

[First Reprint]  
**SENATE, No. 908**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED JANUARY 27, 2020

**Sponsored by:**

**Senator TROY SINGLETON**

**District 7 (Burlington)**

**Senator STEVEN V. OROHO**

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

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**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:**

**Senator O'Scanlon, Assemblyman Space and Senator Pou**

**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: 8/27/2020)**

1 AN ACT concerning association assessment <sup>1</sup>[and election  
2 participation]<sup>1</sup> 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 <sup>1</sup>, nor did it convert a previously voluntary  
17 association into a planned real estate development<sup>1</sup>.  
18

19 2. a. An association in <sup>1</sup>[communities] a community<sup>1</sup>  
20 established prior to the <sup>1</sup>[passage] effective date<sup>1</sup> of the “Planned  
21 Real Estate <sup>1</sup>[Financial] Development Full<sup>1</sup> 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 <sup>1</sup>, unless otherwise provided by law,<sup>1</sup> where <sup>1</sup>;

25 (1)<sup>1</sup> the property owner’s title record does not impose such an  
26 obligation <sup>1</sup>[, unless otherwise provided by law]<sup>1</sup>; 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 owners<sup>1</sup>.  
31

32 b. <sup>1</sup>In an association within a community established prior to the  
33 effective date of PREDFDA, if the association seeks to require one  
34 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.<sup>1</sup> If <sup>1</sup>, after July 13, 2017,<sup>1</sup> an association has recorded a lien  
41 against an owner’s property<sup>1</sup> for non-payment <sup>1</sup>[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] <sup>1</sup>of  
an association’s<sup>1</sup> assessments or other charges, <sup>1</sup>[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:

<sup>1</sup>Assembly 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 section<sup>1</sup>, 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.