§1 - C.46:2B-8.13a
§2 - Note

P.L. 2003, CHAPTER 138, ***approved August 1, 2003***
Senate, No. 2082

AN ACT concerning powers of attorney and supplementing Title 46 of the Revised Statutes.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. A power of attorney shall not be construed to authorize the attorney-in-fact to gratuitously transfer property of the principal to the attorney-in-fact or to others except to the extent that the power of attorney expressly and specifically so authorizes. An authorization in a power of attorney to generally perform all acts which the principal could perform if personally present and capable of acting, or words of like effect or meaning, is not an express or specific authorization to make gifts.

2. This act shall take effect on the 180th day following enactment and shall apply only to powers of attorney executed on or after the effective date.

STATEMENT

This bill is intended to protect the individual, known as the principal, who authorizes another person to act on his behalf in financial transactions by power of attorney. The bill is intended to prevent fraudulent transfers of the principal's assets by clarifying that a power of attorney does not automatically give authority to the attorney-in-fact to make gratuitous transfers of property belonging to the principal. Under the bill, the attorney-in-fact would not be authorized to make gratuitous transfers or gifts unless the power of attorney expressly and specifically so authorizes.

Clarifies that a power of attorney does not generally give the attorney-in-fact the authority to make gifts of the principal's property.