

ASSEMBLY, No. 2727

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Assemblywoman NANCY F. MUNOZ

District 21 (Morris, Somerset and Union)

SYNOPSIS

Provides exemption from 3-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 this act:

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

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

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

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

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

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

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

41 "Home improvement contract" means an oral or written
42 agreement for the performance of a home improvement between a
43 contractor and an owner, tenant or lessee, of a residential or
44 noncommercial property, and includes all agreements under which
45 the contractor is to perform labor or render services for home

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 improvements, or furnish materials in connection therewith.

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

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

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

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

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

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33 4. This act shall take effect immediately.

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STATEMENT

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

41 Under current law, a consumer may cancel a home improvement
42 contract for any reason at any time before midnight of the third
43 business day after the consumer receives a copy of the contract.
44 This bill authorizes a consumer to waive his right to cancel a home
45 improvement contract with a contractor to address a bona fide
46 emergency by executing an emergency authorization form. To
47 exercise this option, the contractor must furnish the consumer with
48 an emergency authorization form and written estimate of the total

1 costs and fees for the work and service provided. In cases where
2 the costs exceed the estimate, the bill requires the contractor to
3 obtain further written authorization to perform any additional work.

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