

ASSEMBLY HOUSING COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4522

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 15, 2023

The Assembly Housing Committee reports favorably and with committee amendments Assembly Bill No. 4522 7(1R).

This bill, as amended, requires that a seller's property condition disclosure statement or contract, or rider or addendum to a contract, for sale of a single-family home with solar panels purchased by the owner installed on the home or its property is to include the name and contact information of both the business that installed the solar panels and, if different, the business that owns the solar panels or is involved in a power purchase agreement or lease.

If solar panels installed on a single-family home or its property are leased or subject to a power purchase agreement, a seller's property condition disclosure statement or contract, or rider or addendum to a contract, for the sale of the home is to contain clear and precise language regarding whether the owner selling the home is transferring the lease of the panels, or power purchase agreement-related commitments, to a new residence or to the buyer of the home contracted for sale. If a lease or power purchase agreement is transferred to the buyer of the home, the name and contact information of the business that installed the solar panels and, if different, the name and contact information of the business that owns the solar panels or is involved in a form of power purchase agreement, warrantee, or lease, are to be included in the seller's property condition disclosure statement or contract for sale, or a rider or addendum to the contract. More specifically, the bill requires the property condition disclosure statement, contract for sale, or a rider or addendum to the contract for sale, to include a copy of the contractual documents, if any, to become obligations of the new owner.

Misrepresentation or false claims made by an owner of a single-family home, who is a party to a contract for the sale of the home, regarding the business that installed the solar panels purchased or leased by the owner, would make the owner liable to the buyer for the cost of the resulting damages or \$1,000, whichever is greater, plus reasonable attorney's fees and court costs, in addition to any other penalty provided by law.

The bill directs the New Jersey Real Estate Commission (commission) in the New Jersey Department of Banking and Insurance to work in conjunction with the Clean Energy Program in the New Jersey Board of Public Utilities to inform consumers of the new requirements established by the bill by posting appropriate information on the Internet websites of the commission and the Clean Energy Program.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- require the information provided by home seller to include the name and contact information of the business that owns the solar panels or is involved in a power purchase agreement or lease;
- if a home's solar panels are subject to a power purchase agreement, require the information provided by the seller to include language on whether the home sale includes a transfer of rights and obligations under the power purchase agreement;
- require the information provided by home seller to include a copy of solar panel-related contractual documents to become obligations of the new owner;
- provide that certain misrepresentations would make the homeowner liable to the buyer for the cost of the resulting damages or \$1,000, whichever is greater, plus reasonable attorney's fees and court costs, in addition to any other penalty provided by law;
- remove a requirement for the development of a public education program in relation to the requirements of the bill; and
- make technical amendments.