

Request for Proposal
NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
Arbitration Services for the New Home Warranty Program

Purpose of Request for Proposal:

The Department of Community Affairs (“Department”) is requesting proposals from a professionally qualified arbitration service to provide arbitration on an as needed basis to new homeowners and builders during the dispute settlement process delivered in accordance with the New Home Warranty and Builders’ Registration Act, established by enactment of Public Law 1977, Chapter 467 (N.J.S.A. 46:3B-1 et seq.), and the regulations adopted pursuant thereto (N.J.A.C. 5:25-1.1 et seq.). The intent of this RFP is to award a contract to the responsible bidder whose proposal conforms to the RFP and whose proposal proves advantageous to the State, price and other factors considered. It is the intent of the Department to award a limited term contract to take effect July 1, 2026 and expire on June 30, 2029 (see Award section for further details).

Description of Service:

The chosen vendor will provide arbitration services described as follows:

1. Assemble a roster of arbitrators through the State with suitable geographic distribution to ensure coverage of the entire State. Each member of the roster will be available for assignment to settle cases and such persons shall be drawn from a roster of professional, experienced arbitrators presently active in the profession and from architects, engineers, building inspectors, and construction officials who have been selected for their ability to arbitrate. Qualifications of arbitrators are to be outlined in a forthcoming section.
2. Provide training in the required skills to all persons providing services under the contract agreed upon by the entity and the Department. The content of the training session will cover basic concepts of negotiation, mediation and arbitration, and the differences thereof. The training will cover objectives and rules of the arbitrator, and the techniques used by the profession. Training will also be provided on specific information on the regulations and procedures of the New Home Warranty Program (“NHWP”).
3. Establish procedures for the administering, implementing, and coordinating between the entity providing the arbitration services and the NHWP. These procedures shall include, but are not limited to: obtaining claim information from the NHWP; contacting and assigning an arbitrator to the case; reporting date, time, and place of the arbitration meeting to the NHWP; receiving and reviewing the arbitrator’s award in accordance with the regulations of the NHWP; and mailing and notifying all relevant parties of the finalized award.
4. Creation of quarterly fiscal reports shall be prepared and transmitted within 30 days of the close of the quarter giving actual expenditures processed against specific budgeted

line items. The reports should outline the numbers and status of cases in the program. The report should contain narrative outline any changes or problems experienced which would impact on the delivery of the service. A list of all active arbitrators shall be maintained and a record of total monies earned by individuals shall be provided for audit. A list of all cases paid and the amount of the payment shall be made available upon request and the records should be kept on a monthly basis so that fiscal reports can be easily audited against individual case payments. Monthly statistical reports will be transmitted and should contain the number of cases opened, closed, and received with fiscal and calendar year totals.

Qualifications of Arbitrators:

Arbitrators shall adhere to qualifications outlined in N.J.A.C. 5:25-5.5(c)3i(1) and shall have at least one of the following qualifications:

1. Possess proof of satisfactorily passing the course of study for building inspector R.C.S., as set forth in N.J.A.C. 5:23-5.20(d)1, and examination module 1A – Building One and Two family Dwelling; **or**
2. Be licensed as a professional engineer or a registered/licensed architect in any state; **or**
3. Hold a license as a sub code official in the State of New Jersey.

Arbitrator's serving in matters involving a major structural defect claim must adhere to the qualifications outlined in N.J.A.C. 5:25-5.5(c)3i(1) and, when appropriate, N.J.A.C. 5:25-5.5(g)3ii, and *must be a licensed professional engineer or a registered/licensed architect.*

Arbitrators are to sign and execute a conflict of interest agreement to be approved by the Department.

Pricing Structure:

The intent of this RFP is to award a limited term contract to the responsible bidder whose proposal conforms to the RFP and whose proposal proves advantageous to the State, price and other factors considered. The pricing structure is categorized into four distinct categories: Arbitration; Major Structural Damage Arbitration; Arbitration Cancellation; and Cost Arbitration.

Bids for the four (4) line items shall be all-inclusive and shall include all elements of the arbitration process. The Pricing Sheet, which includes tabs for Year 1, Year 2, and Year 3 pricing, may be accessed by the weblink included on the Current Request for Proposals (RFPs) webpage and is to be included with bid submissions.

In addition to the Pricing Sheet, bidders must complete and return a signed and dated Agency Request for Proposal PB-120 form which may be accessed by the link included on the RFP webpage.

Invoicing:

Invoices are to be submitted monthly with charges listed by line item on the executed agency order. Arbitration services are to be paid within sixty (60) days of the acceptance of the arbitration award.

Bidder Questions:

Interested bidders may submit questions regarding this RFP to the Department by e-mail directed to Jim Fahy (Jim.Fahy@dca.nj.gov). Early submission of questions is strongly encouraged. The answers to questions posed by any single bidder will be displayed on a related weblink on the Current Request for Proposals (RFPs) webpage for all other bidders to view.

Award:

It is the intent of the Department to award a limited term contract. The contract effective date is July 1, 2026 and the contract expires on June 30, 2029. The Department may at its sole discretion issue an extension for good cause shown. Any services provided under the extension will be reimbursed for the services offered based on the agreed upon rates in effect under the original contract term. The State's obligation to make payment under the awarded contract is contingent upon the availability of appropriated funds and receipt of revenues from which payment for contract purposes can be made. No legal liability on the part of the State for which payment of any money shall arise unless and until funds are appropriated each fiscal year to the using agency by the State Legislature and made available through receipt of revenues.

Proposal Submittal:

All bid submissions must include completed mandatory compliance forms. The documents can be found at: <https://www.nj.gov/treasury/purchase/forms.shtml>. In addition to mandatory compliance forms, prospective vendors must supply a copy of a valid New Jersey Business Registration Certificate, proof of affirmative action compliance demonstrated by a federally approved or sanctioned Affirmative Action program or a New Jersey Certificate of Employee Information Report issued by the Contract Compliance and Audit Unit, and a copy of a current Certificate of Insurance that provides the liability limits outlined in the State of New Jersey's Standard Terms and Conditions. In addition, prospective vendors should register through the NJ START Vendor Portal which can be accessed at: <https://www.njstart.gov/bsol/>.

Proposals with all supporting material must arrive by 4:00 PM on Friday, May 15, 2026.

Using USPS:

New Jersey Department of Community Affairs
Bureau of Homeowner Protection
ATTN: Jim Fahy
P.O. Box 805
Trenton, New Jersey 08608

If submitting electronically:

Jim.Fahy@dca.nj.gov

NOTE: If you anticipate submitting your proposal electronically, we cannot accept attachments of more than 10 MB in size.