subsection e. of this  
16 section, or a limited specialty services licensee pursuant to  
17 subsection f. of this section shall, in its application for initial  
18 registration and for registration renewal, disclose the identity of the  
19 applicable contractor and update the division within 10 days if the  
20 identity of the applicable contractor changes.

21 h. The provisions of subsections d. through g. of this section  
22 shall remain inoperative until the first day of the sixth month next  
23 following the promulgation of rules and regulations by the New  
24 Jersey State Board of Home Improvement and Home Elevation  
25 Contractors.<sup>4</sup>

26 (cf: P.L.2004, c.155, s.1)

27

28 <sup>4</sup>28. Section 1 of P.L.2013, c.144 (C.56:8-138.1) is repealed.<sup>4</sup>

29

30 <sup>4</sup>29. Section 1 of P.L.2014, c.34 (C.56:8-138.2) is amended to  
31 read as follows:

32 1. a. In addition to complying with the other requirements  
33 of the "Contractors' Business Registration Act," P.L.2004, c.16  
34 (C.56:8-136 et seq.), no **person** business shall offer to perform, or  
35 engage, or attempt to engage in the business of home elevation  
36 unless registered with the division as a home elevation contractor  
37 business.

38 b. The division shall adopt rules and regulations pursuant to  
39 the provisions of the "Administrative Procedure Act," P.L.1968,  
40 c.410 (C.52:14B-1 et seq.), to effectuate the provisions of P.L.2014,  
41 c.34 (C.56:8-138.2 et al.) with regard to registration of home  
42 elevation **contractors** contractor business, and may establish fees  
43 for this purpose. Notwithstanding the provisions of the  
44 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
45 seq.) to the contrary, the Division of Consumer Affairs may adopt  
46 immediately upon filing with the Office of Administrative Law  
47 rules and regulations for this purpose, which shall be effective for a  
48 period not to exceed 270 days following the date of enactment of  
49 P.L.2014, c.34 (C.56:8-138.2 et al.), and may thereafter be

1 amended, adopted, or readopted, by the division in accordance with  
2 the requirements of the "Administrative Procedure Act".

3 c. In addition to any other civil or criminal penalty that may  
4 apply, any person who makes a false statement in connection with  
5 the process for registration as a home elevation contractor business  
6 pursuant to this section or in regard to any statement required to be  
7 made pursuant to section 7 of P.L.2004, c.16 (C.56:8-142) shall be  
8 liable for a civil penalty of not less than \$10,000 or more than  
9 \$25,000. Such penalty may be imposed by the director and shall be  
10 collected by summary proceedings instituted in accordance with the  
11 "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10  
12 et seq.).

13 d. In addition to any other action that may be authorized by  
14 law, the director may suspend or revoke the home improvement  
15 contractor business registration and home elevation contractor  
16 business registration of any **【person who】** business that violates any  
17 provision of P.L.2014, c.34 (C.56:8-138.2 et al.). In the case of a  
18 suspension or revocation of a registration of a contractor business,  
19 the division shall notify the board.<sup>4</sup>

20 (cf: P.L.2014, c.34, s.1)

21  
22 <sup>4</sup>30. Section 4 of P.L.2004, c.16 (C.56:8-139) is amended to  
23 read as follows:

24 4. Except for **【persons】** businesses exempted pursuant to  
25 section 5 of **【this act】** P.L.2004, c.16 (C.56:8-140), any **【person**  
26 **who】** business that advertises in print or electronic media or puts  
27 out any sign or card or other device on or after December 31, 2005,  
28 which would indicate to the public that **【he】** it is a contractor in  
29 New Jersey, or **【who】** that causes **【his】** its name or business name  
30 to be included in a classified advertisement or directory in New  
31 Jersey on or after December 31, 2005, under a classification for  
32 home improvements covered by **【this act】** P.L.2004, c.16 (C.56:8-  
33 136 et seq.), is subject to the provisions of **【this act】** P.L.2004, c.16  
34 (C.56:8-136 et seq.). This section shall not be construed to apply to  
35 simple residential alphabetical listings in standard telephone  
36 directories.<sup>4</sup>

37 (cf: P.L.2004, c.155, s.2)

38  
39 <sup>4</sup>31. Section 6 of P.L.2004, c.16 (C.56:8-141) is amended to  
40 read as follows:

41 6. In addition to any other procedure, condition or information  
42 required by **【this act】** P.L.2004, c.16 (C.56:8-136 et seq.):

43 a. Every applicant shall file a disclosure statement with the  
44 director stating whether the applicant has been convicted of any  
45 crime, which for the purposes of **【this act】** P.L.2004, c.16 (C.56:8-  
46 136 et seq.) shall mean a violation of any of the following  
47 provisions of the "New Jersey Code of Criminal Justice," Title 2C



1 of the New Jersey Statutes, or the equivalent under the laws of any  
2 other jurisdiction:

- 3 (1) Any crime of the first degree;  
4 (2) Any crime which is a second or third degree crime and is a  
5 violation of chapter 20 or 21 of Title 2C of the New Jersey Statutes;  
6 or  
7 (3) Any other crime which is a violation of N.J.S.2C:5-1, 2C:5-  
8 2, 2C:11-2 through 2C:11-4, 2C:12-1, 2C:12-3, 2C:13-1, 2C:14-2,  
9 2C:15-1, subsection a. or b. of 2C:17-1, subsection a. or b. of  
10 2C:17-2, 2C:18-2, 2C:20-4, 2C:20-5, 2C:20-7, 2C:20-9, 2C:21-2  
11 through 2C:21-4, 2C:21-6, 2C:21-7, 2C:21-12, 2C:21-14, 2C:21-15,  
12 or 2C:21-19, chapter 27 or 28 of Title 2C of the New Jersey  
13 Statutes, N.J.S.2C:30-2, 2C:30-3, 2C:35-5, 2C:35-10, 2C:37-1  
14 through 2C:37-4.

15 b. The director may refuse to issue or may suspend or revoke  
16 any registration issued by him upon proof that the applicant or  
17 holder of the registration:

- 18 (1) Has obtained a registration through fraud, deception or  
19 misrepresentation;  
20 (2) Has engaged in the use or employment of dishonesty, fraud,  
21 deception, misrepresentation, false promise or false pretense;  
22 (3) Has engaged in gross negligence, gross malpractice or gross  
23 incompetence;  
24 (4) Has engaged in repeated acts of negligence, malpractice or  
25 incompetence;  
26 (5) Has engaged in professional or occupational misconduct as  
27 may be determined by the director;  
28 (6) Has been convicted of any crime **【involving moral turpitude**  
29 **or any crime relating adversely】** that has a direct and substantial  
30 relationship to the activity regulated by **【this act】** P.L.2004, c.16  
31 (C.56:8-136 et seq.) or is of a nature such that registration of the  
32 individual would be inconsistent with the public's health, safety, or  
33 welfare. For the purpose of this subsection a plea of guilty, non  
34 vult, nolo contendere or any other such disposition of alleged  
35 criminal activity shall be deemed a conviction;  
36 (7) Has had his authority to engage in the activity regulated by  
37 the director revoked or suspended by any other state, agency or  
38 authority for reasons consistent with this section;  
39 (8) Has violated or failed to comply with the provisions of any  
40 act or regulation administered by the director;  
41 (9) Is incapable, for medical or any other good cause, of  
42 discharging the functions of a **【licensee】** registrant in a manner  
43 consistent with the public's health, safety and welfare.

44 c. An applicant whose registration is denied, suspended, or  
45 revoked pursuant to this section shall, upon a written request  
46 transmitted to the director within 30 calendar days of that action, be  
47 afforded an opportunity for a hearing in a manner provided for  
48 contested cases pursuant to the "Administrative Procedure Act,"  
49 P.L.1968, c.410 (C.52:14B-1 et seq.).

1 d. An applicant shall have the continuing duty to provide any  
2 assistance or information requested by the director, and to cooperate  
3 in any inquiry, investigation, or hearing conducted by the director.

4 e. If any of the information required to be included in the  
5 disclosure statement changes, or if additional information should be  
6 added after the filing of the statement, the applicant shall provide  
7 that information to the director, in writing, within 30 calendar days  
8 of the change or addition.

9 f. Notwithstanding the provisions of paragraph (6) of  
10 subsection b. of this section, no individual shall be disqualified  
11 from registration or shall have registration revoked [on the basis of  
12 any conviction disclosed if the individual has affirmatively  
13 demonstrated to the director clear and convincing evidence of the  
14 individual's rehabilitation. In determining whether an individual  
15 has affirmatively demonstrated rehabilitation, the following factors  
16 shall be considered:

17 (1) The nature and responsibility of the position which the  
18 convicted individual would hold;

19 (2) The nature and seriousness of the offense;

20 (3) The circumstances under which the offense occurred;

21 (4) The date of the offense;

22 (5) The age of the individual when the offense was committed;

23 (6) Whether the offense was an isolated or repeated incident;

24 (7) Any social conditions which may have contributed to the  
25 offense; and

26 (8) Any evidence of rehabilitation, including good conduct in  
27 prison or in the community, counseling or psychiatric treatment  
28 received, acquisition of additional academic or vocational  
29 schooling, successful participation in correctional work-release  
30 programs, or the recommendation of persons who have had the  
31 individual under their supervision] solely because the person has  
32 been convicted of or engaged in acts constituting any crime or  
33 offense, unless the crime or offense has a direct or substantial  
34 relationship to the activity regulated by P.L.2004, c.16 (C.56:8-136  
35 et seq.) or is of a nature such that registration of the person would  
36 be inconsistent with the public's health, safety, or welfare. For the  
37 purposes of this section, a judgment of conviction or a plea of  
38 guilty, non vult, nolo contendere or any other such disposition of  
39 alleged criminal activity shall be deemed a conviction. In making  
40 this determination, an entity shall consider the following:

41 (a) the nature and seriousness of the crime or offense and the  
42 passage of time since its commission;

43 (b) the relationship of the crime or offense to the purposes of  
44 regulating the profession or occupation regulated by the entity;

45 (c) any evidence of rehabilitation of the person in the period of  
46 time following the prior conviction that may be made available to  
47 the entity; and

48 (d) the relationship of the crime or offense to the ability,  
49 capacity, and fitness required to perform the duties and discharge

1 the responsibilities of the profession or occupation regulated by the  
2 entity.<sup>4</sup>

3 (cf: P.L.2004, c.16, s.6)

4

5 <sup>4</sup>32. Section 7 of P.L.2004, c.16 (C.56:8-142) is amended to read  
6 as follows:

7 7. a. On or after December 31, 2005, every registered  
8 contractor business who is engaged in home improvements shall  
9 secure, maintain and file with the director proof of a certificate of  
10 commercial general liability insurance in a minimum amount of  
11 \$500,000 per occurrence and workers' compensation insurance  
12 unless exempted by law.

13 b. Every registered contractor business engaged in home  
14 improvements whose commercial general liability insurance policy  
15 or workers' compensation insurance policy is cancelled or  
16 nonrenewed shall submit to the director a copy of the certificate of  
17 commercial general liability insurance or workers' compensation  
18 insurance for a new or replacement policy which meets the  
19 requirements of subsection a. of this section **【before the former**  
20 **policy is no longer effective】** as soon as is practicable following the  
21 cancellation or nonrenewal of the former policy, but in no case  
22 more than 10 days following the cancellation or nonrenewal of the  
23 former policy.

24 c. Every home elevation contractor business engaged in  
25 performing home elevations, in addition to the insurance required  
26 pursuant to subsection a. of this section, shall secure and maintain  
27 cargo or other insurance that specifically covers home elevation  
28 activities, in a minimum amount of \$1,000,000 per occurrence to  
29 cover damages or other losses to the homeowner, lessee, tenant or  
30 other party resulting from a home elevation, except as otherwise  
31 provided in this subsection. The Director of the Division of  
32 Consumer Affairs in consultation with the Department of Banking  
33 and Insurance may promulgate rules and regulations to implement  
34 this subsection, which rules and regulations also may require that  
35 **【home elevation contractors】** contractor businesses engaged in  
36 home elevations secure and maintain additional insurance of such  
37 kind and in such amounts as the director may determine in  
38 consultation with the Department of Banking and Insurance. **【In**  
39 **addition to or as an alternative to the insurance required by this**  
40 **subsection, the director may also require the posting of a bond in**  
41 **favor of the owner, lessee, tenant or other party to the home**  
42 **improvement contract for home elevation. Every bond and**  
43 **insurance policy required to be maintained under this subsection**  
44 **shall provide that the issuer of that bond or policy shall give the**  
45 **director written notice of cancellation or non-renewal of the bond or**  
46 **policy within 10 days of the cancellation or non-renewal.】**

47 d. A home elevation contractor business, prior to entering into  
48 an agreement to perform a home elevation, shall provide proof of

- 1 insurance to the homeowner including the issuing insurer, policy  
2 number, type, and amount of insurance coverage maintained by the  
3 contractor business in accordance with this section.
- 4 e. Every contractor business that is engaged in home  
5 improvement or home elevation services shall maintain, in effect  
6 during the entire period of registration:
- 7 (1) a compliance bond issued by one or more sureties authorized  
8 to transact business in this State;
- 9 (2) an irrevocable letter of credit issued by a bank; or
- 10 (3) securities, moneys or other security acceptable to the  
11 division to fulfill the requirements of this section.
- 12 f. The principal sum of the compliance bond, letter of credit, or  
13 securities, moneys or other security shall be a minimum of:
- 14 (1) \$50,000 for the performance of services pursuant to a  
15 contract valued at more than \$120,000 or for the performance of  
16 services, in the previous 12 months, for contracts valued at a  
17 minimum of \$750,000;
- 18 (2) \$25,000 for the performance of services pursuant to a  
19 contract valued between \$10,000 and \$120,000 or for the  
20 performance of services, in the previous 12 months, for contracts  
21 valued between \$150,000 and \$750,000; and
- 22 (3) \$10,000 for the performance of services pursuant to a  
23 contract valued at less than \$10,000 or for the performance of  
24 services, in the previous 12 months, for contracts valued less than  
25 \$150,000.
- 26 g. The contractor business shall, from time to time, to the  
27 extent that claims are paid, promptly replenish the amount of the  
28 compliance bond, letter of credit, securities, moneys or other  
29 security maintained pursuant to paragraphs (1) through (3) of  
30 subsection f. of this section.
- 31 h. The compliance bond, letter of credit, or securities, moneys,  
32 or other security shall cover penalties assessed by the division for  
33 violations of P.L.2004, c.16 (C.56:8-136 et seq.).
- 34 i. The compliance bond, letter of credit, or securities, moneys,  
35 or other security shall not be payable for treble damage claims  
36 pursuant to P.L.1960, c.39 (C.56:8-1 et seq.).
- 37 j. The aggregate liability of the surety, bank, or issuer of  
38 securities, moneys or other security to all individuals for all  
39 breaches of the conditions of the compliance bond, letter of credit  
40 or the securities, moneys or other security shall not exceed the  
41 amount of the bond, letter of credit, or the securities, moneys or  
42 other security.
- 43 k. Every bond, letter of credit, or securities, moneys, or other  
44 security shall provide that cancellation or nonrenewal of the bond,  
45 letter of credit, or securities, moneys, or other security shall not be  
46 effective unless and until at least 10 days' notice of intention to  
47 cancel or nonrenew the bond, letter of credit, or securities, moneys,  
48 or other security has been received in writing by the contractor  
49 business from the surety, bank, or other issuer.

1        1. Dollar amounts required pursuant to this section for general  
2 liability insurance and for a compliance bond, letter of credit, or  
3 securities, moneys, or other securities may be adjusted by the  
4 division if a contractor business registered pursuant to section 3 of  
5 P.L.2004, c.16 (C.56:8-138) provides only limited specialty  
6 services.<sup>4</sup>

7 (cf: P.L.2014, c.34, s.4)

8  
9        <sup>4</sup>33. Section 11 of P.L.2004, c.16 (C.56:8-146) is amended to  
10 read as follows:

11        11. a. It is an unlawful practice and a violation of P.L.1960,  
12 c.39 (C.56:8-1 et seq.) to violate any provision of **【this act】**  
13 P.L.2004, c.16 (C.56:8-136 et seq.).

14        b. In addition to any other penalty provided by law, a person  
15 who knowingly violates any of the provisions of **【this act】**  
16 P.L.2004, c.16 (C.56:8-136 et seq.) is guilty of a crime of the fourth  
17 degree.<sup>4</sup>

18 (cf: P.L.2004, c.16, s.11)

19  
20        <sup>4</sup>34. Section 2 of P.L.2021, c.482 (C.56:8-146.1) is amended to  
21 read as follows:

22        2. In addition to any other penalty provided by law, a **【person**  
23 **who】** a person who or contractor business that knowingly violates  
24 section 10 of P.L.2004, c.16 (C.56:8-145) or who otherwise  
25 transfers a registration obtained pursuant to section 3 of P.L.2004,  
26 c.16 (C.56:8-138) shall be liable to a civil penalty of not more than  
27 \$15,000 for the first violation and not more than \$25,000 for the  
28 second and each subsequent violation.<sup>4</sup>

29 (cf: P.L.2021, c.482, s.2)

30  
31        <sup>4</sup>35. Section 12 of P.L.2004, c.16 (C.56:8-147) is repealed.<sup>4</sup>

32  
33        <sup>4</sup>36. Section 13 of P.L.2004, c.16 (C.56:8-148) is amended to  
34 read as follows:

35        13. **【This act】** P.L.2004, c.16 (C.56:8-136 et seq.) shall not deny  
36 to any municipality the power to inspect a **【contractor's】** contractor  
37 business' work or equipment, the work of a contractor business  
38 **【who】** that performs improvements to commercial property, or the  
39 power to regulate the standards and manners in which the  
40 **【contractor's】** contractor business' work shall be done.<sup>4</sup>

41 (cf: P.L.2004, c.16, s.13)

42  
43        <sup>4</sup>37. Section 14 of P.L.2004, c.16 (C.56:8-149) is amended to  
44 read as follows:

45        14. a. The director shall establish and undertake a public  
46 information campaign to educate and inform contractors and  
47 contractor businesses and the consumers of this State of the

1 provisions of **[this act]** P.L.2004, c.16 (C.56:8-136 et seq.). The  
2 public information campaign shall include, but not be limited to, the  
3 preparation, printing and distribution of booklets, pamphlets or  
4 other written pertinent information.

5 b. The director shall provide a toll-free telephone number for  
6 consumers making inquiries regarding contractors and contractor  
7 businesses.<sup>4</sup>

8 (cf: P.L.2004, c.16, s.14)

9  
10 <sup>4</sup>38. Section 15 of P.L.2004, c.16 (C.56:8-150) is amended to  
11 read as follows:

12 15. Nothing in **[this act]** P.L.2004, c.16 (C.56:8-136 et seq.)  
13 shall limit the application of P.L.1960, c.39 (C.56:8-1 et seq.), or  
14 any regulations promulgated thereunder, in regard to the  
15 registration or regulation of contractors and contractor businesses.<sup>4</sup>

16 (cf: P.L.2004, c.16, s.15)

17  
18 <sup>4</sup>39. Section 16 of P.L.2004, c.16 (C.56:8-151) is amended to  
19 read as follows:

20 16. a. **[On or after December 31, 2005, every]** Every home  
21 improvement contract for a purchase price in excess of \$500, and  
22 all changes in the terms and conditions of the contract, shall be in  
23 writing. The contract shall be signed by all parties thereto,  
24 including the home improvement contractor licensed pursuant to  
25 P.L. , c. (C. ) (pending before the Legislature as this bill)  
26 and shall clearly and accurately set forth in legible form and in  
27 understandable language all terms and conditions of the contract,  
28 including but not limited to:

29 (1) The legal name, business address, and registration number of  
30 the contractor business, any contractor who will provide home  
31 improvement services, and the license number of the contractor  
32 licensed pursuant to P.L. , c. (C. ) (pending before the  
33 Legislature as this bill);

34 (2) A copy of the certificate of commercial general liability  
35 insurance required of a contractor business pursuant to section 7 of  
36 **[this act]** P.L.2004, c.16 (C.56:8-142) and the telephone number of  
37 the insurance company issuing the certificate; and

38 (3) The total price or other consideration to be paid by the  
39 owner, including the finance charges.

40 b. On or after December 31, 2005, a home improvement  
41 contract may be cancelled by a consumer for any reason at any time  
42 before midnight of the third business day after the consumer  
43 receives a copy of it. In order to cancel a contract the consumer  
44 shall notify the contractor business of the cancellation in writing, by  
45 registered or certified mail, return receipt requested, or by personal  
46 delivery, to the address specified in the contract. All moneys paid  
47 pursuant to the cancelled contract shall be fully refunded within 30  
48 days of receipt of the notice of cancellation. If the consumer has

1 executed any credit or loan agreement through the contractor  
2 business to pay all or part of the contract, the agreement or note  
3 shall be cancelled without penalty to the consumer and written  
4 notice of that cancellation shall be mailed to the consumer within  
5 30 days of receipt of the notice of cancellation. The contract shall  
6 contain a conspicuous notice printed in at least 10-point bold-faced  
7 type as follows:

8

9 "NOTICE TO CONSUMER

10 YOU MAY CANCEL THIS CONTRACT AT ANY TIME  
11 BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY AFTER  
12 RECEIVING A COPY OF THIS CONTRACT. IF YOU WISH TO  
13 CANCEL THIS CONTRACT, YOU MUST EITHER:

14 1. SEND A SIGNED AND DATED WRITTEN NOTICE OF  
15 CANCELLATION BY REGISTERED OR CERTIFIED MAIL,  
16 RETURN RECEIPT REQUESTED; OR

17 2. PERSONALLY DELIVER A SIGNED AND DATED  
18 WRITTEN NOTICE OF CANCELLATION TO:

19 (Name of Contractor Business)

20 (Address of Contractor Business)

21 (Phone Number of Contractor Business)

22 If you cancel this contract within the three-day period, you are  
23 entitled to a full refund of your money. Refunds must be made  
24 within 30 days of the **【contractor's】** contractor business's receipt of  
25 the cancellation notice."<sup>4</sup>

26 (cf: P.L.2004, c.155, s.4)

27

28 <sup>4</sup>40. (New section) This act shall be effective immediately, but  
29 section 9 through 13 shall remain inoperative until such time as  
30 provided in section 5 and sections 7, 8, and 14 through 20 shall be  
31 effective on the first day of the 25th month next following  
32 enactment. The director and the board may take such anticipatory  
33 administrative action in advance thereof as shall be necessary for  
34 implementation of this act.<sup>4</sup>