

SENATE, No. 4555

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED SEPTEMBER 28, 2026

Sponsored by:
Senator NILSA I. CRUZ-PEREZ
District 5 (Camden and Gloucester)

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning contractors engaged in home improvements,
2 and amending and supplementing P.L.2004, c.16.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 2 of P.L.2004, c.16 (C.56:8-137) is amended to read
8 as follows:

9 2. As used in P.L.2004, c.16 (C.56:8-136 et seq.):

10 "Board" means the New Jersey State Board of Home
11 Improvement and Home Elevation Contractors.

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

23 "Contractor" means an individual providing home improvement
24 or home elevation services, or both types of services, for a
25 corporation, partnership, association, sole proprietorship, and any
26 other form of business organization or entity that enters into
27 contracts for home improvement, home elevation, or both types of
28 services.

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

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

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

45 "Home elevation" means any home improvement that involves
46 raising an entire residential structure to a higher level above the
47 ground.

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

4 "Home improvement" means the remodeling, altering,
5 renovating, repairing, restoring, modernizing, moving, demolishing,
6 or otherwise improving or modifying of the whole or any part of
7 any residential property. Home improvement shall also include
8 insulation, installation, and the conversion of existing commercial
9 structures into residential property. Home improvement shall not
10 include the construction of a new residential property.

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

19 "Limited specialty services license" means a license issued by
20 the board that authorizes an individual only to perform services in a
21 specialty of home improvement the scope of which shall be
22 determined by the board.

23 "Limited specialty services licensee" means an individual
24 licensed by the board to provide limited specialty home
25 improvement services.

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

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

40 (cf: P.L.2023, c.237, s.26)

41

42 2. (New section) a. Notwithstanding the provisions of
43 subsection b. of section 16 of P.L.2004, c.16 (C.56:8-151) to the
44 contrary, a consumer may waive the consumer's right to cancel a
45 home improvement contract with a contractor to address a bona fide
46 emergency by executing an emergency authorization form. To
47 obtain a waiver under this section, the contractor shall furnish the
48 consumer with an emergency authorization form, as well as a

1 written estimate of the total costs for the performance of work,
2 including any fees for service calls. This authorization shall permit
3 the contractor to proceed immediately to remedy the bona fide
4 emergency. If the costs of the performance of the work exceeds the
5 estimate provided, the contractor shall obtain further written
6 authorization from the consumer to perform any additional work.

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

13
14 3. (New section) The director shall adopt, pursuant to the
15 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
16 1 et seq.), rules and regulations necessary to implement this act.

17
18 4. This act shall take effect immediately.
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21 STATEMENT

22
23 This bill provides an exemption from the three-day cancellation
24 provision of a home improvement contract in the case of a bona fide
25 emergency.

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

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