

P.L.2013, CHAPTER 197, *approved January 17, 2014*
Senate, No. 854 (*Second Reprint*)

1 AN ACT concerning service contracts, and supplementing and
2 amending P.L.1980, c.125.

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

6
7 1. (New section) As used in this act:

8 "Administrator" means a person who performs the third-party
9 administration of a service contract, pursuant to the provisions of
10 section 5 of this act, on behalf of a provider.

11 "Consumer" means a natural person who buys other than for
12 purposes of resale any ¹**["tangible personal"]**¹ property that is
13 distributed in commerce and that is normally used for personal,
14 family, or household purposes and not for business or research
15 purposes.

16 ¹**["Commissioner"]** means the Commissioner of Banking and
17 Insurance.

18 "Department" means the Department of Banking and Insurance. **]**

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

21 "Emergency, life safety, or property safety goods" means any
22 goods provided for installation in, as part of, or for addition to, a
23 system designed to prevent, respond to, alert regarding, suppress,
24 control, or extinguish an emergency or the cause of an emergency,
25 or assist evacuation in the event of an emergency, which emergency
26 could threaten life or property. Examples of these systems include
27 fire alarm, fire sprinkler, fire suppression, fire extinguisher,
28 security, gas detection, intrusion detection, access control, video
29 surveillance and recording, mass notification, public address,
30 emergency lighting, patient wandering, infant tagging, and nurse
31 call.¹

32 "Maintenance agreement" means a contract of limited duration
33 that provides for scheduled maintenance only, and does not include
34 repair or replacement of the property subject to the contract.

35 ¹"Motor vehicle ancillary protection product" means a contract
36 or agreement between a provider and a consumer for a specific

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCM committee amendments adopted June 13, 2013.

²Assembly ABU committee amendments adopted December 12, 2013.

1 duration, for a provider fee or other separately stated consideration,
2 to perform one or more of the following with respect to a motor
3 vehicle:

4 (1) the repair or replacement of tires or wheels on a motor
5 vehicle damaged as a result of coming into contact with road
6 hazards including but not limited to potholes, rocks, wood debris,
7 metal parts, glass, plastic, curbs, or composite scraps;

8 (2) the removal of dents, dings, or creases on a motor vehicle
9 that can be repaired using the process of paintless dent removal
10 without affecting the existing paint finish and without replacing
11 vehicle body panels, sanding, bonding, or painting;

12 (3) the repair of small motor vehicle windshield chips or cracks
13 which may include replacement of the windshield for chips or
14 cracks that cannot be repaired.¹

15 "Non-original manufacturer's part" means a replacement part not
16 made for or by the original manufacturer of the property, commonly
17 referred to as an "after market part."

18 "Person" means any natural person, company, corporation,
19 association, society, firm, partnership, or other similar legal entity.

20 "Premium" means the consideration paid to an insurer for a
21 reimbursement insurance policy, and is subject to any applicable
22 premium tax.

23 "Provider" means a person who is contractually obligated to the
24 service contract holder under the terms of the service contract.

25 "Provider fee" means the consideration paid ²by a consumer² for
26 a service contract, and is not subject to any premium tax.

27 "Reimbursement insurance policy" means a policy of insurance
28 issued to a provider to either provide reimbursement to, or payment
29 on behalf of, the provider under the terms of the insured service
30 contracts issued or sold by the provider, or, in the event of the
31 provider's non-performance, to provide or pay for, on behalf of the
32 provider, all covered contractual obligations incurred by the
33 provider.

34 "Service contract" means a contract or agreement ¹between a
35 provider and a consumer¹ for ¹[a specific] any¹ duration, for a
36 provider fee or other separately stated consideration, to perform ^{2, 2}
37 or to provide indemnification for ²the² performance of,¹ the
38 maintenance, repair, replacement, or service of ¹[a motor vehicle or
39 other]¹ property ¹[, or indemnification for maintenance, repair,
40 replacement, or service]¹ for the operational or structural failure of
41 the ¹[motor vehicle, or residential or other]¹ property¹[,]¹ due to a
42 defect in materials or workmanship ¹[,]¹ or ¹due to¹ normal wear
43 and tear, and which may include additional provisions for incidental
44 payment of indemnity under limited circumstances ¹[, including,
45 but not limited to,] . In the case of a motor vehicle, such
46 circumstances may include¹ towing, rental, and emergency road

1 services, and other road hazard protections. A service contract may
 2 provide for the maintenance, repair, replacement, or service of the
 3 ¹**motor vehicle or other**¹ property for damage resulting from
 4 power surges or interruption, or accidental damage from handling.
 5 ²**A service contract shall not be considered to be an insurance**
 6 **contract, and shall not be subject to regulation as insurance pursuant**
 7 **to Title 17 of the Revised Statutes.]² ¹A service contract also
 8 includes a motor vehicle ancillary protection product. Service
 9 contracts may provide for leak or repair coverage to house roofing
 10 systems.¹ ²A “service contract” does not include a contract in
 11 writing to maintain structural wiring associated with the delivery of
 12 cable, telephone, or other broadband communication services or a
 13 contract in writing related to the delivery of satellite television or
 14 broadband communication services.²**

15 "Service contract holder" or "contract holder" means a ¹**person**
 16 consumer¹ who is the purchaser of a service contract or is entitled
 17 to the contractual ¹**obligations** benefits¹ under the terms of the
 18 contract.

19 "Warranty" means a warranty made solely by the manufacturer,
 20 importer, or seller of property or services without ¹additional¹
 21 consideration, that is incidental to, and not negotiated or separated
 22 from, the sale of the property or services, that guarantees indemnity
 23 for defective materials, parts, mechanical or electrical breakdown,
 24 labor, or workmanship, or provides other remedial measures,
 25 including repair or replacement of the property or repetition of
 26 services.

27
 28 2. (New section) a. ¹**The purpose of this act is to create a legal**
 29 **framework within which service** Service¹ contracts may be issued,
 30 offered for sale, or sold in this State ¹only in accordance with the
 31 provisions of this act¹.

32 b. The following shall be exempt from the provisions of this
 33 act:

- 34 (1) warranties;
 35 (2) maintenance agreements;
 36 (3) service contracts on ¹**tangible**¹ property if the ¹**tangible**¹
 37 property for which the service contract is sold has a purchase price
 38 of \$250 or less, excluding sales tax;
 39 (4) mechanical breakdown insurance policies offered by
 40 licensed insurers pursuant to the insurance laws of this State;
 41 ¹**and**¹
 42 (5) motor club or association membership contracts that
 43 primarily provide for roadside assistance and towing services in
 44 situations that involve impairment of the operation of a member’s
 45 motor vehicle, for reasons that include, but are not limited to,
 46 mechanical breakdown or adverse road conditions;

1 (6) newspapers that accept or publish advertising for items that
2 fall within the scope of this act;

3 (7) service contracts on emergency, life safety, or property safety
4 goods; and

5 (8)¹ service contracts issued, offered, or sold:

6 (a) by a public utility to the extent that the public utility is
7 regulated by the Board of Public Utilities, or by a person providing
8 central heating and air conditioning services, but only with respect
9 to a service contract regarding the product sold to a consumer ¹**【.】**¹
10 or installed or repaired for the consumer at the consumer's
11 household ¹**【.】** by ¹**【the】** a¹ utility ¹, a subsidiary of a utility,¹ or
12 ¹**【by】**¹ a person providing central heating and air conditioning
13 services; or

14 (b) to any person other than a consumer.

15 c. ¹Service contracts are not insurance in this State or
16 otherwise regulated under Title 17 of the Revised Statutes.¹ The
17 making, proposing to make, issuing, marketing, offering, selling,
18 administering of, or providing contractual obligations for, a service
19 contract shall not be construed to be the business of insurance and
20 shall be exempt from regulation as insurance pursuant to Title 17 of
21 the Revised Statutes, however nothing in this act shall be construed
22 to exempt the making, issuing, marketing, offering, or selling of a
23 reimbursement insurance policy from any applicable provisions of
24 Title 17 of the Revised Statutes.

25
26 3. (New section) ¹**【a.】**¹ A provider of service contracts issued,
27 offered for sale, or sold in this State, shall not use in its name the
28 words "insurance," "casualty," "surety," "mutual" or any other
29 word descriptive of the insurance, casualty, or surety business, or a
30 name deceptively similar to the name or description of any
31 insurance or surety corporation, or to the name of any other
32 provider registered pursuant to section 4 of this act, but may use the
33 word "guaranty" or similar word.

34 ¹**【b.】** This section shall not apply to the name of a provider of
35 service contracts in effect prior to the effective date of this act. ¹**【】**¹

36
37 4. (New section) a. A person shall not issue, offer to sell, or
38 sell service contracts in this State unless the provider ¹**【is】** registered
39 with the Department of Banking and Insurance. A provider of
40 service contracts issued, offered for sale, or sold in this State, shall
41 file a registration, to be updated within 30 days of any change in the
42 information included in or filed with the registration, and renewed
43 at least annually, with the department, which shall include: the
44 provider's name, which shall comply with the provisions of section
45 3 of this act; principal business address; name and telephone
46 number of an appropriate contact person; and name and address of
47 the provider's agent for service of process in this State, which may

1 be the commissioner, if the provider's principal business address is
2 not in this State.

3 b. The registration shall also include an attestation from an
4 owner, partner, proprietor, corporate officer or director, or member,
5 as appropriate to the organizational structure of the provider as to
6 the provider's compliance] complies¹ with ¹[at least] one ¹or
7 more¹ of the following means of assuring faithful performance to its
8 contract holders:

9 (1) ¹[insuring] each service contract ¹shall be insured¹ under a
10 reimbursement insurance policy issued by an insurer licensed,
11 registered, or otherwise authorized to transact the business of
12 insurance in this State, and which complies with the provisions of
13 section 6 of this act;

14 (2) ¹[maintaining] a funded reserve account ¹shall be
15 established and maintained¹ for its obligations under each contract
16 issued and outstanding in this State, with reserves ¹calculated at¹
17 not less than ¹[20%] 40%¹ of gross consideration received, ¹then¹
18 less the amount of claims paid ¹[,] ¹under those contracts. ¹If those
19 reserves fall below the minimum required, the provider has 90 days
20 to come into compliance without violating this section.¹ The
21 reserve account shall be subject to examination and review by the
22 ¹[commissioner] director¹ pursuant to section 10 of this act; or

23 (3) ¹[maintaining,] alone or together with the provider's parent
24 or other affiliated corporation, ¹the provider shall maintain¹ a net
25 worth or stockholders' equity of not less than \$100,000,000. ¹[At
26 the time of registration or any time upon] Upon¹ request by the
27 ¹[commissioner] director¹, the provider shall provide the
28 ¹[commissioner] director¹ with a copy of the provider's or its
29 parent's or other affiliated corporation's most recent Form 10-K or
30 Form 20-F, or successor form containing substantially the same
31 information, filed with the Securities and Exchange Commission
32 within the last 12-month period, or if the provider, or parent or
33 other affiliated corporation, does not file this form with the
34 Securities and Exchange Commission, a copy of the entity's audited
35 financial statements, which show a net worth of the provider, or
36 parent or other affiliated corporation, of not less than \$100,000,000.
37 If the provider's parent's or other affiliated corporation's form or
38 financial statements are filed to meet the provider's means of
39 assuring faithful performance to its contract holders, the parent or
40 other affiliated corporation shall agree to guarantee the obligations
41 of the provider.

42 ¹[c.] b.¹ Except for the requirements set forth in subsection
43 ¹[b.] a.¹ of this section, the provider shall not be subject to any
44 additional financial security requirements by the ¹[commissioner]
45 director¹ in order to issue, offer, or sell service contracts in this
46 State.

1 ¹[d. At the time of registration, and annually thereafter, the
2 provider shall pay a fee to the department in the amount of \$500,
3 which the commissioner may adjust pursuant to regulation to reflect
4 the actual costs of administering the provisions of this act.

5 e. (1) Upon acceptance and approval of the registration, the
6 commissioner shall make appropriate information from the
7 registration and any updates available to providers and sellers of
8 service contracts, as well as the public, by posting the information
9 on the department's official Internet website. The information shall
10 include the provider's name, principal business address, telephone
11 number, form of financial security as required pursuant to
12 subsection b. of this section, and any other appropriate information
13 as determined by the commissioner.

14 (2) If the provider fails to comply with any provision of this act
15 after the commissioner's posting of information from the initial
16 registration, the commissioner, upon notice to the provider and
17 opportunity for a hearing which concludes with a finding of
18 noncompliance, shall post on the website that the provider is
19 deemed noncompliant and that the provider or any other seller of
20 the provider's contracts shall no longer offer for sale or sell those
21 contracts until the provider's noncompliance is resolved.]

22 c. In addition to any applicable damages and penalties pursuant
23 to subsection a. of section 10 of ²[this act] P.L. , c. (C.)
24 (pending before the Legislature as this bill)², a person who sells a
25 service contract that is not in compliance with ²[this act] P.L. ,
26 c. (C.) (pending before the Legislature as this bill)² or that is
27 issued by a provider that is not in compliance with ²[this act]
28 P.L. , c. (C.) (pending before the Legislature as this bill)²
29 shall be jointly and severally liable for all covered contractual
30 obligations arising under the terms of ²[that service] such² contract
31 ²[that is not in compliance]² or any service contract sold at a time
32 when the provider of the contract is ²[not in compliance] non-
33 compliant² .¹

34
35 5. (New section) A provider of any service contract issued,
36 offered for sale, or sold in this State may appoint an administrator
37 to perform the third-party administration of any contract, which
38 shall include, but not be limited to:

39 a. ¹[arranging or submitting the information and materials
40 required for the provider's initial or updated registration pursuant to
41 section 4 of this act;

42 b.]¹ maintaining the accounts, books, papers, documents, and
43 other records concerning the provider's activities and transactions
44 regulated under this act;

45 ¹[c.] b.¹ performing or arranging the collection, maintenance, or
46 disbursement of payments on behalf of the provider, related to any

1 claim arising under the provider's contracts; or
2 ¹[d.] c.¹ participating in the processing or adjustment of any
3 claim arising under the provider's contracts.

4
5 6. (New section) a. An insurer issuing a reimbursement
6 insurance policy to a provider for any service contract issued,
7 offered for sale, or sold in this State shall:

8 (1) be deemed to have received the premium for the insurance
9 ¹[policy:

10 (a) upon payment of a provider fee to the provider for the
11 contract; or

12 (b) upon payment or other consideration to the provider by the
13 seller of the contract ¹ upon the payment of the provider fee by a
14 consumer for a service contract issued by an insured provider¹;

15 (2) (a) provide reimbursement to, or payment on behalf of, the
16 provider under the terms of the contract; or

17 (b) in the event of the provider's non-performance, provide or
18 pay for, on behalf of the provider, all covered contractual
19 obligations incurred by the provider;

20 (3) accept a claim arising under the contract directly from a
21 contract holder, if the provider does not comply with any
22 contractual obligation pursuant to the contract within 60 days of
23 presentation of a valid claim by the contract holder; and

24 (4) terminate or not renew the policy covering the contract only
25 after a notice of termination or nonrenewal is presented to the
26 ¹[commissioner] director¹, at least 10 days prior to the termination
27 or nonrenewal of the policy, which termination or nonrenewal shall
28 not reduce the insurer's responsibility for any insured contract
29 issued or sold prior to the date of termination or nonrenewal.

30 b. This section shall not be construed to limit the right of the
31 insurer to seek indemnification or subrogation against the provider
32 if the insurer provides or pays, or is obligated to provide or pay, for
33 any covered contractual obligation incurred by the provider.

34
35 7. (New section) A service contract issued, offered for sale, or
36 sold in this State shall be written ¹[, printed, or typed in clear and
37 understandable language,] in a simple, clear, understandable, and
38 easily readable way¹ and shall contain the requirements set forth in
39 this section, as applicable:

40 a. the provider's name, principal or other appropriate business
41 address, and telephone number;

42 b. ¹[a statement accompanying the provider's name, if the
43 name is exempt from any wording prohibitions pursuant to
44 subsection b. of section 3 of this act, in substantially the following
45 form: "This service contract is not an insurance contract."];

46 c.]¹ the administrator's name, principal or other appropriate
47 business address, and telephone number;

1 ¹**[d.] c.**¹ the service contract holder's name and address, to the
 2 extent this information is furnished by the contract holder ¹,
 3 provided, however, that a provider that bills a consumer for the
 4 provider fee on a periodic basis at a physical or electronic address
 5 provided by the ²service² contract holder shall be exempt from the
 6 requirement of this subsection¹;

7 ¹**[e.] d.**¹ the provider fee, or a reference to any other
 8 documentation which contains the provider fee ¹and the terms under
 9 which the contract is sold¹;

10 ¹**[f.] e.**¹ the property subject to coverage by the service contract,
 11 ¹**[and]**¹ the contractual obligations of the provider with respect to
 12 that property ¹, any limitations, exceptions, and exclusions, a toll-
 13 free telephone number for claim service, and complete instructions
 14 for making a claim for service on or replacement of the property
 15 covered by the contract ², ² or for reimbursement for service on or
 16 replacement of the property¹;

17 ¹**[g.] f.**¹ the amount of any deductible or service fee, as
 18 applicable;

19 ¹**[h.] g.**¹ whether the provider's use of refurbished,
 20 reconditioned, or non-original manufacturer's parts is permitted;

21 ¹**[i.] h.**¹ whether the service contract provides for consequential
 22 damages or preexisting conditions;

23 ¹**[j.] i.**¹ the contractual obligations of the service contract holder,
 24 including, but not limited to, the duty of the contract holder to
 25 comply with the provisions of the owner's manual for the property
 26 and to protect the property against any further damage;

27 ¹**[k.] j.**¹ the conditions governing the transferability of the
 28 service contract;

29 ¹**[l.] k.**¹ the conditions governing the cancellation of the service
 30 contract by the service contract holder, which shall:

31 (1) permit the ¹**[contact] contract**¹ holder, if the contract holder
 32 makes no claim arising under the contract, to cancel the contract:

33 (a) within 10 days of receipt of the contract, or a longer period
 34 specified in the contract, if delivered at the time of purchase; or

35 (b) within 20 days of ²**[receipt of the contract]** the date the
 36 contract was sent to the contract holder², or a longer period
 37 specified in the contract, if ²**[mailed]** not delivered at the time of
 38 purchase²; and

39 (2) ¹if cancelled within the time period specified in
 40 ²**[subparagraphs]** subparagraph² (a) or (b) of paragraph (1) of this
 41 subsection¹, require the provider ¹**[**:

42 (a)¹ to provide the contract holder with the full purchase price
 43 ¹**[of]** or amount paid on¹ the contract by ¹**[**:

44 (i)¹ refund ¹**[;**¹ or

45 ¹**[(ii)]**¹ credit to the account of the contract holder ¹**[;**¹ and

1 ¹**[(b)]**¹ to additionally pay the contract holder a 10% per month
2 penalty, based upon the purchase price of the contract, if the refund
3 or credit is not completed within 45 days of the cancellation of the
4 contract;

5 ¹**[m.]** 1¹ the conditions governing cancellation of the service
6 contract by the provider, prior to the expiration of the contract,
7 which shall:

8 (1) require, except as provided in paragraph (2) of this
9 subsection, that the provider mail a written notice to the contract
10 holder at the contract holder's last known address:

11 (a) which contains the reason for the cancellation and the
12 effective date of the cancellation; and

13 (b) is delivered at least five days prior to the effective date of
14 the cancellation; and

15 (2) explain that a written notice shall not be required if the
16 reason for cancellation is nonpayment of the provider fee, a material
17 misrepresentation or omission, or a substantial breach of contractual
18 obligations concerning the property or its use; and

19 ¹**[n.]** m.¹ whether the service contract is insured by a
20 reimbursement insurance policy, and:

21 (1) if insured, the contract shall contain:

22 (a) the insurer's name, principal or other appropriate business
23 address, and telephone number accompanied by a conspicuous
24 statement in substantially the following form: "Obligations of the
25 provider under this service contract are insured under a service
26 contract reimbursement insurance policy."; and

27 (b) information concerning the procedure for the contract holder
28 to present a claim arising under the contract directly to the
29 reimbursement insurance company, pursuant to the insurer's
30 obligations set forth in section 6 of this act, in the event that the
31 provider does not comply with any contractual obligation pursuant
32 to the contract within 60 days of presentation of a valid claim by the
33 contract holder; or

34 (2) if not insured, the contract shall contain a conspicuous
35 statement in substantially the following form: "Obligations of the
36 provider under this service contract are backed by the full faith and
37 credit of the provider."
38

39 8. (New section) A service contract shall not be issued, offered
40 for sale, or sold in this State unless the provider or seller, if not the
41 provider, presents:

42 a. a receipt for, or other written evidence of, the purchase of
43 the service contract to the contract holder ¹**[**, which shall include
44 the provider's registration number¹]; and

45 b. a copy of the service contract to the service contract holder
46 ¹, which may be presented ²**[online]** electronically² or in writing, at
47 the point of sale or¹ within a reasonable period of time from the

1 date of purchase.

2

3 9. (New section) a. A provider of any service contract issued,
4 offered for sale, or sold in this State shall keep accurate accounts,
5 books, papers, documents, and other records concerning the
6 activities and transactions regulated under this act.

7 b. The provider's accounts, books, papers, documents, and
8 other records shall include:

9 (1) a copy of each contract issued or sold;

10 (2) the name and address of each service contract holder, to the
11 extent this information is furnished by the contract holder; and

12 (3) information concerning any claim arising under each
13 contract, which shall include, but not be limited to, the date of claim
14 filing, claim description, and provider's response.

15 c. (1) Except as provided by paragraph (2) of this subsection,
16 the provider shall retain all records related to a contract required by
17 the provisions of this section for at least one year after the
18 expiration of all contractual obligations under the terms of the
19 contract.

20 (2) A provider discontinuing business in this State shall
21 maintain the means of assuring faithful performance to its contract
22 holders as required by subsection ¹~~['b.']~~ a.¹ of section 4 of this act
23 and all records related to each contract issued or sold in this State
24 until the provider submits appropriate proof, satisfactory to the
25 ¹~~['commissioner']~~ director¹, that it discharged or transferred its
26 contractual obligations for all contracts so issued or sold.

27 d. The records required and maintained pursuant to this section
28 may be maintained electronically or through other record keeping
29 technology, but if maintained in a format other than by hard copy,
30 the records shall be capable of duplication to legible hard copy at
31 the request of the ¹~~['commissioner']~~ director¹.

32

33 10. (New section) a. A violation of any of the provisions of this
34 act shall be an unlawful practice and a violation of P.L.1960, c.39
35 (C.56:8-1 et seq.).

36 b. In order to enforce the provisions of this act, the
37 ¹~~['commissioner']~~ director¹ may conduct examinations of any
38 provider, administrator, seller, or other person subject to the
39 provisions of this act. Upon request by the ¹~~['commissioner']~~
40 director¹, a provider, administrator, seller, or other person shall
41 make any accounts, books, papers, documents and other records
42 required and maintained pursuant to section 9 of this act available
43 to the ¹~~['commissioner']~~ director¹ for inspection which are necessary
44 to enable the ¹~~['commissioner']~~ director¹ to reasonably determine
45 compliance with this act.

46

47 11. Section 1 of P.L.1980, c.125 (C.56:12-1) is amended to read

1 as follows:

2 1. As used in this act:

3 "Consumer contract" means a written agreement in which an
4 individual:

5 a. Leases or licenses real or personal property;

6 b. Obtains credit;

7 c. Obtains insurance coverage, except insurance coverage
8 contained in policies subject to the "Life and Health Insurance
9 Policy Language Simplification Act," [(P.L.1979, c.167, C.17B:17-
10 17 et seq.)] P.L.1979, c.167 (C.17B:17-17 et seq.);

11 d. Borrows money;

12 e. Purchases real or personal property;

13 f. Contracts for services including professional services ;

14 g. Enters into a service contract, as defined in section 1 of
15 P.L. , c. (C.) (pending before the Legislature as this bill),

16 for cash or on credit and the money, property or services are
17 obtained for personal, family or household purposes. "Consumer
18 contract" includes writings required to complete the consumer
19 transaction. "Consumer contract" does not include a written
20 agreement involving a transaction in securities with a broker-dealer
21 registered with the Securities and Exchange Commission, or a
22 transaction in commodities with a futures commission merchant
23 registered with the [Commodities] Commodity Futures Trading
24 Commission.

25 (cf: P.L.1982, c.195, s.1)

26

27 12. This act shall take effect on the ¹[365th] 180th¹ day
28 following enactment ¹]; except that the department may take any
29 anticipatory administrative action in advance thereof as shall be
30 necessary for the implementation of this act, and the act shall
31 remain inoperative until the final adoption by the department of all
32 regulations necessary for the implementation of this act¹.

33

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36

37 Regulates certain service contracts to perform maintenance,
38 repair, replacement, or service of property used for personal,
39 family, or household purposes.