

SENATE COMMITTEE SUBSTITUTE FOR
Senate, No. 1890

STATE OF NEW JERSEY
220th LEGISLATURE

ADOPTED NOVEMBER 30, 2023

Sponsored by:

Senator GORDON M. JOHNSON

District 37 (Bergen)

Senator ROBERT W. SINGER

District 30 (Monmouth and Ocean)

SYNOPSIS

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

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate Budget and Appropriations Committee.



1 **AN ACT** concerning the regulation of home improvement and home
2 elevation contractors, revising various parts of the statutory law,
3 and supplementing Title 45 of the Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. (New section) Sections 1 through 24 of P.L. , c.
9 (C.) (pending before the Legislature as this bill) shall be
10 known and may be cited as the “Home Improvement and Home
11 Elevation Contractor Licensing Act.”

12
13 2. (New section) As used in P.L. , c. (C.) (pending
14 before the Legislature as this bill):

15 “Board” means the New Jersey State Board of Home
16 Improvement and Home Elevation Contractors.

17 "Contractor" means an individual providing home improvement
18 or home elevation services, or both types of services, for a
19 corporation, partnership, association, sole proprietorship, and any
20 other form of business organization or entity that enters into
21 contracts for home improvement, home elevation, or both types of
22 services with consumers. This shall not include: (1) an individual
23 who owns or manages a home improvement or home elevation
24 business but does not perform home improvement or home elevation
25 services; or (2) employees of or individuals contracted by a sole
26 proprietorship, corporation, partnership, association, or other form of a
27 business entity hired or contracted to sell home improvement or home
28 elevation services, or both types of services. An individual who
29 makes a home improvement or home elevation without
30 compensation shall not be deemed to be a contractor with respect to
31 that service.

32 "Director" means the Director of the Division of Consumer
33 Affairs in the Department of Law and Public Safety.

34 "Division" means the Division of Consumer Affairs in the
35 Department of Law and Public Safety.

36 "Home elevation" means any home improvement that involves
37 raising an entire residential structure to a higher level above the
38 ground.

39 "Home elevation contractor" means a contractor who engages in
40 the practice of home elevation and is authorized to perform home
41 improvement services.

42 "Home improvement" means the remodeling, altering,
43 renovating, repairing, restoring, modernizing, moving, demolishing,
44 installing in, or otherwise improving or modifying of the whole or
45 any part of any residential property. Home improvement shall also
46 include insulation, installation and the conversion of existing

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.

1 commercial structures into residential property. Home improvement
2 shall not include the construction of a new residential property.

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

5 “Limited specialty services license” means a license issued by the
6 board that authorizes an individual only to perform services in a
7 specialty of home improvement, the scope of which shall be
8 determined by the board.

9 “Limited specialty services licensee” means an individual licensed
10 by the board to provide limited specialty home improvement services.

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

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

25

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

46 Each member shall be appointed for a term of five years, except
47 that of the members first appointed, two home improvement
48 contractor members shall serve for a term of three years, two home

1 improvement contractor members shall serve for a term of two
2 years, and one home improvement contractor member shall serve for
3 a term of one year. Each member shall hold office until a successor
4 has been qualified and appointed. Any vacancy in the membership
5 of the board shall be filled for the unexpired term in the manner
6 provided for in the original appointment. No member of the board
7 shall serve more than two successive terms in addition to any
8 unexpired term to which the member has been appointed.

9
10 4. (New section) a. The board shall be entitled to retain all
11 funds collected as a result of fees paid for initial licensure and for
12 licensure renewal, reactivation, and reinstatement to administer and
13 enforce the provisions of P.L. , c. (C.) (pending before the
14 Legislature as this bill).

15 b. Members of the board may be reimbursed for expenses
16 within the limits of funds appropriated or otherwise made available
17 for this purpose and provided with office and meeting facilities and
18 personnel required for the proper conduct of the business of the
19 board.

20
21 5. (New section) a. The board shall organize within 60 days after
22 the appointment of its members and shall annually elect from its
23 members a chairperson and a vice-chairperson, and may appoint a
24 secretary, who need not be a member of the board. The board shall
25 meet at least once a month and may hold additional meetings as
26 necessary to discharge its duties. A majority of board membership
27 shall constitute a quorum.

28 b. The board shall promulgate rules and regulations pursuant to the
29 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.)
30 to effectuate the purposes of P.L. , c. (C.) (pending before the
31 Legislature as this bill). The provisions of sections 9 through 13 of
32 P.L. , c. (C.) (pending before the Legislature as this bill) shall
33 remain inoperative until the first day of the sixth month next following
34 the promulgation by the board of the rules and regulations.

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

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

40 b. develop education requirements and develop or designate an
41 examination or examinations to evaluate the knowledge, ability, and
42 fitness of applicants for licensure to perform as home improvement
43 or home elevation contractors, which shall include examination of
44 State law on home improvement for individuals seeking licensure as
45 home improvement contractors, or on home improvement and home
46 elevation for individuals seeking licensure as home elevation
47 contractors. 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 the curriculum for or identifying courses in which
6 an applicant may enroll in to prepare for licensing examinations
7 developed or designated pursuant to paragraph (1) of this
8 subsection;
- 9 c. review the qualifications of applicants for licensure;
- 10 d. issue and renew, on a biennial basis, licenses for home
11 improvement and home elevation contractors;
- 12 e. refuse to admit an applicant for an examination or suspend,
13 revoke, or refuse to renew a license pursuant to the provisions of
14 P.L.1978, c.73 (C.45:1-14 et seq.) and, in the case of a suspension,
15 revocation, or refusal to renew, notify the contractor business
16 registered pursuant to P.L.2004, c.16 (C.56:8-136 et seq.) that
17 employs the licensed individual of the decision and notify the
18 division that the individual is not authorized to perform home
19 improvements, home elevations, or services pursuant to a limited
20 specialty services license on behalf of the registered contractor
21 business that employs the individual until such time as the license is
22 restored;
- 23 f. adopt a code of ethics and standards of conduct for licensed
24 home improvement and home elevation contractors;
- 25 g. establish and change, if necessary, applicable fees including
26 for initial licensure and licensure renewal, reactivation and
27 reinstatement;
- 28 h. establish standards for continuing education requirements;
- 29 i. promulgate rules and regulations pursuant to the
30 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
31 seq.);
- 32 j. issue, from time to time and as determined by the board,
33 limited specialty services licenses in home improvement contracting
34 specialties, including, but not limited to, drywall installation; painting
35 and plastering; roofing; and carpeting and flooring;
- 36 (1) The board shall establish requirements for licensure in a
37 limited specialty service, which may include the passage of an
38 examination specific to the specialty.
- 39 (2) An individual may hold more than one limited specialty
40 services license.
- 41 (3) An individual who is not licensed as a home improvement or
42 home elevation contractor but has a limited specialty services license
43 issued by the board may provide any services within the scope of
44 practice, to be determined by the board, of the specialty services
45 license; and
- 46 k. establish standards for:

- 1 (1) the scope of practice for principal home improvement and
2 principal home elevation contractors; home improvement and home
3 elevation contractors; and limited specialty services licensees; and
4 (2) the supervision of employees of home improvement, home
5 elevation, and specialty service businesses.
6
- 7 7. (New section) To be eligible for licensure as a home
8 improvement contractor or as a home elevation contractor, an
9 applicant shall fulfill the following requirements:
- 10 a. be at least 18 years of age;
11 b. demonstrate completion of:
- 12 (1) through submission of an attestation as prescribed by the
13 board, an apprenticeship program registered with or approved by
14 the United States Department of Labor, or similar program as
15 provided by a trade school or other facility accredited by a regional
16 or national accrediting agency recognized by the United States
17 Department of Education, that allows for the applicant to prepare
18 for a career in home improvement or home elevation services; or
19 (2) at least two years of experience performing home
20 improvement services subject to the direct oversight of a home
21 improvement contractor or a home elevation contractor or
22 performing home improvement and home elevation services subject
23 to the direct oversight of a home elevation contractor. “Direct
24 oversight” shall not require the supervising individual to remain on-
25 site. An application for licensure shall require the signature of the
26 applicant, the name and address of the home improvement or home
27 elevation business for whom the applicant worked, and an
28 attestation, in a form as determined by the board, that the applicant,
29 when providing contracting services, adhered to industry best
30 practices and followed standard procedures in a safe and healthy
31 manner. The two years of experience required in this section may be
32 obtained by an applicant who can demonstrate to the board, in a
33 manner and form as determined by the board, the performance of
34 services in home improvement or home elevation:
- 35 (a) under a home improvement or home elevation contractor in
36 another state or jurisdiction of the United States with, as determined by
37 the board, substantially equivalent requirements to the requirements in
38 this State; or
39 (b) through work obtained by the applicant as a home
40 improvement or home elevation contractor in another state or
41 jurisdiction of the United States with, as determined by the board,
42 substantially equivalent requirements to the requirements in this State;
43 c. completion of educational requirements established pursuant
44 to paragraph (1) of subsection b. of section 6 of P.L. , c.
45 (C.) (pending before the Legislature as this bill) and passage of
46 an examination pursuant to paragraph (2) of subsection b. of section
47 6 of P.L. , c. (C.) (pending before the Legislature as this
48 bill);

1 d. submission of a disclosure statement, as prescribed by the
2 board, stating whether the applicant has been convicted of any
3 crime, which for the purposes of P.L. , c. (C.) (pending
4 before the Legislature as this bill) shall mean a violation of section
5 8 of P.L. , c. (C.) (pending before the Legislature as this
6 bill); and

7 e. payment of all applicable fees.

8
9 8. (New section) a. In addition to any other procedure,
10 condition or information required by P.L. , c. (C.) (pending
11 before the Legislature as this bill), every applicant for licensure
12 shall file a disclosure statement with the board, pursuant to
13 subsection d. of section 7 of P.L. , c. (C.) (pending before
14 the Legislature as this bill), stating whether the applicant has been
15 convicted of any crime, which for the purposes of P.L. , c.
16 (C.) (pending before the Legislature as this bill) shall mean a
17 violation of certain provisions of the "New Jersey Code of Criminal
18 Justice," Title 2C of the New Jersey Statutes, or the equivalent
19 under the laws of any other jurisdiction; provided, however, that an
20 applicant shall not be disqualified from licensure or have a license
21 suspended or revoked on the basis of any conviction disclosed,
22 except as provided in subsection b. of this section or in sections 1 or
23 2 of P.L.2021, c.81 (C.45:1-21 and 45:1-21.5).

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

29 (1) Has obtained a license through fraud, deception or
30 misrepresentation;

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

33 (3) Has engaged in gross negligence, gross malpractice or gross
34 incompetence;

35 (4) Has engaged in repeated acts of negligence, malpractice or
36 incompetence;

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

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

48 (7) Has had the authority to engage in the activity regulated by

1 the board revoked or suspended by any other state, agency or
2 authority for reasons consistent with this section;

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

6 (9) Has engaged in any other conduct enumerated in section 8 of
7 P.L.1978, c.73 (C.45:1-21).

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

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

21 e. If any of the information to be included in the disclosure
22 statement, required pursuant to subsection f. of section 7 of P.L. ,
23 c. (C.) (pending before the Legislature as this bill), changes
24 or if additional information should be added after the filing of the
25 statement, the applicant shall provide that information to the board,
26 in writing, within 20 calendar days of the change or addition.

27

28 9. (New section) Except for individuals exempted pursuant to
29 section 11 of P.L. , c. (C.) (pending before the Legislature
30 as this bill), no individual shall perform home improvement
31 services or home elevation services unless licensed by the board.

32

33 10. (New section) a. Except for individuals exempted
34 pursuant to section 11 of P.L. , c. (C.) (pending before the
35 Legislature as this bill), any individual who or business that
36 advertises in print or electronic media or who puts out any sign or
37 card or other device which would indicate to the public that the
38 individual is a contractor in New Jersey or who causes the
39 individual's name or business name to be included in a classified
40 advertisement or directory in New Jersey under a classification for
41 home improvement or home elevation, as defined in section 2 of
42 P.L. , c. (C.) (pending before the Legislature as this bill), is
43 subject to the provisions of P.L. , c. (C.) (pending before
44 the Legislature as this bill). This section shall not be construed to
45 apply to simple residential alphabetical listings in standard
46 telephone directories, including directories or similar lists posted
47 online.

1 b. No individual holding a limited specialty services license
2 shall advertise in print or electronic media or put out any sign or
3 card or other device which would indicate to the public that the
4 individual is licensed as a home improvement or home elevation
5 contractor or is authorized to perform services outside of the scope
6 of the limited specialty services license.

7
8 11. (New section) The provisions of sections 7, 8, 9, 12, 13, 17,
9 and 20 through 23 of P.L. , c. (C.) (pending before the
10 Legislature as this bill) shall not apply to:

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

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

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

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

27 e. Any individual licensed under the provisions of section 16 of
28 P.L.1960, c.41 (C.17:16C-77) but only in conjunction with selling a
29 home repair contract as defined in section 1 of P.L.1960, c.41
30 (C.17:16C-62) and as also applicable to P.L.1968, c.224 (C.17:16C-
31 95 et seq.);

32 f. Any home improvement or home elevation retailer with
33 sales of more than \$50,000,000, or employee of that retailer while
34 acting on behalf of that retailer; and

35 g. Any individual who is seeking a license in home
36 improvement pursuant to paragraph (2) of subsection b. in section 7
37 of P.L. , c. (C.) (pending before the Legislature as this
38 bill).

39
40 12. (New section) a. The provisions of subsections a., b., and c.
41 of section 7 of P.L. , c. (C.) (pending before the
42 Legislature as this bill) shall not apply to an individual who, as of
43 the effective date of P.L. , c. (C.) (pending before the
44 Legislature as this bill), has been registered as a home improvement
45 or home elevation contractor in New Jersey for at least five years.
46 The board shall issue a license to an individual who meets the
47 requirements of this subsection which shall take effect at the time of
48 expiration of the contractor registration previously issued upon

1 submission by an individual of an application in such form as may
2 be prescribed by the board and payment of a fee established by the
3 board.

4 b. An individual who qualifies for licensure as a home
5 improvement or home elevation contractor under subsection a. of
6 this section and who can demonstrate experience overseeing the
7 performance of services for contracts (1) valued at a minimum of
8 \$120,000 and (2) that require the submittal of plans with more than
9 one subcode shall qualify as a principal home improvement or home
10 elevation contractor.

11 c. The provisions of subsections a., b., and c. of section 7 and
12 the provisions of sections 20 through 23 of P.L. , c. (C.)
13 (pending before the Legislature as this bill) shall not apply to an
14 individual who provides services included in the definition of
15 “home improvement” but earns a maximum of \$1,500 per contract
16 and \$25,000 on an annual basis.

17 d. An individual covered under subsection c. of this section
18 shall continue to be subject to the requirement to maintain annual
19 registration pursuant to P.L.2004, c.16 (C.56:8-136 et seq.).

20 e. An individual registered pursuant to subsection d. of this
21 section shall be liable for penalties pursuant to subsection b. of
22 section 8 of P.L. , c. (C.) (pending before the Legislature
23 as this bill) for making false statements, including falsification of
24 records demonstrating earnings in connection with the process to
25 register.

26 f. Upon annual registration renewal, if an individual registered
27 pursuant to subsection d. of this section has earnings that have
28 increased above \$1,500 per contract for services provided during the
29 previous calendar year, or has earned more than \$25,000 performing
30 home improvements during the previous calendar year, the individual
31 shall apply for a biennial license, the fee and additional requirements
32 of which shall be determined by the board.

33
34 13. (New section) The provisions of P.L. , c. (C.)
35 (pending before the Legislature as this bill) shall apply to any
36 individual who engages or seeks to engage in any of the activities in
37 this State which are regulated by the board pursuant to P.L. , c.
38 (C.) (pending before the Legislature as this bill), including
39 individuals whose residence or principal place of business is located
40 outside of this State.

41
42 14. (New section) a. P.L. , c. (C.) (pending before the
43 Legislature as this bill) shall supersede any municipal ordinance or
44 regulation that provides for the licensing of home improvement or
45 home elevation contractors or for the protection of homeowners by
46 bonds or warranties required to be provided by contractor
47 registration businesses pursuant to section 7 of P.L.2004, c.16

1 (C.56:8-142), exclusive of those required by water, sewer, utility, or
2 land use ordinances or regulations.

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

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

11 (1) a contractor who is performing the home improvement or
12 home elevation and who is licensed pursuant to
13 P.L. , c. (C.) (pending before the Legislature as this bill) or
14 who will obtain a license upon expiration of a registration pursuant
15 to section 12 of P.L. , c. (C.) (pending before the
16 Legislature as this bill);

17 (2) an individual who is performing the home improvement or
18 home elevation and is not required to be licensed pursuant to section
19 11 of P.L. , c. (C.) (pending before the Legislature as this
20 bill); or

21 (3) a single-family homeowner who performs plumbing, electrical,
22 or heating, ventilation, and air conditioning work in the homeowner's
23 own dwelling.

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

27

28 15. (New section) a. P.L. , c. (C.) (pending before the
29 Legislature as this bill) shall not deny to any municipality the
30 power, pursuant to the "State Uniform Construction Code Act,"
31 P.L.1975, c.217 (C.52:27D-119 et seq.), to inspect a contractor's
32 work or equipment, the work of a contractor who performs
33 improvements to commercial property, or the power to regulate the
34 standards and manners in which the work of the contractor shall be
35 done.

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

45

46 16. (New section) a. The division shall establish and undertake
47 a public information campaign to educate and inform contractors,
48 applicable businesses, and the consumers of this State of the

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

3 b. The board shall provide a toll-free telephone number for
4 consumers making inquiries regarding any individual engaging in or
5 offering to engage in home improvement, home elevation, or
6 limited specialty services or shall promote, as part of the public
7 information campaign, any toll-free telephone number already
8 established for inquiries.

9
10 17. (New section) a. Any individual seeking to convert a
11 home improvement contractor license into a home elevation license
12 may do so by submitting documentation, as prescribed by the board,
13 demonstrating:

14 (1) at least two years of experience working on home elevations
15 under a home elevation contractor who is licensed pursuant to
16 section 7 of P.L. , c. (C.) (pending before the Legislature
17 as this bill) or qualifies for licensure pursuant to section 12 of
18 P.L. , c. (C.) (pending before the Legislature as this bill);

19 (2) that the individual has not had a home improvement
20 contractor license or registration or a home elevation contractor
21 license or registration revoked or suspended; and

22 (3) that the contractor business registered pursuant to P.L.2004,
23 c.16 (C.56:8-136 et seq.) that employs the contractor maintains cargo
24 or other insurance covering home elevation services as required
25 pursuant to section 7 of P.L.2004, c.16 (C.56:8-142).

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

28 c. The board shall establish the standards and requirements
29 necessary for a limited specialty services licensee to obtain a home
30 improvement or home elevation license.

31
32 18. Section 1 of P.L.1971, c.60 (C.45:1-2.1) is amended to read
33 as follows:

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

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

17
18 19. Section 2 of P.L.1971, c.60 (C.45:1-2.2) is amended to read
19 as follows:

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

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

1 Plumbers, **[and]** the State Real Estate Appraiser Board, and the
2 New Jersey State Board of Home Improvement and Home Elevation
3 Contractors. Each public member shall be appointed for the term
4 prescribed for the other members of the board or commission and
5 until the appointment of his successor. Vacancies shall be filled for
6 the unexpired term only. The Governor may remove any such
7 public member after hearing, for misconduct, incompetency, neglect
8 of duty or for any other sufficient cause.

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

20 It shall be the responsibility of the Attorney General to insure
21 that no individual with the aforementioned association or
22 relationship or any other questionable or potential conflict of
23 interest shall be appointed to serve as a public member of any board
24 regulated by this section.

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

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

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

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

- 1 20. (New section) a. Each licensee shall complete not less than
2 six hours of continuing education requirements as a condition of
3 licensure renewal pursuant to P.L. , c. (C.) (pending before
4 the Legislature as this bill).
- 5 b. The board shall:
- 6 (1) approve continuing education courses, course providers, and
7 instructors. Entities approved by the board as home improvement or
8 home elevation contractor instructors, pursuant to section 20 of
9 P.L. , c. (C.) (pending before the Legislature as this bill),
10 shall be deemed approved providers of continuing education
11 courses. Building, construction, contracting and related
12 professional trade associations that qualify under the standards to be
13 established by the board as approved providers may offer approved
14 continuing education courses;
- 15 (2) confer continuing education credits for courses completed in
16 other states or jurisdictions of the United States on topics approved
17 by the board as appropriate for elective courses, provided that the
18 courses have been approved as continuing education courses by the
19 agency exercising regulatory authority over home improvement or
20 home elevation contractors in the other state or jurisdiction of the
21 United States and that satisfactory evidence of the licensees'
22 attendance at and completion of the courses is provided to the board
23 by the course provider;
- 24 (3) confer continuing education credits for courses offered in
25 this State on topics deemed of a timely nature but which have not
26 been granted prior approval by the board, provided that the courses
27 are advertised prior to the time of offering as not having been
28 approved, the course provider eventually submits and receives
29 approval of the course offering, and satisfactory evidence of the
30 licensee's attendance at and completion of the course is provided to
31 the board by the course provider;
- 32 (4) set parameters for the auditing and monitoring of course
33 providers;
- 34 (5) establish, by regulation, the amount of the application fee
35 payable for continuing education course providers approved by the
36 board and providers seeking approval and individuals seeking
37 approval as instructors of a continuing education course. These fees
38 shall be non-refundable and shall be in amounts which do not
39 exceed the costs incurred by the board to review these applications;
- 40 (6) waive or grant an extension to comply with continuing
41 education requirements, in whole or in part, on the grounds of
42 illness, emergency, hardship or active duty military service; and
- 43 (7) confer continuing education credits upon a licensee who is
44 approved by the board as an instructor of an approved continuing
45 education course offered by an approved provider. Licensees
46 approved by the board to instruct an approved continuing education
47 course shall receive twice the credit conferred upon those licensees
48 attending the course. Regardless of the number of times during a

1 biennial licensure term that the same approved course is taught by
2 that licensee, that licensee shall receive double the continuing
3 education credit for that course only once to satisfy part of the
4 continuing education requirement for the renewal of their license.
5

6 21. (New section)a. Continuing education courses may be
7 delivered in a classroom setting or, to the extent practicable, offered
8 via the Internet or video modalities, subject to the approval by the
9 board of the providers and the content of the courses and of the
10 measures utilized to ensure the security and integrity of the course
11 delivery process. The board may approve continuing education
12 courses which include periodic progress assessments and the
13 achievement of a satisfactory level of performance by the licensee
14 on progress assessments as a condition to continuing to a
15 succeeding segment of the course. The board shall not require, as a
16 condition of the receipt of credit for attendance at any continuing
17 education course, that a licensee pass a comprehensive examination
18 testing the licensee's knowledge of the entire course content.

19 b. A licensee may fulfill all continuing education requirements
20 in-person, via the Internet or video modalities, or through a
21 combination of these options.
22

23 22. (New section)Continuing education requirements, as set
24 forth by the board, shall be completed on or before the date the
25 biennial license expires. Any licensee required to complete
26 continuing education requirements who fails to do so prior to the
27 date of expiration of a biennial license term shall be subject to a
28 reasonable processing fee, as determined by the board, of not more
29 than \$200, unless a waiver was granted by the board pursuant to
30 paragraph (6) of subsection b. of section 20 of P.L. , c. (C.)
31 (pending before the Legislature as this bill).
32

33 23. (New section) a. Not less than 50 percent of the continuing
34 education courses of study that licensees are required to complete as
35 a condition for licensure renewal shall demonstrate significant
36 intellectual or practical content and deal with matters directly
37 related to home improvement or home elevation contracting,
38 workforce safety, or the business of running a company in the home
39 improvement or home elevation industry or trade. In no event shall
40 the board require that courses in these core topics comprise more
41 than 60 percent of the total continuing education hours required for
42 the renewal of any license.

43 b. In the case of continuing education courses and programs,
44 each hour of instruction shall be equivalent to one credit.
45

46 24. (New section) Course providers shall maintain records of the
47 successful completion of continuing education courses by licensees

1 and shall transmit this data to the board in a manner as directed by
2 the board.

3

4 25. Section 1 of P.L.2004, c.16 (C.56:8-136) is amended to read as
5 follows:

6 1. **【This act】** P.L.2004, c.16 (C.56:8-136 et seq.) shall be known
7 and may be cited as the "Contractors' Business Registration Act."
8 (cf: P.L.2004, c.16, s.1)

9

10 26. Section 2 of P.L.2004, c.16 (C.56:8-137) is amended to read as
11 follows:

12 2. As used in **【this act】** P.L.2004, c.16 (C.56:8-136 et seq.):

13 “Board” means the New Jersey State Board of Home Improvement
14 and Home Elevation Contractors.

15 "Contractor" means **【a person engaged in the business of making**
16 **or selling home improvements and includes a corporation,**
17 **partnership, association and any other form of business organization**
18 **or entity, and its officers, representatives, agents and employees】** an
19 individual providing home improvement or home elevation services,
20 or both types of services, for a corporation, partnership, association,
21 sole proprietorship, and any other form of business organization or
22 entity that enters into contracts for home improvement, home
23 elevation, or both types of services.

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

36 "Director" means the Director of the Division of Consumer Affairs
37 in the Department of Law and Public Safety.

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

40 "Home elevation" means any home improvement that involves
41 raising an entire residential **【or non-commercial】** structure to a higher
42 level above the ground.

43 "Home elevation contractor" means a contractor who engages in
44 the practice of home elevation and is authorized to perform home
45 improvement services.

46 "Home improvement" means the remodeling, altering, renovating,
47 repairing, restoring, modernizing, moving, demolishing, or otherwise

1 improving or modifying of the whole or any part of any residential **【or**
2 non-commercial**】** property. Home improvement shall also include
3 insulation, installation, **【home elevation】** and the conversion of
4 existing commercial structures into residential **【or non-commercial】**
5 property. Home improvement shall not include the construction of a
6 new residential property.

7 "Home improvement contract" means **【an oral or】** a written
8 agreement, or oral agreement if the cost of services is expected to be
9 \$500 or less, for the performance of a home improvement between a
10 home improvement or home elevation contractor business and an
11 owner, tenant or lessee, of a residential **【or non-commercial】** property,
12 and includes all agreements under which the contractor is to perform
13 labor or render services for home improvements or for home
14 elevations, or furnish materials in connection therewith.

15 "Limited specialty services license" means a license issued by the
16 board that authorizes an individual only to perform services in a
17 specialty of home improvement, the scope of which shall be
18 determined by the board.

19 "Limited specialty services licensee" means an individual licensed
20 by the board to provide limited specialty home improvement services.

21 "Principal home improvement contractor" or "principal home
22 elevation contractor" means a licensed home improvement or home
23 elevation contractor who oversees the performance of services for
24 contracts (1) valued at a minimum of \$120,000 and (2) that require
25 the submittal of plans with more than one subcode. A principal
26 home improvement or principal home elevation contractor may also
27 provide services as a home improvement contractor or home
28 elevation contractor if a contract is valued at less than \$120,000 or
29 does not require submittal of plans with more than one subcode.

30 "Residential **【or non-commercial】** property" means any single or
31 multi-unit structure used in whole or in part as a place of residence,
32 and all structures appurtenant thereto, and any portion of the lot or site
33 on which the structure is situated which is devoted to the residential
34 use of the structure.

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

36

37 27. Section 3 of P.L.2004, c.16 (C.56:8-138) is amended to read as
38 follows:

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

44 b. Every contractor business shall annually register with the
45 director. Application for registration shall be on a form provided by
46 the division and shall be accompanied by a reasonable fee, set by the
47 director in an amount sufficient to defray the division's expenses

1 incurred in administering and enforcing **[this act]** P.L.2004, c.16
2 (C.56:8-136 et seq.).

3 c. Every contractor business required to register under **[this act]**
4 P.L.2004, c.16 (C.56:8-136 et seq.) shall file an amended registration
5 within 20 days after any change in the information required to be
6 included thereon. No fee shall be required for the filing of an
7 amendment.

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

14 e. A contractor business that performs home improvement or
15 home elevation services pursuant to contracts valued at less than
16 \$120,000 shall be required to employ at least one licensed home
17 improvement or licensed home elevation contractor, as applicable,
18 unless the registered contractor business performs only limited
19 specialty services.

20 f. A contractor business that performs services pursuant to
21 contracts valued at less than \$120,000 and offers only specialty
22 services shall employ at least one individual who holds a limited
23 specialty services license that corresponds to the services that the
24 contractor business offers. A contractor business that does not employ
25 a principal home improvement or principal home elevation contractor
26 or a licensed home improvement or licensed home elevation contractor
27 shall offer services only in the specialties for which the business
28 employs limited specialty services licensees.

29 g. A contractor business that is required to employ a principal
30 home improvement or principal home elevation contractor pursuant to
31 subsection d. of this section, a licensed home improvement or licensed
32 home elevation contractor pursuant to subsection e. of this section, or a
33 limited specialty services licensee pursuant to subsection f. of this
34 section shall, in its application for initial registration and for
35 registration renewal, disclose the identity of the applicable contractor
36 and update the division within 10 days if the identity of the applicable
37 contractor changes.

38 h. The provisions of subsections d. through g. of this section shall
39 remain inoperative until the first day of the sixth month next following
40 the promulgation of rules and regulations by the New Jersey State
41 Board of Home Improvement and Home Elevation Contractors.

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

43

44 28. Section 1 of P.L.2013, c.144 (C.56:8-138.1) is repealed.

45

46 29. Section 1 of P.L.2014, c.34 (C.56:8-138.2) is amended to read
47 as follows:

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

6 b. The division shall adopt rules and regulations pursuant to the
7 provisions of the "Administrative Procedure Act," P.L.1968, c.410
8 (C.52:14B-1 et seq.), to effectuate the provisions of P.L.2014, c.34
9 (C.56:8-138.2 et al.) with regard to registration of home elevation
10 **【contractors】** contractor businesses, and may establish fees for this
11 purpose. Notwithstanding the provisions of the "Administrative
12 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary,
13 the Division of Consumer Affairs may adopt immediately upon filing
14 with the Office of Administrative Law rules and regulations for this
15 purpose, which shall be effective for a period not to exceed 270 days
16 following the date of enactment of P.L.2014, c.34 (C.56:8-138.2 et
17 al.), and may thereafter be amended, adopted, or readopted, by the
18 division in accordance with the requirements of the "Administrative
19 Procedure Act".

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

29 d. In addition to any other action that may be authorized by law,
30 the director may suspend or revoke the home improvement contractor
31 business registration and home elevation contractor business
32 registration of any **【person who】** business that violates any provision
33 of P.L.2014, c.34 (C.56:8-138.2 et al.). In the case of a suspension or
34 revocation of a registration of a contractor business, the division shall
35 notify the board.

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

37
38 30. Section 4 of P.L.2004, c.16 (C.56:8-139) is amended to read as
39 follows:

40 4. Except for **【persons】** businesses exempted pursuant to section
41 5 of **【this act】** P.L.2004, c.16 (C.56:8-140), any **【person who】**
42 business that advertises in print or electronic media or puts out any
43 sign or card or other device on or after December 31, 2005, which
44 would indicate to the public that **【he】** it is a contractor in New Jersey,
45 or **【who】** that causes **【his】** its name or business name to be included
46 in a classified advertisement or directory in New Jersey on or after
47 December 31, 2005, under a classification for home improvements

1 covered by **[this act]** P.L.2004, c.16 (C.56:8-136 et seq.), is subject to
2 the provisions of **[this act]** P.L.2004, c.16 (C.56:8-136 et seq.). This
3 section shall not be construed to apply to simple residential
4 alphabetical listings in standard telephone directories.

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

6
7 31. Section 6 of P.L.2004, c.16 (C.56:8-141) is amended to read as
8 follows:

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

11 a. Every applicant shall file a disclosure statement with the
12 director stating whether the applicant has been convicted of any crime,
13 which for the purposes of **[this act]** P.L.2004, c.16 (C.56:8-136 et
14 seq.) shall mean a violation of any of the following provisions of the
15 "New Jersey Code of Criminal Justice," Title 2C of the New Jersey
16 Statutes, or the equivalent under the laws of any other jurisdiction:

17 (1) Any crime of the first degree;

18 (2) Any crime which is a second or third degree crime and is a
19 violation of chapter 20 or 21 of Title 2C of the New Jersey Statutes; or

20 (3) Any other crime which is a violation of N.J.S.2C:5-1, 2C:5-2,
21 2C:11-2 through 2C:11-4, 2C:12-1, 2C:12-3, 2C:13-1, 2C:14-2,
22 2C:15-1, subsection a. or b. of 2C:17-1, subsection a. or b. of 2C:17-2,
23 2C:18-2, 2C:20-4, 2C:20-5, 2C:20-7, 2C:20-9, 2C:21-2 through
24 2C:21-4, 2C:21-6, 2C:21-7, 2C:21-12, 2C:21-14, 2C:21-15, or 2C:21-
25 19, chapter 27 or 28 of Title 2C of the New Jersey Statutes,
26 N.J.S.2C:30-2, 2C:30-3, 2C:35-5, 2C:35-10, 2C:37-1 through 2C:37-4.

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

30 (1) Has obtained a registration through fraud, deception or
31 misrepresentation;

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

34 (3) Has engaged in gross negligence, gross malpractice or gross
35 incompetence;

36 (4) Has engaged in repeated acts of negligence, malpractice or
37 incompetence;

38 (5) Has engaged in professional or occupational misconduct as
39 may be determined by the director;

40 (6) Has been convicted of any crime **[involving moral turpitude or**
41 **any crime relating adversely]** that has a direct and substantial
42 relationship to the activity regulated by **[this act]** P.L.2004, c.16
43 (C.56:8-136 et seq.) or is of a nature such that registration of the
44 individual would be inconsistent with the public's health, safety, or
45 welfare. For the purpose of this subsection a plea of guilty, non vult,
46 nolo contendere or any other such disposition of alleged criminal
47 activity shall be deemed a conviction;

1 (7) Has had his authority to engage in the activity regulated by the
2 director revoked or suspended by any other state, agency or authority
3 for reasons consistent with this section;

4 (8) Has violated or failed to comply with the provisions of any act
5 or regulation administered by the director;

6 (9) Is incapable, for medical or any other good cause, of
7 discharging the functions of a **【licensee】** registrant in a manner
8 consistent with the public's health, safety and welfare.

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

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

18 e. If any of the information required to be included in the
19 disclosure statement changes, or if additional information should be
20 added after the filing of the statement, the applicant shall provide that
21 information to the director, in writing, within 30 calendar days of the
22 change or addition.

23 f. Notwithstanding the provisions of paragraph (6) of subsection
24 b. of this section, no individual shall be disqualified from registration
25 or shall have registration revoked **【**on the basis of any conviction
26 disclosed if the individual has affirmatively demonstrated to the
27 director clear and convincing evidence of the individual's
28 rehabilitation. In determining whether an individual has affirmatively
29 demonstrated rehabilitation, the following factors shall be considered:

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

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

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

34 (4) The date of the offense;

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

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

37 (7) Any social conditions which may have contributed to the
38 offense; and

39 (8) Any evidence of rehabilitation, including good conduct in
40 prison or in the community, counseling or psychiatric treatment
41 received, acquisition of additional academic or vocational schooling,
42 successful participation in correctional work-release programs, or the
43 recommendation of persons who have had the individual under their
44 supervision **【** solely because the person has been convicted of or
45 engaged in acts constituting any crime or offense, unless the crime
46 or offense has a direct or substantial relationship to the activity
47 regulated by P.L.2004, c.16 (C.56:8-136 et seq.) or is of a nature
48 such that registration of the person would be inconsistent with the

1 public's health, safety, or welfare. For the purposes of this section,
2 a judgment of conviction or a plea of guilty, non vult, nolo
3 contendere or any other such disposition of alleged criminal activity
4 shall be deemed a conviction. In making this determination, an
5 entity shall consider the following:

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

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

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

13 (d) the relationship of the crime or offense to the ability,
14 capacity, and fitness required to perform the duties and discharge
15 the responsibilities of the profession or occupation regulated by the
16 entity.

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

18

19 32. Section 7 of P.L.2004, c.16 (C.56:8-142) is amended to read as
20 follows:

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

26 b. Every registered contractor business engaged in home
27 improvements whose commercial general liability insurance policy or
28 workers' compensation insurance policy is cancelled or nonrenewed
29 shall submit to the director a copy of the certificate of commercial
30 general liability insurance or workers' compensation insurance for a
31 new or replacement policy which meets the requirements of subsection
32 a. of this section **【before the former policy is no longer effective】** as
33 soon as is practicable following the cancellation or nonrenewal of
34 the former policy, but in no case more than 10 days following the
35 cancellation or nonrenewal of the former policy.

36 c. Every home elevation contractor business engaged in
37 performing home elevations, in addition to the insurance required
38 pursuant to subsection a. of this section, shall secure and maintain
39 cargo or other insurance that specifically covers home elevation
40 activities, in a minimum amount of \$1,000,000 per occurrence to cover
41 damages or other losses to the homeowner, lessee, tenant or other
42 party resulting from a home elevation, except as otherwise provided in
43 this subsection. The Director of the Division of Consumer Affairs in
44 consultation with the Department of Banking and Insurance may
45 promulgate rules and regulations to implement this subsection, which
46 rules and regulations also may require that **【home elevation**
47 **contractors】** contractor businesses engaged in home elevations secure
48 and maintain additional insurance of such kind and in such amounts as

1 the director may determine in consultation with the Department of
2 Banking and Insurance. **【In addition to or as an alternative to the**
3 **insurance required by this subsection, the director may also require the**
4 **posting of a bond in favor of the owner, lessee, tenant or other party to**
5 **the home improvement contract for home elevation. Every bond and**
6 **insurance policy required to be maintained under this subsection shall**
7 **provide that the issuer of that bond or policy shall give the director**
8 **written notice of cancellation or non-renewal of the bond or policy**
9 **within 10 days of the cancellation or non-renewal.】**

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

15 e. Every contractor business that is engaged in home
16 improvement or home elevation services shall maintain, in effect
17 during the entire period of registration:

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

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

21 (3) securities, moneys or other security acceptable to the
22 division to fulfill the requirements of this section.

23 f. The principal sum of the compliance bond, letter of credit, or
24 securities, moneys or other security shall be a minimum of:

25 (1) \$50,000 for the performance of services pursuant to a
26 contract valued at more than \$120,000 or for the performance of
27 services, in the previous 12 months, for contracts valued at a
28 minimum of \$750,000;

29 (2) \$25,000 for the performance of services pursuant to a
30 contract valued between \$10,000 and \$120,000 or for the
31 performance of services, in the previous 12 months, for contracts
32 valued between \$150,000 and \$750,000; and

33 (3) \$10,000 for the performance of services pursuant to a
34 contract valued at less than \$10,000 or for the performance of
35 services, in the previous 12 months, for contracts valued less than
36 \$150,000.

37 g. The contractor business shall, from time to time, to the
38 extent that claims are paid, promptly replenish the amount of the
39 compliance bond, letter of credit, securities, moneys or other
40 security maintained pursuant to paragraphs (1) through (3) of
41 subsection f. of this section.

42 h. The compliance bond, letter of credit, or securities, moneys,
43 or other security shall cover penalties assessed by the division for
44 violations of P.L.2004, c.16 (C.56:8-136 et seq.).

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

48 j. The aggregate liability of the surety, bank, or issuer of

1 securities, moneys or other security to all individuals for all
2 breaches of the conditions of the compliance bond, letter of credit
3 or the securities, moneys or other security shall not exceed the
4 amount of the bond, letter of credit, or the securities, moneys or
5 other security.

6 k. Every bond, letter of credit, or securities, moneys, or other
7 security shall provide that cancellation or nonrenewal of the bond,
8 letter of credit, or securities, moneys, or other security shall not be
9 effective unless and until at least 10 days' notice of intention to
10 cancel or nonrenew the bond, letter of credit, or securities, moneys,
11 or other security has been received in writing by the contractor
12 business from the surety, bank, or other issuer.

13 l. Dollar amounts required pursuant to this section for general
14 liability insurance and for a compliance bond, letter of credit, or
15 securities, moneys, or other securities may be adjusted by the division
16 if a contractor business registered pursuant to section 3 of P.L.2004,
17 c.16 (C.56:8-138) provides only limited specialty services.

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

19

20 33. Section 11 of P.L.2004, c.16 (C.56:8-146) is amended to read
21 as follows:

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

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

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

29

30 34. Section 2 of P.L.2021, c.482 (C.56:8-146.1) is amended to read
31 as follows:

32 2. In addition to any other penalty provided by law, a **【person**
33 **who】** a person who or contractor business that knowingly violates
34 section 10 of P.L.2004, c.16 (C.56:8-145) or who otherwise transfers a
35 registration obtained pursuant to section 3 of P.L.2004, c.16 (C.56:8-
36 138) shall be liable to a civil penalty of not more than \$15,000 for the
37 first violation and not more than \$25,000 for the second and each
38 subsequent violation.

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

40

41 35. Section 12 of P.L.2004, c.16 (C.56:8-147) is repealed.

42

43 36. Section 13 of P.L.2004, c.16 (C.56:8-148) is amended to read
44 as follows:

45 13. **【This act】** P.L.2004, c.16 (C.56:8-136 et seq.) shall not deny to
46 any municipality the power to inspect a **【contractor's】** contractor
47 business' work or equipment, the work of a contractor business 【who】

1 that performs improvements to commercial property, or the power to
2 regulate the standards and manners in which the **【contractor's】**
3 contractor business' work shall be done.
4 (cf: P.L.2004, c.16, s.13)

5
6 37. Section 14 of P.L.2004, c.16 (C.56:8-149) is amended to read
7 as follows:

8 14. a. The director shall establish and undertake a public
9 information campaign to educate and inform contractors and
10 contractor businesses and the consumers of this State of the provisions
11 of **【this act】** P.L.2004, c.16 (C.56:8-136 et seq.). The public
12 information campaign shall include, but not be limited to, the
13 preparation, printing and distribution of booklets, pamphlets or other
14 written pertinent information.

15 b. The director shall provide a toll-free telephone number for
16 consumers making inquiries regarding contractors and contractor
17 businesses.
18 (cf: P.L.2004, c.16, s.14)

19
20 38. Section 15 of P.L.2004, c.16 (C.56:8-150) is amended to read
21 as follows:

22 15. Nothing in **【this act】** P.L.2004, c.16 (C.56:8-136 et seq.) shall
23 limit the application of P.L.1960, c.39 (C.56:8-1 et seq.), or any
24 regulations promulgated thereunder, in regard to the registration or
25 regulation of contractors and contractor businesses.
26 (cf: P.L.2004, c.16, s.15)

27
28 39. Section 16 of P.L.2004, c.16 (C.56:8-151) is amended to read
29 as follows:

30 16. a. **【On or after December 31, 2005, every】** Every home
31 improvement contract for a purchase price in excess of \$500, and all
32 changes in the terms and conditions of the contract, shall be in writing.
33 The contract shall be signed by all parties thereto, including the home
34 improvement contractor licensed pursuant to P.L. , c. (C.)
35 (pending before the Legislature as this bill) and shall clearly and
36 accurately set forth in legible form and in understandable language all
37 terms and conditions of the contract, including but not limited to:

38 (1) The legal name, business address, and registration number of
39 the contractor business, any contractor who will provide home
40 improvement services, and the license number of the contractor
41 licensed pursuant to P.L. , c. (C.) (pending before the
42 Legislature as this bill);

43 (2) A copy of the certificate of commercial general liability
44 insurance required of a contractor business pursuant to section 7 of
45 **【this act】** P.L.2004, c.16 (C.56:8-142) and the telephone number of
46 the insurance company issuing the certificate; and

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

3 b. On or after December 31, 2005, a home improvement contract
4 may be cancelled by a consumer for any reason at any time before
5 midnight of the third business day after the consumer receives a copy
6 of it. In order to cancel a contract the consumer shall notify the
7 contractor business of the cancellation in writing, by registered or
8 certified mail, return receipt requested, or by personal delivery, to the
9 address specified in the contract. All moneys paid pursuant to the
10 cancelled contract shall be fully refunded within 30 days of receipt of
11 the notice of cancellation. If the consumer has executed any credit or
12 loan agreement through the contractor business to pay all or part of the
13 contract, the agreement or note shall be cancelled without penalty to
14 the consumer and written notice of that cancellation shall be mailed to
15 the consumer within 30 days of receipt of the notice of cancellation.
16 The contract shall contain a conspicuous notice printed in at least 10-
17 point bold-faced type as follows:

18
19 "NOTICE TO CONSUMER

20 YOU MAY CANCEL THIS CONTRACT AT ANY TIME
21 BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY AFTER
22 RECEIVING A COPY OF THIS CONTRACT. IF YOU WISH TO
23 CANCEL THIS CONTRACT, YOU MUST EITHER:

24 1. SEND A SIGNED AND DATED WRITTEN NOTICE OF
25 CANCELLATION BY REGISTERED OR CERTIFIED MAIL,
26 RETURN RECEIPT REQUESTED; OR

27 2. PERSONALLY DELIVER A SIGNED AND DATED
28 WRITTEN NOTICE OF CANCELLATION TO:

29 (Name of Contractor Business)

30 (Address of Contractor Business)

31 (Phone Number of Contractor Business)

32 If you cancel this contract within the three-day period, you are
33 entitled to a full refund of your money. Refunds must be made within
34 30 days of the **【contractor's】** contractor business's receipt of the
35 cancellation notice."

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

37
38 40. This act shall be effective immediately, but section 9 through
39 13 shall remain inoperative until such time as provided in section 5
40 and sections 7, 8, and 14 through 20 shall be effective on the first day
41 of the twenty-fifth month next following enactment. The director and
42 the board may take such anticipatory administrative action in advance
43 thereof as shall be necessary for implementation of this act.