

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 320

STATE OF NEW JERSEY
219th LEGISLATURE

ADOPTED JANUARY 27, 2020

Sponsored by:

Senator RONALD L. RICE

District 28 (Essex)

Senator JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

SYNOPSIS

Requires property condition disclosure statement to include questions concerning lead plumbing and lead service lines; requires lead service lines to be replaced upon sale of residential property.

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate Community and Urban Affairs Committee.



(Sponsorship Updated As Of: 2/25/2020)

1 **AN ACT** concerning the presence of lead service lines in residential
2 properties, amending P.L.1999, c.76, and supplementing Title 58
3 of the Revised Statutes.

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

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

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

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

22 b. Made a reasonable and diligent inquiry to ascertain whether
23 the information is of a false, misleading or deceptive character. For
24 purposes of this section, communications by a real estate broker,
25 broker-salesperson or salesperson which shall be deemed to satisfy
26 the requirements of a "reasonable and diligent inquiry" include, but
27 shall not be limited to, communications which disclose 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. In addition to any other question as the
3 director shall deem necessary, the property condition disclosure
4 statement shall include a question specifically concerning the
5 presence of lead plumbing in the residential property and a question
6 specifically concerning the presence of a service line containing
7 lead in the residential property.

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

15 2. (New section) a. If before the sale of any residential real
16 property, the property is determined to be served by a service line
17 containing lead, then closing of title on the sale of the residential
18 real property shall not occur unless, at closing, both the buyer and
19 seller of the property certify, in writing, that the service line will be
20 replaced as a condition of the sale.

21 b. As used in this section, "service line" means the pipe,
22 tubing, and fittings connecting a water main to a residential
23 building.
24

25 3. This act shall take effect on the 90th day next following
26 enactment.