

SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, Nos. 74 and 748**

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**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

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ADOPTED OCTOBER 19, 1998

**Sponsored by:**

**Senator GERALD CARDINALE**

**District 39 (Bergen)**

**Senator ANDREW R. CIESLA**

**District 10 (Monmouth and Ocean)**

**Senator LEONARD T. CONNORS, JR.**

**District 9 (Atlantic, Burlington and Ocean)**

**Co-Sponsored by:**

**Senator McNamara**

**SYNOPSIS**

The "Home Improvement Contractors Registration Act."

**CURRENT VERSION OF TEXT**

Substitute as adopted by the Senate Commerce Committee.



**(Sponsorship Updated As Of: 6/8/1999)**

1 AN ACT concerning home improvement contractors and  
2 supplementing P.L.1960, c.39 (C.56:8-1 et seq.).  
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 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 "Division" means the Division of Consumer Affairs in the  
14 Department of Law and Public Safety.

15 "Director" means the Director of the Division of Consumer Affairs.

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

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

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

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

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

37 c. any person regulated by the State as an architect, professional  
38 engineer, landscape architect, land surveyor, electrical contractor,  
39 master plumber, or any other person in any other related profession  
40 requiring registration, certification, or licensure by the State, who is  
41 acting within the scope of his profession; and

42 d. Any person who is employed by a homeowners' association.

43 "Residential property" means any portion of any dwelling unit,  
44 planned real estate development, or cooperative, and all structures  
45 appurtenant thereto, and any portion of the lot, curtilage, or site on

1 which the unit or structure is situated.

2

3 3. a. A home improvement contractor shall not perform a home  
4 improvement and shall not engage in the business of performing home  
5 improvements unless registered with either the division or the clerk of  
6 the county in which the contractor proposes to work, in accordance  
7 with the provisions of this act. In regard to home improvement  
8 contractors who register with the clerk, this subsection shall not be  
9 construed to apply to a contractor's advertisements for business in any  
10 county in this State, including alphabetical listings in standard  
11 telephone directories, as long as the contractor is registered, under the  
12 provisions of this act, with at least one clerk of one county in this  
13 State.

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

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

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

29 (3) if a joint venture, the names, addresses, and telephone numbers  
30 of all parties to the venture;

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

33 (5) evidence of workers' compensation insurance, unless the home  
34 improvement contractor qualifies as a self-insurer under Title 34 of the  
35 Revised Statutes or if he is precluded from purchasing workers'  
36 compensation under chapter 15 of Title 34 of the Revised Statutes;

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

39 (7) such other information regarding the applicant and his home  
40 improvement business as the division or governing body, as  
41 appropriate, may deem appropriate.

42 c. Every home improvement contractor required to register under  
43 subsection b. of this section shall file an amended registration within  
44 20 days after any change in the information required to be included  
45 thereon. No fee shall be required for the filing of an amendment.

46 d. In addition to the requirements set forth in subsections b. and

1 c. of this section, every applicant for registration, or an officer or  
2 partner of the firm applying for registration in the case of a  
3 partnership, joint venture, or corporation, shall submit to the division  
4 or clerk, as appropriate, an affidavit, sworn before a notary public  
5 that:

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

8 (2) the applicant, officer or partner, as the case may be, has read  
9 and understood the rules and regulations governing the practices of  
10 home improvement contractors promulgated by the director pursuant  
11 to section 4 of P.L.1960, c.39 (C.56:8-4).

12  
13 4. a. The division or the clerk, as appropriate, shall issue a  
14 certificate of registration to each applicant who qualifies under this act  
15 and shall index and file a copy of the same and make it reasonably  
16 available for public inspection. Each certificate shall have a unique  
17 registration number. Upon the request of any customer or  
18 construction official, a home improvement contractor shall display his  
19 certificate of registration.

20 b. Each county shall annually supply the division with a list of  
21 home improvement contractors registered in that county and the  
22 division shall annually supply each county with a list of home  
23 improvement contractors registered with the division.

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

31  
32 6. a. It shall be a violation of this act to:

33 (1) Make, or cause to be made, publish or cause to be published,  
34 any false, misleading, or deceptive advertisement or representation  
35 concerning the services or products that the registrant provides;

36 (2) Engage in repeated acts of negligence, malpractice, or  
37 incompetence;

38 (3) Engage in gross negligence, gross malpractice, or gross  
39 incompetence; or

40 (4) Engage in any misconduct as may be determined by regulation  
41 of the director.

42 b. It is an unlawful practice and a violation of P.L.1960, c.39  
43 (C.56:8-1 et seq.) to violate any provision of this act.

44  
45 7. a. This act shall supersede any municipal ordinance or  
46 regulation that provides for the licensing or registration of home

1 improvement contractors.

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

5

6 8. No municipality shall register or license as a contractor a person  
7 performing an improvement upon a residential or commercial property  
8 that he owns, or that is owned by a member of his family.

9

10 9. This act shall not deny to any municipality the power to inspect  
11 a home improvement contractor's work or equipment, the work of a  
12 contractor who performs improvements to commercial property, or the  
13 power to regulate the standards and manners in which the contractor's  
14 work shall be done.

15

16 10. This act shall take effect on the first day of the sixth month  
17 after enactment.