SENATE, No. 1319

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 10, 2020

Sponsored by:
Senator SHIRLEY K. TURNER
District 15 (Hunterdon and Mercer)

SYNOPSIS

Encourages timely recording of residential deeds.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning the recordation of deeds, supplementing and amending P.L.1968, c.49.

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

1. (New section) a. In addition to all other fees imposed under P.L.1968, c.49 (C.46:15-5 et seq.), if a deed for the transfer of residential real property is delivered for recording to the county recording officer more than 30 days after the date of its delivery to the grantee, there is imposed upon the grantee a late filing fee.

b. The proceeds of late filing fees collected by the county recording officer pursuant to subsection a. of this section shall be accounted for and remitted to the county treasurer. The county treasurer shall deposit the surcharges so collected into the county's Homelessness Housing Trust Fund created pursuant to P.L.2009, c.123 (C.52:27D-287a et al.) or into an account to be expended for the purposes set forth in section 6 of P.L.2009, c.123 (C.52:27D-287f).

c. For the purposes of this section:

"Late filing fee" means a fee of $10 per calendar day, imposed on and after the 31st calendar day next following the date a deed is delivered to the grantee, and including the day the deed is delivered to the county recording officer, which, however, shall not cumulatively exceed $500.

"Residential real property" means property that is classified pursuant to the requirements of N.J.A.C.18:12-2.2 as Class 2: "residential;" Class 3A: "farm property (regular)," but only if the property includes a building or structure intended or suited for residential use; and a cooperative unit as defined in section 3 of P.L.1987, c.381 (C.46:8D-3).

2. Section 2 of P.L.1968, c.49 (C.46:15-6) is amended to read as follows:

2. In addition to other prerequisites for recording, no deed evidencing transfer of title to real property shall be recorded in the office of any county recording officer unless it satisfies the following requirements:

a. If the transfer is subject to any fee established under section 3 of P.L.1968, c.49 (C.46:15-7) or section 2 of P.L.2003, c.113 (C.46:15-7.1), a statement of the <u>delivery date of the deed to the grantee and of the</u> true consideration for the transfer shall be contained in the deed, the acknowledgment, the proof of the execution, or an appended affidavit by one of the parties to the deed or that party's legal representative.

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 <u>thus</u> is new matter.

b. If the transfer is exempt from any fee established under section 3 of P.L.1968, c.49 (C.46:15-7) or section 2 of P.L.2003, c.113 (C.46:15-7.1), an affidavit stating the <u>delivery date of the deed to the grantee and the</u> basis for the exemption shall be appended to the deed.

c. If the transfer is of real property upon which there is new construction, the words "NEW CONSTRUCTION" in upper case lettering shall be printed clearly at the top of the first page of the deed, and an affidavit by the grantor stating that the transfer is of property upon which there is new construction shall be appended to the deed.

(cf: P.L.2004, c.66, s.2)

3. This act shall take effect immediately and shall be applicable to deeds submitted for recording on and after the first day of the third month next following the date of enactment.

STATEMENT

This bill would encourage purchasers of residential real property to record deeds in a timely fashion. Under the bill, a purchaser that submits a residential deed to the county for recording more than 30 days after the delivery date of the deed will be charged a late filing fee of $10 a day for each day thereafter, up to a cumulative total of $500. The bill dedicates the proceeds of these late filing fees to combatting homelessness.