

17:16C-62

LEGISLATIVE FACT SHEET

ON *Retail Installment Sales;
Definitions*

N.J.S.A. 17:16C-62

(1968 Amendment)

LAWS OF 1968

CHAPTER 220

SENATE 182

ASSEMBLY

INTRODUCED *Jan. 7*

BY *Forsythe*

STATEMENT

YES

NO

AMENDED DURING PASSAGE

YES

NO

HEARING *No*

VETO *No*

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CHAPTER 220 LAWS OF N. J. 1968
APPROVED 7-30-68
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SENATE, No. 182

STATE OF NEW JERSEY

INTRODUCED JANUARY 9, 1968

By Senator FORSYTHE

Referred to Committee on Commerce, Industry and Professions

AN ACT to amend the title of "An act to define and regulate installment sales of goods and services used or furnished in the modernization, rehabilitation, repair, alteration or improvement of real property, and to provide for licensing of home improvement contractors and home financing agencies and providing penalties for violations," approved June 9, 1960 (P. L. 1960, c. 41), so that the same shall read "An act to define and regulate installment sales of goods or services used or furnished in the modernization, rehabilitation, repair, alteration or improvement of real property, and to provide for licensing of home repair contractors, home financing agencies and home repair salesmen and providing penalties for violations," and to amend the body of said act.

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

1 1. The title of chapter 41 of the laws of 1960 is amended to read as
2 follows:

3 AN ACT to define and regulate installment sales of goods **[and]** *or* services
4 used or furnished in the modernization, rehabilitation, repair, altera-
5 tion or improvement of real property, and to provide for licensing of
6 home **[improvement]** *repair* contractors **[and]**, home financing agencies
7 and *home repair salesmen* and providing penalties for violations.

1 2. Section 1 of the act of which this act is amendatory is amended to read
2 as follows:

3 1. Unless the context otherwise indicates,

4 (a) "Goods" means all chattels personal which are furnished or used
5 in the modernization, rehabilitation, repair, alteration or improvement of
6 real property except those furnished or used for a commercial or business
7 purpose or for resale, and except stoves, freezers, refrigerators, air condi-

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

8 tioners other than those connected with a central heating system, hot water
9 heaters and other appliances furnished for use in a home and designed to be
10 removable therefrom without material injury to the structure, and except
11 chattels personal under a contract in which the cash price is \$300.00 or less
12 and which is subject to the Retail Installment Sales Act of 1960;

13 (b) "Services" means labor, equipment and facilities furnished or used
14 in connection with the installation or application of goods in the moderniza-
15 tion, rehabilitation, repair, alteration or improvement of real property;

16 (c) "Home repair contract" means an agreement, whether contained in
17 one or more documents, between a home repair contractor and an owner to
18 pay the time sales price of goods [and] or [related] services in install-
19 ments over a period of time greater than [3 months] 90 days;

20 (d) "Home repair contractor" means any person engaged in the busi-
21 ness of selling goods [and] or [related] services pursuant to a home repair
22 contract;

23 (e) "Commissioner" means the Commissioner of Banking and Insur-
24 ance of New Jersey and includes any deputies or employees of the depart-
25 ment designated by him to administer and enforce this act;

26 (f) "Official fees" means the fees to be paid to a public officer for ob-
27 taining any permit or filing any lien or mortgage taken or reserved as
28 security pursuant to a home repair contract;

29 (g) "Cash price" means the cash sales price for which the home repair
30 contractor would sell the goods [and] or services which are the subject
31 matter of a home repair contract if the sale were a sale for cash rather
32 than an installment sale;

33 (h) "Down payment" means all payments made in cash to the home
34 repair contractor and all allowances given by the home repair contractor
35 to the owner prior to or substantially contemporaneous with the execution of
36 the home repair contract;

37 (i) "Credit service charge" means that amount by which the time sales
38 price exceeds the aggregate of the cash price and the amounts specifically in-
39 cluded for official fees and, if a separate charge is made therefor, the amount
39A included for insurance and other benefits as provided in section 6 (d);

40 (j) "Time sales price" means the total amount to be paid pursuant
41 to the contract excluding default charges authorized under this act;

42 (k) "Owner" means a person, *including a tenant*, who buys goods or
43 services pursuant to a home repair contract;

44 (l) "Home financing agency" means [and includes] any person, other
45 than a home repair contractor, engaged, directly or indirectly, in the busi-
46 ness of purchasing, acquiring, soliciting or arranging for the acquisition of

47 home repair contracts or any obligation in connection therewith by purchase,
48 discount, pledge or otherwise;

49 (m) "Holder" means any person who is entitled to the rights of a home
50 repair contractor under a home repair contract;

51 (n) "*Home repair salesman*" means any individual who obtains a
52 *bona fide home repair contract*;

53 **[(n)]** (o) "Payment-period" means the period of time scheduled by a
54 home repair contract to elapse between the days upon which installment pay-
55 ments are scheduled to be made on such contract; except that, where install-
56 ment payments are scheduled by the home repair contract to be omitted,
57 "payment-period" means the period of time scheduled by the contract to
58 elapse between the days upon which installment payments are scheduled to be
59 made during that portion of the contract period in which no installment pay-
60 ment is scheduled to be omitted; and

61 **[(o)]** (p) "Contract period" means the period beginning on the date of a
62 home repair contract and ending on the date scheduled by the contract for the
63 payment of the final installment.

1 3. Section 2 of the act of which this act is amendatory is amended to
2 read as follows:

3 2. Every home repair contract:

4 (a) shall be in writing and contain the entire agreement between the
5 owner and the home repair contractor;

6 (b) shall state the names and addresses of all parties, the dates when
7 executed by the parties and contain a description of the goods and services;

8 (c) shall be completed in full without any blank spaces to be filled in
9 after the contract is signed by the owner, except for serial number or iden-
10 tifying marks which are not available for the description of the goods at
11 that time;

12 (d) shall contain the following notice in 10-point bold type or larger,
13 directly above the space provided for the signature of the owner:

14 "NOTICE TO OWNER

15 Do not sign this contract in blank.

16 You are entitled to a copy of the contract at the time you sign.

17 Keep it to protect your legal rights."; **[and]**

18 (e) shall state **[if]** *that* workmen's compensation and public liability
19 insurance are carried by the home repair contractor and applicable to the
20 work to be performed under the contract **[and]** *or* if the home repair
21 contractor is qualified as a self-insurer pursuant to Title 34; *and*

22 (f) *If the home repair contractor is precluded from purchasing work-*
23 *men's compensation under chapter 15 of Title 34 of the Revised Statutes, he*
24 *shall state that he does not carry workmen's compensation insurance.*

1 4. Section 3 of the act of which this act is amendatory is amended to
2 read as follows:

3 3. No home repair contract shall contain:

4 (a) any acceleration clause under which any part or all of the time bal-
5 ance not yet matured may be declared due and payable because the holder
6 deems himself to be insecure;

7 (b) any agreement to pay any amount other than the time sales price
8 of the goods **[and]** or services furnished under the contract, provided that
9 a retail installment contract under the Retail Installment Sales Act of 1960
10 may be included in a home repair contract;

11 (c) any power of attorney to confess judgment or any other power of
12 attorney;

13 (d) any provision relieving the home repair contractor from liability
14 upon any claim which the owner may have under the contract;

15 (e) any provisions whereby the owner waives any right of action
16 against the home repair contractor or holder or other person acting in his or
17 their behalf for any act committed in the collection of the payments under
18 the contract or in the repossession of the goods, the subject matter of the
19 home repair contract;

20 (f) any assignment of or order for the payment of any salary, wages,
21 commissions or other compensation for services, or any part thereof, earned
22 or to be earned;

23 (g) any provision for a payment or credit to any owner for the privilege
24 of placing any sign on the premises where the work is being done or for
25 recommending to the home repair contractor the names of any person or
26 persons, who might be interested in making an installment home repair
27 contract unless such provision has been approved by the commissioner.

1 5. Section 4 of the act of which this act is amendatory is amended to
2 read as follows:

3 4. (a) *Every home repair contractor must own, rent or lease a place of*
4 *business in the State of New Jersey; namely, an office, warehouse or store or*
5 *any combination of these. The premise or premises, as the case may be,*
6 *must be identified by a sign, as permitted by the laws of the local munici-*
7 *pality. The sign shall be legible to a visitor entering the main entrance of*
8 *the place of business and shall contain the words "licensed as a home repair*
9 *contractor" **[and the home repair contractor's current license number].***

10 (b) *A home repair contractor, in lieu of the above, may operate from a*
11 *private residence but in doing so must list such residence in the nearest post*
12 *office, local telephone directory and with the commissioner as a business*
13 *address.*

14 (c) A home repair contractor may operate as an individual, partner-
 15 ship, limited partnership or corporation. In the event the business is con-
 16 ducted under a trade name, such trade name shall be made a matter of record
 17 as required by law.

18 (d) A home repair contractor must carry workmen's compensation and
 19 public liability insurance except if he qualifies as a self-insurer under Title
 20 34 or if he is precluded from purchasing workmen's compensation under
 21 chapter 15 of Title 34 of the Revised Statutes.

22 (e) Every home repair contractor shall furnish without charge a com-
 23 pletely executed copy of the home repair contract to the owner immediately
 24 after the owner signs such contract and **[any]** the acknowledgment of re-
 25 ceipt thereof by the owner shall be in 10-point bold type or larger.

1 6. Section 6 of the act of which this act is amendatory is amended to read
 2 as follows:

3 6. Every home repair contract shall state separately:

4 (a) the cash price of the goods **[and]** or services to be furnished;

5 (b) the down payment;

6 (c) the unpaid cash balance which is the difference between subsections
 7 (a) and (b);

8 (d) the amount, if any, if a separate charge is made therefor, included for
 9 credit life insurance and other benefits pursuant to chapter 169 of the laws
 10 of 1958, specifying the coverages and benefits;

11 (e) the official fees;

12 (f) the principal balance, which is the sum of subsections (c), (d) and
 13 (e);

14 (g) the credit service charge;

15 (h) the time balance, which is the sum of subsections (f) and (g), the num-
 16 ber of installments required, the amount of each installment and the due dates
 17 thereof.

1 7. Section 14 of the act of which this act is amendatory is amended to
 2 read as follows:

3 14. With respect to contracts pursuant to which there is a lien, mortgage
 4 or encumbrance upon the goods or real property, upon payment in full by the
 5 owner of the time sales price and other amounts lawfully due under a home
 6 repair contract, the holder shall:

7 (a) return to the owner the original instruments evidencing indebtedness
 8 under a home repair contract which were signed by the owner or his sureties
 9 or guarantors in connection with such contract, excepting such instruments
 10 as are filed with a public official and retained in the files of such official;

11 (b) release all security interest in the goods **[and]** or real property
 12 affected by the home repair contract; and

13 (c) deliver to the owner such good and sufficient assignments, releases of
 14 liens and mortgages on personal and real property and such other instru-
 15 ments of title as may be necessary to vest the owner with complete evidence
 16 of title.

17 With respect to all other contracts, the holder, upon payment in full
 18 by the retail buyer of the time sales price and other amounts lawfully due
 19 under a home repair contract, shall furnish the owner with such instruments
 20 as the commissioner may by regulation provide.

1 8. Section 16 of the act of which this act is amendatory is amended to
 2 read as follows:

3 16. (a) No person shall engage in the business of a home financing
 4 agency, [or a] home repair contractor, or a home repair salesman in this State
 5 without first obtaining a license from the commissioner as provided for in this
 6 act.

7 (b) *The home repair contractor's license and fee therefor shall include*
 8 *one home repair salesman's license therein.*

9 (c) *No home repair contractor shall employ any home repair salesman to*
 10 *procure a home repair contract from an owner on behalf of the contractor, or*
 11 *for himself, if the salesman be also the contractor, until the home repair sales-*
 12 *man is licensed under this act.*

13 (d) Any bank, trust company or national bank or any State or Federally
 14 chartered savings and loan association [or credit union] authorized to do
 15 business in this State and any licensed sales finance company shall be author-
 16 ized to transact business as a home financing agency *and shall be deemed to be*
 17 *a home financing agency for the purpose of this act*, subject to all of the pro-
 18 visions of this act, except that it shall not be required to obtain a license or
 19 pay a license fee hereunder.

20 (e) No license issued under this act shall be transferable or assignable.

21 (f) *No home repair salesman may concurrently represent more than one*
 22 *contractor in the solicitation or negotiation of any one home repair contract*
 23 *from an owner. The use of a contract form which fails to disclose a named*
 24 *contractor principal, whether for the purpose of offering the contract to vari-*
 25 *ous contractors other than the one the salesman purported to represent in*
 26 *negotiation or otherwise, is prohibited. No salesman may be authorized to*
 27 *select a prime contractor on behalf of the owner.*

28 (g) *No home repair salesman shall accept or pay any compensation of*
 29 *any kind, for or on account of a home improvement transaction, from or for*
 30 *any person other than the contractor whom he represents with respect to the*
 31 *transaction.*

1 9. Section 17 of the act of which this act is amendatory is amended to
 2 read as follows:

3 17. (a) Application for a license under this act shall be in writing, under
4 oath, and shall be in the form prescribed by the commissioner.

5 (b) The application *for a home repair contractor or home financing*
6 *agency license* shall state the name and residence and business addresses of
7 the applicant, and if the applicant is a copartnership or association, of every
8 member thereof, and if a corporation, of each officer and director thereof. It
9 shall also state the address where the business is to be conducted, demon-
10 strate the financial responsibility of the applicant and set forth any other in-
11 formation the commissioner may require.

12 (c) *The application for a home repair salesman license shall state the*
13 *name and residence address of the applicant, the name and business address*
14 *of his employer, the names and addresses of each and every employer by*
15 *whom the applicant was previously employed within the past 5 years and*
16 *shall set forth any other information the commissioner may require.*

1 10. Section 18 of the act of which this act is amendatory is amended to
2 read as follows:

3 18. Within 60 days after the filing of the application and the payment of
4 the fees herein set forth the commissioner shall:

5 (a) issue and deliver to the applicant a license to engage in the busi-
6 ness of a home financing agency, **[or a]** home repair contractor, *or a home*
7 *repair salesman* in accordance with the provisions of this act; or

8 (b) refuse to issue the license for any reason for which he may suspend,
9 revoke or refuse to renew any license under this act.

1 11. Section 20 of the act of which this act is amendatory is amended to
2 read as follows:

3 20. (a) No **[licensee]** *home repair contractor or home financing agency*
4 shall transact any business subject to this act under any other name or main-
5 tain an office at any other location than that designated in the license.

6 (b) *No home repair salesman shall transact any business subject to this*
7 *act for any employer except that designated in the license.*

8 (c) *In case such location or employer be changed, the licensee shall in-*
9 *form the commissioner of such change within 10 days and the commissioner*
10 *shall indorse the change of location or change of employer on the license*
11 *without charge.*

1 12. Section 21 of the act of which this act is amendatory is amended to
2 read as follows:

3 21. (a) Every home financing agency and every home repair contractor
4 shall pay to the commissioner at the time of making the application and an-
5 nually thereafter upon renewal a license fee of \$25.00.

6 (b) *The home repair contractor's license and fee therefor shall include*
7 *one home repair salesman's license therein.*

8 (c) *Every home repair salesman shall pay to the commissioner at the*
9 *time of making the application and annually thereafter upon renewal a license*
10 *fee of \$10.00.*

1 13. Section 27 of the act of which this act is amendatory is amended to
2 read as follows:

3 27. (a) No holder shall sell, transfer or assign any obligation in connec-
4 tion with a home repair contract or any evidence of indebtedness there-
5 under to any person who is not authorized as a home financing agency, except
6 that such obligation or evidence of indebtedness may be sold, transferred or
7 assigned to a State or national bank outside of this State if the contract
8 is retained by the holder and collection of payments thereon is made to the
9 holder.

10 (b) *No home financing agency shall knowingly purchase, buy, take by*
11 *assignment, discount or otherwise accept any document, security, obligation*
12 *or evidence of indebtedness executed in connection with a home repair con-*
13 *tract from anyone except a home repair contractor licensed under this act*
14 *or a home financing agency.*

1 14. This act shall take effect immediately but shall be inoperative for
2 90 days thereafter.

SENATE, No. 182

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1968 SESSION

By Senator FORSYTHE

AN ACT to amend the title of "An act to define and regulate installment sales of goods and services used or furnished in the modernization, rehabilitation, repair, alteration or improvement of real property, and to provide for licensing of home improvement contractors and home financing agencies and providing penalties for violations," approved June 9, 1960 (P. L. 1960, c. 41), so that the same shall read "An act to define and regulate installment sales of goods or services used or furnished in the modernization, rehabilitation, repair, alteration or improvement of real property, and to provide for licensing of home repair contractors, home financing agencies and home repair salesmen and providing penalties for violations," and to amend the body of said act.

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

1 1. The title of chapter 41 of the laws of 1960 is amended to read as
2 follows:

3 AN ACT to define and regulate installment sales of goods **[and]** *or* services
4 used or furnished in the modernization, rehabilitation, repair altera-
5 tion or improvement of real property, and to provide for licensing of
6 home **[improvement]** *repair* contractors **[and]**, home financing agencies
7 and *home repair salesmen* and providing for violations.

1 2. Section 1 of the act of which this act is amendatory is amended to read
2 as follows:

3 1. Unless the context otherwise indicates,

4 (a) "Goods" means all chattels personal which are furnished or used
5 in the modernization, rehabilitation, repair, alteration or improvement of
6 real property except those furnished or used for a commercial or business
7 purpose or for resale, and except stoves, freezers, refrigerators, air condi-

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

8 tioners other than those connected with a central heating system, hot water
9 heaters and other appliances furnished for use in a home and designed to be
10 removable therefrom without material injury to the structure, and except
11 chattels personal under a contract in which the cash price is \$300.00 or less
12 and which is subject to the Retail Installment Sales Act of 1960.

13 (b) "Services" means labor, equipment and facilities furnished or used
14 in connection with the installation or application of goods in the moderniza-
15 tion, rehabilitation, repair, alteration or improvement of real property;

16 (c) "Home repair contract" means an agreement, whether contained in
17 one or more documents, between a home repair contractor and an owner to
18 pay the time sales price of goods [and] or [related] services in install-
19 ments over a period of time greater than [3 months] 90 days;

20 (d) "Home repair contractor" means any person engaged in the busi-
21 ness of selling goods [and] or [related] services pursuant to a home repair
22 contract;

23 (e) "Commissioner" means the Commissioner of Banking and Insur-
24 ance of New Jersey and includes any deputies or employees of the depart-
25 ment designated by him to administer and enforce this act;

26 (f) "Official fees" means the fees to be paid to a public officer for ob-
27 taining any permit or filing any lien or mortgage taken or reserved as
28 security pursuant to a home repair contract;

29 (g) "Cash price" means the cash sales price for which the home repair
30 contractor would sell the goods [and] or services which are the subject
31 matter of a home repair contract if the sale were a sale for cash rather
32 than an installment sale;

33 (h) "Down payment" means all payments made in cash to the home
34 repair contractor and all allowances given by the home repair contractor
35 to the owner prior to or substantially contemporaneous with the execution of
36 the home repair contract;

37 (i) "Credit service charge" means that amount by which the time sales
38 price exceeds the aggregate of the cash price and the amounts specifically in-
39 cluded for official fees[;] and, if a separate charge is made therefor, the
39A amount included for insurance and other benefits as provided in section
39B 6 (d);

40 (j) "Time sales price" means the total amount to be paid pursuant
41 to the contract excluding default charges authorized under this act;

42 (k) "Owner" means a person, including a tenant, who buys goods or
43 services pursuant to a home repair contract;

44 (l) "Home financing agency" means [and includes] any person, other
45 than a home repair contractor, engaged, directly or indirectly, in the busi-
46 ness of purchasing, acquiring, soliciting or arranging for the acquisition of

47 home repair contracts or any obligation in connection therewith by purchase,
48 discount, pledge or otherwise;

49 (m) "Holder" means any person who is entitled to the rights of a home
50 repair contractor under a home repair contract;

51 (n) "Home repair salesman" means any individual who obtains a
52 bona fide home repair contract;

53 (o) "Payment-period" means the period of time scheduled by a home
54 repair contract to elapse between the days upon which installment payments
55 are scheduled to be made on such contract; except that, where installment
56 payments are scheduled by the home repair contract to be omitted,
57 [pursuant to section 7,] "paymeent-period" means the period of time
58 scheduled by the contract to elapse between the days upon which installment
59 payments are scheduled to be made during that portion of the contract period
60 in which no installment payment is scheduled to be omitted; and

61 (p) "Contract period" means the period beginning on the date of a
62 home repair contract and ending on the date scheduled by the contract for the
63 payment of the final installment.

1 3. Section 2 of the act of which this act is amendatory is amended to
2 read as follows:

3 2. Every home repair contract:

4 (a) shall be in writing and contain the entire agreement between the
5 owner and the home repair contractor;

6 (b) shall state the names and addresses of all parties, the dates when
7 executed by the parties and contain a description of the goods and services;

8 (c) shall be completed in full without any blank spaces to be filled in
9 after the contract is signed by the owner, except for serial number or iden-
10 tifying marks which are not available for the description of the goods at
11 that time;

12 (d) shall contain the following notice in 10-point bold type or larger,
13 directly above the space provided for the signature of the owner:

14 "NOTICE TO OWNER

15 Do not sign this contract in blank.

16 You are entitled to a copy of the contract at the time you sign.

17 Keep it to protect your legal rights."; and

18 (e) shall state [if] that workmen's compensation and public liability
19 insurance are carried by the home repair contractor and applicable to the
20 work to be performed under the contract [and] or if the home repair
21 contractor is qualified as a self-insurer pursuant to Title 34.

22 (f) If the home repair contractor is precluded from purchasing work-
23 men's compensation under chapter 15 of Title 34 of the Revised Statutes, he
24 shall state that he does not carry workmen's compensation insurance.

1 4. Section 3 of the act of which this act is amendatory is amended to
2 read as follows:

3 3. No home repair contract shall contain:

4 (a) any acceleration clause under which any part or all of the time bal-
5 ance not yet matured may be declared due and payable because the holder
6 deems himself to be insecure;

7 (b) any agreement to pay any amount other than the time sales price
8 of the goods [and] or services furnished under the contract, provided that
9 a retail installment contract under the Retail Installment Sales Act of 1960
10 may be included in a home repair contract;

11 (c) any power of attorney to confess judgment or any other power of
12 attorney;

13 (d) any provision relieving the home repair contractor from liability
14 upon any claim which the owner may have under the contract;

15 (e) any provisions whereby the owner waives any right of action
16 against the home repair contractor or holder or other person acting in his or
17 their behalf for any act committed in the collection of the payments under
18 the contract or in the repossession of the goods, the subject matter of the
19 home repair contract;

20 (f) any assignment of or order for the payment of any salary, wages,
21 commissions or other compensation for services, or any part thereof, earned
22 or to be earned;

23 (g) any provision for a payment or credit to any owner for the privilege
24 of placing any sign on the premises where the work is being done or for
25 recommending to the home repair contractor the names of any person or
26 persons, who might be interested in making an installment home repair
27 contract unless such provision has been approved by the commissioner.

1 5. Section 4 of the act of which this act is amendatory is amended to
2 read as follows:

3 4. (a) *Every home repair contractor must own, rent or lease a place of*
4 *business in the State of New Jersey; namely, an office, warehouse or store or*
5 *any combination of these. The premise or premises, as the case may be,*
6 *must be identified by a sign, as permitted by the laws of the local munici-*
7 *pality. The sign shall be legible to a visitor entering the main entrance of*
8 *the place of business and shall contain the words "licensed as a home repair*
9 *contractor" and the home repair contractor's current license number.*

10 (b) *A home repair contractor, in lieu of the above, may operate from a*
11 *private residence but in doing so must list such residence in the nearest post*
12 *office, local telephone directory and with the commissioner as a business*
13 *address.*

14 (c) A home repair contractor may operate as an individual, partner-
 15 ship, limited partnership or corporation. In the event the business is con-
 16 ducted under a trade name, such trade name shall be made a matter of record
 17 as required by law.

18 (d) A home repair contractor must carry workmen's compensation and
 19 public liability insurance except if he qualifies as a self-insurer under Title
 20 34 or if he is precluded from purchasing workmen's compensation under
 21 chapter 15 of Title 34 of the Revised Statutes.

22 (e) Every home repair contractor shall furnish without charge a com-
 23 pletely executed copy of the home repair contract to the owner immediately
 24 after the owner signs such contract and ~~any~~ the acknowledgment of re-
 25 ceipt thereof by the owner shall be in 10-point bold type or larger.

1 6. Section 6 of the act of which this act is amendatory is amended to read
 2 as follows:

3 6. Every home repair contract shall state separately:

4 (a) the cash price of the goods ~~and~~ or services to be furnished;

5 (b) the down payment;

6 (c) the unpaid cash balance which is the difference between subsections
 7 (a) and (b);

8 (d) the amount, if any, if a separate charge is made therefor, included for
 9 credit life insurance and other benefits pursuant to chapter 169 of the laws
 10 of 1958, specifying the coverages and benefits;

11 ~~(d)~~ (e) the official fees;

12 ~~(e)~~ (f) the principal balance, which is the sum of subsections (e)
 13 ~~and~~, (d) and (e);

14 ~~(f)~~ (g) the credit service charge;

15 ~~(g)~~ (h) the time balance, which is the sum of subsections ~~(e) and~~
 16 (f) and (g), the number of installments required, the amount of each install-
 17 ment and the due dates thereof.

1 7. Section 7 of the act of which this act is amendatory is amended to
 2 read as follows:

3 7. Every home repair contract shall provide for the payment of the time
 4 balance ~~at substantially equal intervals of time and~~ in substantially equal
 5 ~~amounts~~ installments on dates separated by substantially equal payment-
 6 periods. When appropriate for the purpose of facilitating payment, the
 7 contract may provide for payments on a schedule which reduces or omits
 8 payments over a period or periods not in excess of 93 days in any 12-month
 9 period.

1 8. Section 12 of the act of which this act is amendatory is amended to
 2 read as follows:

3 12. ~~Any~~ owner may satisfy in full at any time before maturity the

4 amount of any balance to become due on any home repair contract and in
 5 so satisfying such debt shall receive a refund credit thereon for such
 6 anticipation of payments. The amount of such refund shall represent at least
 7 as great a proportion of the credit service charge, less an acquisition cost
 8 of \$15.00, as the sum of the periodical time balances scheduled by the con-
 9 tract to follow the installment date after the date of prepayment bears to the
 10 sum of all the periodical time balances under the scheduled payments in the
 11 original contract. Where the amount of the credit for anticipation of pay-
 12 ments is less than \$1.00, no refund need be made.】 *When the unpaid balance*
 13 *owing on a home repair contract is repaid in full at any time before the end*
 14 *of the contract period, the holder of the contract shall allow a credit on*
 15 *account of the credit service charge, the amount of which shall be determined*
 16 *by the application of the formula $C = AN \div D$, in which "C" represents*
 17 *the amount of the credit to be given; "A" represents the amount of the*
 18 *credit service charge, less an acquisition cost of \$15.00; "D" represents an*
 19 *amount determined as follows: there shall be ascribed to each payment-*
 20 *period included in the contract period, beginning with the first payment-*
 21 *period scheduled by the contract, the cardinal number descriptive of the*
 22 *number of payment-periods scheduled by the contract to elapse from the*
 23 *beginning of each such payment-period to the end of the contract period, and*
 24 *the sum of all such cardinal numbers shall constitute the quantity "D"; and*
 25 *"N" represents the difference between the quantity "D" and the sum of all*
 26 *the cardinal numbers ascribed to the payment-periods which have elapsed, in*
 27 *whole or in part, from the date of the contract to the date upon which such*
 28 *repayment is made. This section shall not apply when the amount of the*
 29 *credit is less than \$1.00.*

1 9. Section 14 of the act of which this act is amendatory is amended to
 2 read as follows:

3 14. With respect to contracts pursuant to which there is a lien, mortgage
 4 or encumbrance upon the goods or real property, upon payment in full by the
 5 owner of the time sales price and other amounts lawfully due under a home
 6 repair contract, the holder shall:

7 (a) return to the owner the original instruments evidencing indebtedness
 8 under a home repair contract which were signed by the owner or his sureties
 9 or guarantors in connection with such contract, excepting such instruments
 10 as are filed with a public official and retained in the files of such official;

11 (b) release all security interest in the goods 【and】 or real property
 12 affected by the home repair contract; and

13 (c) deliver to the owner such good and sufficient assignments, releases of
 14 liens and mortgages on personal and real property and such other instru-
 15 ments of title as may be necessary to vest the owner with complete evidence
 16 of title.

17 With respect to all other contracts, the holder, upon payment in full
18 by the retail buyer of the time sales price and other amounts lawfully due
19 under a home repair contract, shall furnish the owner with such instruments
20 as the commissioner may by regulation provide.

1 10. Section 16 of the act of which this act is amendatory is amended to
2 read as follows:

3 16. (a) No person shall engage in the business of a home financing
4 agency, [or a] home repair contractor, or a home repair salesman in this State
5 without first obtaining a license from the commissioner as provided for in this
6 act.

7 (b) *The home repair contractor's license and fee therefor shall include*
8 *one home repair salesman's license therein.*

9 (c) *No home repair contractor shall employ any home repair salesman to*
10 *procure a home repair contract from an owner on behalf of the contractor, or*
11 *for himself, if the salesman be also the contractor, until the home repair sales-*
12 *man is licensed under this act.*

13 (d) Any bank, trust company or national bank or any State or Federally
14 chartered savings and loan association [or credit union] authorized to do
15 business in this State and any licensed sales finance company shall be author-
16 ized to transact business as a home financing agency and shall be deemed to be
17 a home financing agency for the purpose of this act, subject to all of the pro-
18 visions of this act, except that it shall not be required to obtain a license or
19 pay a license fee hereunder.

20 (e) No license issued under this act shall be transferable or assignable.

21 (f) *No home repair salesman may concurrently represent more than one*
22 *contractor in the solicitation or negotiation of any one home repair contract*
23 *from an owner. The use of a contract form which fails to disclose a named*
24 *contractor principal, whether for the purpose of offering the contract to vari-*
25 *ous contractors other than the one the salesman purported to represent in*
26 *negotiation or otherwise, is prohibited. No salesman may be authorized to*
27 *select a prime contractor on behalf of the owner.*

28 (g) *No home repair salesman shall accept or pay any compensation of*
29 *any kind, for or on account of a home improvement transaction, from or for*
30 *any person other than the contractor whom he represents with respect to the*
31 *transaction.*

1 11. Section 17 of the act of which this act is amendatory is amended to
2 read as follows:

3 17. (a) Application for a license under this act shall be in writing, under
4 oath, and shall be in the form prescribed by the commissioner.

5 (b) The application for a home repair contractor or home financing
6 agency license shall state the name and residence and business addresses of

7 the applicant, and if the applicant is a copartnership or association, of every
 8 member thereof, and if a corporation, of each officer and director thereof. It
 9 shall also state the address where the business is to be conducted, demon-
 10 strate the financial responsibility of the applicant and set forth any other in-
 11 formation the commissioner may require.

12 *(c) The application for a home repair salesman license shall state the*
 13 *name and residence address of the applicant, the name and business address*
 14 *of his employer, the names and addresses of each and every employer by*
 15 *whom the applicant was previously employed within the past 5 years and*
 16 *shall set forth any other information the commissioner may require.*

1 12. Section 18 of the act of which this act is amendatory is amended to
 2 read as follows:

3 18. Within 60 days after the filing of the application and the payment of
 4 the fees herein set forth the commissioner shall:

5 (a) issue and deliver to the applicant a license to engage in the busi-
 6 ness of a home financing agency, [or a] home repair contractor, or a home
 7 repair salesman in accordance with the provisions of this act; or

8 (b) refuse to issue the license for any reason for which he may suspend,
 9 revoke or refuse to renew any license under this act.

1 13. Section 20 of the act of which this act is amendatory is amended to
 2 read as follows:

3 20. (a) No [licensee] home repair contractor or home financing agency
 4 shall transact any business subject to this act under any other name or main-
 5 tain an office at any other location than that designated in the license.

6 (b) No home repair salesman shall transact any business subject to this
 7 act for any employer except that designated in the license.

8 (c) In case such location or employer be changed, the licensee shall in-
 9 form the commissioner of such change within 10 days and the commissioner
 10 shall indorse the change of location or change of employer on the license
 11 without charge.

1 14. Section 21 of the act of which this act is amendatory is amended to
 2 read as follows:

3 21. (a) Every home financing agency and every home repair contractor
 4 shall pay to the commissioner at the time of making the application and an-
 5 nually thereafter upon renewal a license fee of \$25.00.

6 (b) The home repair contractor's license and fee therefor shall include
 7 one home repair salesman's license therein.

8 (c) Every home repair salesman shall pay to the commissioner at the
 9 time of making the application and annually thereafter upon renewal a license
 10 fee of \$10.00.

1 15. Section 27 of the act of which this act is amendatory is amended to
2 read as follows:

3 27. (a) No holder shall sell, transfer or assign any obligation in connec-
4 tion with a home repair contract or any evidence of indebtedness there-
5 under to any person who is not authorized as a home financing agency, except
6 that such obligation or evidence of indebtedness may be sold, transferred or
7 assigned to a State or national bank outside of this State if the contract
8 is retained by the holder and collection of payments thereon is made to the
9 holder.

10 (b) *No home financing agency shall knowingly purchase, buy, take by*
11 *assignment, discount or otherwise accept any document, security, obligation*
12 *or evidence of indebtedness executed in connection with a home repair con-*
13 *tract from anyone except a home repair contractor licensed under this act*
14 *or a home financing agency.*

1 16. This act shall take effect immediately but shall be inoperative for
2 90 days thereafter.