

New Jersey Register
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RULE ADOPTION
LAW AND PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
NOTICE OF ADMINISTRATIVE CHANGES
HOME IMPROVEMENT CONTRACTOR REGISTRATION
REGISTRATION REQUIRED; MANDATORY COMMERCIAL GENERAL LIABILITY INSURANCE

N.J.A.C. 13:45A-17.3 and 17.12

Take notice that the Division of Consumer Affairs has requested, and the Office of Administrative Law has agreed to permit, several administrative changes to the Home Improvement Contractor Registration rules, N.J.A.C. 13:45A-17. These rules were initially proposed in the New Jersey Register on August 2, 2004 at 36 N.J.R. 3506(a) and adopted effective November 1, 2004 at 36 N.J.R. 4984(a).

Subsequent to the promulgation of the rules, P.L. 2004, c.155 was enacted which substantively impacts the rules as adopted. This notice of administrative changes is intended to conform the rules to the legislative changes. N.J.A.C. 13:45A-17.3(a) and 17.12(a) are changed to reflect that the date for compliance with home improvement contractor registration is December 31, 2005, pursuant to P.L. 2004, c.155, § 1. The change to N.J.A.C. 13:45A-17.12(b) deletes the requirement that the Director of the Division of Consumer Affairs be notified at least 10 business days before a commercial general liability insurance policy is canceled or nonrenewed. Instead, new language is added which states that after December 31, 2005, a registered home improvement contractor whose insurance policy is canceled or not renewed must submit to the Director a copy of a new or replacement policy before the termination of the old policy. Subsection (d) of the rule is also changed by deleting the 10 day prior notice requirement. These changes are in accordance with P.L. 2004, c.155, § 3.

This notice of administrative changes is published pursuant to N.J.A.C. 1:30-2.7.

Full text of the changed rules follows :

<< NJ ADC 13:45A-17.3 >>

13:45A-17.3 Registration required

(a) <<-Unless->> <<+On or after December 31, 2005, unless+>> exempt under N.J.A.C. 13:45A-17.4:

1.-2. (No change.)

(b)-(d) (No change.)

<< NJ ADC 13:45A-17.12 >>

13:45A-17.12 Mandatory commercial general liability insurance

(a) <<-Every->> <<+On or after December 31, 2005 every+>> registered home improvement contractor shall secure and maintain in full force and effect during the entire term of registration a commercial general liability insurance policy and shall file with the Director proof that such insurance is in full force and effect.

(b) The insurance policy required to be filed with the Director shall be a commercial general liability insurance policy, occurrence form, and shall provide a minimum coverage in the amount of \$500,000 per occurrence <<-and that cancellation or nonrenewal of the policy by either the contractor or the insurer shall not be effective unless and until at least 10 business days notice of intention to cancel or not renew has been received in writing by the Director->>. <<+On or after December 31 2005, every registered contractor engaged in home improvements whose commercial

general liability insurance policy is canceled or nonrenewed shall submit to the director a copy of the certificate of commercial general liability insurance for a new or replacement policy which meets the requirements of (a) above before the former policy is no longer effective.+>>

(c) (No change.)

(d) A home improvement contractor who either does not renew or otherwise changes the contractor's commercial general liability policy shall submit a copy of the certificate of commercial general liability insurance for the new policy <<-at least 10 business days->> before the former policy is no longer effective.