

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 3703

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 10, 2021

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 3703.

As amended, this bill permits the sale of foreclosed upon property in an electronic, online forum that is open to the public. If the sale is conducted in an online format, then the person conducting the sale has the option of advertising the sale online and in one newspaper rather than the publishing notice required by current law for sheriff sales.

If the sale of real estate is conducted electronically, the bill provides that the notice of the sale would be required to state that the sale would be held by means of an online auction, and the notice is required to include a link to the auction website, and if possible, the link to the auction of the specific property in the notice.

Additionally, if the sale of real estate is conducted electronically, then the publication requirement may be satisfied by publishing a notice in the format of an online advertisement rather than a legal advertisement. The notice contained in the online advertisement would be required to set forth the following information:

- (a) The tax lot and block of the real property to be sold and where appropriate, the street, street number and municipality;
- (b) A statement that the sale shall be conducted through an online auction;
- (c) The full website link where the sale may be viewed;
- (d) A statement that the sale information may be viewed without registration or cost; and
- (e) The date and time of the sale.

The bill provides that bidders who wish to participate in an online auction would first have their identity verified through an ID verification process before a bid can be placed. All winning bidders would be checked against the Office for Foreign Assets Control sanction list prior to purchase of the property. Additionally, the officer would receive deposit funds as described in the bill.

COMMITTEE AMENDMENTS:

The committee amendments:

- Clarify the requirements for the online advertisement of sales as provided for in the bill.
- Provide that bidders who wish to participate in an online auction would first have their identity verified through an identification verification process before a bid can be placed. All winning bidders would be checked against the Office for Foreign Assets Control sanction list and any property auctioned by the Treasury Executive Office for Asset Forfeiture (TEOAF) prior to purchase of the property. Additionally, the officer would receive deposit funds as described in the bill.
- Clarify that the cost of an electronic real property foreclosure service shall not be construed to contradict the assessment of fees by the sheriff or other officer within 30 days as required by law.
- Ensure the proper notices are given regarding the sale of real estate as required by the law.
- Make technical corrections to the bill.