

ASSEMBLY REGULATED PROFESSIONS COMMITTEE

STATEMENT TO

SENATE, No. 1047

STATE OF NEW JERSEY

DATED: JUNE 14, 2021

The Assembly Regulated Professions Committee reports favorably Senate Bill No. 1047.

This bill amends the law exempting certain real estate licensees from certain damages under the consumer fraud law. Specifically, this bill broadens the current exemption for real estate brokers, broker-salespersons, or salespersons from a right of recovery by persons who suffer any ascertainable loss of money or property, real or personal, by eliminating the current limitation with respect to the right of recovery to punitive damages and attorney's fees.

Current law prevents a person from recovering punitive damages or attorney fees from a real estate broker, broker-salesperson, or salesperson for the communication of any false, misleading, or deceptive information provided to the real estate broker, broker-salesperson, or salesperson by or on behalf of the seller of real estate located in New Jersey, if the real estate broker, broker-salesperson, or salesperson demonstrates that he had no actual knowledge of the false, misleading, or deceptive character of the information and made a reasonable and diligent inquiry to ascertain whether the information is of a false, misleading, or deceptive character.

This bill broadens the exemption to prohibit recovery of any damages if those conditions are met. This bill further eliminates the provision in the current restriction that requires that the communication to real estate brokers, broker-salespersons, or salespersons is made by or on behalf of the seller, and instead, it provides that the communication need only be regarding the real estate.