56:8-136  Short title.

1. This act shall be known and may be cited as the "Contractors' Registration Act."

L.2004,c.16,s.1.

56:8-137  Definitions relative to home improvement contractors.

2. As used in this act:

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

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

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

"Home improvement" means the remodeling, altering, renovating, repairing, restoring, modernizing, moving, demolishing, or otherwise improving or modifying of the whole or any part of any residential or non-commercial property. Home improvement shall also include insulation installation, and the conversion of existing commercial structures into residential or non-commercial property.

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

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

L.2004,c.16,s.2.

56:8-138  Registration for contractors; application, fee.
3. a. On or after December 31, 2005, no person shall offer to perform, or engage, or attempt to engage in the business of making or selling home improvements unless registered with the Division of Consumer Affairs in accordance with the provisions of this act.

   b. Every contractor shall annually register with the director. Application for registration shall be on a form provided by the division and shall be accompanied by a reasonable fee, set by the director in an amount sufficient to defray the division's expenses incurred in administering and enforcing this act.

   c. Every contractor required to register under this act shall file an amended registration within 20 days after any change in the information required to be included thereon. No fee shall be required for the filing of an amendment.

L.2004,c.16,s.3; amended 2004, c.155, s.1.

56:8-139 Act applicable to contractors who publicly advertise.

4. Except for persons exempted pursuant to section 5 of this act, any person who advertises in print or puts out any sign or card or other device on or after December 31, 2005, which would indicate to the public that he is a contractor in New Jersey, or who causes his name or business name to be included in a classified advertisement or directory in New Jersey on or after December 31, 2005, under a classification for home improvements covered by this act, is subject to the provisions of this act. This section shall not be construed to apply to simple residential alphabetical listings in standard telephone directories.

L.2004,c.16,s.4; amended 2004, c.155, s.2.

56:8-140 Inapplicability of act.

5. The provisions of this act shall not apply to:

   a. Any person required to register pursuant to "The New Home Warranty and Builders' Registration Act," P.L.1977, c.467 (C.46:3B-1 et seq.);

   b. Any person performing a home improvement upon a residential or non-commercial property he owns, or that is owned by a member of his family, a bona fide charity, or other non-profit organization;

   c. Any person regulated by the State as an architect, professional engineer, landscape architect, land surveyor, electrical contractor, master plumber, or any other person in any other related profession requiring registration, certification, or licensure by the State, who is acting within the scope of practice of his profession;
d. Any person who is employed by a community association or cooperative corporation;

e. Any public utility as defined under R.S.48:2-13;

f. Any person licensed under the provisions of section 16 of P.L.1960, c.41 (C.17:16C-77); and

g. Any home improvement retailer with a net worth of more than $50,000,000, or employee of that retailer.

L.2004,c.16,s.5.

56:8-141 Additional requirements; refusal to issue or suspend or revoke registration; grounds.

6. In addition to any other procedure, condition or information required by this act:

   a. Every applicant shall file a disclosure statement with the director stating whether the applicant has been convicted of any crime, which for the purposes of this act shall mean a violation of any of the following provisions of the "New Jersey Code of Criminal Justice," Title 2C of the New Jersey Statutes, or the equivalent under the laws of any other jurisdiction:

      (1) Any crime of the first degree;

      (2) Any crime which is a second or third degree crime and is a violation of chapter 20 or 21 of Title 2C of the New Jersey Statutes; or

      (3) Any other crime which is a violation of N.J.S.2C:5-1, 2C:5-2, 2C:11-2 through 2C:11-4, 2C:12-1, 2C:12-3, 2C:13-1, 2C:14-2, 2C:15-1, subsection a. or b. of 2C:17-1, subsection a. or b. of 2C:17-2, 2C:18-2, 2C:20-4, 2C:20-5, 2C:20-7, 2C:20-9, 2C:21-2 through 2C:21-4, 2C:21-6, 2C:21-7, 2C:21-12, 2C:21-14, 2C:21-15, or 2C:21-19, chapter 27 or 28 of Title 2C of the New Jersey Statutes, N.J.S.2C:30-2, 2C:30-3, 2C:35-5, 2C:35-10, 2C:37-1 through 2C:37-4.

   b. The director may refuse to issue or may suspend or revoke any registration issued by him upon proof that the applicant or holder of the registration:

      (1) Has obtained a registration through fraud, deception or misrepresentation;

      (2) Has engaged in the use or employment of dishonesty, fraud, deception, misrepresentation, false promise or false pretense;
(3) Has engaged in gross negligence, gross malpractice or gross incompetence;

(4) Has engaged in repeated acts of negligence, malpractice or incompetence;

(5) Has engaged in professional or occupational misconduct as may be determined by the director;

(6) Has been convicted of any crime involving moral turpitude or any crime relating adversely to the activity regulated by this act. For the purpose of this subsection a plea of guilty, non vult, nolo contendere or any other such disposition of alleged criminal activity shall be deemed a conviction;

(7) Has had his authority to engage in the activity regulated by the director revoked or suspended by any other state, agency or authority for reasons consistent with this section;

(8) Has violated or failed to comply with the provisions of any act or regulation administered by the director;

(9) Is incapable, for medical or any other good cause, of discharging the functions of a licensee in a manner consistent with the public's health, safety and welfare.

c. An applicant whose registration is denied, suspended, or revoked pursuant to this section shall, upon a written request transmitted to the director within 30 calendar days of that action, be afforded an opportunity for a hearing in a manner provided for contested cases pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

d. An applicant shall have the continuing duty to provide any assistance or information requested by the director, and to cooperate in any inquiry, investigation, or hearing conducted by the director.

e. If any of the information required to be included in the disclosure statement changes, or if additional information should be added after the filing of the statement, the applicant shall provide that information to the director, in writing, within 30 calendar days of the change or addition.

f. Notwithstanding the provisions of paragraph (6) of subsection b. of this section, no individual shall be disqualified from registration or shall have registration revoked on the basis of any conviction disclosed if the individual has affirmatively demonstrated to the director clear and convincing evidence of the individual's rehabilitation. In determining whether an individual has affirmatively demonstrated rehabilitation, the following factors shall be considered:
(1) The nature and responsibility of the position which the convicted individual would hold;

(2) The nature and seriousness of the offense;

(3) The circumstances under which the offense occurred;

(4) The date of the offense;

(5) The age of the individual when the offense was committed;

(6) Whether the offense was an isolated or repeated incident;

(7) Any social conditions which may have contributed to the offense; and

(8) Any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-release programs, or the recommendation of persons who have had the individual under their supervision.

L.2004,c.16,s.6.

56:8-142 Proof of commercial general liability insurance; requirements.

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

b. Every registered contractor engaged in home improvements whose commercial general liability insurance policy is cancelled 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 subsection a. of this section before the former policy is no longer effective.

L.2004,c.16,s.7; amended 2004, c.155, s.3.

56:8-143 Refusal to issue, renew, revocation, suspension of registration; procedures.

8. a. The director may refuse to issue or renew, and may revoke, any registration for failure to comply with, or violation of, the provisions of this act or for any other good cause shown within the meaning and purpose of this act. A refusal or revocation shall not be made except upon reasonable notice to, and opportunity to be heard by, the applicant or registrant.
b. The director, in lieu of revoking a registration, may suspend the registration for a reasonable period of time, or assess a penalty in lieu of suspension, or both, and may issue a new registration, notwithstanding the revocation of a prior registration, if the applicant is found to have become entitled to the new registration.

L.2004,c.16,s.8.

56:8-144 Display of registration number; requirements.

9. a. All registrants shall prominently display their registration numbers within their places of business, in all advertisements distributed within this State, on business documents, contracts and correspondence with consumers of home improvement services in this State, and on all commercial vehicles registered in this State and leased or owned by registrants and used by registrants for the purpose of providing home improvements, except for vehicles leased or rented to customers of registrants by a registrant or any agent or representative thereof.

b. Any invoice, contract or correspondence given by a registrant to a consumer shall prominently contain the toll-free telephone number provided pursuant to section 14 of this act.

L.2004,c.16,s.9.

56:8-145 Applicability of act to out-of-State contractors.

10. The provisions of this act shall apply to any person engaging in any of the activities regulated by this act in this State, including persons whose residence or principal place of business is located outside of this State.

L.2004,c.16,s.10.

56:8-146 Violations, fourth degree crime.

11. a. It is an unlawful practice and a violation of P.L.1960, c.39 (C.56:8-1 et seq.) to violate any provision of this act.

b. In addition to any other penalty provided by law, a person who knowingly violates any of the provisions of this act is guilty of a crime of the fourth degree.

L.2004,c.16,s.11.

56:8-147 Supersedure of municipal ordinance, regulation.

12. a. This act shall supersede any municipal ordinance or regulation that provides for the licensing or registration of contractors or for the protection of homeowners by bonds or warranties required to be provided by contractors, exclusive of
those required by water, sewer, utility, or land use ordinances or regulations.

b. No municipality shall issue a construction permit for any home improvement to any contractor who is not registered pursuant to the provisions of this act.

L.2004,c.16,s.12.

56:8-148  Municipal powers preserved.

13. This act shall not deny to any municipality the power to inspect a contractor's work or equipment, the work of a contractor who performs improvements to commercial property, or the power to regulate the standards and manners in which the contractor's work shall be done.

L.2004,c.16,s.13.

56:8-149  Public information campaign, toll free number.

14. a. The director shall establish and undertake a public information campaign to educate and inform contractors and the consumers of this State of the provisions of this act. The public information campaign shall include, but not be limited to, the preparation, printing and distribution of booklets, pamphlets or other written pertinent information.

b. The director shall provide a toll-free telephone number for consumers making inquiries regarding contractors.

L.2004,c.16,s.14.

56:8-150  Applicability of C.56:8-1 et seq.

15. Nothing in this act shall limit the application of P.L.1960, c.39 (C.56:8-1 et seq.), or any regulations promulgated thereunder, in regard to the registration or regulation of contractors.

L.2004,c.16,s.15.

56:8-151  Contracts, certain, required to be in writing; contents.

16. a. On or after December 31, 2005, every home improvement contract for a purchase price in excess of $500, and all changes in the terms and conditions of the contract, shall be in writing. The contract shall be signed by all parties thereto, and shall clearly and accurately set forth in legible form and in understandable language all terms and conditions of the contract, including but not limited to:
(1) The legal name, business address, and registration number of the contractor;

(2) A copy of the certificate of commercial general liability insurance required of a contractor pursuant to section 7 of this act and the telephone number of the insurance company issuing the certificate; and

(3) The total price or other consideration to be paid by the owner, including the finance charges.

b. On or after December 31, 2005, a home improvement contract may be cancelled by a consumer for any reason at any time before midnight of the third business day after the consumer receives a copy of it. In order to cancel a contract the consumer shall notify the contractor of the cancellation in writing, by registered or certified mail, return receipt requested, or by personal delivery, to the address specified in the contract. All moneys paid pursuant to the cancelled contract shall be fully refunded within 30 days of receipt of the notice of cancellation. If the consumer has executed any credit or loan agreement through the contractor to pay all or part of the contract, the agreement or note shall be cancelled without penalty to the consumer and written notice of that cancellation shall be mailed to the consumer within 30 days of receipt of the notice of cancellation. The contract shall contain a conspicuous notice printed in at least 10-point bold-faced type as follows:

"NOTICE TO CONSUMER

YOU MAY CANCEL THIS CONTRACT AT ANY TIME BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY AFTER RECEIVING A COPY OF THIS CONTRACT. IF YOU WISH TO CANCEL THIS CONTRACT, YOU MUST EITHER:

1. SEND A SIGNED AND DATED WRITTEN NOTICE OF CANCELLATION BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED; OR

2. PERSONALLY DELIVER A SIGNED AND DATED WRITTEN NOTICE OF CANCELLATION TO:

(Name of Contractor)

(Address of Contractor)

(Phone Number of Contractor)
If you cancel this contract within the three-day period, you are entitled to a full refund of your money. Refunds must be made within 30 days of the contractor's receipt of the cancellation notice."

L.2004,c.16,s.16; amended 2004, c.155, s.4.

56:8-152 Rules, regulations.

17. The director, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall promulgate rules and regulations to effectuate the purposes of this act.

L.2004,c.16,s.17.

56:8-153 Definitions relative to unsolicited credit cards, checks.

1. As used in this act:

"Check" means a demand draft drawn on or payable through an office of a depository institution located in the United States that has imprinted on it the account holder's name and the depository institution's name, location and routing number.

"Credit card" means any card, plate, coupon book, or other single credit device that may be used from time to time to obtain credit.

"Unsolicited check" means any check mailed or otherwise delivered to a person for the purpose of drawing on an existing account that is an extension of credit or activating an account to obtain credit other than:

(1) in response to a request or application for a check or account; or

(2) as a substitute for a check or account previously issued to the person to whom the check is mailed or otherwise delivered.

"Unsolicited credit card" means any credit card mailed or otherwise delivered to a person other than:

(1) in response to a request or application for a credit card; or

(2) as a renewal or substitute for a credit card previously issued to the person to whom the credit card is mailed or otherwise delivered.

L.2004,c.159,s.1.

56:8-154 Delivery of unsolicited credit card, unlawful practice.

2. It shall be an unlawful practice for any person to mail or otherwise deliver an unsolicited credit card to a person in this State.
56:8-155 Unsolicited credit card, unaccepted, immunity from liability for use.

3. No person in whose name an unsolicited credit card is issued shall be liable for any amount resulting from use of that card, from which that person or a member of that person's family or household derives no benefit, unless the person has accepted the card by activating the card or using the card, or by authorizing use of the card by another person. Failure to destroy or return an unsolicited credit card shall not constitute acceptance of the card.

56:8-156 Unsolicited check, unaccepted, immunity from liability for use.

4. No person in whose name an unsolicited check is issued shall be liable for any amount resulting from use of that check or account, unless the person who is the holder of the account upon which the check is to be drawn, or who is the payee on the check, as the case may be, has accepted the check or account by using the check or account. Failure to destroy or return an unsolicited check shall not constitute acceptance of the check or account.

56:8-157 Definitions relative to certain unsolicited advertisements over telephone lines.

1. As used in this act:

"Existing business relationship" means a relationship formed by a voluntary two-way communication between a person or entity and a residential or business subscriber with or without an exchange of consideration, on the basis of an inquiry, application, purchase, membership or transaction by the residential or business subscriber regarding products or services offered by such person or entity.

"Nonprofit organization" means a nonprofit organization that is exempt from federal taxation pursuant to Section 501(c)(3) of the federal Internal Revenue Code (26 U.S.C. s. 501(c)(3)) or section 501(c)(6) of the federal Internal Revenue Code (26 U.S.C. s.501(c)(6)).

"Telephone facsimile machine" means equipment which has the capacity to transcribe text or images, or both, from paper into an electronic signal and to transmit that signal over a regular telephone line or to transcribe text or images, or both, from an electronic signal received over a regular telephone line onto paper.

"Unsolicited advertisement" means any material advertising the commercial availability or quality of any property, goods, or services which is transmitted to any person without that person's prior express invitation or permission.
56:8-158 Sending unsolicited advertisement to telephone facsimile machine prohibited, exceptions.

2. a. A person within this State shall not use any telephone facsimile machine, computer or other device to send an unsolicited advertisement to a telephone facsimile machine within this State. This subsection shall not be construed to cover the actions of an internet service provider or telecommunications service provider in the transmission, routing, relaying, handling, or storing of the facsimile through an automatic technical process.

b. Subsection a. of this section shall not apply where there is an existing business relationship between the sender of the unsolicited advertisement and the residential or business subscriber or where a member of a nonprofit organization including, but not limited to, professional or trade associations, sends an unsolicited advertisement to a member of the same organization, directly and not through a centralized facsimile database or facsimile number list maintained by the organization, provided that such unsolicited advertisement, whether sent pursuant to an existing business relationship between the sender and the residential or business subscriber or whether sent from one member of a nonprofit organization to another member of the same organization, shall provide clear and conspicuous notice on the first page of the unsolicited advertisement. Such notice shall include:

   (1) disclosure to the recipient that the recipient may request the sender of the unsolicited advertisement not to send any future unsolicited advertisements to the recipient's telephone facsimile machine; and

   (2) the domestic address and facsimile machine number for the recipient to transmit such a request to the sender.

c. A request not to send future unsolicited advertisements to a telephone facsimile machine shall:

   (1) identify the telephone number of the telephone facsimile machine to which the request relates;

   (2) be made to the sender's domestic address or the facsimile machine number of the sender provided in the notice to the recipient; and

   (3) be sent in written form to the sender's domestic address or sent by return facsimile transmission to the sender's facsimile machine number, in order to be effective.

Such request is effective unless subsequently the person making the request provides express invitation or permission to the sender, in written form or by facsimile transmission, to send future unsolicited advertisements to such person at such telephone facsimile machine.
d. Failure to honor a valid request, in written form or by facsimile transmission, not to send future unsolicited advertisements pursuant to subsections c. through g. of this section, as applicable, shall constitute a violation of P.L.2005, c.114 (C.56:8-157 et seq.).

e. Nonprofit organizations, including but not limited to, professional or trade associations, shall be exempt from subsection a. of this section and shall be allowed to send unsolicited advertisements to their new and existing members in furtherance of the organization's purpose, without penalty, provided that the organization provides to each of its prospective new members at the time of membership application or to each of its existing members at the time of membership renewal, as the case may be, clear and conspicuous notice of:

(1) the member's right to request the organization not to send any future unsolicited advertisements to the member's telephone facsimile machine;

(2) the organization's domestic address and facsimile machine number to which its members may transmit such a request to the organization; and

(3) the requirement that any such request to the organization shall be sent in written form to the organization's domestic address or sent by return facsimile transmission to the organization's facsimile number, in order to be effective.

A request by a member to a nonprofit organization not to send future unsolicited advertisements to a member's telephone facsimile machine shall comply with the requirements of this subsection and with the requirements of subsection c. of this section, as applicable. Failure of a nonprofit organization to honor a valid request, in written form or by facsimile transmission, from a member not to send future unsolicited advertisements pursuant to the requirements of this subsection and the requirements of subsection c. of this section, as applicable, shall constitute a violation of P.L.2005, c.114 (C.56:8-157 et seq.).

f. Members of nonprofit organizations, including but not limited to, professional or trade associations, who send unsolicited advertisements to the telephone facsimile machines of other members of the same organization by initially sending such advertisements to a centralized facsimile database or facsimile number list maintained by the organization for the purpose of distributing such advertisements to its membership shall be exempt from subsection a. of this section and shall be allowed to send such unsolicited advertisements through such centralized facsimile database or facsimile number list to other members of the same organization, without penalty, provided that the organization provides to each of its prospective new members at the time of membership application or to each of its existing members at the time of membership renewal, as the case may be, clear and conspicuous notice of:

(1) the member's right to request that the organization not send any future unsolicited advertisements from one or more other members of the same organization
through such centralized facsimile database or facsimile number list to the member's telephone facsimile machine;

(2) the organization's domestic address and facsimile machine number to which its members may transmit such a request to the organization; and

(3) the requirement that any such request to the organization shall be sent in written form to the organization's domestic address or sent by return facsimile transmission to the organization's facsimile number, in order to be effective.

A request by a member to a nonprofit organization that the organization not send any future unsolicited advertisements from one or more other members of the same organization through such centralized facsimile database or facsimile number list to a member's telephone facsimile machine shall comply with the requirements of this subsection and with the requirements of subsection c. of this section, as applicable. Failure of the nonprofit organization to honor a valid request, in written form or by facsimile transmission, from a member of the same organization not to send any future unsolicited advertisements from one or more other members through such centralized facsimile database or facsimile number list pursuant to the requirements of this subsection and the requirements of subsection c. of this section, as applicable, shall constitute a violation of P.L.2005, c.114 (C.56:8-157 et seq.).

g. Nonprofit organizations, including but not limited to, professional or trade associations, shall be exempt from subsection a. of this section and shall be allowed to send unsolicited advertisements to the telephone facsimile machine of any person, other than a new or existing member of the sending organization, within this State, without penalty, provided that such advertisements are intended to give the person notice of an event that is in furtherance of the organization's purpose, and further provided that, any such unsolicited advertisements to the person's telephone facsimile machine shall provide clear and conspicuous notice on the first page of the unsolicited advertisement. Such notice shall include:

(1) disclosure to the person that the person may request the organization not to send any such future unsolicited advertisements to the person's telephone facsimile machine;

(2) the domestic address and facsimile machine number for the person to transmit such a request to the organization; and

(3) the requirement that any such request to the organization shall be sent in written form to the organization's domestic address or sent by return facsimile transmission to the organization's facsimile number, in order to be effective.

A request by a person to a nonprofit organization that the organization not send future unsolicited advertisements to the person's telephone facsimile machine shall comply with the requirements of this subsection and with the requirements of subsection c. of this section, as applicable. Failure of a nonprofit organization to honor a valid
request, in written form or by facsimile transmission, from a person not to send future unsolicited advertisements pursuant to the requirements of this subsection and the requirements of subsection c. of this section, as applicable, shall constitute a violation of P.L.2005, c.114 (C.56:8-157 et seq.).

L.2005,c.114,s.2; amended 2007, c.85.

56:8-159 Action by aggrieved person.

3. a. Any person aggrieved by a violation of this act may bring an action in the Superior Court in the county where the transmission was sent or was received, or in which the plaintiff resides, for damages or to enjoin further violations of this act.

   b. The court shall proceed in a summary manner and shall, in the event the plaintiff establishes a violation of this act, enter a judgment for the actual damages sustained, or $500 for each violation, whichever amount is greater, together with costs of suit and reasonable attorney's fees.

   c. If the plaintiff establishes that the sender was notified by return facsimile or written means of communication to cease and desist transmission of such unsolicited advertisements, the court shall enter a judgment, on account of each subsequent transmission, for actual damages or $1,000 for each transmission, whichever amount is greater, together with costs of suit and reasonable attorney's fees, not to exceed $1,000.

L.2005,c.114,s.3.

56:8-160 Violation constitutes unlawful practice.

4. A violation of this act shall constitute an unlawful practice pursuant to P.L. 1960, c. 39 (C.56:8-1 et seq.) and shall be subject to all remedies and penalties available pursuant to P.L. 1960, c. 39 (C. 56:8-1 et seq.), in addition to the remedies provided to an aggrieved person by section 3 of this act.

L.2005,c.114,s.4.

56:8-161 Definitions relative to security of personal information.

10. As used in sections 10 through 15 of this amendatory and supplementary act:

"Breach of security" means unauthorized access to electronic files, media or data containing personal information that compromises the security, confidentiality or integrity of personal information when access to the personal information has not been secured by encryption or by any other method or technology that renders the personal information unreadable or unusable. Good faith acquisition of personal information by an employee or agent of the business for a legitimate business purpose is not a breach of security, provided that the personal information is not used for a purpose unrelated to the business or subject to further unauthorized disclosure.
"Business" means a sole proprietorship, partnership, corporation, association, or other entity, however organized and whether or not organized to operate at a profit, including a financial institution organized, chartered, or holding a license or authorization certificate under the law of this State, any other state, the United States, or of any other country, or the parent or the subsidiary of a financial institution.

"Communicate" means to send a written or other tangible record or to transmit a record by any means agreed upon by the persons sending and receiving the record.

"Customer" means an individual who provides personal information to a business.

"Individual" means a natural person.

"Internet" means the international computer network of both federal and non-federal interoperable packet switched data networks.

"Personal information" means an individual's first name or first initial and last name linked with any one or more of the following data elements: (1) Social Security number; (2) driver's license number or State identification card number; or (3) account number or credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual's financial account. Dissociated data that, if linked, would constitute personal information is personal information if the means to link the dissociated data were accessed in connection with access to the dissociated data.

For the purposes of sections 10 through 15 of this amendatory and supplementary act, personal information shall not include publicly available information that is lawfully made available to the general public from federal, state or local government records, or widely distributed media.

"Private entity" means any individual, corporation, company, partnership, firm, association, or other entity, other than a public entity.

"Public entity" includes the State, and any county, municipality, district, public authority, public agency, and any other political subdivision or public body in the State. For the purposes of sections 10 through 15 of this amendatory and supplementary act, public entity does not include the federal government.

"Publicly post" or "publicly display" means to intentionally communicate or otherwise make available to the general public.

"Records" means any material, regardless of the physical form, on which information is recorded or preserved by any means, including written or spoken words, graphically depicted, printed, or electromagnetically transmitted. Records does not include publicly available directories containing information an individual has voluntarily consented to have publicly disseminated or listed.
56:8-162 Methods of destruction of certain customer records.

11. A business or public entity shall destroy, or arrange for the destruction of, a customer's records within its custody or control containing personal information, which is no longer to be retained by the business or public entity, by shredding, erasing, or otherwise modifying the personal information in those records to make it unreadable, undecipherable or nonreconstructable through generally available means.

56:8-163 Disclosure of breach of security to customers.

12. a. Any business that conducts business in New Jersey, or any public entity that compiles or maintains computerized records that include personal information, shall disclose any breach of security of those computerized records following discovery or notification of the breach to any customer who is a resident of New Jersey whose personal information was, or is reasonably believed to have been, accessed by an unauthorized person. The disclosure to a customer shall be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate needs of law enforcement, as provided in subsection c. of this section, or any measures necessary to determine the scope of the breach and restore the reasonable integrity of the data system. Disclosure of a breach of security to a customer shall not be required under this section if the business or public entity establishes that misuse of the information is not reasonably possible. Any determination shall be documented in writing and retained for five years.

b. Any business or public entity that compiles or maintains computerized records that include personal information on behalf of another business or public entity shall notify that business or public entity, who shall notify its New Jersey customers, as provided in subsection a. of this section, of any breach of security of the computerized records immediately following discovery, if the personal information was, or is reasonably believed to have been, accessed by an unauthorized person.

c. (1) Any business or public entity required under this section to disclose a breach of security of a customer's personal information shall, in advance of the disclosure to the customer, report the breach of security and any information pertaining to the breach to the Division of State Police in the Department of Law and Public Safety for investigation or handling, which may include dissemination or referral to other appropriate law enforcement entities.

(2) The notification required by this section shall be delayed if a law enforcement agency determines that the notification will impede a criminal or civil investigation and that agency has made a request that the notification be delayed. The notification required by this section shall be made after the law enforcement agency
d. For purposes of this section, notice may be provided by one of the following methods:

(1) Written notice;

(2) Electronic notice, if the notice provided is consistent with the provisions regarding electronic records and signatures set forth in section 101 of the federal "Electronic Signatures in Global and National Commerce Act" (15 U.S.C. s.7001); or

(3) Substitute notice, if the business or public entity demonstrates that the cost of providing notice would exceed $250,000, or that the affected class of subject persons to be notified exceeds 500,000, or the business or public entity does not have sufficient contact information. Substitute notice shall consist of all of the following:

(a) E-mail notice when the business or public entity has an e-mail address;

(b) Conspicuous posting of the notice on the Internet web site page of the business or public entity, if the business or public entity maintains one; and

(c) Notification to major Statewide media.

e. Notwithstanding subsection d. of this section, a business or public entity that maintains its own notification procedures as part of an information security policy for the treatment of personal information, and is otherwise consistent with the requirements of this section, shall be deemed to be in compliance with the notification requirements of this section if the business or public entity notifies subject customers in accordance with its policies in the event of a breach of security of the system.

f. In addition to any other disclosure or notification required under this section, in the event that a business or public entity discovers circumstances requiring notification pursuant to this section of more than 1,000 persons at one time, the business or public entity shall also notify, without unreasonable delay, all consumer reporting agencies that compile or maintain files on consumers on a nationwide basis, as defined by subsection (p) of section 603 of the federal "Fair Credit Reporting Act" (15 U.S.C. s.1681a), of the timing, distribution and content of the notices.

L.2005,c.226,s.12.

56:8-164 Prohibited actions relative to display of social security numbers.

13. a. No person, including any public or private entity, shall:
(1) Publicly post or publicly display an individual's Social Security number, or any four or more consecutive numbers taken from the individual's Social Security number;

(2) Print an individual's Social Security number on any materials that are mailed to the individual, unless State or federal law requires the Social Security number to be on the document to be mailed;

(3) Print an individual's Social Security number on any card required for the individual to access products or services provided by the entity;

(4) Intentionally communicate or otherwise make available to the general public an individual's Social Security number;

(5) Require an individual to transmit his Social Security number over the Internet, unless the connection is secure or the Social Security number is encrypted; or

(6) Require an individual to use his Social Security number to access an Internet web site, unless a password or unique personal identification number or other authentication device is also required to access the Internet web site.

b. Nothing in this section shall prevent a public or private entity from using a Social Security number for internal verification and administrative purposes, so long as the use does not require the release of the Social Security number to persons not designated by the entity to perform associated functions allowed or authorized by law.

c. Nothing in this section shall prevent the collection, use or release of a Social Security number, as required by State or federal law.

d. Notwithstanding this section, Social Security numbers may be included in applications and forms sent by mail, including documents sent as part of an application or enrollment process, or to establish, amend or terminate an account, contract or policy, or to confirm the accuracy of the Social Security number. A Social Security number that is permitted to be mailed under this subsection may not be printed, in whole or in part, on a postcard or other mailer not requiring an envelope, or visible on the envelope or without the envelope having been open.

e. Nothing in this section shall apply to documents that are recorded or required to be open to the public pursuant to Title 47 of the Revised Statutes. This section shall not apply to records that are required by statute, case law, or New Jersey Court Rules, to be made available to the public by entities provided for in Article VI of the New Jersey Constitution.

f. Nothing in this section shall apply to the interactive computer service provider's transmissions or routing or intermediate temporary storage or caching of an image, information or data that is otherwise subject to this section.
56:8-165 Regulations concerning security of personal information.

14. The Director of the Division of Consumer Affairs in the Department of Law and Public Safety, in consultation with the Commissioner of Banking and Insurance, shall promulgate regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to effectuate sections 4 through 15 of this amendatory and supplementary act.

56:8-166 Unlawful practice, violation.

15. It shall be an unlawful practice and a violation of P.L.1960, c.39 (C.56:8-1 et seq.) to willfully, knowingly or recklessly violate sections 10 through 13 of this amendatory and supplementary act.

56:8-167 Sale, offer of vehicle protection product by unregistered warrantor, person deemed unlawful practice.

4. a. It shall be an unlawful practice for a person to sell, or offer for sale, a vehicle protection product with a warranty issued by a warrantor that is not registered pursuant to P.L.2007, c.166 (C.17:18-19 et al.).

    b. It shall be an unlawful practice for a person who is not registered pursuant to section 3 of P.L.2007, c.166 (C.17:18-21) to offer or issue a vehicle protection product warranty.