

ASSEMBLY, No. 2685

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Assemblyman JOHN ARMATO

District 2 (Atlantic)

Assemblyman VINCENT MAZZEO

District 2 (Atlantic)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Senator BRIAN P. STACK

District 33 (Hudson)

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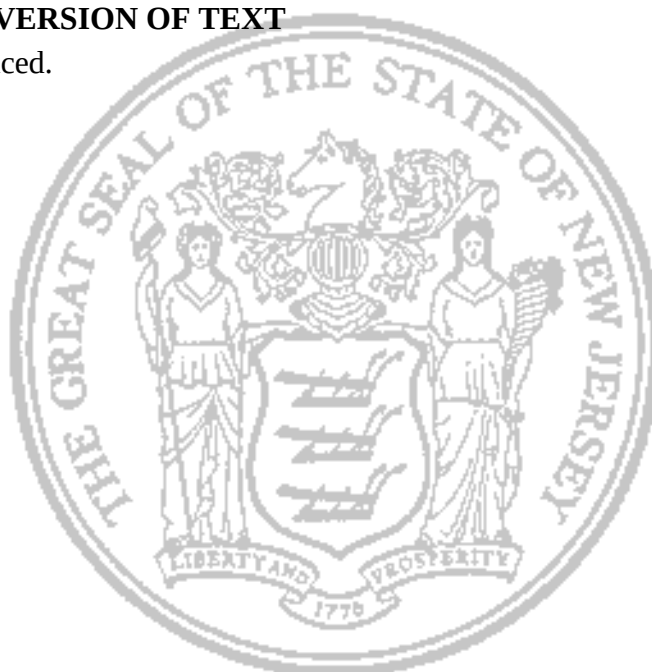
Assemblyman Houghtaling

SYNOPSIS

Concerns information on property condition disclosure statement.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/20/2021)

1 **AN ACT** concerning the disclosure of certain information prior to
2 the sale of real estate and amending P.L.1999, c.76.

3

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

6

7 1. Section 1 of P.L. 1999, c.76 (C.56:8-19.1) is amended to
8 read as follows:

9 1. Notwithstanding any provision of P.L.1960, c.39 (C.56:8-
10 1 et seq.) to the contrary, there shall be no right of recovery of
11 punitive damages, attorney fees, or both, under section 7 of
12 P.L.1971, c.247 (C.56:8-19), against a real estate broker, broker-
13 salesperson, or salesperson licensed under R.S.45:15-1 et seq. for
14 the communication of any false, misleading, or deceptive
15 information provided to the real estate broker, broker-salesperson,
16 or salesperson, by or on behalf of the seller of real estate located in
17 New Jersey, if the real estate broker, broker-salesperson, or
18 salesperson demonstrates that he:

19 a. Had no actual knowledge of the false, misleading or
20 deceptive character of the information; and

21 b. Made a reasonable and diligent inquiry to ascertain whether
22 the information is of a false, misleading, or deceptive character.
23 For purposes of this section, communications by a real estate
24 broker, broker-salesperson, or salesperson which shall be deemed to
25 satisfy the requirements of a "reasonable and diligent inquiry"
26 include, but shall not be limited to, communications which disclose
27 information:

28 (1) provided in a report or upon a representation by a person,
29 licensed or certified by the State of New Jersey, including, but not
30 limited to, an appraiser, home inspector, plumber or electrical
31 contractor, or an unlicensed home inspector until December 30,
32 2005, of a particular physical condition pertaining to the real estate
33 derived from inspection of the real estate by that person;

34 (2) provided in a report or upon a representation by any
35 governmental official or employee, if the particular information of a
36 physical condition is likely to be within the knowledge of that
37 governmental official or employee; or

38 (3) that the real estate broker, broker-salesperson, or salesperson
39 obtained from the seller in a property condition disclosure
40 statement, which form shall comply with regulations promulgated
41 by the director in consultation with the New Jersey Real Estate
42 Commission, provided that the real estate broker, broker-
43 salesperson, or salesperson informed the buyer that the seller is the
44 source of the information and that, prior to making that
45 communication to the buyer, the real estate broker, broker-
46 salesperson, or salesperson visually inspected the property with

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.

1 reasonable diligence to ascertain the accuracy of the information
2 disclosed by the seller. The director shall require that if a property
3 condition disclosure statement contains information indicating the
4 seller's awareness of water leakage, accumulation or dampness, the
5 presence of mold or other similar natural substance, or repairs or
6 other attempts to control any water or dampness problem on the real
7 property, the real estate broker, broker-salesperson, or salesperson
8 shall refer the buyer of the real property to the "Mold Guidelines
9 for New Jersey Residents" pamphlet on the Department of Health
10 Internet website, or other pamphlet or guidelines deemed
11 appropriate by the director. If requested by the buyer, the real estate
12 broker, broker-salesperson, or salesperson shall provide the buyer
13 with a physical copy of the pamphlet.

14 Nothing in this section shall be interpreted to affect the
15 obligations of a real estate broker, broker-salesperson, or
16 salesperson pursuant to the "New Residential Construction Off-Site
17 Conditions Disclosure Act," P.L.1995, c.253 (C.46:3C-1 et seq.), or
18 any other law or regulation.
19 (cf: P.L.2004, c.18, s.2)

20

21 2. This act shall take effect on the first day of the third month
22 next following enactment.

23

24

25 STATEMENT

26

27 This bill requires that if a property condition disclosure
28 statement contains information indicating the seller's awareness of
29 water leakage, accumulation or dampness, the presence of mold or
30 other similar natural substance, or repairs or other attempts to
31 control any water or dampness problem on the real property, the
32 real estate broker, broker-salesperson, or salesperson is to refer the
33 buyer of the real property to the "Mold Guidelines for New Jersey
34 Residents" pamphlet on the Department of Health Internet website,
35 or other pamphlet or guidelines deemed appropriate by the director.
36 However, under the amended bill, the real estate broker, broker-
37 salesperson, or salesperson is required to provide the buyer with a
38 physical copy of the pamphlet if requested by the buyer.