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LAW/RWH

§1 - C.56:8-138.2

§2 –

C.52:27D-123.16

§5 - Note

P.L.2014, CHAPTER 34, *approved August 15, 2014*
Senate Committee Substitute (*First Reprint*) for
Senate, No. 942

1 AN ACT concerning home elevation contractors, supplementing
2 P.L.1975, c.217 (C.52:27D-119 et seq.), and amending and
3 supplementing P.L.2004, c.16.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. (New section) a. In addition to complying with the other
9 requirements of the “Contractors’ Registration Act,” P.L.2004, c.16
10 (C.56:8-136 et seq.), no person shall offer to perform, or engage, or
11 attempt to engage in the business of home elevation unless
12 registered with the division as a home elevation contractor.

13 b. ¹【To register with the division as a home elevation
14 contractor, a person must certify that: (1) he has at least two years
15 of experience as a home improvement contractor; (2) he or any
16 employee that performs home elevation has at least five years of
17 experience in home elevation which meets criteria established by
18 the director; and (3) he is in compliance with all of the requirements
19 of the “Contractors’ Registration Act,” P.L.2004, c.16 (C.56:8-136
20 et seq.). For the purposes of this subsection, experience in home
21 elevation shall include both experience on home elevation projects
22 and training in the operation of home elevation equipment.

23 c. ¹【The division¹【, in consultation with the Division of Codes
24 and Standards in the Department of Community Affairs,¹ shall
25 adopt rules and regulations pursuant to the provisions of the
26 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
27 seq.), to effectuate the provisions of ¹【this section, and may adopt
28 specific criteria regarding the experience and training necessary to
29 register as a home elevation contractor】 P.L. _____, c. _____
30 (pending before the Legislature as this bill) with regard to
31 registration of home elevation contractors, and may establish fees
32 for this purpose. Notwithstanding the provisions of the
33 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
34 seq.) to the contrary, the Division of Consumer Affairs may adopt
35 immediately upon filing with the Office of Administrative Law
36 rules and regulations for this purpose, which shall be effective for a
37 period not to exceed 270 days following the date of enactment of

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:

¹Assembly floor amendments adopted June 16, 2014.

1 P.L. , c. (C.) (pending before the Legislature as this bill), and
2 may thereafter be amended, adopted, or readopted, by the division
3 in accordance with the requirements of the “Administrative
4 Procedure Act”¹.

5 ¹**[d.] c.**¹ In addition to any other civil or criminal penalty that
6 may apply, any person who makes a false statement ¹**[i**n the
7 certification required pursuant to subsection b. of this section or
8 who knowingly submits a false certification required pursuant to
9 subsection b. of this section] in connection with the process for
10 registration as a home elevation contractor pursuant to this section
11 or in regard to any statement required to be made pursuant to
12 section 7 of P.L.2004, c.16 (C.56:8-142)¹ shall be liable for a civil
13 penalty of not less than \$10,000 or more than \$25,000. Such
14 penalty may be imposed by the director and shall be collected by
15 summary proceedings instituted in accordance with the “Penalty
16 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.).

17 ¹**[e. The]** d. In addition to any other action that may be
18 authorized by law, the¹ director ¹**[shall]** may¹ suspend or revoke
19 the home improvement contractor registration and home elevation
20 contractor registration of any person who violates any provision of
21 P.L. , c. (C.) (pending before the Legislature as this bill).
22

23 2. (New section) a. ¹**[A** contractor who performs home
24 elevations, as defined in section 2 of P.L.2004, c.16 (C.56:8-137),
25 shall be required to use a home elevation jacking machine, as
26 defined in section 2 of P.L.2004, c.16 (C.56:8-137), for any home
27 elevation, unless the code official of the municipality or other
28 agency responsible for the issuance of a construction permit
29 expressly approves the use or application of a different means of
30 elevation, provided that the use or application of such means of
31 elevation is consistent with, or pursuant to, any guidance provided
32 by rules or regulations promulgated by the Division of Codes and
33 Standards in the Department of Community Affairs, in accordance
34 with any applicable standards promulgated by the Federal
35 Emergency Management Agency.

36 **b.]** The Department of Community Affairs shall promulgate
37 rules and regulations setting forth standards, methods, procedures
38 and other requirements that must be followed in performing home
39 elevations. A home elevation contractor, as defined in section 2 of
40 P.L.2004, c.16 (C.56:8-137), shall comply with the standards,
41 methods, procedures and any other requirements for home elevation
42 projects as specified in rules and regulations promulgated by the
43 Department of Community Affairs.

44 b. No home elevation contractor shall perform a home
45 elevation unless the contractor or a person the contractor employs
46 has a minimum of five years of experience in home elevation. For
47 the purposes of this subsection, experience in home elevation shall

1 include both experience in working directly on home elevation
2 projects and training in the operation of home elevation equipment.

3 c. At the time the home elevation contractor applies for a
4 permit to perform a home elevation, the home elevation contractor
5 shall certify that the home elevation contractor is in compliance
6 with P.L. , c. (C.) (pending before the Legislature as this bill)
7 and any regulations promulgated thereunder, which certification
8 shall be submitted with the permit application in a form prescribed
9 by the Department of Community Affairs.

10 d.¹ Notwithstanding the provisions of the “Administrative
11 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the
12 contrary, the Division of Codes and Standards in the Department of
13 Community Affairs may adopt immediately upon filing with the
14 Office of Administrative Law any rules and regulations deemed
15 necessary to implement the provisions of subsection a. of this
16 section, which shall be effective for a period not to exceed 270 days
17 following the date of enactment of P.L. , c. (C.) (pending
18 before the Legislature as this bill), and may thereafter be amended,
19 adopted, or readopted, by the division in accordance with the
20 requirements of the “Administrative Procedure Act.”

21

22 3. Section 2 of P.L.2004, c.16 (C.56:8-137) is amended to read
23 as follows:

24 2. As used in this act:

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

29 "Director" means the Director of the Division of Consumer
30 Affairs in the Department of Law and Public Safety.

31 "Division" means the Division of Consumer Affairs in the
32 Department of Law and Public Safety.

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

36 "Home elevation contractor" means a contractor who engages in
37 the practice of home elevation.

38 ¹["Home elevation jacking machine" means a machine, or
39 machines, used to raise a structure that is capable of lifting each
40 corner and the entire bulk of the structure in a synchronized
41 manner, but shall not be construed to mean any specific jacking
42 system or any proprietary name.]¹

43 "Home improvement" means the remodeling, altering,
44 renovating, repairing, restoring, modernizing, moving, demolishing,
45 or otherwise improving or modifying of the whole or any part of
46 any residential or non-commercial property. Home improvement
47 shall also include insulation installation, ¹home elevation,¹ and the

1 conversion of existing commercial structures into residential or
2 non-commercial property.

3 "Home improvement contract" means an oral or written
4 agreement for the performance of a home improvement between a
5 contractor and an owner, tenant or lessee, of a residential or
6 noncommercial property, and includes all agreements under which
7 the contractor is to perform labor or render services for home
8 improvements, or furnish materials in connection therewith.

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

14 (cf: P.L.2004, c.16, s.2)

15

16 4. Section 7 of P.L.2004, c.16 (C.56:8-142) is amended to read
17 as follows:

18 7. a. On or after December 31, 2005, every registered
19 contractor who is engaged in home improvements shall secure,
20 maintain and file with the director proof of a certificate of
21 commercial general liability insurance in a minimum amount of
22 \$500,000 per occurrence.

23 b. Every registered contractor engaged in home improvements
24 whose commercial general liability insurance policy is cancelled or
25 nonrenewed shall submit to the director a copy of the certificate of
26 commercial general liability insurance for a new or replacement
27 policy which meets the requirements of subsection a. of this section
28 before the former policy is no longer effective.

29 c. ¹Every home elevation contractor engaged in home
30 elevations shall secure, maintain, and file with the director proof of
31 a certificate of commercial general liability insurance in a minimum
32 amount of \$1,000,000 per occurrence; and shall additionally carry
33 insurance in the minimum amount of \$500,000 per occurrence to
34 cover the contents of the premises for any peril not covered in the
35 homeowner's insurance policy that could result from elevating the
36 house.] Every home elevation contractor engaged in performing
37 home elevations, in addition to the insurance required pursuant to
38 subsection a. of this section, shall secure and maintain cargo or
39 other insurance that specifically covers home elevation activities, in
40 a minimum amount of \$1,000,000 per occurrence to cover damages
41 or other losses to the homeowner, lessee, tenant or other party
42 resulting from a home elevation, except as otherwise provided in
43 this subsection. The Director of the Division of Consumer Affairs
44 in consultation with the Department of Banking and Insurance may
45 promulgate rules and regulations to implement this subsection,
46 which rules and regulations also may require that home elevation
47 contractors secure and maintain additional insurance of such kind

1 and in such amounts as the director may determine in consultation
2 with the Department of Banking and Insurance. In addition to or as
3 an alternative to the insurance required by this subsection, the
4 director may also require the posting of a bond in favor of the
5 owner, lessee, tenant or other party to the home improvement
6 contract for home elevation. Every bond and insurance policy
7 required to be maintained under this subsection shall provide that
8 the issuer of that bond or policy shall give the director written
9 notice of cancellation or non-renewal of the bond or policy within
10 10 days of the cancellation or non-renewal.

11 d.¹ A home elevation contractor, prior to entering into an
12 agreement to perform a home elevation, shall provide ¹【written
13 notification】 proof of insurance¹ to the homeowner ¹【of
14 including¹ the issuing insurer, policy number, type, and amount of
15 insurance coverage maintained by the contractor in accordance with
16 this ¹【subsection】 section¹ .

17 (cf: P.L.2004, c.155, s.3)

18

19 ¹【5.(New section) a. The Director of the Division of Consumer
20 Affairs in the Department of Law and Public Safety and the
21 Director of the Division of Codes and Standards in the Department
22 of Community Affairs, pursuant to the provisions of the
23 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
24 seq.), shall promulgate rules and regulations to effectuate the
25 purposes of section 1 of P.L. , c. (C.) (pending before the
26 Legislature as this bill) and subsection c. of section 7 of P.L.2004,
27 c.16 (C.56:8-142).

28 b. Notwithstanding any provision of the "Administrative
29 Procedure Act" to the contrary, the Division of Consumer Affairs in
30 the Department of Law and Public Safety and the Division of Codes
31 and Standards in the Department of Community Affairs may adopt
32 immediately upon filing with the Office of Administrative Law any
33 such rules and regulations as each deems necessary to implement
34 the provisions of subsection a. of this section, which shall be
35 effective for a period not to exceed 270 days following the date of
36 enactment of P.L. , c. (C.) (pending before the Legislature
37 as this bill), and may thereafter be amended, adopted, or readopted,
38 as the case may be, in accordance with the requirements of the
39 "Administrative Procedure Act."¹

40

41 ¹【6.】 5.¹ This act shall take effect on the first day of the
42 ¹【fourth】 second¹ month after the date of enactment, ¹【except that
43 sections 2, 3, and 5 shall take effect immediately】 but the State may
44 take such anticipatory administrative action in advance thereof as
45 shall be necessary for the implementation of this act¹.

1

2

3

Provides standards for, and requires registration of, home

4

elevation contractors.

SENATE, No. 942

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED JANUARY 16, 2014

Sponsored by:

Senator BOB SMITH

District 17 (Middlesex and Somerset)

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

SYNOPSIS

Revises required experience for home improvement and home elevation contractors.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning home improvement and home elevation
2 contractors, and amending P.L.2014, c. .

3

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

6

7 1. Section 1 of P.L.2014, c. (C.) (S-2976 (2R) of 2013,
8 passed both houses) is amended to read as follows:

9 1. a. In addition to complying with the other requirements of
10 the “Contractors’ Registration Act,” P.L.2004, c.16 (C.56:8-136 et
11 seq.), no person shall offer to perform, or engage, or attempt to
12 engage in the business of home elevation unless registered with the
13 division as a home elevation contractor.

14 b. To register with the division as a home elevation contractor, a
15 person must certify that: (1) he has at least **[five]** two years of
16 experience as a home improvement contractor; (2) at least **[two]**
17 five years of experience in home elevation which meets criteria
18 established by the director; and (3) is in compliance with all of the
19 requirements of the “Contractors’ Registration Act,” P.L.2004, c.16
20 (C.56:8-136 et seq.). For the purposes of this subsection, experience
21 in home elevation shall include both experience on home elevation
22 projects and training in the operation of home elevation equipment.

23 c. The division, in consultation with the Division of Codes and
24 Standards in the Department of Community Affairs, shall adopt
25 rules and regulations to effectuate the provisions of this section, and
26 may adopt specific criteria regarding the experience and training
27 necessary to register as a home elevation contractor.

28 d. In addition to any other civil or criminal penalty that may
29 apply, any person who makes a false statement in the certification
30 required pursuant to subsection b. of this section or who knowingly
31 submits a false certification required pursuant to subsection b. of
32 this section shall be liable for a civil penalty of not less than
33 \$10,000 or more than \$25,000. Such penalty may be imposed by
34 the director and shall be collected by summary proceedings
35 instituted in accordance with the “Penalty Enforcement Law of
36 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.).

37 e. The director shall suspend or revoke the home improvement
38 contractor registration and home elevation contractor registration of
39 any person who violates any provision of P.L.2014, c. (C.)
40 (S-2976 (2R) of 2013, passed both houses).
41 (cf: P.L.2014, c. , s.1)

42

43 2. This act shall take effect immediately, but shall remain
44 inoperative until the first day of the fourth month after enactment of
45 P.L.2014, c. (S-2976 (2R) of 2013, passed both houses)

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.

STATEMENT

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Many homeowners in New Jersey are currently planning on elevating their homes in order to protect against future flooding events. The work involved in raising a house to a higher level above the ground is a specific type of construction that has never been conducted in New Jersey on a scale comparable to what is now beginning. As a result, in order to protect homeowners, the Legislature recently passed P.L.2014, c. (S-2976 (2R) of 2013, passed both houses), which would require any contractor working on home elevations to register with the Division of Consumer Affairs. In order to obtain this registration, S-2976 (2R) of 2013 would require a contractor to first certify that he has at least five years of experience as a home improvement contractor, and at least two years of experience in home elevation.

Concerns have recently emerged that these requirements place too much emphasis on experience as a home improvement contractor, and too little emphasis on experience in actual home elevations. This could lead to a situation in which the State has too few registered contractors to meet the demand for this work, but many who are able to register, may not be experienced enough with actual home elevations to conduct the work responsibly.

This bill would amend S-2976 (2R) of 2013 to change the experience requirements for registration as a home elevation contractor, making it necessary to have only two years of experience as a home improvement contractor, but five years of experience in home elevations.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 942**

STATE OF NEW JERSEY

DATED: JANUARY 27, 2014

The Senate Environment and Energy Committee favorably reports a committee substitute for Senate Bill No. 942.

This committee substitute would require any contractor working on home elevations to register with the Division of Consumer Affairs in the Department of Law and Public Safety. In order to obtain the registration, the committee substitute would require a contractor to first certify that he has at least two years of experience as a home improvement contractor, that the contractor or any employee that performs home elevations has at least five years of experience in home elevation, and that the contractor is in compliance with the requirements of the "Contractors Registration Act," P.L.2004, c.16 (C.56:8-136 et seq.).

The committee substitute also requires the Division of Consumer Affairs, in consultation with the Division of Codes and Standards in the Department of Community Affairs, to adopt rules and regulations regarding the registration of home elevation contractors, including specific experience and training criteria deemed necessary by those divisions. Persons who knowingly make false statements in the certification required for the registration would be subject to a civil penalty, of not less than \$10,000 or more than \$25,000.

The committee substitute requires the use of a home elevation jacking machine but permits the use of a different means of home elevation, provided it is approved as part of the construction permit and that it complies with applicable State and federal standards. A home elevation jacking machine is a machine or machines used to raise a structure that is capable of lifting each corner and the entire bulk of the structure in a synchronized manner. Home elevation contractors would also be required to carry commercial general liability insurance in a minimum amount of \$1,000,000 per occurrence. Contractors would also be required to carry an additional \$500,000 in insurance to cover the contents of the premises for any potential peril not covered in the homeowner's insurance policy that could result from elevating the house. Any contractor engaged in home elevation would be required to provide written notification to a

homeowner, prior to entering into an elevation services agreement, of the specifics of the contractor's insurance policy and coverage.

The Director of the Division of Consumer Affairs and the Director of the Division of Codes and Standards would be required to adopt rules and regulations to effectuate the purposes of this legislation. The bill also permits the two directors to adopt emergency regulations regarding registration requirements, the use of home elevation jacking machines, and the insurance requirements imposed in the committee substitute.

ASSEMBLY REGULATED PROFESSIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 942**

STATE OF NEW JERSEY

DATED: JUNE 5, 2014

The Assembly Regulated Professions Committee reports favorably Senate Committee Substitute for Senate Bill No. 942.

This bill requires any contractor working on home elevations to register with the Division of Consumer Affairs in the Department of Law and Public Safety. In order to obtain the registration, the bill requires a contractor to first certify that he has at least two years of experience as a home improvement contractor, that the contractor or any employee that performs home elevations has at least five years of experience in home elevation, and that the contractor is in compliance with the requirements of the "Contractors' Registration Act," P.L.2004, c.16 (C.56:8-136 et seq.).

The bill also requires the Division of Consumer Affairs, in consultation with the Division of Codes and Standards in the Department of Community Affairs, to adopt rules and regulations regarding the registration of home elevation contractors, including specific experience and training criteria deemed necessary by those divisions. Persons who knowingly make false statements in the certification required for the registration would be subject to a civil penalty, of not less than \$10,000 or more than \$25,000.

The bill requires the use of a home elevation jacking machine but permits the use of a different means of home elevation, provided it is approved as part of the construction permit and that it complies with applicable State and federal standards. A home elevation jacking machine is a machine or machines used to raise a structure that is capable of lifting each corner and the entire bulk of the structure in a synchronized manner. Home elevation contractors would also be required to carry commercial general liability insurance in a minimum amount of \$1,000,000 per occurrence. Contractors would also be required to carry an additional \$500,000 in insurance to cover the contents of the premises for any potential peril not covered in the homeowner's insurance policy that could result from elevating the house. Any contractor engaged in home elevation would be required to provide written notification to a homeowner, prior to entering into an elevation services agreement, of the specifics of the contractor's insurance policy and coverage.

The Director of the Division of Consumer Affairs and the Director of the Division of Codes and Standards are required to adopt rules and regulations to effectuate the purposes of this legislation. The bill also permits the two directors to adopt emergency regulations regarding registration requirements, the use of home elevation jacking machines, and the insurance requirements imposed in the bill.

This bill is identical to Assembly Bill No. 3270, which was also reported favorably by the committee today.

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

SENATE, No. 942

with Assembly Floor Amendments
(Proposed by Assemblyman CRYAN)

ADOPTED: JUNE 16, 2014

These amendments include “home elevation” within the definition of “home improvement” under the “Contractors’ Registration Act.” Home elevation contractors are required to register with the Division of Consumer Affairs in the Department of Law and Public Safety. Furthermore, the amendments stipulate that the Division of Consumer Affairs may impose fees upon those individuals registering as home elevation contractors. Enforcement of the bill’s provisions is to be conducted by the division.

The amendments also direct the Department of Community Affairs to promulgate rules and regulations setting forth standards, methods, procedures and other requirements that must be followed in performing home elevations. The amendments remove all references in the bill to home elevation jacking machines, or their use. At the time the home elevation contractor applies for a permit to perform a home elevation, the home elevation contractor shall certify that the home elevation contractor is in compliance with the provisions of this bill, including having the requisite experience in home elevation, and any resulting regulations that are promulgated. Under these amendments a minimum of five years experience in home elevation is required. The certification shall be submitted with a permit application in a form prescribed by the Department of Community Affairs.

In addition, the amendments revise the commercial general liability insurance requirement in the bill by stating that every home elevation contractor engaged in performing home elevations shall secure and maintain cargo or other insurance that specifically covers home elevation activities, in a minimum amount of \$1,000,000 per occurrence to cover damages or other losses to the home owner, lessee, tenant or other party resulting from a home elevation. The Director of the Division of Consumer Affairs, in consultation with the Department of Banking and Insurance, may also promulgate rules and regulations requiring home elevation contractors to secure and maintain additional insurance. In addition to or as an alternative insurance requirement, the director may mandate the posting of a bond in favor of the owner, lessee, tenant or other party to the home improvement project for home elevation.

Furthermore, the Division of Consumer Affairs and the Department of Community Affairs are given emergency rule making

authority for a period not to exceed 270 days following enactment of the bill.

ASSEMBLY, No. 3270

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED JUNE 5, 2014

Sponsored by:

Assemblyman JOSEPH CRYAN

District 20 (Union)

Assemblyman TIMOTHY J. EUSTACE

District 38 (Bergen and Passaic)

Assemblyman JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

Assemblywoman SHAVONDA E. SUMTER

District 35 (Bergen and Passaic)

Co-Sponsored by:

Assemblymen Diegnan and Wisniewski

SYNOPSIS

Provides standards for, and requires registration of, home elevation contractors.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/17/2014)

A3270 CRYAN, EUSTACE

2

1 AN ACT concerning home elevation contractors, supplementing
2 P.L.1975, c.217 (C.52:27D-119 et seq.), and amending and
3 supplementing P.L.2004, c.16.

4

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

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8 1. (New section) a. In addition to complying with the other
9 requirements of the "Contractors' Registration Act," P.L.2004, c.16
10 (C.56:8-136 et seq.), no person shall offer to perform, or engage, or
11 attempt to engage in the business of home elevation unless
12 registered with the division as a home elevation contractor.

13 b. To register with the division as a home elevation contractor, a
14 person must certify that: (1) he has at least two years of experience
15 as a home improvement contractor; (2) he or any employee that
16 performs home elevation has at least five years of experience in
17 home elevation which meets criteria established by the director; and
18 (3) he is in compliance with all of the requirements of the
19 "Contractors' Registration Act," P.L.2004, c.16 (C.56:8-136 et
20 seq.). For the purposes of this subsection, experience in home
21 elevation shall include both experience on home elevation projects
22 and training in the operation of home elevation equipment.

23 c. The division, in consultation with the Division of Codes and
24 Standards in the Department of Community Affairs, shall adopt
25 rules and regulations pursuant to the provisions of the
26 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
27 seq.), to effectuate the provisions of this section, and may adopt
28 specific criteria regarding the experience and training necessary to
29 register as a home elevation contractor.

30 d. In addition to any other civil or criminal penalty that may
31 apply, any person who makes a false statement in the certification
32 required pursuant to subsection b. of this section or who knowingly
33 submits a false certification required pursuant to subsection b. of
34 this section shall be liable for a civil penalty of not less than
35 \$10,000 or more than \$25,000. Such penalty may be imposed by
36 the director and shall be collected by summary proceedings
37 instituted in accordance with the "Penalty Enforcement Law of
38 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

39 e. The director shall suspend or revoke the home improvement
40 contractor registration and home elevation contractor registration of
41 any person who violates any provision of P.L. , c. (C.)
42 (pending before the Legislature as this bill).

43

44 2. (New section) a. A contractor who performs home
45 elevations, as defined in section 2 of P.L.2004, c.16 (C.56:8-137),

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 shall be required to use a home elevation jacking machine, as
2 defined in section 2 of P.L.2004, c.16 (C.56:8-137), for any home
3 elevation, unless the code official of the municipality or other
4 agency responsible for the issuance of a construction permit
5 expressly approves the use or application of a different means of
6 elevation, provided that the use or application of such means of
7 elevation is consistent with, or pursuant to, any guidance provided
8 by rules or regulations promulgated by the Division of Codes and
9 Standards in the Department of Community Affairs, in accordance
10 with any applicable standards promulgated by the Federal
11 Emergency Management Agency.

12 b. Notwithstanding the provisions of the "Administrative
13 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
14 contrary, the Division of Codes and Standards in the Department of
15 Community Affairs may adopt immediately upon filing with the
16 Office of Administrative Law any rules and regulations deemed
17 necessary to implement the provisions of subsection a. of this
18 section, which shall be effective for a period not to exceed 270 days
19 following the date of enactment of P.L. , c. (C.) (pending
20 before the Legislature as this bill), and may thereafter be amended,
21 adopted, or readopted, by the division in accordance with the
22 requirements of the "Administrative Procedure Act."
23

24 3. Section 2 of P.L.2004, c.16 (C.56:8-137) is amended to read
25 as follows:

26 2. As used in this act:

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

31 "Director" means the Director of the Division of Consumer
32 Affairs in the Department of Law and Public Safety.

33 "Division" means the Division of Consumer Affairs in the
34 Department of Law and Public Safety.

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

38 "Home elevation contractor" means a contractor who engages in
39 the practice of home elevation.

40 "Home elevation jacking machine" means a machine, or
41 machines, used to raise a structure that is capable of lifting each
42 corner and the entire bulk of the structure in a synchronized
43 manner, but shall not be construed to mean any specific jacking
44 system or any proprietary name.

45 "Home improvement" means the remodeling, altering,
46 renovating, repairing, restoring, modernizing, moving, demolishing,
47 or otherwise improving or modifying of the whole or any part of
48 any residential or non-commercial property. Home improvement

1 shall also include insulation installation, and the conversion of
2 existing commercial structures into residential or non-commercial
3 property.

4 "Home improvement contract" means an oral or written
5 agreement for the performance of a home improvement between a
6 contractor and an owner, tenant or lessee, of a residential or
7 noncommercial property, and includes all agreements under which
8 the contractor is to perform labor or render services for home
9 improvements, or furnish materials in connection therewith.

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

15 (cf: P.L.2004, c.16, s.2)

16

17 4. Section 7 of P.L.2004, c.16 (C.56:8-142) is amended to read
18 as follows:

19 7. a. On or after December 31, 2005, every registered
20 contractor who is engaged in home improvements shall secure,
21 maintain and file with the director proof of a certificate of
22 commercial general liability insurance in a minimum amount of
23 \$500,000 per occurrence.

24 b. Every registered contractor engaged in home improvements
25 whose commercial general liability insurance policy is cancelled or
26 nonrenewed shall submit to the director a copy of the certificate of
27 commercial general liability insurance for a new or replacement
28 policy which meets the requirements of subsection a. of this section
29 before the former policy is no longer effective.

30 c. Every home elevation contractor engaged in home elevations
31 shall secure, maintain, and file with the director proof of a
32 certificate of commercial general liability insurance in a minimum
33 amount of \$1,000,000 per occurrence; and shall additionally carry
34 insurance in the minimum amount of \$500,000 per occurrence to
35 cover the contents of the premises for any peril not covered in the
36 homeowner's insurance policy that could result from elevating the
37 house. A home elevation contractor, prior to entering into an
38 agreement to perform a home elevation, shall provide written
39 notification to the homeowner of the issuing insurer, policy number,
40 type, and amount of insurance coverage maintained by the
41 contractor in accordance with this subsection.

42 (cf: P.L.2004, c.155, s.3)

43

44 5. (New section) a. The Director of the Division of Consumer
45 Affairs in the Department of Law and Public Safety and the
46 Director of the Division of Codes and Standards in the Department
47 of Community Affairs, pursuant to the provisions of the
48 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et

1 seq.), shall promulgate rules and regulations to effectuate the
2 purposes of section 1 of P.L. , c. (C.) (pending before the
3 Legislature as this bill) and subsection c. of section 7 of P.L.2004,
4 c.16 (C.56:8-142).

5 b. Notwithstanding any provision of the “Administrative
6 Procedure Act” to the contrary, the Division of Consumer Affairs in
7 the Department of Law and Public Safety and the Division of Codes
8 and Standards in the Department of Community Affairs may adopt
9 immediately upon filing with the Office of Administrative Law any
10 such rules and regulations as each deems necessary to implement
11 the provisions of subsection a. of this section, which shall be
12 effective for a period not to exceed 270 days following the date of
13 enactment of P.L. , c. (C.) (pending before the Legislature
14 as this bill), and may thereafter be amended, adopted, or readopted,
15 as the case may be, in accordance with the requirements of the
16 “Administrative Procedure Act.”

17

18 6. This act shall take effect on the first day of the fourth month
19 after the date of enactment, except that sections 2, 3, and 5 shall
20 take effect immediately.

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STATEMENT

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25 This bill requires any contractor working on home elevations to
26 register with the Division of Consumer Affairs in the Department of
27 Law and Public Safety. In order to obtain the registration, the bill
28 requires a contractor to first certify that he has at least two years of
29 experience as a home improvement contractor, that the contractor or
30 any employee that performs home elevations has at least five years
31 of experience in home elevation, and that the contractor is in
32 compliance with the requirements of the "Contractors' Registration
33 Act," P.L.2004, c.16 (C.56:8-136 et seq.).

34 The bill also requires the Division of Consumer Affairs, in
35 consultation with the Division of Codes and Standards in the
36 Department of Community Affairs, to adopt rules and regulations
37 regarding the registration of home elevation contractors, including
38 specific experience and training criteria deemed necessary by those
39 divisions. Persons who knowingly make false statements in the
40 certification required for the registration would be subject to a civil
41 penalty, of not less than \$10,000 or more than \$25,000.

42 The bill requires the use of a home elevation jacking machine but
43 permits the use of a different means of home elevation, provided it
44 is approved as part of the construction permit and that it complies
45 with applicable State and federal standards. A home elevation
46 jacking machine is a machine or machines used to raise a structure
47 that is capable of lifting each corner and the entire bulk of the
48 structure in a synchronized manner. Home elevation contractors

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1 would also be required to carry commercial general liability
2 insurance in a minimum amount of \$1,000,000 per occurrence.
3 Contractors would also be required to carry an additional \$500,000
4 in insurance to cover the contents of the premises for any potential
5 peril not covered in the homeowner's insurance policy that could
6 result from elevating the house. Any contractor engaged in home
7 elevation would be required to provide written notification to a
8 homeowner, prior to entering into an elevation services agreement,
9 of the specifics of the contractor's insurance policy and coverage.

10 The Director of the Division of Consumer Affairs and the
11 Director of the Division of Codes and Standards are required to
12 adopt rules and regulations to effectuate the purposes of this
13 legislation. The bill also permits the two directors to adopt
14 emergency regulations regarding registration requirements, the use
15 of home elevation jacking machines, and the insurance
16 requirements imposed in the bill.

ASSEMBLY REGULATED PROFESSIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3270

STATE OF NEW JERSEY

DATED: JUNE 5, 2014

The Assembly Regulated Professions Committee reports favorably Assembly Bill No. 3270.

This bill requires any contractor working on home elevations to register with the Division of Consumer Affairs in the Department of Law and Public Safety. In order to obtain the registration, the bill requires a contractor to first certify that he has at least two years of experience as a home improvement contractor, that the contractor or any employee that performs home elevations has at least five years of experience in home elevation, and that the contractor is in compliance with the requirements of the "Contractors' Registration Act," P.L.2004, c.16 (C.56:8-136 et seq.).

The bill also requires the Division of Consumer Affairs, in consultation with the Division of Codes and Standards in the Department of Community Affairs, to adopt rules and regulations regarding the registration of home elevation contractors, including specific experience and training criteria deemed necessary by those divisions. Persons who knowingly make false statements in the certification required for the registration would be subject to a civil penalty, of not less than \$10,000 or more than \$25,000.

The bill requires the use of a home elevation jacking machine but permits the use of a different means of home elevation, provided it is approved as part of the construction permit and that it complies with applicable State and federal standards. A home elevation jacking machine is a machine or machines used to raise a structure that is capable of lifting each corner and the entire bulk of the structure in a synchronized manner. Home elevation contractors would also be required to carry commercial general liability insurance in a minimum amount of \$1,000,000 per occurrence. Contractors would also be required to carry an additional \$500,000 in insurance to cover the contents of the premises for any potential peril not covered in the homeowner's insurance policy that could result from elevating the house. Any contractor engaged in home elevation would be required to provide written notification to a homeowner, prior to entering into an elevation services agreement, of the specifics of the contractor's insurance policy and coverage.

The Director of the Division of Consumer Affairs and the Director of the Division of Codes and Standards are required to adopt rules and regulations to effectuate the purposes of this legislation. The bill also permits the two directors to adopt emergency regulations regarding registration requirements, the use of home elevation jacking machines, and the insurance requirements imposed in the bill.

This bill is identical to Senate Committee Substitute for Senate Bill No. 942, which was also reported favorably by the committee today.

STATEMENT TO
ASSEMBLY, No. 3270

with Assembly Floor Amendments
(Proposed by Assemblyman CRYAN)

ADOPTED: JUNE 16, 2014

These amendments include “home elevation” within the definition of “home improvement” under the “Contractors’ Registration Act.” Home elevation contractors are required to register with the Division of Consumer Affairs in the Department of Law and Public Safety. Furthermore, the amendments stipulate that the Division of Consumer Affairs may impose fees upon those individuals registering as home elevation contractors. Enforcement of the bill’s provisions is to be conducted by the division.

The amendments also direct the Department of Community Affairs to promulgate rules and regulations setting forth standards, methods, procedures and other requirements that must be followed in performing home elevations. The amendments remove all references in the bill to home elevation jacking machines, or their use. At the time the home elevation contractor applies for a permit to perform a home elevation, the home elevation contractor shall certify that the home elevation contractor is in compliance with the provisions of this bill, including having the requisite experience in home elevation, and any resulting regulations that are promulgated. Under these amendments a minimum of five years experience in home elevation is required. The certification shall be submitted with a permit application in a form prescribed by the Department of Community Affairs.

In addition, the amendments revise the commercial general liability insurance requirement in the bill by stating that every home elevation contractor engaged in performing home elevations shall secure and maintain cargo or other insurance that specifically covers home elevation activities, in a minimum amount of \$1,000,000 per occurrence to cover damages or other losses to the home owner, lessee, tenant or other party resulting from a home elevation. The Director of the Division of Consumer Affairs, in consultation with the Department of Banking and Insurance, may also promulgate rules and regulations requiring home elevation contractors to secure and maintain additional insurance. In addition to or as an alternative insurance requirement, the director may mandate the posting of a bond in favor of the owner, lessee, tenant or other party to the home improvement project for home elevation.

Furthermore, the Division of Consumer Affairs and the Department of Community Affairs are given emergency rule making authority for a period not to exceed 270 days following enactment of the bill.