SENATE, No. 3343

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 12, 2021

Sponsored by:
Senator RONALD L. RICE
District 28 (Essex)

SYNOPSIS

Enhances protections against fraudulent deed recordings.

CURRENT VERSION OF TEXT

As introduced.

AN ACT enhancing protections against fraudulent deed recordings, designated the "Property Owner's Protection Act," and amending and supplementing P.L.1968, c.49.

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

1. 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 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.

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 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.

<u>d. Any party or other person submitting a deed for recordation shall submit an affidavit of title.</u>

<u>e. (1) The county recording officer shall notify the transferor of the recording.</u>

<u>(2) The county recording officer shall collect an additional fee of $2 per deed recording to offset the costs of notification.</u>

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

2. (New section) In order to aid in the effectuation of the notification requirement under subsection e. of section 2 of P.L.1968, c.49 (C.46:15-6), the county recording office shall allow a property owner to submit information on his or her preferred mailing address, or e-mail address, or both, through which to be notified of a deed recording. The county recording officer shall retain the contact information along with the deed.

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.

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

STATEMENT

This bill enhances protections against fraudulent deed recordings by requiring the county recording officer to notify the transferor any time a deed transfer is being recorded for his or her property. To facilitate this requirement, the bill directs the recording officer to accept and retain a submission from a property owner of his or her preferred mailing address or e-mail address, or both. The "county recording officer" is also known as the "register of deeds and mortgages" in some counties, and the "county clerk" in the others.

To further enhance protections against fraudulent deed recordings, this bill also requires the person recording the deed to submit an affidavit of title as a prerequisite to the actual deed recording.

The bill allows the county recording officer to collect an additional $2 in addition to existing recording fees to offset the cost of the notification requirement. The bill takes effect on the first day of the third month next following enactment in order to allow recording offices to adjust fees.