

ASSEMBLY HOUSING COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 4265**

**STATE OF NEW JERSEY**

DATED: FEBRUARY 24, 2021

The Assembly Housing Committee reports favorably Assembly Bill No. 4265.

This bill would consolidate certain laws applicable to all types of common interest communities, a term defined to encompass planned communities with homeowners associations, condominiums, and cooperatives. The bill is based on the New Jersey Law Revision Commission's Final Report Relating to the Uniform Common Interest Ownership Act, issued in October of 2016. The bill consists of portions of the Uniform Common Interest Ownership Act ("UCIOA"), a publication of the National Conference of Commissioners on Uniform State Laws. The bill would codify certain aspects of UCIOA, such as those relating to community creation, alteration, and termination, the content of governing documents, eminent domain, the effect of local ordinances, and lender rights.

The bill would also address a lack of guidance in existing law concerning the treatment of common property for property tax purposes through the addition of language intended to avoid situations in which a homeowner is made responsible for the value of common elements both through the reflection of the value in the owner's property tax bill, and indirectly through association dues.

Additionally, the bill would require a community's master deed to contain clear and legible plans that offer more detail regarding the boundaries of dwellings and common elements than is required by existing law.

The bill would repeal "The Cooperative Recording Act of New Jersey," P.L.1987, c.381 (C.46:8D-1 et al.), and certain sections of the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.), which are obviated by the bill.

The bill establishes a new chapter within Title 46 of the Revised Statutes, chapter 8E, and provides for the coordination between this new chapter and other statutes.

As reported by the committee, this bill is identical to Senate Bill No. 2261 (1R), which was also reported by the committee on this date.