

# ASSEMBLY, No. 2480

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

**Sponsored by:**

**Assemblywoman CAROL A. MURPHY**

**District 7 (Burlington)**

**Assemblyman HAROLD "HAL" J. WIRTHS**

**District 24 (Morris, Sussex and Warren)**

**Assemblywoman HOLLY T. SCHEPISI**

**District 39 (Bergen and Passaic)**

**Co-Sponsored by:**

**Assemblyman Space**

**SYNOPSIS**

Clarifies association assessment payment and election participation requirements in planned real estate developments.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 3/5/2020)**

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1 AN ACT concerning association assessment and election  
2 participation in planned real estate developments, and  
3 supplementing P.L.1977, c.419 (C.45:22A-21 et seq.).  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. The Legislature finds and declares that:

9 a. Certain associations have interpreted that the provisions of  
10 P.L.2017, c.106 (C.45:22A-45.1 et al.), enacted on July 13, 2017,  
11 may impose new responsibilities on certain property owners to pay  
12 assessments and other charges to their associations; and

13 b. It is necessary and in the public interest for the Legislature to  
14 clarify that P.L.2017, c.106 (C.45:22A-45.1 et al.) did not impose  
15 new responsibilities on property owners to pay assessments and  
16 other charges.  
17

18 2. a. An association in communities established prior to the  
19 passage of the "Planned Real Estate Financial Disclosure Act,"  
20 ("PREDFDA"), P.L.1977, c.419 (C.45:22A-21 et seq.), shall not be  
21 permitted to require property owners to pay assessments and other  
22 charges where the property owner's title record does not impose  
23 such an obligation, unless otherwise provided by law.

24 b. If an association has recorded a lien for non-payment on or  
25 after July 13, 2017 that is based solely on the misinterpretation that  
26 P.L.2017, c.106 imposed new responsibilities on property owners to  
27 pay assessments or other charges, pursuant to P.L. , c. (C. )  
28 (pending before the Legislature as this bill), the lien shall be null  
29 and void. The association shall promptly discharge such lien of  
30 record and provide notice of this action to the property owner. If an  
31 association fails to discharge such null and void lien, the owner may  
32 bring an action to have the lien discharged and, if successful, shall  
33 be entitled to petition the court for an award of counsel fees.  
34

35 3. This act shall take effect immediately and shall be  
36 retroactive to July 13, 2017.  
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39 STATEMENT  
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41 This bill clarifies certain assessment payment and election  
42 participation requirements in planned real estate developments.  
43 Certain associations have interpreted that the provisions of  
44 P.L.2017, c.106 (C.45:22A-45.1 et al.), enacted on July 13, 2017,  
45 may impose new responsibilities on certain property owners to pay  
46 assessments and other charges to their associations. This bill is  
47 meant to clarify that P.L.2017, c.106 (C.45:22A-45.1 et al.) did not

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1 impose new responsibilities on property owners to pay such  
2 assessments and other charges.

3 The bill establishes that, except as otherwise provided by law,  
4 associations in common interest communities (“CICs”) that were  
5 established prior to the effective date of the “Planned Real Estate  
6 Financial Disclosure Act,” (“PREDFDA”), P.L.1977, c.419  
7 (C.45:22A-21 et seq.), are not allowed to require a property owner  
8 to pay assessments and other charges, if the property owner’s title  
9 record does not impose such an obligation. Additionally, the bill  
10 establishes that, if an association has recorded a lien for non-  
11 payment on or after July 13, 2017, and the lien is based solely on  
12 the misinterpretation that P.L.2017, c.106 imposed new  
13 responsibilities on property owners to pay assessments or other  
14 charges, then the lien will be null and void. The bill requires an  
15 association that has imposed such a lien to promptly discharge the  
16 lien of record and provide notice of this action to the property  
17 owner. Under the bill, if an association fails to discharge such a  
18 null and void lien, the owner may bring an action to have the lien  
19 discharged and, if successful, would be entitled to petition the court  
20 for an award of counsel fees.

21 The bill would take effect immediately and would be retroactive  
22 to July 13, 2017.