

[Second Reprint]

SENATE, No. 908

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 27, 2020

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Assemblywoman CAROL A. MURPHY

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Assemblyman HAROLD "HAL" J. WIRTHS

District 24 (Morris, Sussex and Warren)

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District 39 (Bergen and Passaic)

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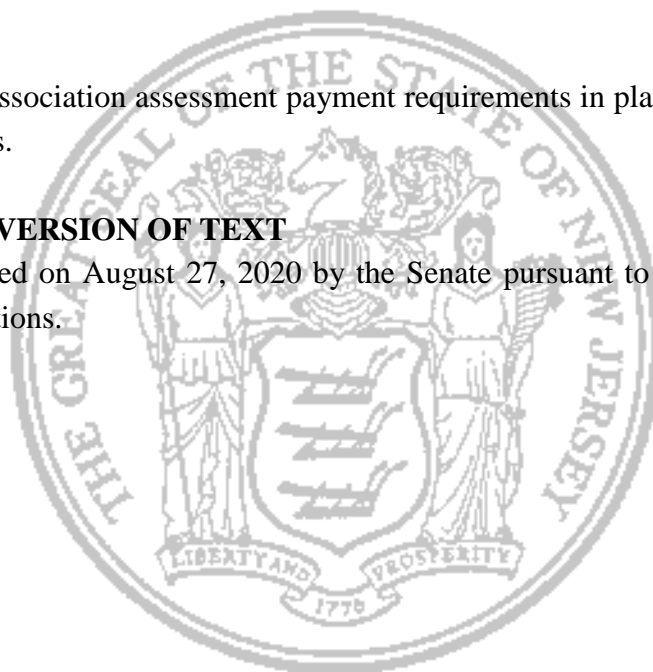
Senator O'Scanlon, Assemblyman Space and Senator Pou

SYNOPSIS

Clarifies association assessment payment requirements in planned real estate developments.

CURRENT VERSION OF TEXT

As amended on August 27, 2020 by the Senate pursuant to the Governor's recommendations.



(Sponsorship Updated As Of: 8/27/2020)

1 AN ACT concerning association assessment ¹and election
 2 participation¹ in planned real estate developments, and
 3 supplementing P.L.1977, c.419 (C.45:22A-21 et seq.).
 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 that:

9 a. Certain associations have interpreted that the provisions of
 10 P.L.2017, c.106 (C.45:22A-45.1 et al.), enacted on July 13, 2017,
 11 may impose new responsibilities on certain property owners to pay
 12 assessments and other charges to their associations; and

13 b. It is necessary and in the public interest for the Legislature to
 14 clarify that P.L.2017, c.106 (C.45:22A-45.1 et al.) did not impose
 15 new responsibilities on property owners to pay assessments and
 16 other charges ²nor did it convert a previously voluntary
 17 association into a planned real estate development¹².
 18

19 2. a. An association in ¹communities¹ a community¹
 20 established prior to the ¹passage¹ effective date¹ of the “Planned
 21 Real Estate ¹Financial¹ Development Full¹ Disclosure Act,”
 22 (“PREDFDA”), P.L.1977, c.419 (C.45:22A-21 et seq.), shall not be
 23 permitted to require property owners to pay assessments and other
 24 charges ²nor, unless otherwise provided by law,¹² where ²nor¹:

25 (1)¹² the property owner’s title record does not impose such an
 26 obligation ¹nor, unless otherwise provided by law²; or

27 (2) the property owner’s title record establishes such an
 28 obligation, but it was previously only imposed on property owners
 29 who voluntarily elected to join or become members of the
 30 association, and not on all property owners¹.

31 b. ¹In an association within a community established prior to the
 32 effective date of PREDFDA, if the association seeks to require one
 33 or more property owners to pay assessments and other charges
 34 where the property owner’s title record is subject to the provisions
 35 of paragraph (2) of subsection a. of this section, the association
 36 shall first obtain an order of the court of competent jurisdiction,
 37 declaring the owners as members of the association and authorizing
 38 the association to assess the members of the association.¹ , unless
 39 otherwise provided by law.²

40 ²[c.1] b.² If ¹, after July 13, 2017,¹ an association has recorded
 41 a lien ¹against an owner’s property¹ for non-payment ¹on or after
 42 July 13, 2017 that is based solely on the misinterpretation that

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AHO committee amendments adopted March 5, 2020.

²Senate amendments adopted in accordance with Governor's
 recommendations August 27, 2020.

1 P.L.2017, c.106 imposed new responsibilities on property owners to
2 pay] ²[of] that is based solely on the misinterpretation that
3 P.L.2017, c.106 imposed new responsibilities on property owners to
4 pay² an association's¹ assessments or other charges, ¹[pursuant to
5 P.L. , c. (C.) (pending before the Legislature as this bill)]
6 ²[in contravention of subsection b. of this section¹] pursuant to
7 P.L. ,c. (C.) (pending before the Legislature as this bill)²,
8 the lien shall be null and void. The association shall promptly
9 discharge such lien of record and provide notice of this action to the
10 property owner. If an association fails to discharge such null and
11 void lien, the owner may bring an action to have the lien discharged
12 and, if successful, shall be entitled to petition the court for an award
13 of counsel fees.

14

15 3. This act shall take effect immediately and shall be
16 retroactive to July 13, 2017.