

ASSEMBLY, No. 305

STATE OF NEW JERSEY

213th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2008 SESSION

Sponsored by:

Assemblyman BRIAN E. RUMPF

District 9 (Atlantic, Burlington and Ocean)

Assemblyman DANIEL M. VAN PELT

District 9 (Atlantic, Burlington and Ocean)

SYNOPSIS

Requires certification by homeowners' association that federal law will not be violated by sale in age-restricted community.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 1/25/2008)

1 AN ACT concerning housing for older persons and homeowners'
2 associations, and supplementing P.L.1993, c. 30 (C.45:22A-41 et
3 seq.) and Title 46 of the Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. The Legislature finds and declares:

9 a. Age-restricted communities are one of the fastest growing
10 types of developments in the nation and in the State;

11 b. Age-restrictions violate federal laws against discrimination in
12 housing, unless certain exceptions are met for age-restricted
13 communities as authorized by federal law;

14 c. Homeowners' associations which manage the property in age-
15 restricted communities currently have no methods by which to
16 ensure that the exceptions to federal anti-discrimination provisions
17 will be maintained upon the resales of units in such communities;
18 and

19 d. It is necessary and in the public interest for the Legislature to
20 create a method of ensuring compliance by age-restricted
21 communities with federal law.

22
23 2. Notwithstanding any law or governing document to the
24 contrary, a homeowners' association of an age-restricted
25 community shall be required to certify, prior to the resale or transfer
26 by operation of law of a dwelling unit within the community, that
27 the dwelling unit will be occupied by a person of an age that
28 ensures compliance with the "housing for older persons" exception
29 from the federal "Fair Housing Amendments Act of 1988," Pub.L.
30 100-430 (42 U.S.C. ss.3601 et seq.) for that community as set forth
31 in section 100.301 of Title 24, Code of Federal Regulations. The
32 certification shall be on such form as may be prescribed by the
33 Commissioner of Community Affairs, but shall not exceed one page
34 in length. A copy of the certification shall be provided to the
35 purchaser for recording. For the purpose of P.L. , c. (C.)
36 (pending before the Legislature as this bill), "resale" shall mean any
37 sale of a dwelling unit within an age-restricted community, other
38 than the initial sale of the unit made by the developer to a
39 purchaser.

40
41 3. No deed shall be recorded with a county recording office for a
42 property to which an age restriction applies unless the certification
43 required pursuant to P.L. , c. (C.) (pending before the
44 Legislature as this bill) accompanies such filing and is recorded
45 with the deed as an addendum thereto.

46
47 4. This act shall take effect immediately.

1 STATEMENT

2
3 This bill would inhibit improper sales or transfers of properties
4 which are located in retirement communities to persons who are not
5 age-qualified to reside in such communities. Federal law permits
6 the existence of age-restricted communities as an exception known
7 as “housing for older persons” to the anti-discrimination provisions
8 of the “Fair Housing Amendments Act of 1988,” provided that
9 certain quotas are maintained of age-appropriate persons occupying
10 the premises. For communities which were organized by a
11 developer to restrict occupancy to persons aged 62 or older, 100
12 percent of the occupants must be aged 62 or older. For
13 communities which were organized by a developer to house persons
14 age 55 and over, at least 80 percent of the residents (and one per
15 each household) must be aged 55 or older.

16 The bill would require an association to certify compliance with
17 federal law upon the transfer or re-sale of a unit or house within an
18 age-restricted community. The certification, which may not exceed
19 one page in length, is to be recorded as an addendum to the deed, in
20 the appropriate county recording office. A person purchasing a
21 dwelling unit in an age-restricted community, other than from the
22 developer, or a person transfer ownership in any other manner, such
23 as an executor or administrator of an estate, may not record a deed
24 without the certification required by the bill.