

SENATE, No. 1741

STATE OF NEW JERSEY

INTRODUCED DECEMBER 19, 1996

By Senator CARDINALE

1 **AN ACT** concerning home improvement contractors and
2 supplementing Title 46 of the Revised Statutes.

3

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

6

7 1. This act shall be known and may be cited as the "Home
8 Improvement Contractors Registration and Licensure Act."

9

10 2. As used in this act:

11 "Clerk" means the clerk of the county in which the home
12 improvement contractor proposes to work.

13 "Home improvement" means the remodeling, constructing, erecting,
14 altering, renovating, repairing, restoring, re-roofing, re-siding, moving,
15 demolishing, or otherwise improving or modifying of the whole or any
16 part of any residential property, regardless of whether a construction
17 permit is required pursuant to the "State Uniform Construction Code
18 Act," P.L.1975, c.217 (C.52:27D-119 et seq.).

19 "Home improvement contract" or "contract" means an agreement
20 between a home improvement contractor and a buyer who is the owner
21 or occupant of a residential property for the performance of a home
22 improvement costing \$100 or more.

23 "Home improvement contractor" or "contractor" means an
24 individual, corporation, partnership, association, or other legal entity
25 which offers to perform or performs, either directly or through others,
26 home improvements pursuant to a home improvement contract. The
27 term shall not include:

28 a. any person required to register pursuant to "The New Home
29 Warranty and Builders' Registration Act," P.L.1977, c.467 (C.46:3B-1
30 et seq.);

31 b. any person performing a home improvement upon a residential
32 property he owns, or that is owned by a member of his family, a
33 charity, or other non-profit organization or corporation; and

34 c. any person regulated by the State as an architect, professional
35 engineer, landscape architect, land surveyor, electrical contractor,
36 master plumber, or any other person in any other related profession
37 requiring registration, certification, or licensure by the State, who is

1 acting within the scope of his profession.

2 "Residential property" means any portion of any dwelling unit,
3 planned real estate development, or cooperative, and all structures
4 appurtenant thereto, and any portion of the lot, curtilage, or site on
5 which the unit or structure is situated.

6

7 3. a. A home improvement contractor shall not perform a home
8 improvement or shall not engage in the business of performing home
9 improvements unless registered with the clerk of the county in which
10 the contractor proposes to work in accordance with the provisions of
11 P.L. , c. (C.) (pending before the Legislature as this bill). This
12 subsection shall not be construed to apply to a contractor's
13 advertisements for business in any county in this State, including
14 alphabetical listings in standard telephone directories, as long as the
15 contractor is registered, under the provisions of this act, with at least
16 one clerk of one county in this State.

17 b. Every home improvement contractor doing business in a county
18 in this State shall biennially register with the clerk of the county before
19 the contractor performs a home improvement in that county.
20 Application for registration shall be on a form provided by the clerk
21 and shall be accompanied by a reasonable fee, set by the governing
22 body of the county by ordinance or resolution as appropriate, in an
23 amount sufficient to defray the county's cost of registering home
24 improvement contractors; provided, however, that the initial
25 registration fee assessed under the provisions of this act shall not
26 exceed \$100. Every applicant shall provide the following information:

27 (1) if an individual, the applicant's name, business address, and
28 business telephone number;

29 (2) if a partnership, the names, addresses, and telephone numbers
30 of the general partners;

31 (3) if a joint venture, the names, address, and telephone numbers
32 of all parties to the venture;

33 (4) if a corporation, the names, addresses, and telephone numbers
34 of all officers;

35 (5) evidence of liability insurance and workers' compensation
36 insurance in an amount determined by the governing body, except if
37 the home improvement contractor qualifies as a self-insurer under Title
38 34 of the Revised Statutes or if he is precluded from purchasing
39 workers' compensation under chapter 15 of Title 34 of the Revised
40 Statutes;

41 (6) disclosure of any recorded and unsatisfied judgments against
42 the home improvement contractor; and

43 (7) such other information regarding the applicant and his home
44 improvement business as the governing body may deem appropriate
45 and establish by ordinance or resolution.

46 c. Every home improvement contractor required to register under

1 subsection b. of this section shall file an amended registration within
2 20 days after any change in the information required to be included
3 thereon. No fee shall be required for the filing of an amendment.

4 d. In addition to the requirements set forth in subsections b. and c.
5 of this section, every applicant for registration, or an officer or partner
6 of the firm applying for registration in the case of a partnership, joint
7 venture, or corporation, shall submit to the clerk an affidavit, sworn
8 before a notary public that:

9 (1) the applicant, officer, or partner, as the case may be, has read
10 and understood the provisions of this act; and

11 (2) the applicant, officer or partner, as the case may be, has read
12 and understood the rules and regulations governing the practices of
13 home improvement contractors promulgated by the Director of the
14 Division of Consumer Affairs in the Department of Law and Public
15 Safety pursuant to section 4 of P.L.1960, c.39 (C.56:8-4).

16

17 4. The clerk shall issue a certificate of registration to each
18 applicant who qualifies under this act and shall index and file a copy
19 of the same and make it reasonably available for public inspection.
20 Each certificate shall have a unique registration number. Upon the
21 request of any customer or construction official, a home improvement
22 contractor shall display his certificate of registration.

23

24 5. No court shall enter a judgment for a contractor, in any action
25 instituted by a contractor for enforcement of a home improvement
26 contract, where the contractor has failed to comply with the provisions
27 of this act, until there has been compliance. The court shall continue
28 such case for up to 90 days and if there has not been compliance
29 within such period, the action shall be dismissed.

30

31 6. a. This act shall supersede any municipal ordinance or
32 regulation that provides for the licensing or registration of home
33 improvement contractors.

34 b. An enforcing agency shall not issue a construction permit for
35 any home improvement to any home improvement contractor who is
36 not registered pursuant to the provisions of this act.

37

38 7. This act shall not deny to any municipality the power to inspect
39 a home improvement contractor's work or equipment or the power to
40 regulate the standards and manners in which the contractor's work
41 shall be done.

42

43 8. This act shall take effect on the first day of the sixth month after
44 enactment.

1 STATEMENT
2

3 This bill would establish a Home Improvement Contractors'
4 Registration and Licensure program in each county in this State. The
5 bill would require contractors who are doing home improvements to
6 register with the clerk of the county in which they propose to work,
7 before they begin work, by completing registration forms provided by
8 the clerk and by paying a fee, not to exceed \$100, established by the
9 county's governing body. It would also require contractors to amend
10 their registration within 20 days of any change. There would not be
11 a fee for an amended registration.

12 The bill would not limit a contractor's ability to advertise for
13 business in any county in the State, provided that he was registered
14 under this bill in at least one county and that he registered in the
15 county in which he proposed to work before beginning any home
16 improvement in that county.

17 Further, this bill would supersede any municipal ordinance or
18 regulation providing for the licensing or registering of home
19 improvement contractors, thereby allowing contractors to register
20 once every two years in a county in order to work in any municipality
21 in that county, instead of registering in each municipality.

22 Under this bill, home improvement is defined to mean the
23 remodeling, constructing, erecting, altering, renovating, repairing,
24 restoring, re-roofing, re-siding, moving, demolishing, or otherwise
25 improving or modifying of the whole or any part of any residential
26 property, regardless of whether a construction permit is required
27 pursuant to the "State Uniform Construction Code Act," P.L.1975,
28 c.217 (C.52:27D-119 et seq.).

29 Finally, a contractor who fails to register shall have no judgment
30 entered by a court for the contractor, in any action instituted by him
31 for enforcement of a home improvement contract, where he has failed
32 to comply with the provisions of this act, until there has been
33 compliance. The court shall continue such case for up to 90 days and
34 if there has not been compliance within such period, the action shall be
35 dismissed.

36

37

38

39

40 The "Home Improvement Contractors Registration and Licensure Act.