

17:16C-95

February 18, 1969

LEGISLATIVE HISTORY OF R.S. 17:16C-95 et seq.
(Door-to-door home repair sales)

Searching the bills back to 1954 we located only two relating to cancellation of home repair sales.

Previous bill was:

1967 - A772

March 20 - Introduced by Friedland (and 11 others).

March 20 - Business Affairs Committee.

No statement.

Died in committee.

The bill which became law was:

L. 1968, chapter 224 - A445

March 22 - Introduced by Thomas and 25 others.

April 22 - Passed in Assembly, amended.

June 24 - Passed in Senate.

July 30 - Approved, Chapter 224

No statement.

Amended during passage: original bill and amendment attached.

No reports or hearings were located.

This act supplements the Home Repair Financing Act (P.L. 1960, c. 41). This was a companion act to the Retail Installment Sales Act of 1960 (P.L. 1960, c. 40). For additional information and newspaper articles see the legislative history of R.S. 17:16C-1 et seq. For more current information see clippings in the vertical file under N.J.--Consumer Protection.

JH/PC

DEPOSITORY COPY
Do Not Remove From Library

ASSEMBLY, No. 445

STATE OF NEW JERSEY

INTRODUCED MARCH 11, 1968

By Assemblymen THOMAS, FRIEDLAND, WOODSON, KALTENBACHER, RINALDI, KEAN, DENNIS, CAPUTO, FIORE, WILSON, McDONOUGH, KASER, VOLK, VREELAND, COBB, MABIE, SMITH, W. L., Assemblywoman MARGETTS, Assemblymen HOLLENBECK, RUSSO, CRANE, DE KORTE, ENOS, APY, AIKINS, COLEMAN and MERLINO

Referred to Committee on Commerce, Industry and Professions

A SUPPLEMENT to the "Home Repair Financing Act," approved June 9, 1960 (P. L. 1960, c. 41).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. This act shall be known as, and may be cited as, the "Door-to-
2 Door Home Repair Sales Act of 1968."

1 2. This act being deemed and hereby declared remedial legisla-
2 tion necessary for the protection of the consumers of this State,
3 shall be liberally construed to effectuate the purposes and intent
4 thereof.

1 3. The Legislature hereby finds and declares that the consumer
2 is frequently induced to enter into home repair contracts for goods
3 and services which he does not need through the unsolicited and
4 often unethical persuasion of certain door-to-door sellers. It is the
5 purpose of this act to enable the consumer to reconsider his pur-
6 chase within a reasonable period of time and to rescind the home
7 repair contract if he acts before 5:00 o'clock P. M. of the second
8 business day following the day on which the contract is executed.

1 4. As used in this act, unless the context clearly indicates other-
2 wise:

3 (a) "Business day" means any day other than a Saturday, Sun-
4 day or holiday.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.

5 (b) "Place of business" means the main or branch office or local
6 address of a home repair contractor.

7 (c) "Purchase price" means the total price paid or to be paid
8 for goods and services sold or to be sold pursuant to a home repair
9 contract, such amount to include all interest and service charges,
10 including, without limitation, time sales price.

1 5. (a) Any home repair contract, for a purchase price in excess
2 of \$25.00, which is entered into at a place other than the place of
3 business of the home repair contractor may be rescinded by the
4 owner if the owner:

4A (1) Furnishes to the home repair contractor a notice of
4B intent to rescind the home repair contract by certified mail,
4C return receipt requested, post-marked not later than 5:00
4D o'clock P. M. of the second business day following the day on
5 which the home repair contract is executed; and

6 (2) Gives up possession of any goods, subject to such home
7 repair contract, delivered to the owner prior to receipt by the
8 home repair contractor of such notice of intent to rescind***[**;
9 provided, that the home repair contractor has not substantially
10 performed the home repair contract prior to receipt of such notice
11 of intent to rescind**]***.

12 (b) Within ***[3]*** *10* business days after receipt of such notice
13 of intent to rescind the home repair contract, a home repair
14 contractor shall:

15 (1) Pick up, at his own expense, any goods subject to such
16 contract, delivered to the owner prior to receipt by the home
17 repair contractor of such notice;

18 (2) Refund to the owner all amounts of money paid by the
19 owner (less reasonable charges for any damages to such goods
20 which occurred while in the possession of the owner); and

21 (3) Redeliver to the owner any goods traded-in to the home
22 repair contractor on account of or in contemplation of the
23 home repair contract (less any reasonable charges actually
24 incurred in making the goods ready for sale).

25 (c) This section does not apply to mail order sales, telephone
26 sales, catalog sales where an order is placed by mail or telephone,
26A or sales in which the owner has requested the home repair con-
27 tractor to enter into the sale at a place other than the home repair
28 contractor's place of business, but it does apply to sales in which
29 the owner has requested the home repair contractor to conduct a
30 demonstration or exhibition at a place other than the home repair
31 contractor's place of business and has not also requested to enter

32 into a sale at the place at the same time he has requested such
33 demonstration or exhibition.

34 (d) Each home repair contractor shall maintain a record of the
35 receipt of any owner's notice of intent to rescind a sale under this
36 act for at least 18 months after the receipt of such notice of intent
37 to rescind.

1 6. (a) At the time of executing every home repair contract sub-
2 ject to the provisions of section 5 of this act, the home repair con-
3 tractor shall deliver to the owner a receipt which clearly and con-
4 spicuously sets forth:

5 (1) The home repair contractor's name and place of busi-
6 ness;

7 (2) A description of the goods and services sold; and

8 (3) The amount of money paid by the owner or the cash
9 value of any goods delivered to the home repair contractor
10 at the time the home repair contract was entered into.

11 (b) The receipt required to be delivered to the owner shall also
12 clearly and conspicuously bear, in at least 10-point bold type, the
13 following statement:

14 "NOTICE TO OWNER: YOU MAY RESCIND THIS
15 SALE PROVIDED THAT YOU NOTIFY THE HOME RE-
16 PAIR CONTRACTOR OF YOUR INENT TO DO SO BY
17 CERTIFIED MAIL, RETURN RECEIPT REQUESTED,
18 POST-MARKED NOT LATER THAN 5:00 O'CLOCK P. M.
19 OF THE SECOND BUSINESS DAY FOLLOWING THE
20 SALE. FAILURE TO EXERCISE THIS OPTION, HOW-
21 EVER, WILL NOT INTERFERE WITH ANY OTHER
22 REMEDIES AGAINST THE HOME REPAIR CONTRAC-
23 TOR YOU MAY POSSESS."

24 (c) No receipt required to be delivered by the owner shall con-
25 tain, or be accompanied by any document which contains, provi-
26 sions by which the owner waives his rights under this act.

1 7. When a home repair contractor, who has received notice of
2 intent to rescind a home repair contract, fails to pick up the goods
3 and refund any monies or goods paid by the owner within ***[3]***
4 *10* business days as provided in section 5 of this act, the owner
5 may bring suit against the home repair contractor in any court of
6 competent jurisdiction and recover the amount paid by the owner
7 upon entering into such home repair contract. The court in such
8 action shall, in addition to any judgment awarded to the plaintiff,
9 require defendant to pay plaintiff a reasonable attorney's fee and
10 costs of the action.

1 8. Any home repair contractor who willfully destroys, within 18
2 months after its receipt, record of an owner's notice of intent to
3 rescind a sale; or who willfully fails to pick up the goods and
4 refund the purchase price within the ***[3]*** *10* business days pro-
5 vided in section 5 of this act; or who willfully fails to deliver a re-
6 ceipt setting forth all the information required by section 6 of this
7 act; or who willfully fails to set forth such information in the man-
8 ner required by section 6 of this act, or who attempts to secure a
9 waiver of the owner's rights under this act in violation of section 6
10 of this act, shall be a disorderly person and, upon conviction thereof,
11 shall be subject to a fine of not more than \$500.00 for each offense.

1 9. The rights and remedies accorded an owner by the provisions
2 of this act are hereby declared to be in addition to and cumulative
3 of any right or remedy accorded him by the common law or stat-
4 utes of this State, and nothing contained herein shall be construed
5 to deny, abrogate or impair any such common law or statutory
6 right or remedy.

1 10. This act shall take effect 45 days from its enactment.

Original bill which when amended became
in 1968 Chapter 224 on July 30, 1968

ASSEMBLY, No. 445

STATE OF NEW JERSEY

INTRODUCED MARCH 11, 1968

By Assemblymen THOMAS, FRIEDLAND, WOODSON, KALTENBACHER, RINALDI, KEAN, DENNIS, CAPUTO, FIORE, WILSON, McDONOUGH, KASER, VOLK, VREELAND, COBB, MABIE, SMITH, W. L., Assemblywoman MARGETTS, Assemblymen HOLLENBECK, RUSSO, CRANE, DE KORTE, ENOS, APY, AIKINS, COLEMAN and MERLINO

Referred to Committee on Commerce, Industry and Professions

A SUPPLEMENT to the "Home Repair Financing Act," approved
June 9, 1960 (P. L. 1960, c. 41).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. This act shall be known as, and may be cited as, the "Door-to-
2 Door Home Repair Sales Act of 1968."

1 2. This act being deemed and hereby declared remedial legisla-
2 tion necessary for the protection of the consumers of this State,
3 shall be liberally construed to effectuate the purposes and intent
4 thereof.

1 3. The Legislature hereby finds and declares that the consumer
2 is frequently induced to enter into home repair contracts for goods
3 and services which he does not need through the unsolicited and
4 often unethical persuasion of certain door-to-door sellers. It is the
5 purpose of this act to enable the consumer to reconsider his pur-
6 chase within a reasonable period of time and to rescind the home
7 repair contract if he acts before 5:00 o'clock P. M. of the second
8 business day following the day on which the contract is executed.

1 4. As used in this act, unless the context clearly indicates other-
2 wise:

3 (a) "Business day" means any day other than a Saturday, Sun-
4 day or holiday.

5 (b) "Place of business" means the main or branch office or local
6 address of a home repair contractor.

7 (c) "Purchase price" means the total price paid or to be paid
8 for goods and services sold or to be sold pursuant to a home repair
9 contract, such amount to include all interest and service charges,
10 including, without limitation, time sales price.

1 5. (a) Any home repair contract, for a purchase price in excess
2 of \$25.00, which is entered into at a place other than the place of
3 business of the home repair contractor may be rescinded by the
4 owner if the owner:

4A (1) Furnishes to the home repair contractor a notice of
4B intent to rescind the home repair contract by certified mail,
4C return receipt requested, post-marked not later than 5:00
4D o'clock P. M. of the second business day following the day on
5 which the home repair contract is executed; and

6 (2) Gives up possession of any goods, subject to such home
7 repair contract, delivered to the owner prior to receipt by the
8 home repair contractor of such notice of intent to rescind;
9 provided, that the home repair contractor has not substantially
10 performed the home repair contract prior to receipt of such notice
11 of intent to rescind.

12 (b) Within 3 business days after receipt of such notice of intent
13 to rescind the home repair contract, a home repair contractor
14 shall:

15 (1) Pick up, at his own expense, any goods subject to such
16 contract, delivered to the owner prior to receipt by the home
17 repair contractor of such notice;

18 (2) Refund to the owner all amounts of money paid by the
19 owner (less reasonable charges for any damages to such goods
20 which occurred while in the possession of the owner); and

21 (3) Redeliver to the owner any goods traded-in to the home
22 repair contractor on account of or in contemplation of the
23 home repair contract (less any reasonable charges actually
24 incurred in making the goods ready for sale).

25 (c) This section does not apply to mail order sales, telephone
26 sales, catalog sales where an order is placed by mail or telephone,
26A or sales in which the owner has requested the home repair con-
27 tractor to enter into the sale at a place other than the home repair
28 contractor's place of business, but it does apply to sales in which
29 the owner has requested the home repair contractor to conduct a
30 demonstration or exhibition at a place other than the home repair
31 contractor's place of business and has not also requested to enter
32 into a sale at the place at the same time he has requested such
33 demonstration or exhibition.

34 (d) Each home repair contractor shall maintain a record of the
35 receipt of any owner's notice of intent to rescind a sale under this
36 act for at least 18 months after the receipt of such notice of intent
37 to rescind.

1 6. (a) At the time of executing every home repair contract sub-
2 ject to the provisions of section 5 of this act, the home repair con-
3 tractor shall deliver to the owner a receipt which clearly and con-
4 spicuously sets forth:

5 (1) The home repair contractor's name and place of busi-
6 ness;

7 (2) A description of the goods and services sold; and

8 (3) The amount of money paid by the owner or the cash
9 value of any goods delivered to the home repair contractor
10 at the time the home repair contract was entered into.

11 (b) The receipt required to be delivered to the owner shall also
12 clearly and conspicuously bear, in at least 10-point bold type, the
13 following statement:

14 "NOTICE TO OWNER: YOU MAY RESCIND THIS
15 SALE PROVIDED THAT YOU NOTIFY THE HOME RE-
16 PAIR CONTRACTOR OF YOUR INTENT TO DO SO BY
17 CERTIFIED MAIL, RETURN RECEIPT REQUESTED,
18 POST-MARKED NOT LATER THAN 5:00 O'CLOCK P. M.
19 OF THE SECOND BUSINESS DAY FOLLOWING THE
20 SALE. FAILURE TO EXERCISE THIS OPTION, HOW-
21 EVER, WILL NOT INTERFERE WITH ANY OTHER
22 REMEDIES AGAINST THE HOME REPAIR CONTRAC-
23 TOR YOU MAY POSSESS."

24 (c) No receipt required to be delivered by the owner shall con-
25 tain, or be accompanied by any document which contains, provi-
26 sions by which the owner waives his rights under this act.

1 7. When a home repair contractor, who has received notice of
2 intent to rescind a home repair contract, fails to pick up the goods
3 and refund any monies or goods paid by the owner within 3 busi-
4 ness days as provided in section 5 of this act, the owner may
5 bring suit against the home repair contractor in any court of
6 competent jurisdiction and recover the amount paid by the owner
7 upon entering into such home repair contract. The court in such
8 action shall, in addition to any judgment awarded to the plaintiff,
9 require defendant to pay plaintiff a reasonable attorney's fee and
10 costs of the action.

1 8. Any home repair contractor who willfully destroys, within 18
2 months after its receipt, record of an owner's notice of intent to
3 rescind a sale; or who willfully fails to pick up the goods and
4 refund the purchase price within the 3 business days provided in
5 section 5 of this act; or who willfully fails to deliver a receipt
6 setting forth all the information required by section 6 of this act;
7 or who willfully fails to set forth such information in the manner
8 required by section 6 of this act, or who attempts to secure a waiver
9 of the owner's rights under this act in violation of section 6 of this
10 act, shall be a disorderly person and, upon conviction thereof,
11 shall be subject to a fine of not more than \$500.00 for each offense.

1 9. The rights and remedies accorded an owner by the provisions
2 of this act are hereby declared to be in addition to and cumulative
3 of any right or remedy accorded him by the common law or stat-
4 utes of this State, and nothing contained herein shall be construed
5 to deny, abrogate or impair any such common law or statutory
6 right or remedy.

1 10. This act shall take effect 45 days from its enactment.

ASSEMBLY COMMITTEE AMENDMENTS TO
ASSEMBLY, No. 445

STATE OF NEW JERSEY

ADOPTED APRIL 18, 1968

Amend page 2, section 5, line 8, omit “;”, insert “.”.

Amend page 2, section 5, lines 9 to 11, omit lines 9 to 11 in their entirety.

Amend page 2, section 5, line 12, delete “3”, and insert “10” in lieu thereof.

Amend page 3, section 7, line 3, delete “3”, and insert “10” in lieu thereof.

Amend page 4, section 8, line 4, delete “3”, and insert “10” in lieu thereof.
