

# ASSEMBLY, No. 5667

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 12, 2021

**Sponsored by:**

**Assemblyman STERLEY S. STANLEY**

**District 18 (Middlesex)**

**Assemblyman DANIEL R. BENSON**

**District 14 (Mercer and Middlesex)**

**SYNOPSIS**

Permits consumers aged 65 and over up to five business days to cancel home improvement contracts.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 5/12/2021)

1 AN ACT concerning certain home improvement contracts and  
2 amending 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 16 of P.L.2004, c.16 (C.56:8-151) is amended to read  
8 as follows:

9 16. a. On or after December 31, 2005, every home improvement  
10 contract for a purchase price in excess of \$500, and all changes in the  
11 terms and conditions of the contract, shall be in writing. The contract  
12 shall be signed by all parties thereto, and shall clearly and accurately  
13 set forth in legible form and in understandable language all terms and  
14 conditions of the contract, including but not limited to:

15 (1) The legal name, business address, and registration number of  
16 the contractor;

17 (2) A copy of the certificate of commercial general liability  
18 insurance required of a contractor pursuant to section 7 of this act  
19 and the telephone number of the insurance company issuing the  
20 certificate; and

21 (3) The total price or other consideration to be paid by the owner,  
22 including the finance charges.

23 b. On or after December 31, 2005, a home improvement contract  
24 may be cancelled by a consumer for any reason at any time before  
25 midnight of the third business day after the consumer receives a copy  
26 of [it] the signed contract or, if the consumer is aged 65 or older, for  
27 any reason at any time before midnight of the fifth business day after  
28 the consumer receives a copy of the signed contract. In order to  
29 cancel a contract, the consumer shall notify the contractor of the  
30 cancellation in writing, by registered or certified mail, return receipt  
31 requested, or by personal delivery, to the address specified in the  
32 contract. All moneys paid pursuant to the cancelled contract shall be  
33 fully refunded within 30 days of receipt of the notice of cancellation.  
34 If the consumer has executed any credit or loan agreement through  
35 the contractor to pay all or part of the contract, the agreement or note  
36 shall be cancelled without penalty to the consumer and written notice  
37 of that cancellation shall be mailed to the consumer within 30 days  
38 of receipt of the notice of cancellation. The contract shall contain a  
39 conspicuous notice printed in at least 10-point bold-faced type as  
40 follows:

41

42 "NOTICE TO CONSUMER

43 YOU MAY CANCEL THIS SIGNED CONTRACT AT ANY  
44 TIME BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY  
45 (OR BEFORE MIDNIGHT OF THE FIFTH BUSINESS DAY IF  
46 AGED 65 OR OVER) AFTER RECEIVING A COPY OF [THIS]

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    THE SIGNED CONTRACT. IF YOU WISH TO CANCEL THIS  
2    CONTRACT, YOU MUST EITHER:

3        1. SEND A SIGNED AND DATED WRITTEN NOTICE OF  
4 CANCELLATION BY REGISTERED OR CERTIFIED MAIL,  
5 RETURN RECEIPT REQUESTED; OR

6 2. PERSONALLY DELIVER A SIGNED AND DATED  
7 WRITTEN NOTICE OF CANCELLATION TO:

8 (Name of Contractor)

9 (Address of Contractor)

10 (Phone Number of Contractor)

11 If you cancel this contract within the [three-day] appropriate time  
12 period, you [are] will be entitled to a full refund of your money.  
13 Refunds must be made within 30 days of the contractor's receipt of  
14 the cancellation notice."

15 (cf: P.L.2004, c.155, s.4)

16

17        2. This act shall take effect on the first day of the fourth month  
18   next following enactment.

19

20

21 STATEMENT

22

23 This bill permits consumers aged 65 and over up to five business  
24 days to cancel a home improvement contract for any reason.

25 Under this bill, a consumer aged 65 or over may cancel a home  
26 improvement contract at any time for any reason before midnight of  
27 the fifth business day after the consumer receives a copy of the signed  
28 contract. Currently, consumers have up to three business days to  
29 cancel a home improvement contract. The change being made under  
30 this bill reflects the potential need of the State's senior citizens, who  
31 may require more time to review home improvement contracts due to  
32 advanced age.