

[First Reprint]

ASSEMBLY, No. 2480

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

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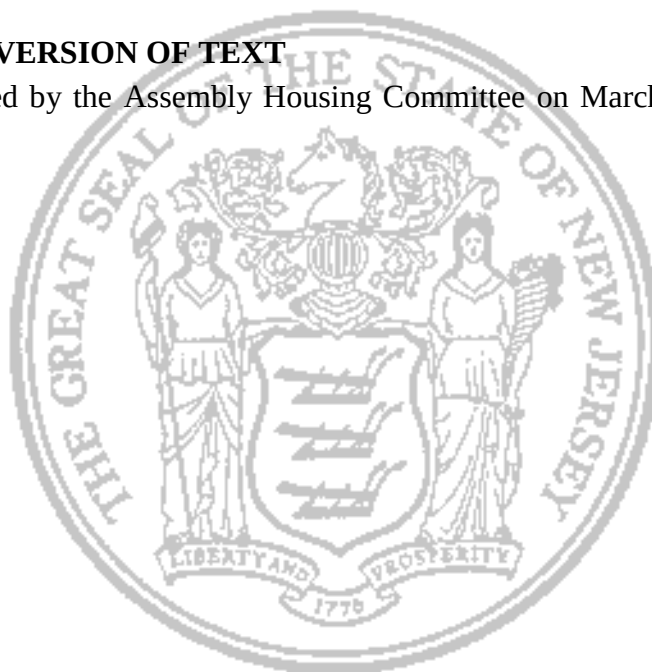
Assemblyman Space

SYNOPSIS

Clarifies association assessment payment requirements in planned real estate developments.

CURRENT VERSION OF TEXT

As reported by the Assembly Housing Committee on March 5, 2020, with amendments.



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

1 AN ACT concerning association assessment ¹[and election
 2 participation]¹ 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
 14 to 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 ¹, nor did it convert a previously voluntary
 17 association into a planned real estate development¹.
 18

19 2. a. An association in ¹[communities] a community¹
 20 established prior to the ¹[passage] effective date¹ of the “Planned
 21 Real Estate ¹[Financial] Development Full¹ Disclosure Act,”
 22 (“PREDFDA”), P.L.1977, c.419 (C.45:22A-21 et seq.), shall not be
 23 permitted to require property owners to pay assessments and other
 24 charges ¹, unless otherwise provided by law,¹ where ¹:

25 (1)¹ the property owner’s title record does not impose such an
 26 obligation ¹[, unless otherwise provided by law]¹; or

27 (2) the property owner’s title record establishes such an
 28 obligation, but it was previously only imposed on property owners
 29 who voluntarily elected to join or become members of the
 30 association, and not on all property owners¹.
 31

32 b. In an association within a community established prior to
 33 the effective date of PREDFDA, if the association seeks to require
 34 one or more property owners to pay assessments and other charges
 35 where the property owner’s title record is subject to the provisions
 36 of paragraph (2) of subsection a. of this section, the association
 37 shall first obtain an order of the court of competent jurisdiction,
 38 declaring the owners as members of the association and authorizing
 39 the association to assess the members of the association.

40 c.¹ If ¹, after July 13, 2017,¹ an association has recorded a lien
 41 against an owner’s property¹ for non-payment ¹[on or after July
 42 13, 2017 that is based solely on the misinterpretation that P.L.2017,
 43 c.106 imposed new responsibilities on property owners to pay] ¹of
 44 an association’s¹ assessments or other charges, ¹[pursuant to

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AHO committee amendments adopted March 5, 2020.

1 P.L. , c. (C.) (pending before the Legislature as this bill) **1**
2 in contravention of subsection b. of this section¹, the lien shall be
3 null and void. The association shall promptly discharge such lien of
4 record and provide notice of this action to the property owner. If an
5 association fails to discharge such null and void lien, the owner may
6 bring an action to have the lien discharged and, if successful, shall
7 be entitled to petition the court for an award of counsel fees.
8
9 3. This act shall take effect immediately and shall be
10 retroactive to July 13, 2017.