**SENATE, No. 1915**



STATE OF NEW JERSEY

220th LEGISLATURE



INTRODUCED MARCH 3, 2022

Sponsored by:

Senator NILSA I. CRUZ-PEREZ

District 5 (Camden and Gloucester)

SYNOPSIS

Provides exemption from 3-day cancellation provision of home improvement contract in case of bona fide emergency.

CURRENT VERSION OF TEXT

As introduced.



An Act concerning contractors engaged in home improvements, and amending and supplementing P.L.2004, c.16.

Be It Enacted by the Senate and General Assembly of the State of New Jersey:

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

2. As used in this act:

"Bona fide emergency" means any condition existing on the consumer's residential or non-commercial property or its existing home improvements, which renders, or has the capability to render, the residential or non-commercial property or its existing home improvements uninhabitable or unusable, or causes harm or damage, or has the capability to cause harm or damage, to the residential or non-commercial property or its existing home improvements, and includes, but shall not be limited to, conditions significantly affecting the heating or cooling system, electrical system, plumbing system, ventilation system, roof or outer walls of the residential or non-commercial property.

"Contractor" means a person engaged in the business of making or selling home improvements and includes a corporation, partnership, association and any other form of business organization or entity, and its officers, representatives, agents and employees.

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

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

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

"Home elevation contractor" means a contractor who engages in the practice of home elevation.

"Home improvement" means the remodeling, altering, renovating, repairing, restoring, modernizing, moving, demolishing, or otherwise improving or modifying of the whole or any part of any residential or non-commercial property. Home improvement shall also include insulation installation, home elevation, and the conversion of existing commercial structures into residential or non-commercial property.

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

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

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

2. (New section) a. Notwithstanding the provisions of subsection b. of section 16 of P.L.2004, c.16 (C.56:8-151) to the contrary, a consumer may waive his right to cancel a home improvement contract with a contractor to address a bona fide emergency by executing an emergency authorization form. To obtain a waiver under this section, the contractor shall furnish the consumer with an emergency authorization form, as well as a written estimate of the total costs for the performance of work, including any fees for service calls. This authorization shall permit the contractor to proceed immediately to remedy the bona fide emergency. If the costs of the performance of the work exceeds the estimate provided, the contractor shall obtain further written authorization from the consumer to perform any additional work.

b. Nothing in this section shall prohibit a contractor contacted by a consumer as a result of a bona fide emergency from taking any preliminary steps necessary to remedy a clear and immediate danger that may cause death or serious bodily injury to the parties of the contract or other persons without having to obtain the emergency authorization form.

3. (New section) The director shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary to implement this act.

4. This act shall take effect immediately.

STATEMENT

This bill provides an exemption from the three-day cancellation provision of a home improvement contract in the case of a bona fide emergency.

Under current law, a consumer may cancel a home improvement contract for any reason at any time before midnight of the third business day after the consumer receives a copy of the contract. This bill authorizes a consumer to waive his right to cancel a home improvement contract with a contractor to address a bona fide emergency by executing an emergency authorization form. To exercise this option, the contractor must furnish the consumer with an emergency authorization form and written estimate of the total costs and fees for the work and service provided. In cases where the costs exceed the estimate, the bill requires the contractor to obtain further written authorization to perform any additional work.

The bill also specifies that a contractor may take preliminary steps necessary to remedy a clear and immediate danger without obtaining the emergency authorization form, and defines what constitutes a “bona fide emergency.”