

[First Reprint]

ASSEMBLY, No. 5219

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 7, 2021

Sponsored by:

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Assemblywoman AURA K. DUNN

District 25 (Morris and Somerset)

Co-Sponsored by:

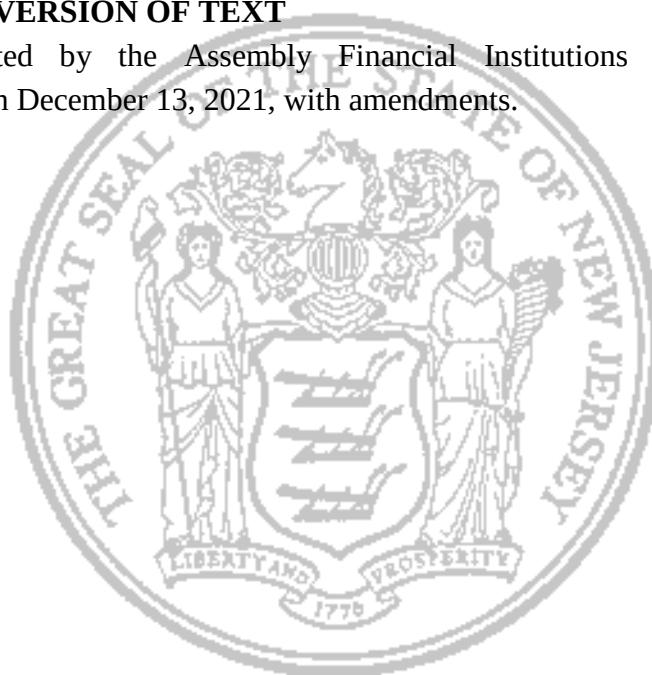
Assemblywoman Downey

SYNOPSIS

Repeals law concerning excess rates and charges for title insurance; makes agreement to use services of title or settlement service company subject to attorney review.

CURRENT VERSION OF TEXT

As reported by the Assembly Financial Institutions and Insurance Committee on December 13, 2021, with amendments.



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

1 AN ACT concerning title insurance¹, supplementing P.L.1975,
2 c.106,¹ and repealing section 39 of P.L.1975, c.106.
3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
6
7 1. Section 39 of P.L.1975, c.106 (C.17:46B-39) is repealed.
8
9 ¹2. a. Notwithstanding the provisions of this act nothing herein
10 shall prevent a consumer from exercising their free choice in the
11 selection of the title or settlement services company of their choosing.
12 Any agreement by a consumer to use the services of a title or
13 settlement service company shall be subject to the attorney review, if
14 any, which is part of the contract for sale of real estate and may be
15 revoked in the same manner as provided in the contract for the sale of
16 real estate.
17 b. A person who violates the provisions of this section shall be:
18 (1) for a first violation, subject to a 90 day business license
19 suspension;
20 (2) for a second violation:
21 (a) subject to a 180 day business license suspension; and
22 (b) liable to a penalty of not more than \$1,000 for each violation;
23 and
24 (3) for a third and any subsequent violation:
25 (a) subject to a one year business license suspension; and
26 (b) liable to a penalty of not more than \$2,500 for each violation.¹
27
28 ¹[2.] 3.¹ This act shall take effect immediately.

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 AFI committee amendments adopted December 13, 2021.