ASSEMBLY CONSUMER AFFAIRS AND REGULATED PROFESSIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 2258 and 1923

STATE OF NEW JERSEY

DATED: AUGUST 15, 1996

The Assembly Consumer Affairs and Regulated Professions Committee reports favorably the Assembly Committee Substitute for Assembly Bill Nos. 2258 and 1923.

This committee substitute provides for the registration of home improvement contractors with the Director of the Division of Consumer Affairs in the Department of Law and Public Safety.

Under the bill's provisions, every home improvement contractor shall annually register with the director before doing business in this State. The bill also makes violators subject to the provisions of the consumer fraud law, P.L.1960, c.39 (C.56:8-1 et seq.). It is a violation of the provisions of the bill to: make, or cause to be made, publish or cause to be published, any false, misleading, or deceptive advertisement or representation concerning the services or products that a home improvement contractor provides; engage in repeated acts of negligence, malpractice, or incompetence; engage in gross negligence, gross malpractice, or gross incompetence; or engage in any misconduct as may be determined by regulation by the director. In addition, the bill authorizes the Director of the Division of Consumer Affairs to refuse to issue or renew, or to suspend or revoke the registration of any person who violates its provisions.

The bill further requires those registered as home improvement contractors who enter into home improvement contracts to maintain a bond, letter of credit, or securities in an amount established by the Director of the Division of Consumer Affairs.

In addition, the bill requires the director to conduct a program of public education to educate and inform home improvement contractors and consumers of its provisions.