

COMMITTEE STATEMENT:	ASSEMBLY:	Yes	Financial Inst. & Insurance Budget
	SENATE:	No	

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	No
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LEGISLATIVE FISCAL ESTIMATE:	No
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VETO MESSAGE:	No
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GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
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FOLLOWING WERE PRINTED:

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REPORTS:	No
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HEARINGS:	No
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NEWSPAPER ARTICLES:	No
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CL/MM

§§1-15, 17
C.45:15-16.86
to 45:15-16.101
§18
Note

P.L. 2024, CHAPTER 32, *approved July 10, 2024*
Senate, No. 3192 (*First Reprint*)

1 AN ACT concerning consumer rights in certain real estate
2 transactions and amending P.L.2009, c.238 and supplementing
3 ¹Title 45 of the Revised Statutes and¹ chapter 8 of Title 56 of the
4 Revised Statutes.

5

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

8

9 1. (New section) As used in P.L. , c. (C.) (pending
10 before the Legislature as this bill):

11 “Agency relationship” means the agency relationship created
12 under P.L. , c. (C.) (pending before the Legislature as this
13 bill) between a real estate brokerage firm and a principal relating to
14 the performance of real estate brokerage services.

15 “Agent” means a real estate brokerage firm, including affiliated
16 brokers, broker-salespersons and salespersons who are duly licensed
17 under ¹[P.L. , c. (C.) (pending before the Legislature as this
18 bill)] R.S.45:15-1 et seq.¹, that has an agency relationship with a
19 principal.

20 “Brokerage firm” means a real estate brokerage firm, including
21 real estate brokers, real estate broker-salespersons and real estate
22 salespersons licensed or otherwise authorized to provide brokerage
23 services in this State pursuant to chapter 15 of Title 45 of the
24 Revised Statutes who are affiliated with the brokerage firm, unless
25 the context requires the terms to be considered separately. In
26 accordance with section 2 of P.L.1989, c.239 (C.45:15-16.28),
27 “broker” also includes any broker, broker-salesperson or salesperson
28 who performs within this State as an agent or employee of a
29 subdivider any one or more of the services or acts as set forth in
30 chapter 15 of Title 45 of the Revised Statutes.

31 “Brokerage services” means the rendering of services for which
32 a real estate license is required under chapter 15 of Title 45 of the
33 Revised Statutes.

34 “Brokerage services agreement” means a written agreement
35 between a brokerage firm and principal that appoints a brokerage
36 firm to represent the principal as an agent or work with a buyer or
37 seller as a transaction broker. Broker services agreements include,

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 ABU committee amendments adopted June 26, 2024.

1 but are not limited to, sale and rental listing agreements; buyer-
2 lessee agency agreements; and transaction broker, dual agency and
3 designated agency agreements.

4 “Buyer” means an actual or prospective purchaser in a real estate
5 transaction, or an actual or prospective tenant in a real estate rental
6 or lease transaction, as applicable.

7 “Buyer’s agent” means a brokerage firm, including brokers,
8 broker-salespersons and salespersons affiliated with the brokerage
9 firm, that has an agency relationship and works only with the buyer
10 in a real estate transaction, and to whom the brokerage firm and its
11 brokers, broker-salespersons and salespersons owe fiduciary duties.

12 “Commercial real estate” means a fee title interest, possessory
13 estate, or lease in real property located in the State of New Jersey,
14 other than an interest in real property that is:

15 (1) improved with one single-family residential unit or one
16 multifamily structure with four or fewer residential units;

17 (2) unimproved and the maximum permitted development is one
18 to four residential units or structures under applicable zoning
19 regulations;

20 (3) classified as farmland, timberland or other agricultural land
21 for real estate tax assessment purposes;

22 (4) improved with single-family residential units, such as
23 condominiums, townhouses, timeshares, or stand-alone houses in a
24 subdivision that may be legally sold, leased or otherwise disposed of
25 on a unit-by-unit basis;

26 (5) subject to an agreement that provides that the real estate
27 should be considered residential; or

28 (6) within the definition in this section as of the date of its
29 disposition.

30 “Confidential information” means information from or
31 concerning a principal that, unless required to be disclosed by the
32 brokerage firm pursuant to applicable law:

33 (1) is acquired by the brokerage firm during the course of an
34 agency relationship with the principal;

35 (2) is information that, as advised by the principal to the
36 brokerage firm, the principal reasonably expects to be kept
37 confidential or that the brokerage firm otherwise knows is
38 confidential;

39 (3) would, if disclosed, operate to the detriment of the principal,
40 except that the information may be disclosed if authorized by the
41 principal; and

42 (4) the principal personally would not be obligated to disclose to
43 the other party.

44 “Designated agent” means, in any transaction where the buyer’s
45 agent and the seller’s agent are affiliated with the same brokerage
46 firm or are the same broker, broker-salesperson or salesperson, the
47 broker, broker-salesperson or salesperson who has been designated
48 by the brokerage firm, including but not limited to by a broker or

1 managing broker of the brokerage firm, to solely represent the buyer
2 as the buyer's agent and another broker, broker-salesperson or
3 salesperson who has been designated by the brokerage firm,
4 including but not limited to a broker or managing broker of the
5 brokerage firm, to solely represent the seller as the seller's agent in a
6 particular real estate transaction.

7 "Disclosed dual agent" means a brokerage firm, including
8 brokers, broker-salespersons and salespersons affiliated with the
9 brokerage firm, that has an agency relationship and is working for
10 both the buyer and seller in the same transaction.

11 "Material information" means the existence or non-existence of
12 information:

13 (1) to which a reasonable person would attach importance in
14 deciding whether or how to proceed with a transaction; or

15 (2) that the agent knows or has reason to know that the recipient
16 of the information regards or is likely to regard as important in
17 deciding whether or how to proceed, although a reasonable person
18 would not so regard it.

19 "Principal" means a buyer or a seller who has an agency
20 relationship with a brokerage firm.

21 "Real estate transaction" or "transaction" means an actual or
22 prospective transaction involving a purchase, sale, option, or
23 exchange of any interest in real property, or a lease or rental of real
24 property. For purposes of P.L. , c. (C.) (pending before the
25 Legislature as this bill), a prospective transaction does not exist until
26 a written offer has been signed by at least one party.

27 "Seller" means an actual or prospective seller in a real estate
28 transaction, or an actual or prospective landlord in a real estate
29 rental or lease transaction, as applicable.

30 "Seller's agent" means a brokerage firm, including brokers,
31 broker-salespersons and salespersons affiliated with the brokerage
32 firm, that has an agency relationship and works only with the seller
33 in a real estate transaction, and to whom the brokerage firm and its
34 brokers, broker-salespersons and salespersons owe fiduciary duties.

35 "Transaction broker" means a brokerage firm, including brokers,
36 broker-salespersons or salespersons affiliated with the brokerage
37 firm, that works with a buyer or a seller, or both, in a real estate
38 transaction without representing either party and has no agency
39 relationship and owes no fiduciary duties to either party to the
40 transaction.

41

42 2. (New section) ¹**[A]** In addition to the duties provided for
43 under current law, a¹ brokerage firm, including its brokers, broker-
44 salespersons and salespersons, when acting as a buyer's agent,
45 seller's agent, disclosed dual agent or designated agent, owes the
46 following duties to the brokerage firm's principal and to all parties
47 in a transaction, which may not be waived:

- 1 a. 1to strictly comply with the laws of agency and the principles
2 governing fiduciary relationships;
- 3 b.1 to exercise reasonable skill and care;
- 4 1[b.] c.1 to deal honestly and in good faith;
- 5 1[c.] d.1 unless otherwise directed in writing by the principal,
6 to present all written offers and counteroffers in a timely manner in
7 accordance with applicable law, and to provide written confirmation
8 of receipt to the other party or its agent or transaction broker of each
9 and every written offer or counteroffer as soon as reasonably
10 practicable, regardless of whether the property is subject to an
11 existing contract for sale or the buyer is already a party to an
12 existing contract to purchase another property;
- 13 1[d.] e.1 where the principal is the seller in a residential real
14 estate transaction, to obtain a signed property condition disclosure
15 statement that is provided for in section 1 of P.L.1999, c.76 (C.56:8-
16 19.1), with it being required that the seller provide to the brokerage
17 firm the statement with the information filled in and signed by the
18 seller and, if the seller is not represented by a brokerage firm or
19 working with a brokerage firm that is a transaction broker, then the
20 seller shall be required to provide the statement to the buyer 1[prior
21 to there being a binding sales contract, and] before the buyer
22 becomes obligated under any contract for the purchase of the property;
- 23 f.1 to disclose all existing material information known by 1[the
24 seller's agent and not apparent or readily ascertainable to a buyer] a
25 real estate broker, real estate broker-salesperson, or real estate
26 salesperson acting on behalf of the brokerage firm or which a
27 reasonable effort to ascertain the information would have revealed to
28 their principal and when appropriate to any other party to the
29 transaction¹ concerning the physical condition of the property that is
30 for sale¹. This subsection shall not be construed to imply any duty
31 to investigate matters that the brokerage firm has not agreed to
32 investigate, except as otherwise required by law¹;
- 33 1[e.] g.1 to provide an accounting to the principal as necessary
34 in a timely manner for all money and property received from or on
35 behalf of any party to the transaction;
- 36 1[f.] h.1 in a residential real estate transaction, to provide the
37 consumer information statement in the form required by the New
38 Jersey Real Estate Commission and obtain a signed acknowledgment
39 of receipt of same by the party. The statement shall be included as
40 part of the brokerage services agreement. The statement shall be
41 provided to:
- 42 (1) any party to whom the broker renders real estate brokerage
43 services as soon as reasonably practical but no later than at the time
44 the party signs a brokerage services agreement; and
- 45 (2) any party not represented by a brokerage firm in a transaction
46 before the party signs an offer or as soon as reasonably practical
47 thereafter;

1 **1** **[g.] i.** to disclose in writing as soon as reasonably practical
2 but no later than at the time the brokerage firm's principal signs a
3 brokerage service agreement:

4 (1) whether the brokerage firm is acting as the buyer's agent, the
5 seller's agent, a disclosed dual agent, a designated agent, or a
6 transaction broker. The disclosure shall be set forth in a separate
7 paragraph titled "Agency Disclosure" in a brokerage services
8 agreement prepared by the brokerage firm between the principal and
9 the brokerage firm or in a separate writing titled "Agency
10 Disclosure" signed by the principal; and

11 (2) the terms of compensation, if any, offered by a party or the
12 brokerage firm to another brokerage firm representing a different
13 party; and

14 **1** **[h.] j.** to undertake a reasonable effort to obtain material
15 information concerning the condition of every property for which
16 the brokerage firm accepts an agency relationship or is retained to
17 market as a transaction broker, and concerning the financial
18 qualifications of every person for whom the brokerage firm submits
19 an offer to the brokerage firm's principal, provided that the broker,
20 broker-salesperson or salesperson at the brokerage firm who
21 undertakes the reasonable efforts shall not be held to a standard of a
22 licensed property inspector unless that broker, broker-salesperson or
23 salesperson is separately licensed as a property inspector.

24
25 3. (New section) a. A brokerage firm, including brokers,
26 broker-salespersons and salespersons affiliated with the brokerage
27 firm, that performs real estate brokerage services for a buyer is a
28 buyer's agent unless:

29 (1) a brokerage firm, including brokers, broker-salespersons and
30 salespersons affiliated with the brokerage firm, represents the seller
31 pursuant to a brokerage services agreement between the brokerage
32 firm and the seller, in which case the brokerage firm, including the
33 brokers, broker-salespersons and salespersons, is a seller's agent;

34 (2) a brokerage firm, including brokers, broker-salespersons and
35 salespersons affiliated with the brokerage firm, represents the seller
36 pursuant to a brokerage services agreement between the brokerage
37 firm and the seller, and the brokerage firm, including the same
38 broker, broker-salesperson or salesperson or a different broker,
39 broker-salesperson or salesperson affiliated with the same brokerage
40 firm in a residential real estate transaction or otherwise represents
41 the buyer in a commercial real estate transaction, represents the
42 buyer pursuant to a brokerage services agreement between the
43 brokerage firm and the buyer, in which case the brokerage firm,
44 including the broker, broker-salesperson, salesperson or brokers,
45 broker-salespersons or salespersons, as applicable, is a disclosed
46 dual agent;

47 (3) the brokerage firm, including a broker, broker-salesperson or
48 salesperson affiliated with the brokerage firm, has agreed to work

1 with the buyer pursuant to a brokerage services agreement between
2 the brokerage firm and the buyer in a residential real estate
3 transaction or otherwise represents the buyer in a commercial real
4 estate transaction as a transaction broker; or

5 (4) the broker, broker-salesperson or salesperson affiliated with
6 the brokerage firm is the seller or one of the sellers.

7 b. (1) In a residential real estate transaction, a brokerage firm
8 shall enter into a brokerage services agreement with the buyer
9 before, or as soon as reasonably practical after, the firm commences
10 rendering real estate brokerage services to, or on behalf of, the
11 buyer. A brokerage services agreement shall not be required
12 between a brokerage firm and a buyer in a commercial real estate
13 transaction.

14 (2) The brokerage services agreement shall include the
15 following:

16 (a) the term of the brokerage services agreement, including, if
17 applicable, the period after the termination of the agreement that the
18 brokerage firm will be protected as provided in the agreement with
19 regard to any properties that a broker, broker-salesperson or
20 salesperson from the brokerage firm introduced to the buyer during
21 the term of the agreement;

22 (b) that the brokerage firm is appointed as an agent for the buyer;

23 (c) if the agency relationship is exclusive or nonexclusive;

24 (d) if the buyer consents to the brokerage firm acting as a
25 disclosed dual agent or designated agent, which, if consent is
26 granted, shall be in the brokerage services agreement or another
27 document requiring separate initialization or signature by the buyer
28 and include an acknowledgment from the buyer that a disclosed dual
29 agent shall not advocate terms favorable to one principal to the
30 detriment of the other principal;

31 (e) if the buyer consents, as demonstrated by initialization or
32 signature, to the broker or a managing broker for the brokerage firm,
33 or a broker, broker-salesperson or salesperson appointed by the
34 broker or managing broker, being an agent for the buyer to act as a
35 disclosed dual agent in a transaction in which the same broker,
36 broker-salesperson or salesperson or different brokers, broker-
37 salespersons or salespersons, as applicable, affiliated with the
38 brokerage firm represent different parties; ¹~~and~~¹

39 (f) the brokerage firm's compensation ¹, how the compensation
40 will be calculated,¹ and if the compensation is to be shared with
41 another brokerage firm that may have a brokerage relationship with
42 another party to the transaction¹; and

43 (g) a disclosure expressly stating that broker compensation is
44 fully negotiable and not set by law¹.

45 c. A brokerage firm may work with a party in separate
46 transactions pursuant to different or the same agency relationships,
47 including, but not limited to, representing a party in one transaction
48 and at the same time representing that party in a different

1 transaction, if the broker complies with P.L. , c. (C.)
2 (pending before the Legislature as this bill) in establishing the
3 relationships for each transaction, even if the other transaction is a
4 related transaction.

5
6 4. (New section) a. ¹【Unless additional duties are agreed to in
7 writing signed by a buyer's agent or other authorized representative
8 of the brokerage firm】 In addition to the duties provided for under
9 current law¹, the duties of a buyer's agent ¹【are limited to】 shall
10 include¹ the following, which may not be waived, except as
11 expressly set forth in paragraphs (4) and (5) of this subsection:

12 (1) to be loyal to the buyer by taking no action that is adverse or
13 detrimental to the buyer's interest in a transaction ¹and to exercise
14 primary devotion to the buyer's interests¹;

15 (2) to timely disclose to the buyer any ¹actual or potential¹
16 conflicts of interest ¹which the buyer's agent may reasonably
17 anticipate¹;

18 (3) to advise the buyer to seek expert advice on matters relating
19 to the transaction that are beyond the agent's expertise;

20 (4) to not disclose confidential information from or about the
21 buyer, except under subpoena, court order or otherwise as provided
22 by law, or as expressly authorized by the buyer, even after
23 termination of the agency relationship; ¹【and】¹

24 (5) unless otherwise agreed to in writing, to make a good faith
25 and continuous effort to find a property for the buyer, except that a
26 buyer's agent is not obligated to seek additional properties to
27 purchase while the buyer is a party to an existing contract to
28 purchase that is no longer subject to the attorney-review period, if
29 applicable¹; and

30 (6) any additional duties that are agreed to in writing signed by a
31 buyer's agent or other authorized representative of the brokerage
32 firm¹.

33 b. (1) The showing of a property in which a buyer is interested
34 to other prospective buyers by a buyer's agent shall not breach the
35 duty of loyalty to the buyer or create a conflict of interest.

36 (2) The representation of or acting as a transaction broker with
37 more than one buyer by a brokerage firm, including different
38 brokers, broker-salespersons or salespersons affiliated with the
39 brokerage firm, in competing transactions involving the same
40 property does not breach the duty of loyalty to the buyer or create a
41 conflict of interest.

42
43 5. (New section) a. A brokerage firm, including brokers,
44 broker-salespersons and salespersons affiliated with the brokerage
45 firm, that performs real estate brokerage services for a seller is a
46 seller's agent unless:

1 (1) a brokerage firm, including brokers, broker-salespersons and
2 salespersons affiliated with the brokerage firm, represents the buyer
3 pursuant to a brokerage services agreement between the brokerage
4 firm and the buyer in a residential real estate transaction or
5 otherwise represents the buyer in a commercial real estate
6 transaction, in which case the brokerage firm, including the brokers,
7 broker-salespersons and salespersons, is a buyer's agent;

8 (2) a brokerage firm, including brokers, broker-salespersons and
9 salespersons affiliated with the brokerage firm, represents the buyer
10 pursuant to a brokerage services agreement between the brokerage
11 firm and the buyer in a residential real estate transaction or
12 otherwise represents the buyer in a commercial real estate
13 transaction, and the brokerage firm, including the same broker,
14 broker-salesperson or salesperson or a different broker, broker-
15 salesperson or salesperson represents the seller pursuant to a
16 brokerage services agreement between the brokerage firm and the
17 seller, in which case the brokerage firm, including the broker,
18 broker-salesperson or salesperson or brokers, broker-salespersons or
19 salespersons, as applicable, is a disclosed dual agent;

20 (3) the brokerage firm, including a broker, broker-salesperson or
21 salesperson affiliated with the brokerage firm, has agreed to work
22 with the seller pursuant to brokerage services agreement between the
23 brokerage firm and the seller as a transaction broker; or

24 (4) the broker, broker-salesperson or salesperson affiliated with
25 the brokerage firm is the buyer or one of the buyers.

26 b. (1) A brokerage firm shall enter into a brokerage services
27 agreement with the seller before, or as soon as reasonably practical
28 after, it commences rendering real estate brokerage services to, or on
29 behalf of, the seller.

30 (2) The brokerage services agreement shall include the
31 following:

32 (a) the term of the brokerage services agreement, including, if
33 applicable, the period after the termination of the agreement that the
34 brokerage firm will be protected as provided in the agreement with
35 regard to any properties that a broker, broker-salesperson or
36 salesperson from the brokerage firm introduced to the seller during
37 the term of the agreement;

38 (b) the brokerage firm is appointed as an agent for the seller;

39 (c) if the agency relationship is exclusive or nonexclusive, and
40 shall include an option for the seller to select if the relationship is
41 exclusive or nonexclusive;

42 (d) if the seller consents to the brokerage firm acting as a
43 disclosed dual agent or designated agent, which, if consent is
44 granted, shall be in the brokerage services agreement or in another
45 document requiring separate initialization or signature by the seller
46 and include an acknowledgment from the seller that a disclosed dual
47 agent shall not advocate terms favorable to one principal to the
48 detriment of the other principal;

1 (e) if the seller consents, as demonstrated by initialization or
2 signature, to the broker or a managing broker for the brokerage firm,
3 or a broker, broker-salesperson or salesperson appointed by the
4 broker or managing broker, being an agent for the seller to act as a
5 disclosed dual agent in a transaction in which the same broker,
6 broker-salesperson or salesperson or different brokers, broker-
7 salespersons or salespersons, as applicable, affiliated with the
8 brokerage firm represent different parties;

9 (f) the brokerage firm's compensation¹, how the compensation
10 will be calculated,¹ and if the compensation will be shared with
11 another brokerage firm that may have a brokerage relationship with
12 another party to the transaction; and

13 (g) whether a notice on the property to be sold will be circulated in
14 a ¹Multiple Listing Service database established to provide data
15 about properties for sale, such as a multiple listing service,¹ of which
16 the brokerage firm is a member, except that the seller's agent shall not
17 submit any notice to the service stating whether the seller authorized
18 the sharing of the compensation of the seller's agent with cooperating
19 sub-agents, transaction brokers, or the buyer's agents, or the amount of
20 the shared compensation to any service that prohibits an offer from
21 being displayed.

22 c. A brokerage firm may work with a party in separate
23 transactions pursuant to different or same agency relationships,
24 including, but not limited to, representing a party in one transaction
25 and at the same time representing that party in a different
26 transaction, if the broker complies with P.L. , c. (C.)
27 (pending before the Legislature as this bill) in establishing the
28 relationships for each transaction, even if the other transaction is a
29 related transaction.

30
31 6. (New section) a. ¹Unless additional duties are agreed to in
32 writing signed by a seller's agent or other authorized representative
33 of the brokerage firm In addition to the duties provided for under
34 current law¹, the duties of a seller's agent ¹are limited to shall
35 include¹ the following, which may not be waived, except as
36 expressly set forth in paragraphs (4) and (5) of this subsection:

37 (1) to be loyal to the seller by taking no action that is adverse or
38 detrimental to the seller's interest in a transaction ¹and to exercise
39 primary devotion to the seller's interests¹;

40 (2) to timely disclose to the seller any ¹actual or potential¹
41 conflicts of interest ¹which the seller's agent may reasonably
42 anticipate¹;

43 (3) to advise the seller to seek expert advice on matters relating
44 to the transaction that are beyond the agent's expertise;

45 (4) not to disclose any confidential information from or about the
46 seller, except under subpoena, court order or otherwise as provided

1 by law, or as expressly authorized by the seller, even after
2 termination of the agency relationship; ¹【and】¹

3 (5) unless otherwise agreed to in writing, to make a good faith
4 and continuous effort to find a buyer for the property, except that a
5 seller's agent is not obligated to seek additional offers to purchase
6 the property while the property is subject to an existing contract for
7 sale that is no longer subject to the attorney-review period, if
8 applicable¹; and

9 (6) any additional duties that are agreed to in writing signed by a
10 seller's agent or other authorized representative of the brokerage
11 firm¹.

12 b. (1) The showing of properties not owned by the seller to
13 prospective buyers or the listing of competing properties for sale by
14 a seller's agent does not breach the duty of loyalty to the seller or
15 create a conflict of interest.

16 (2) The representation of or acting as a transaction broker with
17 more than one seller by a brokerage firm, including different
18 brokers, broker-salespersons or salespersons affiliated with the
19 brokerage firm, in competing transactions involving the same buyer
20 does not breach the duty of loyalty to the seller or create a conflict
21 of interest.

22
23 7. (New section) a. A brokerage firm, including its brokers,
24 broker-salespersons and salespersons, may act as a disclosed dual
25 agent only with the informed consent of both parties to the transaction
26 as set forth in brokerage services agreements signed by the buyer and
27 the seller, respectively, in a residential real estate transaction or
28 otherwise in writing in a commercial real estate transaction.

29 b. ¹【Unless additional duties are agreed to in writings signed by a
30 disclosed dual agent or an authorized representative of the brokerage
31 firm and each of the parties】 In addition to the duties provided for
32 under current law¹, the duties of a disclosed dual agent ¹【are limited
33 to】 shall include¹ the following, which may not be waived, except as
34 expressly set forth in paragraphs (4), (5) and (6) of this subsection:

35 (1) to take no action that is adverse or detrimental to either party's
36 interest in a transaction;

37 (2) to timely disclose to both parties any ¹actual or potential¹
38 conflicts of interest ¹which the disclosed dual agent may reasonably
39 anticipate¹;

40 (3) to advise both parties to seek expert advice on matters
41 relating to the transaction that are beyond the disclosed dual agent's
42 expertise;

43 (4) not to disclose any confidential information from or about
44 either party, except under subpoena, court order or otherwise as
45 provided by law, or as expressly authorized by the party, even after
46 termination of the agency relationship;

1 (5) unless otherwise agreed to in writing with the seller, to make
2 a good faith and continuous effort to find a buyer for the property,
3 except that a disclosed dual agent is not obligated to seek additional
4 offers to purchase the property while the property is subject to an
5 existing contract for sale that is no longer subject to the attorney-
6 review period, if applicable; **1[and]1**

7 (6) unless otherwise agreed to in writing with the buyer, to make
8 a good faith and continuous effort to find a property for the buyer,
9 except that a disclosed dual agent is not obligated to seek additional
10 properties to purchase while the buyer is a party to an existing
11 contract to purchase that is no longer subject to the attorney-review
12 period, if applicable¹; and

13 (7) any additional duties that are agreed to in writings signed by
14 a disclosed dual agent or an authorized representative of the
15 brokerage firm and each of the parties¹.

16 c. Notwithstanding any provision of chapter 15 of Title 45 of
17 the Revised Statutes or any other law, rule, or regulation to the
18 contrary, including but not limited to, subsection i. of R.S.45:15-17,
19 a broker, broker-salesperson or salesperson acting as a disclosed
20 dual agent in a real estate transaction shall be deemed to be acting in
21 the same capacity with the buyer and the seller as a dual agent and
22 may receive compensation through its brokerage firm from either or
23 both the buyer and seller provided that the sources and amounts of
24 compensation are disclosed in writing to the buyer and the seller.

25 d. (1) The showing of properties not owned by the seller to
26 prospective buyers or the listing of competing properties for sale by
27 a disclosed dual agent does not constitute action that is adverse or
28 detrimental to the seller or create a conflict of interest.

29 (2) The representation of or acting as a transaction broker with
30 more than one seller by different brokers, broker-salespersons or
31 salespersons licensed with the same brokerage firm in competing
32 transactions involving the same buyer does not constitute action that
33 is adverse or detrimental to the seller or create a conflict of interest.

34 e. (1) The showing of property in which a buyer is
35 interested to other prospective buyers or the presentation of
36 additional offers to purchase property while the property is subject
37 to a transaction in which a disclosed dual agent is involved does not
38 constitute action that is adverse or detrimental to the buyer or create
39 a conflict of interest.

40 (2) The representation of or acting as a transaction broker with
41 more than one buyer by the brokerage firm, including different
42 brokers, broker-salespersons or salespersons affiliated with the
43 brokerage firm, in competing transactions involving the same
44 property does not constitute action that is adverse or detrimental to
45 the buyer or create a conflict of interest.

46
47 8. (New section) a. In a transaction in which a different
48 broker, broker-salesperson or salesperson is designated as a

1 designated agent by a brokerage firm, including but not limited to by
2 the broker or a managing broker affiliated with the brokerage firm,
3 the broker, broker-salespersons or salespersons, as applicable, shall
4 be designated agents. Each designated agent shall solely represent
5 the party with whom the designated agent has an agency
6 relationship.

7 (1) For the purposes of designated agency, the seller's
8 designated agent and the buyer's designated agent are not dual
9 agents and owe fiduciary duties solely to their respective principals.

10 (2) In order for a designated agency relationship to take effect,
11 the brokerage firm shall enter into a written designated agency
12 agreement that may be incorporated into the brokerage services
13 agreement with each of the parties in a residential real estate
14 transaction or otherwise in a written agreement with each of the
15 parties in a commercial transaction that includes the informed,
16 written consent of each of parties to the transaction.

17 b. Notwithstanding any provision of chapter 15 of Title 45 of
18 the Revised Statutes or any other law, rule, or regulation to the
19 contrary, including but not limited to subsection i. of R.S.45:15-17,
20 a broker-salesperson or salesperson acting as a designated agent in a
21 real estate transaction shall be deemed to be acting in the same
22 capacity with the buyer and the seller as a designated agent and may
23 receive compensation through its brokerage firm from either or both
24 the buyer and the seller provided that the sources and amounts of
25 compensation are disclosed in writing to the buyer and the seller.

26

27 9. (New section) a. A brokerage firm, including brokers,
28 broker-salespersons and salespersons affiliated with the brokerage
29 firm, that has been engaged as a transaction broker by a buyer, a
30 seller, or both, shall not act as an agent for and shall not represent
31 any party in the transaction; shall not promote the interest of one
32 party over the interest of the other party; and shall not be required to
33 keep any information confidential.

34 b. ¹~~Unless additional duties are agreed to in writings signed by~~
35 ~~the transaction broker or other authorized representative of the~~
36 ~~brokerage firm~~ In addition to the duties provided for under current
37 law¹, a transaction broker's duties ¹~~are limited to~~ shall include¹ the
38 following:

39 (1) to perform the terms of any brokerage service agreement
40 made with any party to the transaction;

41 (2) to ensure, when working with a seller, that the brokerage
42 service agreement states whether a notice on the property to be sold
43 will be circulated in a ¹~~Multiple Listing Service~~ database
44 established to provide data about properties for sale, such as a multiple
45 listing service,¹ of which the brokerage firm is a member, except that
46 the seller's agent shall not submit any notice to the service stating
47 whether the seller authorized the sharing of the compensation of the
48 seller's agent with cooperating sub-agents, transaction brokers, or

- 1 the buyer's agents, or the amount of the shared compensation to any
2 service that prohibits an offer from being displayed;
- 3 (3) to treat all parties honestly and act in a competent manner;
- 4 (4) to locate qualified buyers for a seller or suitable properties
5 for a buyer;
- 6 (5) unless otherwise directed in writing by the principal, to
7 present all written offers and counteroffers in a timely manner in
8 accordance with applicable law, and to provide written confirmation
9 of receipt to the other party or its agent or transaction broker of each
10 and every written offer or counteroffer as soon as reasonably
11 practicable, regardless of whether the property is subject to an
12 existing contract of sale or the buyer is already a party to an existing
13 contract to purchase another property;
- 14 (6) to keep the parties fully informed regarding the transaction;
- 15 (7) to communicate and work with all parties in an effort to
16 arrive at an acceptable agreement without providing advice to any
17 party on how to gain an advantage at the expense of the other party;
- 18 (8) to advise the parties to seek expert advice on matters relating
19 to the transaction; ¹**[and]**¹
- 20 (9) to manage the transaction and perform tasks to facilitate the
21 closing of the transaction¹; and
- 22 (10) any additional duties that are agreed to in writings signed by
23 the transaction broker or other authorized representative of the
24 brokerage firm¹.
- 25 c. The showing of alternate properties not owned by the seller
26 to a buyer shall not breach any duties or create a conflict of interest.
- 27 d. The showing of a property in which a buyer is interested to
28 other prospective buyers shall not breach any duties or create a
29 conflict of interest.
- 30
- 31 10. (New section) a. The agency or transaction broker
32 relationships established pursuant to this chapter shall continue until
33 the earliest of the following:
- 34 (1) completion of performance by the brokerage firm;
- 35 (2) expiration of the term agreed upon by the parties;
- 36 (3) termination of the relationship by mutual agreement of the
37 parties; or
- 38 (4) termination of the relationship by written notice from either
39 party to the other as provided in the brokerage services agreement, if
40 applicable, except that a termination does not otherwise affect the
41 contractual rights of either party.
- 42 b. If the agency or transaction broker relationship is being
43 terminated pursuant to paragraphs (3) or (4) of subsection a. of this
44 section, written confirmation of termination shall be required for the
45 termination to take effect. Written confirmation of termination shall
46 not be required for the termination to take effect pursuant to
47 paragraphs (1) or (2) of subsection a. of this section.

1 c. Except as otherwise agreed to in writing, a brokerage firm
2 shall owe no further duty or other responsibility after termination of
3 the agency or transaction broker relationship, other than the duty:

4 (1) to provide an accounting to its principal as necessary in a
5 timely manner for all moneys and property received from or on
6 behalf of any party to the transaction; and

7 (2) to not disclose confidential information if there was an
8 agency relationship, except under subpoena, court order or otherwise
9 as provided by law, or as expressly authorized by the applicable
10 party.

11 d. With respect to the termination of disclosed dual agent
12 relationships, absent a termination by expiration or fulfillment by a
13 completed closing, brokerage services agreements between a
14 disclosed dual agent and a buyer and a seller shall otherwise only be
15 terminated in writing signed by the buyer or seller, as applicable,
16 with confirmed delivery to the disclosed dual agent.

17
18 11. (New section) a. In any real estate transaction, a brokerage
19 firm's compensation may be paid by one or more of the following:
20 the seller; the buyer; a third party; or by sharing the compensation
21 between brokerage firms. Agreements on compensation shall be in
22 writing signed by the seller or buyer, as applicable.

23 b. An agreement to pay or payment of compensation shall not
24 establish an agency relationship between the party who paid the
25 compensation and the brokerage firm.

26 c. A seller may agree that a seller's agent's or transaction
27 broker's brokerage firm may share with another brokerage firm the
28 compensation paid by the seller, provided that this type of agreement
29 is in writing and signed by the seller.

30 d. A buyer may agree that a buyer's agent's or transaction
31 broker's brokerage firm may share with another brokerage firm the
32 compensation paid by the buyer, provided that this type of
33 agreement is in writing and signed by the buyer.

34 e. Notwithstanding any provision of chapter 15 of Title 45 of
35 the Revised Statutes or any other law, rule, or regulation to the
36 contrary, including but not limited to subsection i. of R.S.45:15-17,
37 a brokerage firm may be compensated by more than one party for
38 real estate brokerage services in a real estate transaction regardless
39 of the agency or transaction broker relationship the brokerage firm
40 has with the parties.

41 f. A brokerage firm may receive compensation based upon a
42 flat fee arrangement, a percentage of the purchase price or ¹**[some]**¹
43 other method ¹permitted by law¹, all of which shall be a commission
44 payment for any real estate brokerage services rendered, without
45 breaching any duty to the buyer or seller.

46 g. To receive compensation for rendering real estate brokerage
47 services from any party, firm or third party, a brokerage firm shall
48 have a written brokerage services agreement with the buyer or the

1 seller, as applicable, in a residential real estate transaction and a
2 written brokerage services agreement with the seller but not with the
3 buyer in a commercial real estate transaction containing the
4 following:

5 (1) the terms of compensation, including:

6 (a) the amount the principal agrees to compensate the brokerage
7 firm;

8 (b) the principal's consent, if any, and any terms of the consent,
9 to compensation sharing between brokerage firms and parties
10 sharing the payment of the compensation; and

11 (c) the principal's consent, if any, and any terms of consent, to
12 compensation of the brokerage firm by more than one party; and

13 (2) in a brokerage services agreement with a buyer, if there is no
14 agreement or offer or a limited offer by any other party or brokerage
15 firm to pay compensation to the brokerage firm, if the buyer will pay
16 the difference between the offer and the compensation the buyer has
17 agreed is due to the buyer's agent and, if not, the buyer's agreement
18 as to how to proceed in this situation, including, but not limited to,
19 directing the buyer's agent not to introduce the buyer to properties
20 where the seller is not offering compensation or is offering less
21 compensation to the buyer's agent than the buyer agreed is due to
22 the buyer's agent.

23 h. A brokerage firm may receive compensation, which shall be
24 deemed to be the payment of a commission, without a brokerage
25 services agreement for the provision of a broker's price opinion;
26 comparative market analysis; or a referral by one firm to another
27 firm if the referring firm provided no real estate brokerage services
28 in the transaction.

29

30 12. (New section) a. A principal shall not be liable for an act,
31 error or omission by an agent or transaction broker of the principal
32 arising out of their relationship:

33 (1) unless the principal participated in or authorized the act, error
34 or omission.

35 (2) except to the extent that the principal benefited from the act,
36 error or omission, in which case the principal's liability shall be
37 limited to the monetary amount of the benefit unless some form of
38 punitive damages are awarded.

39 b. A brokerage firm shall not be liable for information that is to
40 be disclosed by a seller in a property condition disclosure statement
41 that is provided for in section 1 of P.L.1999, c.76 (C.56:8-19.1) or
42 otherwise by law or that the brokerage firm requested the seller to
43 provide and was not provided to the brokerage firm¹; provided a real
44 estate broker, real estate broker-salesperson, or real estate salesperson
45 acting on behalf of the brokerage firm made reasonable efforts to
46 ascertain all material information concerning the physical condition,
47 including but not limited to making inquiries to the seller about any
48 physical conditions that may affect the property and performing a

1 visual inspection of the property to determine if there are any readily
2 observable physical conditions affecting the property, and made
3 disclosure of such information to appropriate parties to a transaction as
4 required by law¹.

5
6 13. (New section) Unless otherwise agreed to in writing, a
7 principal may not be charged with knowledge or notice of any facts
8 known by a brokerage firm representing or working with the
9 principal that are not actually known by the principal ¹[and a]. A¹
10 brokerage firm representing or working with the principal may not
11 be charged with knowledge or notice of any facts known by the
12 principal that are not actually known by the brokerage firm¹;
13 provided a real estate broker, real estate broker-salesperson, or real
14 estate salesperson acting on behalf of the brokerage firm made
15 reasonable efforts to ascertain all material information concerning the
16 physical condition, including but not limited to making inquiries to the
17 seller about any physical conditions that may affect the property and
18 performing a visual inspection of the property to determine if there are
19 any readily observable physical conditions affecting the property¹.

20
21 14. (New section) a. At any residential property showing that is
22 generally open to the public, a sign shall be posted at the entrance or
23 at a sign-in sheet clearly advising prospective buyers that the
24 brokerage firm hosting the real estate open house represents the
25 seller only and has no relationship with the prospective buyer,
26 except if the buyer does not have an exclusive buyer agency
27 agreement with another brokerage firm and agrees to the seller's
28 agent becoming a disclosed dual agent or designated agent.

29 b. For the avoidance of doubt and to ensure uniformity at public
30 real estate open houses across the State, the sign shall clearly read:
31 "ATTENTION PROSPECTIVE PURCHASERS - PLEASE READ
32 THIS SIGN CAREFULLY. This is to advise you that the agent who
33 is conducting this Open House REPRESENTS THE SELLER AND
34 IS REQUIRED BY LAW TO PROMOTE THE INTERESTS OF
35 THE SELLER. ANY INFORMATION YOU GIVE THIS AGENT
36 IS NOT CONSIDERED CONFIDENTIAL under New Jersey law
37 and could be disclosed to the Seller of this property. You, as the
38 Buyer, are entitled to have someone represent you as a Buyer's
39 Agent if you are interested in this property. The duties of a Buyer's
40 Agent include helping you evaluate the property, prepare an offer on
41 the property and negotiate in your best interests. If you, as the
42 Buyer, are already exclusively represented by a Buyer's Agent, you
43 are required to disclose this representation on the sign-in sheet. If
44 you, as the Buyer, are not already exclusively represented by a
45 Buyer's Agent, please be advised that the Open House agent is not
46 precluded from being a disclosed dual agent or designated agent and
47 can enter into any relationship with you as explained in the
48 Consumer Information Statement."

1 15. (New section) ¹【Notwithstanding the provisions of
2 P.L. , c. (C.) (pending before the Legislature as this bill),
3 the】 The¹ New Jersey Real Estate Commission may promulgate
4 regulations ¹pursuant to the “Administrative Procedure Act,”
5 P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the purposes of
6 P.L. , c. (C.) (pending before the Legislature as this bill),
7 including regulations¹ to address other types of agency or business
8 relationships for real estate brokerage firms.

9
10 16. Section 27 of P.L.2009, c.238 (C.45:15-16.2e) is amended to
11 read as follows:

12 27. a. Not less than 50 percent of the continuing education
13 courses of study that a broker, broker-salesperson or salesperson are
14 required to complete as a condition for license renewal shall be
15 comprised of one or more of the following core topics:

- 16 (1) Agency;
- 17 (2) Disclosure;
- 18 (3) Legal issues;
- 19 (4) Ethics, which shall not be less than two hours;
- 20 (5) Fair housing;
- 21 (6) Rules and regulations;
- 22 (7) Real estate licensee safety;
- 23 (8) Financial literacy and planning; and
- 24 (9) Any other core topics that the New Jersey Real Estate
25 Commission may prescribe by rule.

26 In no event shall the commission require that courses in these
27 core topics comprise more than 60 percent of the total continuing
28 education hours required for the renewal of any license.

29 b. In the case of continuing education courses and programs,
30 each hour of instruction shall be equivalent to one credit.

31 c. Notwithstanding the provisions of subsection a. of this
32 section, the commission shall require that the continuing education
33 courses of study that a broker, broker-salesperson or salesperson are
34 required to complete as a condition for license renewal shall be
35 comprised of at least one hour on the core topic of fair housing and
36 housing discrimination during each biennial license term.

37 d. Notwithstanding the provisions of subsection a. of this
38 section, the commission shall require that a continuing education
39 course on agency be completed by a broker, broker-salesperson and
40 salesperson as a condition for license renewal during each biennial
41 license term.

42 (cf: P.L.2019, c.177, s.2)

43
44 ¹17. The rights, remedies, and prohibitions accorded by the
45 provisions of P.L. , c. (C.) (pending before the Legislature as this
46 bill), are hereby declared to be in addition to and cumulative of any
47 other right, remedy, or prohibition accorded by the common law or
48 statutes of the United States or of this State, and nothing herein shall

1 be construed to deny, abrogate, or impair any such common law or
2 statutory right, remedy, or prohibition.¹

3

4 ¹~~17.~~ 18.¹ This act shall take effect on August 1, 2024.

5

6

7

8

9 “Real Estate Consumer Protection Enhancement Act.”

CHAPTER 32

AN ACT concerning consumer rights in certain real estate transactions and amending P.L.2009, c.238 and supplementing Title 45 of the Revised Statutes and chapter 8 of Title 56 of the Revised Statutes.

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

C.45:15-16.86 Definitions.

1. As used in P.L.2024, c.32 (C.45:15-16.86 et al.):

“Agency relationship” means the agency relationship created under P.L.2024, c.32 (C.45:15-16.86 et al.) between a real estate brokerage firm and a principal relating to the performance of real estate brokerage services.

“Agent” means a real estate brokerage firm, including affiliated brokers, broker-salespersons, and salespersons who are duly licensed under R.S.45:15-1 et seq., that has an agency relationship with a principal.

“Brokerage firm” means a real estate brokerage firm, including real estate brokers, real estate broker-salespersons, and real estate salespersons licensed or otherwise authorized to provide brokerage services in this State pursuant to chapter 15 of Title 45 of the Revised Statutes who are affiliated with the brokerage firm, unless the context requires the terms to be considered separately. In accordance with section 2 of P.L.1989, c.239 (C.45:15-16.28), “broker” also includes any broker, broker-salesperson, or salesperson who performs within this State as an agent or employee of a subdivider any one or more of the services or acts as set forth in chapter 15 of Title 45 of the Revised Statutes.

“Brokerage services” means the rendering of services for which a real estate license is required under chapter 15 of Title 45 of the Revised Statutes.

“Brokerage services agreement” means a written agreement between a brokerage firm and principal that appoints a brokerage firm to represent the principal as an agent or work with a buyer or seller as a transaction broker. Broker services agreements include, but are not limited to, sale and rental listing agreements; buyer-lessee agency agreements; and transaction broker, dual agency, and designated agency agreements.

“Buyer” means an actual or prospective purchaser in a real estate transaction, or an actual or prospective tenant in a real estate rental or lease transaction, as applicable.

“Buyer’s agent” means a brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, that has an agency relationship and works only with the buyer in a real estate transaction and to whom the brokerage firm and its brokers, broker-salespersons, and salespersons owe fiduciary duties.

“Commercial real estate” means a fee title interest, possessory estate, or lease in real property located in the State of New Jersey, other than an interest in real property that is:

improved with one single-family residential unit or one multifamily structure with four or fewer residential units;

unimproved and the maximum permitted development is one to four residential units or structures under applicable zoning regulations;

classified as farmland, timberland, or other agricultural land for real estate tax assessment purposes;

improved with single-family residential units, such as condominiums, townhouses, timeshares, or stand-alone houses in a subdivision that may be legally sold, leased, or otherwise disposed of on a unit-by-unit basis;

subject to an agreement that provides that the real estate should be considered residential; or within the definition in this section as of the date of its disposition.

“Confidential information” means information from or concerning a principal that, unless required to be disclosed by the brokerage firm pursuant to applicable law:

is acquired by the brokerage firm during the course of an agency relationship with the principal;

is information that, as advised by the principal to the brokerage firm, the principal reasonably expects to be kept confidential or that the brokerage firm otherwise knows is confidential;

would, if disclosed, operate to the detriment of the principal, except that the information may be disclosed if authorized by the principal; and

the principal personally would not be obligated to disclose to the other party.

“Designated agent” means, in any transaction where the buyer’s agent and the seller’s agent are affiliated with the same brokerage firm or are the same broker, broker-salesperson, or salesperson, the broker, broker-salesperson, or salesperson who has been designated by the brokerage firm, including, but not limited to, by a broker or managing broker of the brokerage firm, to solely represent the buyer as the buyer’s agent and another broker, broker-salesperson, or salesperson who has been designated by the brokerage firm, including, but not limited to, a broker or managing broker of the brokerage firm, to solely represent the seller as the seller’s agent in a particular real estate transaction.

“Disclosed dual agent” means a brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, that has an agency relationship and is working for both the buyer and seller in the same transaction.

“Material information” means the existence or non-existence of information:

(1) to which a reasonable person would attach importance in deciding whether or how to proceed with a transaction; or

(2) that the agent knows or has reason to know that the recipient of the information regards or is likely to regard as important in deciding whether or how to proceed, although a reasonable person would not so regard it.

“Principal” means a buyer or a seller who has an agency relationship with a brokerage firm.

“Real estate transaction” or “transaction” means an actual or prospective transaction involving a purchase, sale, option, or exchange of any interest in real property or a lease or rental of real property. For purposes of P.L.2024, c.32 (C.45:15-16.86 et al.), a prospective transaction does not exist until a written offer has been signed by at least one party.

“Seller” means an actual or prospective seller in a real estate transaction or an actual or prospective landlord in a real estate rental or lease transaction, as applicable.

“Seller’s agent” means a brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, that has an agency relationship and works only with the seller in a real estate transaction and to whom the brokerage firm and its brokers, broker-salespersons, and salespersons owe fiduciary duties.

“Transaction broker” means a brokerage firm, including brokers, broker-salespersons, or salespersons affiliated with the brokerage firm, that works with a buyer or a seller, or both, in a real estate transaction without representing either party and has no agency relationship and owes no fiduciary duties to either party to the transaction.

C.45:15-16.87 Brokerage firm acting as buyer's, seller's, dual disclosed, designated agent, duties owed to principal, all parties in a transaction.

2. In addition to the duties provided for under current law, a brokerage firm, including its brokers, broker-salespersons, and salespersons, when acting as a buyer’s agent, seller’s agent, disclosed dual agent, or designated agent, owes the following duties to the brokerage firm’s principal and to all parties in a transaction, which may not be waived:

a. to strictly comply with the laws of agency and the principles governing fiduciary relationships;

b. to exercise reasonable skill and care;

c. to deal honestly and in good faith;

d. unless otherwise directed in writing by the principal, to present all written offers and counteroffers in a timely manner in accordance with applicable law and to provide written confirmation of receipt to the other party or its agent or transaction broker of each and every written offer or counteroffer as soon as reasonably practicable, regardless of whether the property is subject to an existing contract for sale or the buyer is already a party to an existing contract to purchase another property;

e. where the principal is the seller in a residential real estate transaction, to obtain a signed property condition disclosure statement that is provided for in section 1 of P.L.1999, c.76 (C.56:8-19.1), with it being required that the seller provide to the brokerage firm the statement with the information filled in and signed by the seller and, if the seller is not represented by a brokerage firm or working with a brokerage firm that is a transaction broker, then the seller shall be required to provide the statement to the buyer before the buyer becomes obligated under any contract for the purchase of the property;

f. to disclose all existing material information known by a real estate broker, real estate broker-salesperson, or real estate salesperson acting on behalf of the brokerage firm or which a reasonable effort to ascertain the information would have revealed to their principal and when appropriate to any other party to the transaction concerning the physical condition of the property that is for sale;

g. to provide an accounting to the principal as necessary in a timely manner for all money and property received from or on behalf of any party to the transaction;

h. in a residential real estate transaction, to provide the consumer information statement in the form required by the New Jersey Real Estate Commission and obtain a signed acknowledgment of receipt of same by the party. The statement shall be included as part of the brokerage services agreement. The statement shall be provided to:

(1) any party to whom the broker renders real estate brokerage services as soon as reasonably practical, but no later than at the time the party signs a brokerage services agreement; and

(2) any party not represented by a brokerage firm in a transaction before the party signs an offer or as soon as reasonably practical thereafter;

i. to disclose in writing as soon as reasonably practical, but no later than at the time the brokerage firm's principal signs a brokerage service agreement:

(1) whether the brokerage firm is acting as the buyer's agent, the seller's agent, a disclosed dual agent, a designated agent, or a transaction broker. The disclosure shall be set forth in a separate paragraph titled "Agency Disclosure" in a brokerage services agreement prepared by the brokerage firm between the principal and the brokerage firm or in a separate writing titled "Agency Disclosure" signed by the principal; and

(2) the terms of compensation, if any, offered by a party or the brokerage firm to another brokerage firm representing a different party; and

j. to undertake a reasonable effort to obtain material information concerning the condition of every property for which the brokerage firm accepts an agency relationship or is retained to market as a transaction broker and concerning the financial qualifications of every person for whom the brokerage firm submits an offer to the brokerage firm's principal, provided that the broker, broker-salesperson, or salesperson at the brokerage firm who undertakes the reasonable

efforts shall not be held to a standard of a licensed property inspector unless that broker, broker-salesperson, or salesperson is separately licensed as a property inspector.

C.45:15-16.88 Brokerage firms, real estate brokerage services, buyer's agent, conditions, exceptions.

3. a. A brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, that performs real estate brokerage services for a buyer is a buyer's agent unless:

(1) a brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, represents the seller pursuant to a brokerage services agreement between the brokerage firm and the seller, in which case the brokerage firm, including the brokers, broker-salespersons, and salespersons, is a seller's agent;

(2) a brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, represents the seller pursuant to a brokerage services agreement between the brokerage firm and the seller, and the brokerage firm, including the same broker, broker-salesperson, or salesperson or a different broker, broker-salesperson, or salesperson affiliated with the same brokerage firm in a residential real estate transaction or otherwise represents the buyer in a commercial real estate transaction, represents the buyer pursuant to a brokerage services agreement between the brokerage firm and the buyer, in which case the brokerage firm, including the broker, broker-salesperson, or salesperson or brokers, broker-salespersons, or salespersons, as applicable, is a disclosed dual agent;

(3) the brokerage firm, including a broker, broker-salesperson, or salesperson affiliated with the brokerage firm, has agreed to work with the buyer pursuant to a brokerage services agreement between the brokerage firm and the buyer in a residential real estate transaction or otherwise represents the buyer in a commercial real estate transaction as a transaction broker; or

(4) the broker, broker-salesperson, or salesperson affiliated with the brokerage firm is the seller or one of the sellers.

b. (1) In a residential real estate transaction, a brokerage firm shall enter into a brokerage services agreement with the buyer before, or as soon as reasonably practical after, the firm commences rendering real estate brokerage services to, or on behalf of, the buyer. A brokerage services agreement shall not be required between a brokerage firm and a buyer in a commercial real estate transaction.

(2) The brokerage services agreement shall include the following:

(a) the term of the brokerage services agreement, including, if applicable, the period after the termination of the agreement that the brokerage firm will be protected as provided in the agreement with regard to any properties that a broker, broker-salesperson, or salesperson from the brokerage firm introduced to the buyer during the term of the agreement;

(b) that the brokerage firm is appointed as an agent for the buyer;

(c) if the agency relationship is exclusive or nonexclusive;

(d) if the buyer consents to the brokerage firm acting as a disclosed dual agent or designated agent, which, if consent is granted, shall be in the brokerage services agreement or another document requiring separate initialization or signature by the buyer and include an acknowledgment from the buyer that a disclosed dual agent shall not advocate terms favorable to one principal to the detriment of the other principal;

(e) if the buyer consents, as demonstrated by initialization or signature, to the broker or a managing broker for the brokerage firm, or a broker, broker-salesperson, or salesperson appointed by the broker or managing broker, being an agent for the buyer to act as a disclosed dual agent in a transaction in which the same broker, broker-salesperson, or salesperson or

different brokers, broker-salespersons, or salespersons, as applicable, affiliated with the brokerage firm represent different parties;

(f) the brokerage firm's compensation, how the compensation will be calculated, and if the compensation is to be shared with another brokerage firm that may have a brokerage relationship with another party to the transaction; and

(g) a disclosure expressly stating that broker compensation is fully negotiable and not set by law.

c. A brokerage firm may work with a party in separate transactions pursuant to different or the same agency relationships, including, but not limited to, representing a party in one transaction and at the same time representing that party in a different transaction, if the broker complies with P.L.2024, c.32 (C.45:15-16.86 et al.) in establishing the relationships for each transaction, even if the other transaction is a related transaction.

C.45:15-16.89 Buyer's agent duties, exceptions.

4. a. In addition to the duties provided for under current law, the duties of a buyer's agent shall include the following, which may not be waived, except as expressly set forth in paragraphs (4) and (5) of this subsection:

(1) to be loyal to the buyer by taking no action that is adverse or detrimental to the buyer's interest in a transaction and to exercise primary devotion to the buyer's interests;

(2) to timely disclose to the buyer any actual or potential conflicts of interest which the buyer's agent may reasonably anticipate;

(3) to advise the buyer to seek expert advice on matters relating to the transaction that are beyond the agent's expertise;

(4) to not disclose confidential information from or about the buyer, except under subpoena, court order, or otherwise as provided by law or as expressly authorized by the buyer, even after termination of the agency relationship;

(5) unless otherwise agreed to in writing, to make a good-faith and continuous effort to find a property for the buyer, except that a buyer's agent is not obligated to seek additional properties to purchase while the buyer is a party to an existing contract to purchase that is no longer subject to the attorney-review period, if applicable; and

(6) any additional duties that are agreed to in writing signed by a buyer's agent or other authorized representative of the brokerage firm.

b. (1) The showing of a property in which a buyer is interested to other prospective buyers by a buyer's agent shall not breach the duty of loyalty to the buyer or create a conflict of interest.

(2) The representation of or acting as a transaction broker with more than one buyer by a brokerage firm, including different brokers, broker-salespersons, or salespersons affiliated with the brokerage firm, in competing transactions involving the same property does not breach the duty of loyalty to the buyer or create a conflict of interest.

C.45:15-16.90 Brokerage firms, real estate brokerage services, seller's agent, conditions, exceptions.

5. a. A brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, that performs real estate brokerage services for a seller is a seller's agent unless:

(1) a brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, represents the buyer pursuant to a brokerage services agreement between the brokerage firm and the buyer in a residential real estate transaction or otherwise represents the buyer in a commercial real estate transaction, in which case the brokerage firm, including the brokers, broker-salespersons, and salespersons, is a buyer's agent;

(2) a brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, represents the buyer pursuant to a brokerage services agreement between the brokerage firm and the buyer in a residential real estate transaction or otherwise represents the buyer in a commercial real estate transaction, and the brokerage firm, including the same broker, broker-salesperson, or salesperson or a different broker, broker-salesperson, or salesperson represents the seller pursuant to a brokerage services agreement between the brokerage firm and the seller, in which case the brokerage firm, including the broker, broker-salesperson, or salesperson or brokers, broker-salespersons, or salespersons, as applicable, is a disclosed dual agent;

(3) the brokerage firm, including a broker, broker-salesperson, or salesperson affiliated with the brokerage firm, has agreed to work with the seller pursuant to brokerage services agreement between the brokerage firm and the seller as a transaction broker; or

(4) the broker, broker-salesperson, or salesperson affiliated with the brokerage firm is the buyer or one of the buyers.

b. (1) A brokerage firm shall enter into a brokerage services agreement with the seller before, or as soon as reasonably practical after, it commences rendering real estate brokerage services to, or on behalf of, the seller.

(2) The brokerage services agreement shall include the following:

(a) the term of the brokerage services agreement, including, if applicable, the period after the termination of the agreement that the brokerage firm will be protected as provided in the agreement with regard to any properties that a broker, broker-salesperson, or salesperson from the brokerage firm introduced to the seller during the term of the agreement;

(b) the brokerage firm is appointed as an agent for the seller;

(c) if the agency relationship is exclusive or nonexclusive and shall include an option for the seller to select if the relationship is exclusive or nonexclusive;

(d) if the seller consents to the brokerage firm acting as a disclosed dual agent or designated agent, which, if consent is granted, shall be in the brokerage services agreement or in another document requiring separate initialization or signature by the seller and include an acknowledgment from the seller that a disclosed dual agent shall not advocate terms favorable to one principal to the detriment of the other principal;

(e) if the seller consents, as demonstrated by initialization or signature, to the broker or a managing broker for the brokerage firm, or a broker, broker-salesperson, or salesperson appointed by the broker or managing broker, being an agent for the seller to act as a disclosed dual agent in a transaction in which the same broker, broker-salesperson, or salesperson or different brokers, broker-salespersons, or salespersons, as applicable, affiliated with the brokerage firm represent different parties;

(f) the brokerage firm's compensation, how the compensation will be calculated, and if the compensation will be shared with another brokerage firm that may have a brokerage relationship with another party to the transaction; and

(g) whether a notice on the property to be sold will be circulated in a database established to provide data about properties for sale, such as a multiple listing service, of which the brokerage firm is a member, except that the seller's agent shall not submit any notice to the service stating whether the seller authorized the sharing of the compensation of the seller's agent with cooperating sub-agents, transaction brokers, or the buyer's agents or the amount of the shared compensation to any service that prohibits an offer from being displayed.

c. A brokerage firm may work with a party in separate transactions pursuant to different or same agency relationships, including, but not limited to, representing a party in one transaction and at the same time representing that party in a different transaction, if the broker

complies with P.L.2024, c.32 (C.45:15-16.86 et al.) in establishing the relationships for each transaction, even if the other transaction is a related transaction.

C.45:15-16.91 Seller's agent duties, exceptions.

6. a. In addition to the duties provided for under current law, the duties of a seller's agent shall include the following, which may not be waived, except as expressly set forth in paragraphs (4) and (5) of this subsection:

(1) to be loyal to the seller by taking no action that is adverse or detrimental to the seller's interest in a transaction and to exercise primary devotion to the seller's interests;

(2) to timely disclose to the seller any actual or potential conflicts of interest which the seller's agent may reasonably anticipate;

(3) to advise the seller to seek expert advice on matters relating to the transaction that are beyond the agent's expertise;

(4) not to disclose any confidential information from or about the seller, except under subpoena, court order, or otherwise as provided by law or as expressly authorized by the seller, even after termination of the agency relationship;

(5) unless otherwise agreed to in writing, to make a good-faith and continuous effort to find a buyer for the property, except that a seller's agent is not obligated to seek additional offers to purchase the property while the property is subject to an existing contract for sale that is no longer subject to the attorney-review period, if applicable; and

(6) any additional duties that are agreed to in writing signed by a seller's agent or other authorized representative of the brokerage firm.

b. (1) The showing of properties not owned by the seller to prospective buyers or the listing of competing properties for sale by a seller's agent does not breach the duty of loyalty to the seller or create a conflict of interest.

(2) The representation of or acting as a transaction broker with more than one seller by a brokerage firm, including different brokers, broker-salespersons, or salespersons affiliated with the brokerage firm, in competing transactions involving the same buyer does not breach the duty of loyalty to the seller or create a conflict of interest.

C.45:15-16.92 Brokerage firms acting as a disclosed dual agent, informed consent of both parties, residential, commercial real estate transaction; duties, exceptions.

7. a. A brokerage firm, including its brokers, broker-salespersons, and salespersons, may act as a disclosed dual agent only with the informed consent of both parties to the transaction as set forth in brokerage services agreements signed by the buyer and the seller, respectively, in a residential real estate transaction or otherwise in writing in a commercial real estate transaction.

b. In addition to the duties provided for under current law, the duties of a disclosed dual agent shall include the following, which may not be waived, except as expressly set forth in paragraphs (4), (5) and (6) of this subsection:

(1) to take no action that is adverse or detrimental to either party's interest in a transaction;

(2) to timely disclose to both parties any actual or potential conflicts of interest which the disclosed dual agent may reasonably anticipate;

(3) to advise both parties to seek expert advice on matters relating to the transaction that are beyond the disclosed dual agent's expertise;

(4) not to disclose any confidential information from or about either party, except under subpoena, court order, or otherwise as provided by law or as expressly authorized by the party, even after termination of the agency relationship;

(5) unless otherwise agreed to in writing with the seller, to make a good faith and continuous effort to find a buyer for the property, except that a disclosed dual agent is not

obligated to seek additional offers to purchase the property while the property is subject to an existing contract for sale that is no longer subject to the attorney-review period, if applicable;

(6) unless otherwise agreed to in writing with the buyer, to make a good-faith and continuous effort to find a property for the buyer, except that a disclosed dual agent is not obligated to seek additional properties to purchase while the buyer is a party to an existing contract to purchase that is no longer subject to the attorney-review period, if applicable; and

(7) any additional duties that are agreed to in writings signed by a disclosed dual agent or an authorized representative of the brokerage firm and each of the parties.

c. Notwithstanding any provision of chapter 15 of Title 45 of the Revised Statutes or any other law, rule, or regulation to the contrary, including, but not limited to, subsection i. of R.S.45:15-17, a broker, broker-salesperson, or salesperson acting as a disclosed dual agent in a real estate transaction shall be deemed to be acting in the same capacity with the buyer and the seller as a dual agent and may receive compensation through its brokerage firm from either or both the buyer and seller provided that the sources and amounts of compensation are disclosed in writing to the buyer and the seller.

d. (1) The showing of properties not owned by the seller to prospective buyers or the listing of competing properties for sale by a disclosed dual agent does not constitute action that is adverse or detrimental to the seller or create a conflict of interest.

(2) The representation of or acting as a transaction broker with more than one seller by different brokers, broker-salespersons, or salespersons licensed with the same brokerage firm in competing transactions involving the same buyer does not constitute action that is adverse or detrimental to the seller or create a conflict of interest.

e. (1) The showing of property in which a buyer is interested to other prospective buyers or the presentation of additional offers to purchase property while the property is subject to a transaction in which a disclosed dual agent is involved does not constitute action that is adverse or detrimental to the buyer or create a conflict of interest.

(2) The representation of or acting as a transaction broker with more than one buyer by the brokerage firm, including different brokers, broker-salespersons, or salespersons affiliated with the brokerage firm, in competing transactions involving the same property does not constitute action that is adverse or detrimental to the buyer or create a conflict of interest.

C.45:15-16.93 Different broker, broker-salesperson, salesperson, designated agent, fiduciary duties owed, respective principals.

8. a. In a transaction in which a different broker, broker-salesperson, or salesperson is designated as a designated agent by a brokerage firm, including, but not limited to, by the broker or a managing broker affiliated with the brokerage firm, the broker, broker-salespersons, or salespersons, as applicable, shall be designated agents. Each designated agent shall solely represent the party with whom the designated agent has an agency relationship.

(1) For the purposes of designated agency, the seller's designated agent and the buyer's designated agent are not dual agents and owe fiduciary duties solely to their respective principals.

(2) In order for a designated agency relationship to take effect, the brokerage firm shall enter into a written designated agency agreement that may be incorporated into the brokerage services agreement with each of the parties in a residential real estate transaction or otherwise in a written agreement with each of the parties in a commercial transaction that includes the informed, written consent of each of parties to the transaction.

b. Notwithstanding any provision of chapter 15 of Title 45 of the Revised Statutes or any other law, rule, or regulation to the contrary, including, but not limited to, subsection i. of R.S.45:15-17, a broker-salesperson or salesperson acting as a designated agent in a real estate transaction shall be deemed to be acting in the same capacity with the buyer and the seller as

a designated agent and may receive compensation through its brokerage firm from either or both the buyer and the seller provided that the sources and amounts of compensation are disclosed in writing to the buyer and the seller.

C.45:15-16.94 Brokerage firm engaged as transaction broker shall not act as an agent or represent any party in the transaction; transaction broker duties.

9. a. A brokerage firm, including brokers, broker-salespersons, and salespersons affiliated with the brokerage firm, that has been engaged as a transaction broker by a buyer, a seller, or both shall not act as an agent for and shall not represent any party in the transaction, shall not promote the interest of one party over the interest of the other party, and shall not be required to keep any information confidential.

b. In addition to the duties provided for under current law, a transaction broker's duties shall include the following:

(1) to perform the terms of any brokerage service agreement made with any party to the transaction;

(2) to ensure, when working with a seller, that the brokerage service agreement states whether a notice on the property to be sold will be circulated in a database established to provide data about properties for sale, such as a multiple listing service, of which the brokerage firm is a member, except that the seller's agent shall not submit any notice to the service stating whether the seller authorized the sharing of the compensation of the seller's agent with cooperating sub-agents, transaction brokers, or the buyer's agents or the amount of the shared compensation to any service that prohibits an offer from being displayed;

(3) to treat all parties honestly and act in a competent manner;

(4) to locate qualified buyers for a seller or suitable properties for a buyer;

(5) unless otherwise directed in writing by the principal, to present all written offers and counteroffers in a timely manner in accordance with applicable law and to provide written confirmation of receipt to the other party or its agent or transaction broker of each and every written offer or counteroffer as soon as reasonably practicable, regardless of whether the property is subject to an existing contract of sale or the buyer is already a party to an existing contract to purchase another property;

(6) to keep the parties fully informed regarding the transaction;

(7) to communicate and work with all parties in an effort to arrive at an acceptable agreement without providing advice to any party on how to gain an advantage at the expense of the other party;

(8) to advise the parties to seek expert advice on matters relating to the transaction;

(9) to manage the transaction and perform tasks to facilitate the closing of the transaction; and

(10) any additional duties that are agreed to in writings signed by the transaction broker or other authorized representative of the brokerage firm.

c. The showing of alternate properties not owned by the seller to a buyer shall not breach any duties or create a conflict of interest.

d. The showing of a property in which a buyer is interested to other prospective buyers shall not breach any duties or create a conflict of interest.

C.45:15-16.95 Established agency, transaction broker relationships, completion, expiration of terms, termination, conditions.

10. a. The agency or transaction broker relationships established pursuant to this chapter shall continue until the earliest of the following:

(1) completion of performance by the brokerage firm;

(2) expiration of the term agreed upon by the parties;

(3) termination of the relationship by mutual agreement of the parties; or

(4) termination of the relationship by written notice from either party to the other as provided in the brokerage services agreement, if applicable, except that a termination does not otherwise affect the contractual rights of either party.

b. If the agency or transaction broker relationship is being terminated pursuant to paragraphs (3) or (4) of subsection a. of this section, written confirmation of termination shall be required for the termination to take effect. Written confirmation of termination shall not be required for the termination to take effect pursuant to paragraphs (1) or (2) of subsection a. of this section.

c. Except as otherwise agreed to in writing, a brokerage firm shall owe no further duty or other responsibility after termination of the agency or transaction broker relationship, other than the duty:

(1) to provide an accounting to its principal as necessary in a timely manner for all moneys and property received from or on behalf of any party to the transaction; and

(2) to not disclose confidential information if there was an agency relationship, except under subpoena, court order, or otherwise as provided by law or as expressly authorized by the applicable party.

d. With respect to the termination of disclosed dual agent relationships, absent a termination by expiration or fulfillment by a completed closing, brokerage services agreements between a disclosed dual agent and a buyer and a seller shall otherwise only be terminated in writing signed by the buyer or seller, as applicable, with confirmed delivery to the disclosed dual agent.

C.45:15-16.96 Real estate transaction, brokerage firm compensation.

11. a. In any real estate transaction, a brokerage firm's compensation may be paid by one or more of the following: the seller; the buyer; a third party; or by sharing the compensation between brokerage firms. Agreements on compensation shall be in writing signed by the seller or buyer, as applicable.

b. An agreement to pay or payment of compensation shall not establish an agency relationship between the party who paid the compensation and the brokerage firm.

c. A seller may agree that a seller's agent's or transaction broker's brokerage firm may share with another brokerage firm the compensation paid by the seller, provided that this type of agreement is in writing and signed by the seller.

d. A buyer may agree that a buyer's agent's or transaction broker's brokerage firm may share with another brokerage firm the compensation paid by the buyer, provided that this type of agreement is in writing and signed by the buyer.

e. Notwithstanding any provision of chapter 15 of Title 45 of the Revised Statutes or any other law, rule, or regulation to the contrary, including, but not limited to, subsection i. of R.S.45:15-17, a brokerage firm may be compensated by more than one party for real estate brokerage services in a real estate transaction regardless of the agency or transaction broker relationship the brokerage firm has with the parties.

f. A brokerage firm may receive compensation based upon a flat fee arrangement, a percentage of the purchase price, or other method permitted by law, all of which shall be a commission payment for any real estate brokerage services rendered, without breaching any duty to the buyer or seller.

g. To receive compensation for rendering real estate brokerage services from any party, firm, or third party, a brokerage firm shall have a written brokerage services agreement with the buyer or the seller, as applicable, in a residential real estate transaction and a written

brokerage services agreement with the seller but not with the buyer in a commercial real estate transaction containing the following:

(1) the terms of compensation, including:

(a) the amount the principal agrees to compensate the brokerage firm;

(b) the principal's consent, if any, and any terms of the consent to compensation sharing between brokerage firms and parties sharing the payment of the compensation; and

(c) the principal's consent, if any, and any terms of consent to compensation of the brokerage firm by more than one party; and

(2) in a brokerage services agreement with a buyer, if there is no agreement, offer, or a limited offer by any other party or brokerage firm to pay compensation to the brokerage firm, if the buyer will pay the difference between the offer and the compensation the buyer has agreed is due to the buyer's agent and, if not, the buyer's agreement as to how to proceed in this situation, including, but not limited to, directing the buyer's agent not to introduce the buyer to properties where the seller is not offering compensation or is offering less compensation to the buyer's agent than the buyer agreed is due to the buyer's agent.

h. A brokerage firm may receive compensation, which shall be deemed to be the payment of a commission, without a brokerage services agreement for the provision of a broker's price opinion, comparative market analysis, or a referral by one firm to another firm if the referring firm provided no real estate brokerage services in the transaction.

C.45:15-16.97 Liability, brokerage firm, principal, agent, transaction broker.

12. a. A principal shall not be liable for an act, error, or omission by an agent or transaction broker of the principal arising out of their relationship:

(1) unless the principal participated in or authorized the act, error, or omission.

(2) except to the extent that the principal benefited from the act, error, or omission, in which case the principal's liability shall be limited to the monetary amount of the benefit unless some form of punitive damages are awarded.

b. A brokerage firm shall not be liable for information that is to be disclosed by a seller in a property condition disclosure statement that is provided for in section 1 of P.L.1999, c.76 (C.56:8-19.1) or otherwise by law or that the brokerage firm requested the seller to provide and was not provided to the brokerage firm, provided a real estate broker, real estate broker-salesperson, or real estate salesperson acting on behalf of the brokerage firm made reasonable efforts to ascertain all material information concerning the physical condition, including, but not limited to, making inquiries to the seller about any physical conditions that may affect the property and performing a visual inspection of the property to determine if there are any readily observable physical conditions affecting the property, and made disclosure of such information to appropriate parties to a transaction as required by law.

C.45:15-16.98 Principal not to be charged, knowledge, notice of facts known by brokerage firm, not actually known by principal.

13. Unless otherwise agreed to in writing, a principal may not be charged with knowledge or notice of any facts known by a brokerage firm representing or working with the principal that are not actually known by the principal. A brokerage firm representing or working with the principal may not be charged with knowledge or notice of any facts known by the principal that are not actually known by the brokerage firm; provided a real estate broker, real estate broker-salesperson, or real estate salesperson acting on behalf of the brokerage firm made reasonable efforts to ascertain all material information concerning the physical condition, including, but not limited to, making inquiries to the seller about any physical conditions that

may affect the property and performing a visual inspection of the property to determine if there are any readily observable physical conditions affecting the property.

C.45:15-16.99 Residential property showing, generally open to public, sign advising prospective buyers, brokerage firm representing seller only; exceptions, sign text.

14. a. At any residential property showing that is generally open to the public, a sign shall be posted at the entrance or at a sign-in sheet clearly advising prospective buyers that the brokerage firm hosting the real estate open house represents the seller only and has no relationship with the prospective buyer, except if the buyer does not have an exclusive buyer agency agreement with another brokerage firm and agrees to the seller's agent becoming a disclosed dual agent or designated agent.

b. For the avoidance of doubt and to ensure uniformity at public real estate open houses across the State, the sign shall clearly read:

“ATTENTION PROSPECTIVE PURCHASERS - PLEASE READ THIS SIGN CAREFULLY. This is to advise you that the agent who is conducting this Open House REPRESENTS THE SELLER AND IS REQUIRED BY LAW TO PROMOTE THE INTERESTS OF THE SELLER. ANY INFORMATION YOU GIVE THIS AGENT IS NOT CONSIDERED CONFIDENTIAL under New Jersey law and could be disclosed to the Seller of this property. You, as the Buyer, are entitled to have someone represent you as a Buyer's Agent if you are interested in this property. The duties of a Buyer's Agent include helping you evaluate the property, prepare an offer on the property and negotiate in your best interests. If you, as the Buyer, are already exclusively represented by a Buyer's Agent, you are required to disclose this representation on the sign-in sheet. If you, as the Buyer, are not already exclusively represented by a Buyer's Agent, please be advised that the Open House agent is not precluded from being a disclosed dual agent or designated agent and can enter into any relationship with you as explained in the Consumer Information Statement.”

C.45:15-16.100 Regulations, relationships, real estate brokerage firms.

15. The New Jersey Real Estate Commission may promulgate regulations pursuant to the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the purposes of P.L.2024, c.32 (C.45:15-16.86 et al.), including regulations to address other types of agency or business relationships for real estate brokerage firms.

16. Section 27 of P.L.2009, c.238 (C.45:15-16.2e) is amended to read as follows:

C.45:15-16.2e Core topics for continuing education courses.

27. a. Not less than 50 percent of the continuing education courses of study that a broker, broker-salesperson, or salesperson are required to complete as a condition for license renewal shall be comprised of one or more of the following core topics:

- (1) Agency;
- (2) Disclosure;
- (3) Legal issues;
- (4) Ethics, which shall not be less than two hours;
- (5) Fair housing;
- (6) Rules and regulations;
- (7) Real estate licensee safety;
- (8) Financial literacy and planning; and
- (9) Any other core topics that the New Jersey Real Estate Commission may prescribe by rule.

In no event shall the commission require that courses in these core topics comprise more than 60 percent of the total continuing education hours required for the renewal of any license.

b. In the case of continuing education courses and programs, each hour of instruction shall be equivalent to one credit.

c. Notwithstanding the provisions of subsection a. of this section, the commission shall require that the continuing education courses of study that a broker, broker-salesperson, or salesperson are required to complete as a condition for license renewal shall be comprised of at least one hour on the core topic of fair housing and housing discrimination during each biennial license term.

d. Notwithstanding the provisions of subsection a. of this section, the commission shall require that a continuing education course on agency be completed by a broker, broker-salesperson, and salesperson as a condition for license renewal during each biennial license term.

C.45:15-16.101 Rights, remedies, prohibitions declared additional, cumulative.

17. The rights, remedies, and prohibitions accorded by the provisions of P.L.2024, c.32 (C.45:15-16.86 et al.), are hereby declared to be in addition to and cumulative of any other right, remedy, or prohibition accorded by the common law or statutes of the United States or of this State, and nothing herein shall be construed to deny, abrogate, or impair any such common law or statutory right, remedy, or prohibition.

18. This act shall take effect on August 1, 2024.

Approved July 10, 2024.

SENATE, No. 3192

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 9, 2024

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Co-Sponsored by:

Senator Turner

SYNOPSIS

“Real Estate Consumer Protection Enhancement Act.”

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/20/2024)

1 AN ACT concerning consumer rights in certain real estate
2 transactions and amending P.L.2009, c.238 and supplementing
3 chapter 8 of Title 56 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. (New section) As used in P.L. , c. (C.) (pending
9 before the Legislature as this bill):

10 “Agency relationship” means the agency relationship created
11 under P.L. , c. (C.) (pending before the Legislature as this
12 bill) between a real estate brokerage firm and a principal relating to
13 the performance of real estate brokerage services.

14 “Agent” means a real estate brokerage firm, including affiliated
15 brokers, broker-salespersons and salespersons who are duly licensed
16 under P.L. , c. (C.) (pending before the Legislature as this
17 bill), that has an agency relationship with a principal.

18 “Brokerage firm” means a real estate brokerage firm, including
19 real estate brokers, real estate broker-salespersons and real estate
20 salespersons licensed or otherwise authorized to provide brokerage
21 services in this State pursuant to chapter 15 of Title 45 of the
22 Revised Statutes who are affiliated with the brokerage firm, unless
23 the context requires the terms to be considered separately. In
24 accordance with section 2 of P.L.1989, c.239 (C.45:15-16.28),
25 “broker” also includes any broker, broker-salesperson or salesperson
26 who performs within this State as an agent or employee of a
27 subdivider any one or more of the services or acts as set forth in
28 chapter 15 of Title 45 of the Revised Statutes.

29 “Brokerage services” means the rendering of services for which a
30 real estate license is required under chapter 15 of Title 45 of the
31 Revised Statutes.

32 “Brokerage services agreement” means a written agreement
33 between a brokerage firm and principal that appoints a brokerage
34 firm to represent the principal as an agent or work with a buyer or
35 seller as a transaction broker. Broker services agreements include,
36 but are not limited to, sale and rental listing agreements; buyer-
37 lessee agency agreements; and transaction broker, dual agency and
38 designated agency agreements.

39 “Buyer” means an actual or prospective purchaser in a real estate
40 transaction, or an actual or prospective tenant in a real estate rental
41 or lease transaction, as applicable.

42 “Buyer’s agent” means a brokerage firm, including brokers,
43 broker-salespersons and salespersons affiliated with the brokerage
44 firm, that has an agency relationship and works only with the buyer

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 in a real estate transaction, and to whom the brokerage firm and its
2 brokers, broker-salespersons and salespersons owe fiduciary duties.

3 “Commercial real estate” means a fee title interest, possessory
4 estate, or lease in real property located in the State of New Jersey,
5 other than an interest in real property that is:

6 (1) improved with one single-family residential unit or one
7 multifamily structure with four or fewer residential units;

8 (2) unimproved and the maximum permitted development is one
9 to four residential units or structures under applicable zoning
10 regulations;

11 (3) classified as farmland, timberland or other agricultural land
12 for real estate tax assessment purposes;

13 (4) improved with single-family residential units, such as
14 condominiums, townhouses, timeshares, or stand-alone houses in a
15 subdivision that may be legally sold, leased or otherwise disposed of
16 on a unit-by-unit basis;

17 (5) subject to an agreement that provides that the real estate
18 should be considered residential; or

19 (6) within the definition in this section as of the date of its
20 disposition.

21 “Confidential information” means information from or
22 concerning a principal that, unless required to be disclosed by the
23 brokerage firm pursuant to applicable law:

24 (1) is acquired by the brokerage firm during the course of an
25 agency relationship with the principal;

26 (2) is information that, as advised by the principal to the
27 brokerage firm, the principal reasonably expects to be kept
28 confidential or that the brokerage firm otherwise knows is
29 confidential;

30 (3) would, if disclosed, operate to the detriment of the principal,
31 except that the information may be disclosed if authorized by the
32 principal; and

33 (4) the principal personally would not be obligated to disclose to
34 the other party.

35 “Designated agent” means, in any transaction where the buyer’s
36 agent and the seller’s agent are affiliated with the same brokerage
37 firm or are the same broker, broker-salesperson or salesperson, the
38 broker, broker-salesperson or salesperson who has been designated
39 by the brokerage firm, including but not limited to by a broker or
40 managing broker of the brokerage firm, to solely represent the buyer
41 as the buyer’s agent and another broker, broker-salesperson or
42 salesperson who has been designated by the brokerage firm,
43 including but not limited to a broker or managing broker of the
44 brokerage firm, to solely represent the seller as the seller’s agent in a
45 particular real estate transaction.

46 “Disclosed dual agent” means a brokerage firm, including
47 brokers, broker-salespersons and salespersons affiliated with the

1 brokerage firm, that has an agency relationship and is working for
2 both the buyer and seller in the same transaction.

3 “Material information” means the existence or non-existence of
4 information:

5 (1) to which a reasonable person would attach importance in
6 deciding whether or how to proceed with a transaction; or

7 (2) that the agent knows or has reason to know that the recipient
8 of the information regards or is likely to regard as important in
9 deciding whether or how to proceed, although a reasonable person
10 would not so regard it.

11 “Principal” means a buyer or a seller who has an agency
12 relationship with a brokerage firm.

13 “Real estate transaction” or “transaction” means an actual or
14 prospective transaction involving a purchase, sale, option, or
15 exchange of any interest in real property, or a lease or rental of real
16 property. For purposes of P.L. , c. (C.) (pending before the
17 Legislature as this bill), a prospective transaction does not exist until
18 a written offer has been signed by at least one party.

19 “Seller” means an actual or prospective seller in a real estate
20 transaction, or an actual or prospective landlord in a real estate
21 rental or lease transaction, as applicable.

22 “Seller’s agent” means a brokerage firm, including brokers,
23 broker-salespersons and salespersons affiliated with the brokerage
24 firm, that has an agency relationship and works only with the seller
25 in a real estate transaction, and to whom the brokerage firm and its
26 brokers, broker-salespersons and salespersons owe fiduciary duties.

27 “Transaction broker” means a brokerage firm, including brokers,
28 broker-salespersons or salespersons affiliated with the brokerage
29 firm, that works with a buyer or a seller, or both, in a real estate
30 transaction without representing either party and has no agency
31 relationship and owes no fiduciary duties to either party to the
32 transaction.

33

34 2. (New section) A brokerage firm, including its brokers,
35 broker-salespersons and salespersons, when acting as a buyer’s
36 agent, seller’s agent, disclosed dual agent or designated agent, owes
37 the following duties to the brokerage firm’s principal and to all
38 parties in a transaction, which may not be waived:

39 a. to exercise reasonable skill and care;

40 b. to deal honestly and in good faith;

41 c. unless otherwise directed in writing by the principal, to
42 present all written offers and counteroffers in a timely manner in
43 accordance with applicable law, and to provide written confirmation
44 of receipt to the other party or its agent or transaction broker of each
45 and every written offer or counteroffer as soon as reasonably
46 practicable, regardless of whether the property is subject to an
47 existing contract for sale or the buyer is already a party to an
48 existing contract to purchase another property;

1 d. where the principal is the seller in a residential real estate
2 transaction, to obtain a signed property condition disclosure
3 statement that is provided for in section 1 of P.L.1999, c.76 (C.56:8-
4 19.1), with it being required that the seller provide to the brokerage
5 firm the statement with the information filled in and signed by the
6 seller and, if the seller is not represented by a brokerage firm or
7 working with a brokerage firm that is a transaction broker, then the
8 seller shall be required to provide the statement to the buyer prior to
9 there being a binding sales contract, and to disclose all existing
10 material information known by the seller's agent and not apparent or
11 readily ascertainable to a buyer concerning the physical condition of
12 the property that is for sale. This subsection shall not be construed
13 to imply any duty to investigate matters that the brokerage firm has
14 not agreed to investigate, except as otherwise required by law;

15 e. to provide an accounting to the principal as necessary in a
16 timely manner for all money and property received from or on
17 behalf of any party to the transaction;

18 f. in a residential real estate transaction, to provide the
19 consumer information statement in the form required by the New
20 Jersey Real Estate Commission and obtain a signed acknowledgment
21 of receipt of same by the party. The statement shall be included as
22 part of the brokerage services agreement. The statement shall be
23 provided to:

24 (1) any party to whom the broker renders real estate brokerage
25 services as soon as reasonably practical but no later than at the time
26 the party signs a brokerage services agreement; and

27 (2) any party not represented by a brokerage firm in a transaction
28 before the party signs an offer or as soon as reasonably practical
29 thereafter;

30 g. to disclose in writing as soon as reasonably practical but no
31 later than at the time the brokerage firm's principal signs a brokerage
32 service agreement:

33 (1) whether the brokerage firm is acting as the buyer's agent, the
34 seller's agent, a disclosed dual agent, a designated agent, or a
35 transaction broker. The disclosure shall be set forth in a separate
36 paragraph titled "Agency Disclosure" in a brokerage services
37 agreement prepared by the brokerage firm between the principal and
38 the brokerage firm or in a separate writing titled "Agency
39 Disclosure" signed by the principal; and

40 (2) the terms of compensation, if any, offered by a party or the
41 brokerage firm to another brokerage firm representing a different
42 party; and

43 h. to undertake a reasonable effort to obtain material
44 information concerning the condition of every property for which
45 the brokerage firm accepts an agency relationship or is retained to
46 market as a transaction broker, and concerning the financial
47 qualifications of every person for whom the brokerage firm submits

1 an offer to the brokerage firm's principal, provided that the broker,
2 broker-salesperson or salesperson at the brokerage firm who
3 undertakes the reasonable efforts shall not be held to a standard of a
4 licensed property inspector unless that broker, broker-salesperson or
5 salesperson is separately licensed as a property inspector.

6

7 3. (New section) a. A brokerage firm, including brokers,
8 broker-salespersons and salespersons affiliated with the brokerage
9 firm, that performs real estate brokerage services for a buyer is a
10 buyer's agent unless:

11 (1) a brokerage firm, including brokers, broker-salespersons and
12 salespersons affiliated with the brokerage firm, represents the seller
13 pursuant to a brokerage services agreement between the brokerage
14 firm and the seller, in which case the brokerage firm, including the
15 brokers, broker-salespersons and salespersons, is a seller's agent;

16 (2) a brokerage firm, including brokers, broker-salespersons and
17 salespersons affiliated with the brokerage firm, represents the seller
18 pursuant to a brokerage services agreement between the brokerage
19 firm and the seller, and the brokerage firm, including the same
20 broker, broker-salesperson or salesperson or a different broker,
21 broker-salesperson or salesperson affiliated with the same brokerage
22 firm in a residential real estate transaction or otherwise represents
23 the buyer in a commercial real estate transaction, represents the
24 buyer pursuant to a brokerage services agreement between the
25 brokerage firm and the buyer, in which case the brokerage firm,
26 including the broker, broker-salesperson, salesperson or brokers,
27 broker-salespersons or salespersons, as applicable, is a disclosed
28 dual agent;

29 (3) the brokerage firm, including a broker, broker-salesperson or
30 salesperson affiliated with the brokerage firm, has agreed to work
31 with the buyer pursuant to a brokerage services agreement between
32 the brokerage firm and the buyer in a residential real estate
33 transaction or otherwise represents the buyer in a commercial real
34 estate transaction as a transaction broker; or

35 (4) the broker, broker-salesperson or salesperson affiliated with
36 the brokerage firm is the seller or one of the sellers.

37 b. (1) In a residential real estate transaction, a brokerage firm
38 shall enter into a brokerage services agreement with the buyer
39 before, or as soon as reasonably practical after, the firm commences
40 rendering real estate brokerage services to, or on behalf of, the
41 buyer. A brokerage services agreement shall not be required
42 between a brokerage firm and a buyer in a commercial real estate
43 transaction.

44 (2) The brokerage services agreement shall include the
45 following:

46 (a) the term of the brokerage services agreement, including, if
47 applicable, the period after the termination of the agreement that the
48 brokerage firm will be protected as provided in the agreement with

1 regard to any properties that a broker, broker-salesperson or
2 salesperson from the brokerage firm introduced to the buyer during
3 the term of the agreement;

4 (b) that the brokerage firm is appointed as an agent for the buyer;

5 (c) if the agency relationship is exclusive or nonexclusive;

6 (d) if the buyer consents to the brokerage firm acting as a
7 disclosed dual agent or designated agent, which, if consent is
8 granted, shall be in the brokerage services agreement or another
9 document requiring separate initialization or signature by the buyer
10 and include an acknowledgment from the buyer that a disclosed dual
11 agent shall not advocate terms favorable to one principal to the
12 detriment of the other principal;

13 (e) if the buyer consents, as demonstrated by initialization or
14 signature, to the broker or a managing broker for the brokerage firm,
15 or a broker, broker-salesperson or salesperson appointed by the
16 broker or managing broker, being an agent for the buyer to act as a
17 disclosed dual agent in a transaction in which the same broker,
18 broker-salesperson or salesperson or different brokers, broker-
19 salespersons or salespersons, as applicable, affiliated with the
20 brokerage firm represent different parties; and

21 (f) the brokerage firm's compensation and if the compensation is
22 to be shared with another brokerage firm that may have a brokerage
23 relationship with another party to the transaction.

24 c. A brokerage firm may work with a party in separate
25 transactions pursuant to different or the same agency relationships,
26 including, but not limited to, representing a party in one transaction
27 and at the same time representing that party in a different
28 transaction, if the broker complies with P.L. , c. (C.)
29 (pending before the Legislature as this bill) in establishing the
30 relationships for each transaction, even if the other transaction is a
31 related transaction.

32

33 4. (New section) a. Unless additional duties are agreed to in
34 writing signed by a buyer's agent or other authorized representative
35 of the brokerage firm, the duties of a buyer's agent are limited to the
36 following, which may not be waived, except as expressly set forth in
37 paragraphs (4) and (5) of this subsection:

38 (1) to be loyal to the buyer by taking no action that is adverse or
39 detrimental to the buyer's interest in a transaction;

40 (2) to timely disclose to the buyer any conflicts of interest;

41 (3) to advise the buyer to seek expert advice on matters relating
42 to the transaction that are beyond the agent's expertise;

43 (4) to not disclose confidential information from or about the
44 buyer, except under subpoena, court order or otherwise as provided
45 by law, or as expressly authorized by the buyer, even after
46 termination of the agency relationship; and

47 (5) unless otherwise agreed to in writing, to make a good faith
48 and continuous effort to find a property for the buyer, except that a

1 buyer's agent is not obligated to seek additional properties to
2 purchase while the buyer is a party to an existing contract to
3 purchase that is no longer subject to the attorney-review period, if
4 applicable.

5 b. (1) The showing of a property in which a buyer is interested
6 to other prospective buyers by a buyer's agent shall not breach the
7 duty of loyalty to the buyer or create a conflict of interest.

8 (2) The representation of or acting as a transaction broker with
9 more than one buyer by a brokerage firm, including different
10 brokers, broker-salespersons or salespersons affiliated with the
11 brokerage firm, in competing transactions involving the same
12 property does not breach the duty of loyalty to the buyer or create a
13 conflict of interest.

14

15 5. (New section) a. A brokerage firm, including brokers,
16 broker-salespersons and salespersons affiliated with the brokerage
17 firm, that performs real estate brokerage services for a seller is a
18 seller's agent unless:

19 (1) a brokerage firm, including brokers, broker-salespersons and
20 salespersons affiliated with the brokerage firm, represents the buyer
21 pursuant to a brokerage services agreement between the brokerage
22 firm and the buyer in a residential real estate transaction or
23 otherwise represents the buyer in a commercial real estate
24 transaction, in which case the brokerage firm, including the brokers,
25 broker-salespersons and salespersons, is a buyer's agent;

26 (2) a brokerage firm, including brokers, broker-salespersons and
27 salespersons affiliated with the brokerage firm, represents the buyer
28 pursuant to a brokerage services agreement between the brokerage
29 firm and the buyer in a residential real estate transaction or
30 otherwise represents the buyer in a commercial real estate
31 transaction, and the brokerage firm, including the same broker,
32 broker-salesperson or salesperson or a different broker, broker-
33 salesperson or salesperson represents the seller pursuant to a
34 brokerage services agreement between the brokerage firm and the
35 seller, in which case the brokerage firm, including the broker,
36 broker-salesperson or salesperson or brokers, broker-salespersons or
37 salespersons, as applicable, is a disclosed dual agent;

38 (3) the brokerage firm, including a broker, broker-salesperson or
39 salesperson affiliated with the brokerage firm, has agreed to work
40 with the seller pursuant to brokerage services agreement between the
41 brokerage firm and the seller as a transaction broker; or

42 (4) the broker, broker-salesperson or salesperson affiliated with
43 the brokerage firm is the buyer or one of the buyers.

44 b. (1) A brokerage firm shall enter into a brokerage services
45 agreement with the seller before, or as soon as reasonably practical
46 after, it commences rendering real estate brokerage services to, or on
47 behalf of, the seller.

- 1 (2) The brokerage services agreement shall include the
2 following:
- 3 (a) the term of the brokerage services agreement, including, if
4 applicable, the period after the termination of the agreement that the
5 brokerage firm will be protected as provided in the agreement with
6 regard to any properties that a broker, broker-salesperson or
7 salesperson from the brokerage firm introduced to the seller during
8 the term of the agreement;
- 9 (b) the brokerage firm is appointed as an agent for the seller;
- 10 (c) if the agency relationship is exclusive or nonexclusive, and
11 shall include an option for the seller to select if the relationship is
12 exclusive or nonexclusive;
- 13 (d) if the seller consents to the brokerage firm acting as a
14 disclosed dual agent or designated agent, which, if consent is
15 granted, shall be in the brokerage services agreement or in another
16 document requiring separate initialization or signature by the seller
17 and include an acknowledgment from the seller that a disclosed dual
18 agent shall not advocate terms favorable to one principal to the
19 detriment of the other principal;
- 20 (e) if the seller consents, as demonstrated by initialization or
21 signature, to the broker or a managing broker for the brokerage firm,
22 or a broker, broker-salesperson or salesperson appointed by the
23 broker or managing broker, being an agent for the seller to act as a
24 disclosed dual agent in a transaction in which the same broker,
25 broker-salesperson or salesperson or different brokers, broker-
26 salespersons or salespersons, as applicable, affiliated with the
27 brokerage firm represent different parties;
- 28 (f) the brokerage firm's compensation and if the compensation
29 will be shared with another brokerage firm that may have a
30 brokerage relationship with another party to the transaction; and
- 31 (g) whether a notice on the property to be sold will be circulated
32 in a Multiple Listing Service of which the brokerage firm is a
33 member, except that the seller's agent shall not submit any notice to
34 the service stating whether the seller authorized the sharing of the
35 compensation of the seller's agent with cooperating sub-agents,
36 transaction brokers, or the buyer's agents, or the amount of the
37 shared compensation to any service that prohibits an offer from
38 being displayed.
- 39 c. A brokerage firm may work with a party in separate
40 transactions pursuant to different or same agency relationships,
41 including, but not limited to, representing a party in one transaction
42 and at the same time representing that party in a different
43 transaction, if the broker complies with P.L. , c. (C.)
44 (pending before the Legislature as this bill) in establishing the
45 relationships for each transaction, even if the other transaction is a
46 related transaction.

1 6. (New section) a. Unless additional duties are agreed to in
2 writing signed by a seller's agent or other authorized representative
3 of the brokerage firm, the duties of a seller's agent are limited to the
4 following, which may not be waived, except as expressly set forth in
5 paragraphs (4) and (5) of this subsection:

6 (1) to be loyal to the seller by taking no action that is adverse or
7 detrimental to the seller's interest in a transaction;

8 (2) to timely disclose to the seller any conflicts of interest;

9 (3) to advise the seller to seek expert advice on matters relating
10 to the transaction that are beyond the agent's expertise;

11 (4) not to disclose any confidential information from or about the
12 seller, except under subpoena, court order or otherwise as provided
13 by law, or as expressly authorized by the seller, even after
14 termination of the agency relationship; and

15 (5) unless otherwise agreed to in writing, to make a good faith
16 and continuous effort to find a buyer for the property, except that a
17 seller's agent is not obligated to seek additional offers to purchase
18 the property while the property is subject to an existing contract for
19 sale that is no longer subject to the attorney-review period, if
20 applicable.

21 b. (1) The showing of properties not owned by the seller to
22 prospective buyers or the listing of competing properties for sale by
23 a seller's agent does not breach the duty of loyalty to the seller or
24 create a conflict of interest.

25 (2) The representation of or acting as a transaction broker with
26 more than one seller by a brokerage firm, including different
27 brokers, broker-salespersons or salespersons affiliated with the
28 brokerage firm, in competing transactions involving the same buyer
29 does not breach the duty of loyalty to the seller or create a conflict
30 of interest.

31

32 7. (New section) a. A brokerage firm, including its brokers,
33 broker-salespersons and salespersons, may act as a disclosed dual
34 agent only with the informed consent of both parties to the
35 transaction as set forth in brokerage services agreements signed by
36 the buyer and the seller, respectively, in a residential real estate
37 transaction or otherwise in writing in a commercial real estate
38 transaction.

39 b. Unless additional duties are agreed to in writings signed by a
40 disclosed dual agent or an authorized representative of the
41 brokerage firm and each of the parties, the duties of a disclosed dual
42 agent are limited to the following, which may not be waived, except
43 as expressly set forth in paragraphs (4), (5) and (6) of this
44 subsection:

45 (1) to take no action that is adverse or detrimental to either
46 party's interest in a transaction;

47 (2) to timely disclose to both parties any conflicts of interest;

1 (3) to advise both parties to seek expert advice on matters
2 relating to the transaction that are beyond the disclosed dual agent's
3 expertise;

4 (4) not to disclose any confidential information from or about
5 either party, except under subpoena, court order or otherwise as
6 provided by law, or as expressly authorized by the party, even after
7 termination of the agency relationship;

8 (5) unless otherwise agreed to in writing with the seller, to make
9 a good faith and continuous effort to find a buyer for the property,
10 except that a disclosed dual agent is not obligated to seek additional
11 offers to purchase the property while the property is subject to an
12 existing contract for sale that is no longer subject to the attorney-
13 review period, if applicable; and

14 (6) unless otherwise agreed to in writing with the buyer, to make
15 a good faith and continuous effort to find a property for the buyer,
16 except that a disclosed dual agent is not obligated to seek additional
17 properties to purchase while the buyer is a party to an existing
18 contract to purchase that is no longer subject to the attorney-review
19 period, if applicable.

20 c. Notwithstanding any provision of chapter 15 of Title 45 of
21 the Revised Statutes or any other law, rule, or regulation to the
22 contrary, including but not limited to, subsection i. of R.S.45:15-17,
23 a broker, broker-salesperson or salesperson acting as a disclosed
24 dual agent in a real estate transaction shall be deemed to be acting in
25 the same capacity with the buyer and the seller as a dual agent and
26 may receive compensation through its brokerage firm from either or
27 both the buyer and seller provided that the sources and amounts of
28 compensation are disclosed in writing to the buyer and the seller.

29 d. (1) The showing of properties not owned by the seller to
30 prospective buyers or the listing of competing properties for sale by
31 a disclosed dual agent does not constitute action that is adverse or
32 detrimental to the seller or create a conflict of interest.

33 (2) The representation of or acting as a transaction broker with
34 more than one seller by different brokers, broker-salespersons or
35 salespersons licensed with the same brokerage firm in competing
36 transactions involving the same buyer does not constitute action that
37 is adverse or detrimental to the seller or create a conflict of interest.

38 e. (1) The showing of property in which a buyer is
39 interested to other prospective buyers or the presentation of
40 additional offers to purchase property while the property is subject
41 to a transaction in which a disclosed dual agent is involved does not
42 constitute action that is adverse or detrimental to the buyer or create
43 a conflict of interest.

44 (2) The representation of or acting as a transaction broker with
45 more than one buyer by the brokerage firm, including different
46 brokers, broker-salespersons or salespersons affiliated with the
47 brokerage firm, in competing transactions involving the same

1 property does not constitute action that is adverse or detrimental to
2 the buyer or create a conflict of interest.

3

4 8. (New section) a. In a transaction in which a different
5 broker, broker-salesperson or salesperson is designated as a
6 designated agent by a brokerage firm, including but not limited to by
7 the broker or a managing broker affiliated with the brokerage firm,
8 the broker, broker-salespersons or salespersons, as applicable, shall
9 be designated agents. Each designated agent shall solely represent
10 the party with whom the designated agent has an agency
11 relationship.

12 (1) For the purposes of designated agency, the seller's
13 designated agent and the buyer's designated agent are not dual
14 agents and owe fiduciary duties solely to their respective principals.

15 (2) In order for a designated agency relationship to take effect,
16 the brokerage firm shall enter into a written designated agency
17 agreement that may be incorporated into the brokerage services
18 agreement with each of the parties in a residential real estate
19 transaction or otherwise in a written agreement with each of the
20 parties in a commercial transaction that includes the informed,
21 written consent of each of parties to the transaction.

22 b. Notwithstanding any provision of chapter 15 of Title 45 of
23 the Revised Statutes or any other law, rule, or regulation to the
24 contrary, including but not limited to subsection i. of R.S.45:15-17,
25 a broker-salesperson or salesperson acting as a designated agent in a
26 real estate transaction shall be deemed to be acting in the same
27 capacity with the buyer and the seller as a designated agent and may
28 receive compensation through its brokerage firm from either or both
29 the buyer and the seller provided that the sources and amounts of
30 compensation are disclosed in writing to the buyer and the seller.

31

32 9. (New section) a. A brokerage firm, including brokers,
33 broker-salespersons and salespersons affiliated with the brokerage
34 firm, that has been engaged as a transaction broker by a buyer, a
35 seller, or both, shall not act as an agent for and shall not represent
36 any party in the transaction; shall not promote the interest of one
37 party over the interest of the other party; and shall not be required to
38 keep any information confidential.

39 b. Unless additional duties are agreed to in writings signed by
40 the transaction broker or other authorized representative of the
41 brokerage firm, a transaction broker's duties are limited to the
42 following:

43 (1) to perform the terms of any brokerage service agreement
44 made with any party to the transaction;

45 (2) to ensure, when working with a seller, that the brokerage
46 service agreement states whether a notice on the property to be sold
47 will be circulated in a Multiple Listing Service of which the
48 brokerage firm is a member, except that the seller's agent shall not

1 submit any notice to the service stating whether the seller authorized
2 the sharing of the compensation of the seller's agent with
3 cooperating sub-agents, transaction brokers, or the buyer's agents, or
4 the amount of the shared compensation to any service that prohibits
5 an offer from being displayed;

6 (3) to treat all parties honestly and act in a competent manner;

7 (4) to locate qualified buyers for a seller or suitable properties
8 for a buyer;

9 (5) unless otherwise directed in writing by the principal, to
10 present all written offers and counteroffers in a timely manner in
11 accordance with applicable law, and to provide written confirmation
12 of receipt to the other party or its agent or transaction broker of each
13 and every written offer or counteroffer as soon as reasonably
14 practicable, regardless of whether the property is subject to an
15 existing contract of sale or the buyer is already a party to an existing
16 contract to purchase another property;

17 (6) to keep the parties fully informed regarding the transaction;

18 (7) to communicate and work with all parties in an effort to
19 arrive at an acceptable agreement without providing advice to any
20 party on how to gain an advantage at the expense of the other party;

21 (8) to advise the parties to seek expert advice on matters relating
22 to the transaction; and

23 (9) to manage the transaction and perform tasks to facilitate the
24 closing of the transaction.

25 c. The showing of alternate properties not owned by the seller
26 to a buyer shall not breach any duties or create a conflict of interest.

27 d. The showing of a property in which a buyer is interested to
28 other prospective buyers shall not breach any duties or create a
29 conflict of interest.

30

31 10. (New section) a. The agency or transaction broker
32 relationships established pursuant to this chapter shall continue until
33 the earliest of the following:

34 (1) completion of performance by the brokerage firm;

35 (2) expiration of the term agreed upon by the parties;

36 (3) termination of the relationship by mutual agreement of the
37 parties; or

38 (4) termination of the relationship by written notice from either
39 party to the other as provided in the brokerage services agreement, if
40 applicable, except that a termination does not otherwise affect the
41 contractual rights of either party.

42 b. If the agency or transaction broker relationship is being
43 terminated pursuant to paragraphs (3) or (4) of subsection a. of this
44 section, written confirmation of termination shall be required for the
45 termination to take effect. Written confirmation of termination shall
46 not be required for the termination to take effect pursuant to
47 paragraphs (1) or (2) of subsection a. of this section.

1 c. Except as otherwise agreed to in writing, a brokerage firm
2 shall owe no further duty or other responsibility after termination of
3 the agency or transaction broker relationship, other than the duty:

4 (1) to provide an accounting to its principal as necessary in a
5 timely manner for all moneys and property received from or on
6 behalf of any party to the transaction; and

7 (2) to not disclose confidential information if there was an
8 agency relationship, except under subpoena, court order or otherwise
9 as provided by law, or as expressly authorized by the applicable
10 party.

11 d. With respect to the termination of disclosed dual agent
12 relationships, absent a termination by expiration or fulfillment by a
13 completed closing, brokerage services agreements between a
14 disclosed dual agent and a buyer and a seller shall otherwise only be
15 terminated in writing signed by the buyer or seller, as applicable,
16 with confirmed delivery to the disclosed dual agent.

17

18 11. (New section) a. In any real estate transaction, a brokerage
19 firm's compensation may be paid by one or more of the following:
20 the seller; the buyer; a third party; or by sharing the compensation
21 between brokerage firms. Agreements on compensation shall be in
22 writing signed by the seller or buyer, as applicable.

23 b. An agreement to pay or payment of compensation shall not
24 establish an agency relationship between the party who paid the
25 compensation and the brokerage firm.

26 c. A seller may agree that a seller's agent's or transaction
27 broker's brokerage firm may share with another brokerage firm the
28 compensation paid by the seller, provided that this type of agreement
29 is in writing and signed by the seller.

30 d. A buyer may agree that a buyer's agent's or transaction
31 broker's brokerage firm may share with another brokerage firm the
32 compensation paid by the buyer, provided that this type of
33 agreement is in writing and signed by the buyer.

34 e. Notwithstanding any provision of chapter 15 of Title 45 of
35 the Revised Statutes or any other law, rule, or regulation to the
36 contrary, including but not limited to subsection i. of R.S.45:15-17,
37 a brokerage firm may be compensated by more than one party for
38 real estate brokerage services in a real estate transaction regardless
39 of the agency or transaction broker relationship the brokerage firm
40 has with the parties.

41 f. A brokerage firm may receive compensation based upon a
42 flat fee arrangement, a percentage of the purchase price or some
43 other method, all of which shall be a commission payment for any
44 real estate brokerage services rendered, without breaching any duty
45 to the buyer or seller.

46 g. To receive compensation for rendering real estate brokerage
47 services from any party, firm or third party, a brokerage firm shall
48 have a written brokerage services agreement with the buyer or the

1 seller, as applicable, in a residential real estate transaction and a
2 written brokerage services agreement with the seller but not with the
3 buyer in a commercial real estate transaction containing the
4 following:

- 5 (1) the terms of compensation, including:
6 (a) the amount the principal agrees to compensate the brokerage
7 firm;
8 (b) the principal's consent, if any, and any terms of the consent,
9 to compensation sharing between brokerage firms and parties
10 sharing the payment of the compensation; and
11 (c) the principal's consent, if any, and any terms of consent, to
12 compensation of the brokerage firm by more than one party; and

13 (2) in a brokerage services agreement with a buyer, if there is no
14 agreement or offer or a limited offer by any other party or brokerage
15 firm to pay compensation to the brokerage firm, if the buyer will pay
16 the difference between the offer and the compensation the buyer has
17 agreed is due to the buyer's agent and, if not, the buyer's agreement
18 as to how to proceed in this situation, including, but not limited to,
19 directing the buyer's agent not to introduce the buyer to properties
20 where the seller is not offering compensation or is offering less
21 compensation to the buyer's agent than the buyer agreed is due to
22 the buyer's agent.

23 h. A brokerage firm may receive compensation, which shall be
24 deemed to be the payment of a commission, without a brokerage
25 services agreement for the provision of a broker's price opinion;
26 comparative market analysis; or a referral by one firm to another
27 firm if the referring firm provided no real estate brokerage services
28 in the transaction.

29
30 12. (New section) a. A principal shall not be liable for an act,
31 error or omission by an agent or transaction broker of the principal
32 arising out of their relationship:

33 (1) unless the principal participated in or authorized the act, error
34 or omission.

35 (2) except to the extent that the principal benefited from the act,
36 error or omission, in which case the principal's liability shall be
37 limited to the monetary amount of the benefit unless some form of
38 punitive damages are awarded.

39 b. A brokerage firm shall not be liable for information that is to
40 be disclosed by a seller in a property condition disclosure statement
41 that is provided for in section 1 of P.L.1999, c.76 (C.56:8-19.1) or
42 otherwise by law or that the brokerage firm requested the seller to
43 provide and was not provided to the brokerage firm.

44
45 13. (New section) Unless otherwise agreed to in writing, a
46 principal may not be charged with knowledge or notice of any facts
47 known by a brokerage firm representing or working with the
48 principal that are not actually known by the principal and a

1 brokerage firm representing or working with the principal may not
2 be charged with knowledge or notice of any facts known by the
3 principal that are not actually known by the brokerage firm.

4
5 14. (New section) a. At any residential property showing that is
6 generally open to the public, a sign shall be posted at the entrance or
7 at a sign-in sheet clearly advising prospective buyers that the
8 brokerage firm hosting the real estate open house represents the
9 seller only and has no relationship with the prospective buyer,
10 except if the buyer does not have an exclusive buyer agency
11 agreement with another brokerage firm and agrees to the seller's
12 agent becoming a disclosed dual agent or designated agent.

13 b. For the avoidance of doubt and to ensure uniformity at public
14 real estate open houses across the State, the sign shall clearly read:
15 "ATTENTION PROSPECTIVE PURCHASERS - PLEASE READ
16 THIS SIGN CAREFULLY. This is to advise you that the agent who
17 is conducting this Open House REPRESENTS THE SELLER AND
18 IS REQUIRED BY LAW TO PROMOTE THE INTERESTS OF
19 THE SELLER. ANY INFORMATION YOU GIVE THIS AGENT
20 IS NOT CONSIDERED CONFIDENTIAL under New Jersey law
21 and could be disclosed to the Seller of this property. You, as the
22 Buyer, are entitled to have someone represent you as a Buyer's
23 Agent if you are interested in this property. The duties of a Buyer's
24 Agent include helping you evaluate the property, prepare an offer on
25 the property and negotiate in your best interests. If you, as the
26 Buyer, are already exclusively represented by a Buyer's Agent, you
27 are required to disclose this representation on the sign-in sheet. If
28 you, as the Buyer, are not already exclusively represented by a
29 Buyer's Agent, please be advised that the Open House agent is not
30 precluded from being a disclosed dual agent or designated agent and
31 can enter into any relationship with you as explained in the
32 Consumer Information Statement."

33
34 15. (New section) Notwithstanding the provisions of P.L. , c.
35 (C.) (pending before the Legislature as this bill), the New
36 Jersey Real Estate Commission may promulgate regulations to
37 address other types of agency or business relationships for real estate
38 brokerage firms.

39
40 16. Section 27 of P.L.2009, c.238 (C.45:15-16.2e) is amended to
41 read as follows:

42 27. a. Not less than 50 percent of the continuing education
43 courses of study that a broker, broker-salesperson or salesperson are
44 required to complete as a condition for license renewal shall be
45 comprised of one or more of the following core topics:

- 46 (1) Agency;
47 (2) Disclosure;
48 (3) Legal issues;

- 1 (4) Ethics, which shall not be less than two hours;
- 2 (5) Fair housing;
- 3 (6) Rules and regulations;
- 4 (7) Real estate licensee safety;
- 5 (8) Financial literacy and planning; and
- 6 (9) Any other core topics that the New Jersey Real Estate
- 7 Commission may prescribe by rule.

8 In no event shall the commission require that courses in these
9 core topics comprise more than 60 percent of the total continuing
10 education hours required for the renewal of any license.

11 b. In the case of continuing education courses and programs,
12 each hour of instruction shall be equivalent to one credit.

13 c. Notwithstanding the provisions of subsection a. of this
14 section, the commission shall require that the continuing education
15 courses of study that a broker, broker-salesperson or salesperson are
16 required to complete as a condition for license renewal shall be
17 comprised of at least one hour on the core topic of fair housing and
18 housing discrimination during each biennial license term.

19 d. Notwithstanding the provisions of subsection a. of this
20 section, the commission shall require that a continuing education
21 course on agency be completed by a broker, broker-salesperson and
22 salesperson as a condition for license renewal during each biennial
23 license term.

24 (cf: P.L.2019, c.177, s.2)

25

26 17. This act shall take effect on August 1, 2024.

27

28

29

STATEMENT

30

31 This bill incorporates certain protections for consumers
32 regarding residential real estate transactions and certain aspects of
33 commercial real estate transactions. Specifically, the bill
34 incorporates into current law the responsibilities to a consumer of a
35 brokerage firm; a buyer's agent; a seller's agent; a dual agent; a
36 designated agent; and a transaction broker. Additionally, the bill
37 establishes the circumstances under which an individual is a buyer's
38 agent and under which an individual is a seller's agent and
39 delineates the terms of the broker agreement between the agent and
40 a consumer.

41 The bill also stipulates that a seller's agent is not required to
42 submit any notice to a Multiple Listing Service stating that a seller
43 has authorized the sharing of the compensation for the seller's agent
44 with cooperating subagents, transaction brokers or a buyer's agent,
45 or the amount of compensation to any Multiple Listing Service.
46 Under the bill, a statement regarding a property is required for

S3192 DIEGNAN, MORIARTY

18

1 prospective buyers to see and is to be posted at open houses for the
2 property. Lastly, the continuing education requirements of
3 licensees to the Real Estate Commission are to include at least one
4 hour on agency per biennial renewal period.

[First Reprint]

SENATE, No. 3192

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 9, 2024

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex and Hudson)

Assemblyman JOHN DIMAIO

District 23 (Hunterdon, Somerset and Warren)

Co-Sponsored by:

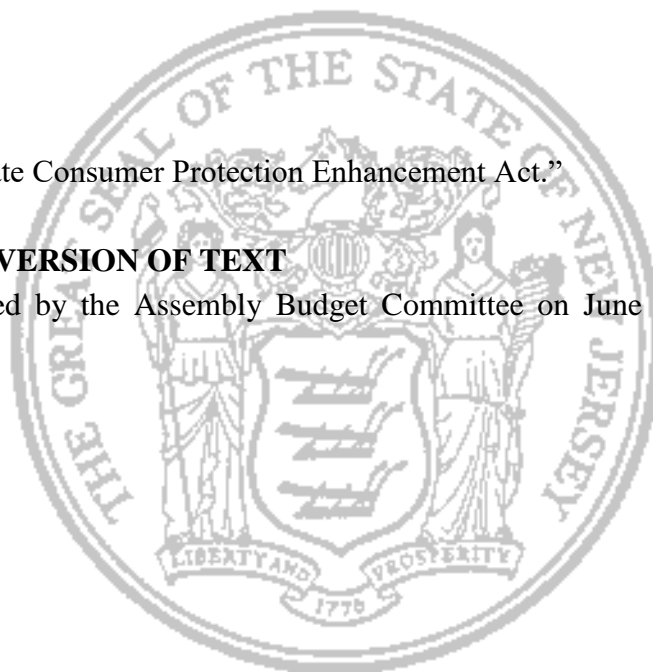
Senator Turner, Assemblywomen Flynn, Reynolds-Jackson, Assemblyman Sampson, Assemblywomen Speight, Swain, Assemblymen Hutchison and Tully

SYNOPSIS

“Real Estate Consumer Protection Enhancement Act.”

CURRENT VERSION OF TEXT

As reported by the Assembly Budget Committee on June 26, 2024, with amendments.



(Sponsorship Updated As Of: 6/28/2024)

1 AN ACT concerning consumer rights in certain real estate
2 transactions and amending P.L.2009, c.238 and supplementing
3 ¹Title 45 of the Revised Statutes and¹ chapter 8 of Title 56 of the
4 Revised Statutes.

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

8
9 1. (New section) As used in P.L. , c. (C.) (pending
10 before the Legislature as this bill):

11 “Agency relationship” means the agency relationship created
12 under P.L. , c. (C.) (pending before the Legislature as this
13 bill) between a real estate brokerage firm and a principal relating to
14 the performance of real estate brokerage services.

15 “Agent” means a real estate brokerage firm, including affiliated
16 brokers, broker-salespersons and salespersons who are duly licensed
17 under ¹[P.L. , c. (C.) (pending before the Legislature as this
18 bill)] R.S.45:15-1 et seq.¹, that has an agency relationship with a
19 principal.

20 “Brokerage firm” means a real estate brokerage firm, including
21 real estate brokers, real estate broker-salespersons and real estate
22 salespersons licensed or otherwise authorized to provide brokerage
23 services in this State pursuant to chapter 15 of Title 45 of the
24 Revised Statutes who are affiliated with the brokerage firm, unless
25 the context requires the terms to be considered separately. In
26 accordance with section 2 of P.L.1989, c.239 (C.45:15-16.28),
27 “broker” also includes any broker, broker-salesperson or salesperson
28 who performs within this State as an agent or employee of a
29 subdivider any one or more of the services or acts as set forth in
30 chapter 15 of Title 45 of the Revised Statutes.

31 “Brokerage services” means the rendering of services for which
32 a real estate license is required under chapter 15 of Title 45 of the
33 Revised Statutes.

34 “Brokerage services agreement” means a written agreement
35 between a brokerage firm and principal that appoints a brokerage
36 firm to represent the principal as an agent or work with a buyer or
37 seller as a transaction broker. Broker services agreements include,
38 but are not limited to, sale and rental listing agreements; buyer-
39 lessee agency agreements; and transaction broker, dual agency and
40 designated agency agreements.

41 “Buyer” means an actual or prospective purchaser in a real estate
42 transaction, or an actual or prospective tenant in a real estate rental
43 or lease transaction, as applicable.

44 “Buyer’s agent” means a brokerage firm, including brokers,
45 broker-salespersons and salespersons affiliated with the brokerage

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 ABU committee amendments adopted June 26, 2024.

1 firm, that has an agency relationship and works only with the buyer
2 in a real estate transaction, and to whom the brokerage firm and its
3 brokers, broker-salespersons and salespersons owe fiduciary duties.

4 “Commercial real estate” means a fee title interest, possessory
5 estate, or lease in real property located in the State of New Jersey,
6 other than an interest in real property that is:

7 (1) improved with one single-family residential unit or one
8 multifamily structure with four or fewer residential units;

9 (2) unimproved and the maximum permitted development is one
10 to four residential units or structures under applicable zoning
11 regulations;

12 (3) classified as farmland, timberland or other agricultural land
13 for real estate tax assessment purposes;

14 (4) improved with single-family residential units, such as
15 condominiums, townhouses, timeshares, or stand-alone houses in a
16 subdivision that may be legally sold, leased or otherwise disposed of
17 on a unit-by-unit basis;

18 (5) subject to an agreement that provides that the real estate
19 should be considered residential; or

20 (6) within the definition in this section as of the date of its
21 disposition.

22 “Confidential information” means information from or
23 concerning a principal that, unless required to be disclosed by the
24 brokerage firm pursuant to applicable law:

25 (1) is acquired by the brokerage firm during the course of an
26 agency relationship with the principal;

27 (2) is information that, as advised by the principal to the
28 brokerage firm, the principal reasonably expects to be kept
29 confidential or that the brokerage firm otherwise knows is
30 confidential;

31 (3) would, if disclosed, operate to the detriment of the principal,
32 except that the information may be disclosed if authorized by the
33 principal; and

34 (4) the principal personally would not be obligated to disclose to
35 the other party.

36 “Designated agent” means, in any transaction where the buyer’s
37 agent and the seller’s agent are affiliated with the same brokerage
38 firm or are the same broker, broker-salesperson or salesperson, the
39 broker, broker-salesperson or salesperson who has been designated
40 by the brokerage firm, including but not limited to by a broker or
41 managing broker of the brokerage firm, to solely represent the buyer
42 as the buyer’s agent and another broker, broker-salesperson or
43 salesperson who has been designated by the brokerage firm,
44 including but not limited to a broker or managing broker of the
45 brokerage firm, to solely represent the seller as the seller’s agent in a
46 particular real estate transaction.

47 “Disclosed dual agent” means a brokerage firm, including
48 brokers, broker-salespersons and salespersons affiliated with the

1 brokerage firm, that has an agency relationship and is working for
2 both the buyer and seller in the same transaction.

3 “Material information” means the existence or non-existence of
4 information:

5 (1) to which a reasonable person would attach importance in
6 deciding whether or how to proceed with a transaction; or

7 (2) that the agent knows or has reason to know that the recipient
8 of the information regards or is likely to regard as important in
9 deciding whether or how to proceed, although a reasonable person
10 would not so regard it.

11 “Principal” means a buyer or a seller who has an agency
12 relationship with a brokerage firm.

13 “Real estate transaction” or “transaction” means an actual or
14 prospective transaction involving a purchase, sale, option, or
15 exchange of any interest in real property, or a lease or rental of real
16 property. For purposes of P.L. , c. (C.) (pending before the
17 Legislature as this bill), a prospective transaction does not exist until
18 a written offer has been signed by at least one party.

19 “Seller” means an actual or prospective seller in a real estate
20 transaction, or an actual or prospective landlord in a real estate
21 rental or lease transaction, as applicable.

22 “Seller’s agent” means a brokerage firm, including brokers,
23 broker-salespersons and salespersons affiliated with the brokerage
24 firm, that has an agency relationship and works only with the seller
25 in a real estate transaction, and to whom the brokerage firm and its
26 brokers, broker-salespersons and salespersons owe fiduciary duties.

27 “Transaction broker” means a brokerage firm, including brokers,
28 broker-salespersons or salespersons affiliated with the brokerage
29 firm, that works with a buyer or a seller, or both, in a real estate
30 transaction without representing either party and has no agency
31 relationship and owes no fiduciary duties to either party to the
32 transaction.

33

34 2. (New section) ¹**[A]** In addition to the duties provided for
35 under current law, a¹ brokerage firm, including its brokers, broker-
36 salespersons and salespersons, when acting as a buyer’s agent,
37 seller’s agent, disclosed dual agent or designated agent, owes the
38 following duties to the brokerage firm’s principal and to all parties
39 in a transaction, which may not be waived:

40 a. ¹to strictly comply with the laws of agency and the principles
41 governing fiduciary relationships;

42 b.¹ to exercise reasonable skill and care;

43 ¹**[b.] c.**¹ to deal honestly and in good faith;

44 ¹**[c.] d.**¹ unless otherwise directed in writing by the principal,
45 to present all written offers and counteroffers in a timely manner in
46 accordance with applicable law, and to provide written confirmation
47 of receipt to the other party or its agent or transaction broker of each
48 and every written offer or counteroffer as soon as reasonably

1 practicable, regardless of whether the property is subject to an
2 existing contract for sale or the buyer is already a party to an
3 existing contract to purchase another property;

4 ¹~~【d.】~~ e.¹ where the principal is the seller in a residential real
5 estate transaction, to obtain a signed property condition disclosure
6 statement that is provided for in section 1 of P.L.1999, c.76 (C.56:8-
7 19.1), with it being required that the seller provide to the brokerage
8 firm the statement with the information filled in and signed by the
9 seller and, if the seller is not represented by a brokerage firm or
10 working with a brokerage firm that is a transaction broker, then the
11 seller shall be required to provide the statement to the buyer ¹~~【prior~~
12 ~~to there being a binding sales contract, and】~~ before the buyer
13 becomes obligated under any contract for the purchase of the property;

14 f.¹ to disclose all existing material information known by ¹~~【the~~
15 ~~seller’s agent and not apparent or readily ascertainable to a buyer】~~ a
16 real estate broker, real estate broker-salesperson, or real estate
17 salesperson acting on behalf of the brokerage firm or which a
18 reasonable effort to ascertain the information would have revealed to
19 their principal and when appropriate to any other party to the
20 transaction¹ concerning the physical condition of the property that is
21 for sale¹~~【~~. This subsection shall not be construed to imply any duty
22 to investigate matters that the brokerage firm has not agreed to
23 investigate, except as otherwise required by law¹~~】~~;

24 ¹~~【e.】~~ g.¹ to provide an accounting to the principal as necessary
25 in a timely manner for all money and property received from or on
26 behalf of any party to the transaction;

27 ¹~~【f.】~~ h.¹ in a residential real estate transaction, to provide the
28 consumer information statement in the form required by the New
29 Jersey Real Estate Commission and obtain a signed acknowledgment
30 of receipt of same by the party. The statement shall be included as
31 part of the brokerage services agreement. The statement shall be
32 provided to:

33 (1) any party to whom the broker renders real estate brokerage
34 services as soon as reasonably practical but no later than at the time
35 the party signs a brokerage services agreement; and

36 (2) any party not represented by a brokerage firm in a transaction
37 before the party signs an offer or as soon as reasonably practical
38 thereafter;

39 ¹~~【g.】~~ i.¹ to disclose in writing as soon as reasonably practical
40 but no later than at the time the brokerage firm's principal signs a
41 brokerage service agreement:

42 (1) whether the brokerage firm is acting as the buyer’s agent, the
43 seller’s agent, a disclosed dual agent, a designated agent, or a
44 transaction broker. The disclosure shall be set forth in a separate
45 paragraph titled “Agency Disclosure” in a brokerage services
46 agreement prepared by the brokerage firm between the principal and

1 the brokerage firm or in a separate writing titled “Agency
2 Disclosure” signed by the principal; and

3 (2) the terms of compensation, if any, offered by a party or the
4 brokerage firm to another brokerage firm representing a different
5 party; and

6 ¹[h.] j. to undertake a reasonable effort to obtain material
7 information concerning the condition of every property for which
8 the brokerage firm accepts an agency relationship or is retained to
9 market as a transaction broker, and concerning the financial
10 qualifications of every person for whom the brokerage firm submits
11 an offer to the brokerage firm’s principal, provided that the broker,
12 broker-salesperson or salesperson at the brokerage firm who
13 undertakes the reasonable efforts shall not be held to a standard of a
14 licensed property inspector unless that broker, broker-salesperson or
15 salesperson is separately licensed as a property inspector.

16

17 3. (New section) a. A brokerage firm, including brokers,
18 broker-salespersons and salespersons affiliated with the brokerage
19 firm, that performs real estate brokerage services for a buyer is a
20 buyer’s agent unless:

21 (1) a brokerage firm, including brokers, broker-salespersons and
22 salespersons affiliated with the brokerage firm, represents the seller
23 pursuant to a brokerage services agreement between the brokerage
24 firm and the seller, in which case the brokerage firm, including the
25 brokers, broker-salespersons and salespersons, is a seller’s agent;

26 (2) a brokerage firm, including brokers, broker-salespersons and
27 salespersons affiliated with the brokerage firm, represents the seller
28 pursuant to a brokerage services agreement between the brokerage
29 firm and the seller, and the brokerage firm, including the same
30 broker, broker-salesperson or salesperson or a different broker,
31 broker-salesperson or salesperson affiliated with the same brokerage
32 firm in a residential real estate transaction or otherwise represents
33 the buyer in a commercial real estate transaction, represents the
34 buyer pursuant to a brokerage services agreement between the
35 brokerage firm and the buyer, in which case the brokerage firm,
36 including the broker, broker-salesperson, salesperson or brokers,
37 broker-salespersons or salespersons, as applicable, is a disclosed
38 dual agent;

39 (3) the brokerage firm, including a broker, broker-salesperson or
40 salesperson affiliated with the brokerage firm, has agreed to work
41 with the buyer pursuant to a brokerage services agreement between
42 the brokerage firm and the buyer in a residential real estate
43 transaction or otherwise represents the buyer in a commercial real
44 estate transaction as a transaction broker; or

45 (4) the broker, broker-salesperson or salesperson affiliated with
46 the brokerage firm is the seller or one of the sellers.

47 b. (1) In a residential real estate transaction, a brokerage firm
48 shall enter into a brokerage services agreement with the buyer

1 before, or as soon as reasonably practical after, the firm commences
2 rendering real estate brokerage services to, or on behalf of, the
3 buyer. A brokerage services agreement shall not be required
4 between a brokerage firm and a buyer in a commercial real estate
5 transaction.

6 (2) The brokerage services agreement shall include the
7 following:

8 (a) the term of the brokerage services agreement, including, if
9 applicable, the period after the termination of the agreement that the
10 brokerage firm will be protected as provided in the agreement with
11 regard to any properties that a broker, broker-salesperson or
12 salesperson from the brokerage firm introduced to the buyer during
13 the term of the agreement;

14 (b) that the brokerage firm is appointed as an agent for the buyer;

15 (c) if the agency relationship is exclusive or nonexclusive;

16 (d) if the buyer consents to the brokerage firm acting as a
17 disclosed dual agent or designated agent, which, if consent is
18 granted, shall be in the brokerage services agreement or another
19 document requiring separate initialization or signature by the buyer
20 and include an acknowledgment from the buyer that a disclosed dual
21 agent shall not advocate terms favorable to one principal to the
22 detriment of the other principal;

23 (e) if the buyer consents, as demonstrated by initialization or
24 signature, to the broker or a managing broker for the brokerage firm,
25 or a broker, broker-salesperson or salesperson appointed by the
26 broker or managing broker, being an agent for the buyer to act as a
27 disclosed dual agent in a transaction in which the same broker,
28 broker-salesperson or salesperson or different brokers, broker-
29 salespersons or salespersons, as applicable, affiliated with the
30 brokerage firm represent different parties; ¹~~[and]~~¹

31 (f) the brokerage firm's compensation ¹, how the compensation
32 will be calculated,¹ and if the compensation is to be shared with
33 another brokerage firm that may have a brokerage relationship with
34 another party to the transaction¹; and

35 (g) a disclosure expressly stating that broker compensation is
36 fully negotiable and not set by law¹.

37 c. A brokerage firm may work with a party in separate
38 transactions pursuant to different or the same agency relationships,
39 including, but not limited to, representing a party in one transaction
40 and at the same time representing that party in a different
41 transaction, if the broker complies with P.L. , c. (C.)
42 (pending before the Legislature as this bill) in establishing the
43 relationships for each transaction, even if the other transaction is a
44 related transaction.

1 4. (New section) a. ¹~~【Unless additional duties are agreed to in~~
2 writing signed by a buyer's agent or other authorized representative
3 of the brokerage firm~~】~~ In addition to the duties provided for under
4 current law¹, the duties of a buyer's agent ¹~~【are limited to】~~ shall
5 include¹ the following, which may not be waived, except as
6 expressly set forth in paragraphs (4) and (5) of this subsection:

7 (1) to be loyal to the buyer by taking no action that is adverse or
8 detrimental to the buyer's interest in a transaction ¹and to exercise
9 primary devotion to the buyer's interests¹;

10 (2) to timely disclose to the buyer any ¹actual or potential¹
11 conflicts of interest ¹which the buyer's agent may reasonably
12 anticipate¹;

13 (3) to advise the buyer to seek expert advice on matters relating
14 to the transaction that are beyond the agent's expertise;

15 (4) to not disclose confidential information from or about the
16 buyer, except under subpoena, court order or otherwise as provided
17 by law, or as expressly authorized by the buyer, even after
18 termination of the agency relationship; ¹~~【and】~~¹

19 (5) unless otherwise agreed to in writing, to make a good faith
20 and continuous effort to find a property for the buyer, except that a
21 buyer's agent is not obligated to seek additional properties to
22 purchase while the buyer is a party to an existing contract to
23 purchase that is no longer subject to the attorney-review period, if
24 applicable¹; and

25 (6) any additional duties that are agreed to in writing signed by a
26 buyer's agent or other authorized representative of the brokerage
27 firm¹.

28 b. (1) The showing of a property in which a buyer is interested
29 to other prospective buyers by a buyer's agent shall not breach the
30 duty of loyalty to the buyer or create a conflict of interest.

31 (2) The representation of or acting as a transaction broker with
32 more than one buyer by a brokerage firm, including different
33 brokers, broker-salespersons or salespersons affiliated with the
34 brokerage firm, in competing transactions involving the same
35 property does not breach the duty of loyalty to the buyer or create a
36 conflict of interest.

37

38 5. (New section) a. A brokerage firm, including brokers,
39 broker-salespersons and salespersons affiliated with the brokerage
40 firm, that performs real estate brokerage services for a seller is a
41 seller's agent unless:

42 (1) a brokerage firm, including brokers, broker-salespersons and
43 salespersons affiliated with the brokerage firm, represents the buyer
44 pursuant to a brokerage services agreement between the brokerage
45 firm and the buyer in a residential real estate transaction or
46 otherwise represents the buyer in a commercial real estate

1 transaction, in which case the brokerage firm, including the brokers,
2 broker-salespersons and salespersons, is a buyer's agent;

3 (2) a brokerage firm, including brokers, broker-salespersons and
4 salespersons affiliated with the brokerage firm, represents the buyer
5 pursuant to a brokerage services agreement between the brokerage
6 firm and the buyer in a residential real estate transaction or
7 otherwise represents the buyer in a commercial real estate
8 transaction, and the brokerage firm, including the same broker,
9 broker-salesperson or salesperson or a different broker, broker-
10 salesperson or salesperson represents the seller pursuant to a
11 brokerage services agreement between the brokerage firm and the
12 seller, in which case the brokerage firm, including the broker,
13 broker-salesperson or salesperson or brokers, broker-salespersons or
14 salespersons, as applicable, is a disclosed dual agent;

15 (3) the brokerage firm, including a broker, broker-salesperson or
16 salesperson affiliated with the brokerage firm, has agreed to work
17 with the seller pursuant to brokerage services agreement between the
18 brokerage firm and the seller as a transaction broker; or

19 (4) the broker, broker-salesperson or salesperson affiliated with
20 the brokerage firm is the buyer or one of the buyers.

21 b. (1) A brokerage firm shall enter into a brokerage services
22 agreement with the seller before, or as soon as reasonably practical
23 after, it commences rendering real estate brokerage services to, or on
24 behalf of, the seller.

25 (2) The brokerage services agreement shall include the
26 following:

27 (a) the term of the brokerage services agreement, including, if
28 applicable, the period after the termination of the agreement that the
29 brokerage firm will be protected as provided in the agreement with
30 regard to any properties that a broker, broker-salesperson or
31 salesperson from the brokerage firm introduced to the seller during
32 the term of the agreement;

33 (b) the brokerage firm is appointed as an agent for the seller;

34 (c) if the agency relationship is exclusive or nonexclusive, and
35 shall include an option for the seller to select if the relationship is
36 exclusive or nonexclusive;

37 (d) if the seller consents to the brokerage firm acting as a
38 disclosed dual agent or designated agent, which, if consent is
39 granted, shall be in the brokerage services agreement or in another
40 document requiring separate initialization or signature by the seller
41 and include an acknowledgment from the seller that a disclosed dual
42 agent shall not advocate terms favorable to one principal to the
43 detriment of the other principal;

44 (e) if the seller consents, as demonstrated by initialization or
45 signature, to the broker or a managing broker for the brokerage firm,
46 or a broker, broker-salesperson or salesperson appointed by the
47 broker or managing broker, being an agent for the seller to act as a
48 disclosed dual agent in a transaction in which the same broker,

1 broker-salesperson or salesperson or different brokers, broker-
2 salespersons or salespersons, as applicable, affiliated with the
3 brokerage firm represent different parties;

4 (f) the brokerage firm's compensation¹, how the compensation
5 will be calculated,¹ and if the compensation will be shared with
6 another brokerage firm that may have a brokerage relationship with
7 another party to the transaction; and

8 (g) whether a notice on the property to be sold will be circulated in
9 a ¹**Multiple Listing Service** database established to provide data
10 about properties for sale, such as a multiple listing service,¹ of which
11 the brokerage firm is a member, except that the seller's agent shall not
12 submit any notice to the service stating whether the seller authorized
13 the sharing of the compensation of the seller's agent with cooperating
14 sub-agents, transaction brokers, or the buyer's agents, or the amount of
15 the shared compensation to any service that prohibits an offer from
16 being displayed.

17 c. A brokerage firm may work with a party in separate
18 transactions pursuant to different or same agency relationships,
19 including, but not limited to, representing a party in one transaction
20 and at the same time representing that party in a different
21 transaction, if the broker complies with P.L. , c. (C.)
22 (pending before the Legislature as this bill) in establishing the
23 relationships for each transaction, even if the other transaction is a
24 related transaction.

25

26 6. (New section) a. ¹**Unless additional duties are agreed to in**
27 **writing signed by a seller's agent or other authorized representative**
28 **of the brokerage firm** In addition to the duties provided for under
29 current law¹, the duties of a seller's agent ¹**are limited to** shall
30 include¹ the following, which may not be waived, except as
31 expressly set forth in paragraphs (4) and (5) of this subsection:

32 (1) to be loyal to the seller by taking no action that is adverse or
33 detrimental to the seller's interest in a transaction ¹and to exercise
34 primary devotion to the seller's interests¹;

35 (2) to timely disclose to the seller any ¹actual or potential
36 conflicts of interest ¹which the seller's agent may reasonably
37 anticipate¹;

38 (3) to advise the seller to seek expert advice on matters relating
39 to the transaction that are beyond the agent's expertise;

40 (4) not to disclose any confidential information from or about the
41 seller, except under subpoena, court order or otherwise as provided
42 by law, or as expressly authorized by the seller, even after
43 termination of the agency relationship; ¹**and**¹

44 (5) unless otherwise agreed to in writing, to make a good faith
45 and continuous effort to find a buyer for the property, except that a
46 seller's agent is not obligated to seek additional offers to purchase
47 the property while the property is subject to an existing contract for

1 sale that is no longer subject to the attorney-review period, if
2 applicable¹; and

3 (6) any additional duties that are agreed to in writing signed by a
4 seller's agent or other authorized representative of the brokerage
5 firm¹.

6 b. (1) The showing of properties not owned by the seller to
7 prospective buyers or the listing of competing properties for sale by
8 a seller's agent does not breach the duty of loyalty to the seller or
9 create a conflict of interest.

10 (2) The representation of or acting as a transaction broker with
11 more than one seller by a brokerage firm, including different
12 brokers, broker-salespersons or salespersons affiliated with the
13 brokerage firm, in competing transactions involving the same buyer
14 does not breach the duty of loyalty to the seller or create a conflict
15 of interest.

16
17 7. (New section) a. A brokerage firm, including its brokers,
18 broker-salespersons and salespersons, may act as a disclosed dual
19 agent only with the informed consent of both parties to the transaction
20 as set forth in brokerage services agreements signed by the buyer and
21 the seller, respectively, in a residential real estate transaction or
22 otherwise in writing in a commercial real estate transaction.

23 b. ¹【Unless additional duties are agreed to in writings signed by a
24 disclosed dual agent or an authorized representative of the brokerage
25 firm and each of the parties】 In addition to the duties provided for
26 under current law¹, the duties of a disclosed dual agent ¹【are limited
27 to】 shall include¹ the following, which may not be waived, except as
28 expressly set forth in paragraphs (4), (5) and (6) of this subsection:

29 (1) to take no action that is adverse or detrimental to either party's
30 interest in a transaction;

31 (2) to timely disclose to both parties any ¹actual or potential¹
32 conflicts of interest ¹which the disclosed dual agent may reasonably
33 anticipate¹;

34 (3) to advise both parties to seek expert advice on matters
35 relating to the transaction that are beyond the disclosed dual agent's
36 expertise;

37 (4) not to disclose any confidential information from or about
38 either party, except under subpoena, court order or otherwise as
39 provided by law, or as expressly authorized by the party, even after
40 termination of the agency relationship;

41 (5) unless otherwise agreed to in writing with the seller, to make
42 a good faith and continuous effort to find a buyer for the property,
43 except that a disclosed dual agent is not obligated to seek additional
44 offers to purchase the property while the property is subject to an
45 existing contract for sale that is no longer subject to the attorney-
46 review period, if applicable; ¹【and】¹

1 (6) unless otherwise agreed to in writing with the buyer, to make
2 a good faith and continuous effort to find a property for the buyer,
3 except that a disclosed dual agent is not obligated to seek additional
4 properties to purchase while the buyer is a party to an existing
5 contract to purchase that is no longer subject to the attorney-review
6 period, if applicable¹; and

7 (7) any additional duties that are agreed to in writings signed by
8 a disclosed dual agent or an authorized representative of the
9 brokerage firm and each of the parties¹.

10 c. Notwithstanding any provision of chapter 15 of Title 45 of
11 the Revised Statutes or any other law, rule, or regulation to the
12 contrary, including but not limited to, subsection i. of R.S.45:15-17,
13 a broker, broker-salesperson or salesperson acting as a disclosed
14 dual agent in a real estate transaction shall be deemed to be acting in
15 the same capacity with the buyer and the seller as a dual agent and
16 may receive compensation through its brokerage firm from either or
17 both the buyer and seller provided that the sources and amounts of
18 compensation are disclosed in writing to the buyer and the seller.

19 d. (1) The showing of properties not owned by the seller to
20 prospective buyers or the listing of competing properties for sale by
21 a disclosed dual agent does not constitute action that is adverse or
22 detrimental to the seller or create a conflict of interest.

23 (2) The representation of or acting as a transaction broker with
24 more than one seller by different brokers, broker-salespersons or
25 salespersons licensed with the same brokerage firm in competing
26 transactions involving the same buyer does not constitute action that
27 is adverse or detrimental to the seller or create a conflict of interest.

28 e. (1) The showing of property in which a buyer is
29 interested to other prospective buyers or the presentation of
30 additional offers to purchase property while the property is subject
31 to a transaction in which a disclosed dual agent is involved does not
32 constitute action that is adverse or detrimental to the buyer or create
33 a conflict of interest.

34 (2) The representation of or acting as a transaction broker with
35 more than one buyer by the brokerage firm, including different
36 brokers, broker-salespersons or salespersons affiliated with the
37 brokerage firm, in competing transactions involving the same
38 property does not constitute action that is adverse or detrimental to
39 the buyer or create a conflict of interest.

40
41 8. (New section) a. In a transaction in which a different
42 broker, broker-salesperson or salesperson is designated as a
43 designated agent by a brokerage firm, including but not limited to by
44 the broker or a managing broker affiliated with the brokerage firm,
45 the broker, broker-salespersons or salespersons, as applicable, shall
46 be designated agents. Each designated agent shall solely represent
47 the party with whom the designated agent has an agency
48 relationship.

1 (1) For the purposes of designated agency, the seller's
2 designated agent and the buyer's designated agent are not dual
3 agents and owe fiduciary duties solely to their respective principals.

4 (2) In order for a designated agency relationship to take effect,
5 the brokerage firm shall enter into a written designated agency
6 agreement that may be incorporated into the brokerage services
7 agreement with each of the parties in a residential real estate
8 transaction or otherwise in a written agreement with each of the
9 parties in a commercial transaction that includes the informed,
10 written consent of each of parties to the transaction.

11 b. Notwithstanding any provision of chapter 15 of Title 45 of
12 the Revised Statutes or any other law, rule, or regulation to the
13 contrary, including but not limited to subsection i. of R.S.45:15-17,
14 a broker-salesperson or salesperson acting as a designated agent in a
15 real estate transaction shall be deemed to be acting in the same
16 capacity with the buyer and the seller as a designated agent and may
17 receive compensation through its brokerage firm from either or both
18 the buyer and the seller provided that the sources and amounts of
19 compensation are disclosed in writing to the buyer and the seller.

20

21 9. (New section) a. A brokerage firm, including brokers,
22 broker-salespersons and salespersons affiliated with the brokerage
23 firm, that has been engaged as a transaction broker by a buyer, a
24 seller, or both, shall not act as an agent for and shall not represent
25 any party in the transaction; shall not promote the interest of one
26 party over the interest of the other party; and shall not be required to
27 keep any information confidential.

28 b. ¹Unless additional duties are agreed to in writings signed by
29 the transaction broker or other authorized representative of the
30 brokerage firm In addition to the duties provided for under current
31 law¹, a transaction broker's duties ¹are limited to shall include¹ the
32 following:

33 (1) to perform the terms of any brokerage service agreement
34 made with any party to the transaction;

35 (2) to ensure, when working with a seller, that the brokerage
36 service agreement states whether a notice on the property to be sold
37 will be circulated in a ¹Multiple Listing Service database
38 established to provide data about properties for sale, such as a multiple
39 listing service,¹ of which the brokerage firm is a member, except that
40 the seller's agent shall not submit any notice to the service stating
41 whether the seller authorized the sharing of the compensation of the
42 seller's agent with cooperating sub-agents, transaction brokers, or
43 the buyer's agents, or the amount of the shared compensation to any
44 service that prohibits an offer from being displayed;

45 (3) to treat all parties honestly and act in a competent manner;

46 (4) to locate qualified buyers for a seller or suitable properties
47 for a buyer;

1 (5) unless otherwise directed in writing by the principal, to
2 present all written offers and counteroffers in a timely manner in
3 accordance with applicable law, and to provide written confirmation
4 of receipt to the other party or its agent or transaction broker of each
5 and every written offer or counteroffer as soon as reasonably
6 practicable, regardless of whether the property is subject to an
7 existing contract of sale or the buyer is already a party to an existing
8 contract to purchase another property;

9 (6) to keep the parties fully informed regarding the transaction;

10 (7) to communicate and work with all parties in an effort to
11 arrive at an acceptable agreement without providing advice to any
12 party on how to gain an advantage at the expense of the other party;

13 (8) to advise the parties to seek expert advice on matters relating
14 to the transaction; ¹**[and]**¹

15 (9) to manage the transaction and perform tasks to facilitate the
16 closing of the transaction¹; and

17 (10) any additional duties that are agreed to in writings signed by
18 the transaction broker or other authorized representative of the
19 brokerage firm¹.

20 c. The showing of alternate properties not owned by the seller
21 to a buyer shall not breach any duties or create a conflict of interest.

22 d. The showing of a property in which a buyer is interested to
23 other prospective buyers shall not breach any duties or create a
24 conflict of interest.

25
26 10. (New section) a. The agency or transaction broker
27 relationships established pursuant to this chapter shall continue until
28 the earliest of the following:

29 (1) completion of performance by the brokerage firm;

30 (2) expiration of the term agreed upon by the parties;

31 (3) termination of the relationship by mutual agreement of the
32 parties; or

33 (4) termination of the relationship by written notice from either
34 party to the other as provided in the brokerage services agreement, if
35 applicable, except that a termination does not otherwise affect the
36 contractual rights of either party.

37 b. If the agency or transaction broker relationship is being
38 terminated pursuant to paragraphs (3) or (4) of subsection a. of this
39 section, written confirmation of termination shall be required for the
40 termination to take effect. Written confirmation of termination shall
41 not be required for the termination to take effect pursuant to
42 paragraphs (1) or (2) of subsection a. of this section.

43 c. Except as otherwise agreed to in writing, a brokerage firm
44 shall owe no further duty or other responsibility after termination of
45 the agency or transaction broker relationship, other than the duty:

46 (1) to provide an accounting to its principal as necessary in a
47 timely manner for all moneys and property received from or on
48 behalf of any party to the transaction; and

1 (2) to not disclose confidential information if there was an
2 agency relationship, except under subpoena, court order or otherwise
3 as provided by law, or as expressly authorized by the applicable
4 party.

5 d. With respect to the termination of disclosed dual agent
6 relationships, absent a termination by expiration or fulfillment by a
7 completed closing, brokerage services agreements between a
8 disclosed dual agent and a buyer and a seller shall otherwise only be
9 terminated in writing signed by the buyer or seller, as applicable,
10 with confirmed delivery to the disclosed dual agent.

11

12 11. (New section) a. In any real estate transaction, a brokerage
13 firm's compensation may be paid by one or more of the following:
14 the seller; the buyer; a third party; or by sharing the compensation
15 between brokerage firms. Agreements on compensation shall be in
16 writing signed by the seller or buyer, as applicable.

17 b. An agreement to pay or payment of compensation shall not
18 establish an agency relationship between the party who paid the
19 compensation and the brokerage firm.

20 c. A seller may agree that a seller's agent's or transaction
21 broker's brokerage firm may share with another brokerage firm the
22 compensation paid by the seller, provided that this type of agreement
23 is in writing and signed by the seller.

24 d. A buyer may agree that a buyer's agent's or transaction
25 broker's brokerage firm may share with another brokerage firm the
26 compensation paid by the buyer, provided that this type of
27 agreement is in writing and signed by the buyer.

28 e. Notwithstanding any provision of chapter 15 of Title 45 of
29 the Revised Statutes or any other law, rule, or regulation to the
30 contrary, including but not limited to subsection i. of R.S.45:15-17,
31 a brokerage firm may be compensated by more than one party for
32 real estate brokerage services in a real estate transaction regardless
33 of the agency or transaction broker relationship the brokerage firm
34 has with the parties.

35 f. A brokerage firm may receive compensation based upon a
36 flat fee arrangement, a percentage of the purchase price or ¹[some]¹
37 other method ¹permitted by law¹, all of which shall be a commission
38 payment for any real estate brokerage services rendered, without
39 breaching any duty to the buyer or seller.

40 g. To receive compensation for rendering real estate brokerage
41 services from any party, firm or third party, a brokerage firm shall
42 have a written brokerage services agreement with the buyer or the
43 seller, as applicable, in a residential real estate transaction and a
44 written brokerage services agreement with the seller but not with the
45 buyer in a commercial real estate transaction containing the
46 following:

47 (1) the terms of compensation, including:

- 1 (a) the amount the principal agrees to compensate the brokerage
2 firm;
- 3 (b) the principal's consent, if any, and any terms of the consent,
4 to compensation sharing between brokerage firms and parties
5 sharing the payment of the compensation; and
- 6 (c) the principal's consent, if any, and any terms of consent, to
7 compensation of the brokerage firm by more than one party; and
- 8 (2) in a brokerage services agreement with a buyer, if there is no
9 agreement or offer or a limited offer by any other party or brokerage
10 firm to pay compensation to the brokerage firm, if the buyer will pay
11 the difference between the offer and the compensation the buyer has
12 agreed is due to the buyer's agent and, if not, the buyer's agreement
13 as to how to proceed in this situation, including, but not limited to,
14 directing the buyer's agent not to introduce the buyer to properties
15 where the seller is not offering compensation or is offering less
16 compensation to the buyer's agent than the buyer agreed is due to
17 the buyer's agent.
- 18 h. A brokerage firm may receive compensation, which shall be
19 deemed to be the payment of a commission, without a brokerage
20 services agreement for the provision of a broker's price opinion;
21 comparative market analysis; or a referral by one firm to another
22 firm if the referring firm provided no real estate brokerage services
23 in the transaction.
- 24
- 25 12. (New section) a. A principal shall not be liable for an act,
26 error or omission by an agent or transaction broker of the principal
27 arising out of their relationship:
- 28 (1) unless the principal participated in or authorized the act, error
29 or omission.
- 30 (2) except to the extent that the principal benefited from the act,
31 error or omission, in which case the principal's liability shall be
32 limited to the monetary amount of the benefit unless some form of
33 punitive damages are awarded.
- 34 b. A brokerage firm shall not be liable for information that is to
35 be disclosed by a seller in a property condition disclosure statement
36 that is provided for in section 1 of P.L.1999, c.76 (C.56:8-19.1) or
37 otherwise by law or that the brokerage firm requested the seller to
38 provide and was not provided to the brokerage firm¹; provided a real
39 estate broker, real estate broker-salesperson, or real estate salesperson
40 acting on behalf of the brokerage firm made reasonable efforts to
41 ascertain all material information concerning the physical condition,
42 including but not limited to making inquiries to the seller about any
43 physical conditions that may affect the property and performing a
44 visual inspection of the property to determine if there are any readily
45 observable physical conditions affecting the property, and made
46 disclosure of such information to appropriate parties to a transaction as
47 required by law¹.

1 13. (New section) Unless otherwise agreed to in writing, a
2 principal may not be charged with knowledge or notice of any facts
3 known by a brokerage firm representing or working with the
4 principal that are not actually known by the principal ¹[and a]. A¹
5 brokerage firm representing or working with the principal may not
6 be charged with knowledge or notice of any facts known by the
7 principal that are not actually known by the brokerage firm¹;
8 provided a real estate broker, real estate broker-salesperson, or real
9 estate salesperson acting on behalf of the brokerage firm made
10 reasonable efforts to ascertain all material information concerning the
11 physical condition, including but not limited to making inquiries to the
12 seller about any physical conditions that may affect the property and
13 performing a visual inspection of the property to determine if there are
14 any readily observable physical conditions affecting the property¹.
15

16 14. (New section) a. At any residential property showing that is
17 generally open to the public, a sign shall be posted at the entrance or
18 at a sign-in sheet clearly advising prospective buyers that the
19 brokerage firm hosting the real estate open house represents the
20 seller only and has no relationship with the prospective buyer,
21 except if the buyer does not have an exclusive buyer agency
22 agreement with another brokerage firm and agrees to the seller's
23 agent becoming a disclosed dual agent or designated agent.

24 b. For the avoidance of doubt and to ensure uniformity at public
25 real estate open houses across the State, the sign shall clearly read:
26 "ATTENTION PROSPECTIVE PURCHASERS - PLEASE READ
27 THIS SIGN CAREFULLY. This is to advise you that the agent who
28 is conducting this Open House REPRESENTS THE SELLER AND
29 IS REQUIRED BY LAW TO PROMOTE THE INTERESTS OF
30 THE SELLER. ANY INFORMATION YOU GIVE THIS AGENT
31 IS NOT CONSIDERED CONFIDENTIAL under New Jersey law
32 and could be disclosed to the Seller of this property. You, as the
33 Buyer, are entitled to have someone represent you as a Buyer's
34 Agent if you are interested in this property. The duties of a Buyer's
35 Agent include helping you evaluate the property, prepare an offer on
36 the property and negotiate in your best interests. If you, as the
37 Buyer, are already exclusively represented by a Buyer's Agent, you
38 are required to disclose this representation on the sign-in sheet. If
39 you, as the Buyer, are not already exclusively represented by a
40 Buyer's Agent, please be advised that the Open House agent is not
41 precluded from being a disclosed dual agent or designated agent and
42 can enter into any relationship with you as explained in the
43 Consumer Information Statement."
44

45 15. (New section) ¹[Notwithstanding the provisions of
46 P.L. , c. (C.) (pending before the Legislature as this bill),
47 the] The¹ New Jersey Real Estate Commission may promulgate
48 regulations ¹pursuant to the "Administrative Procedure Act,"

1 P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the purposes of
2 P.L. , c. (C.) (pending before the Legislature as this bill),
3 including regulations¹ to address other types of agency or business
4 relationships for real estate brokerage firms.

5
6 16. Section 27 of P.L.2009, c.238 (C.45:15-16.2e) is amended to
7 read as follows:

8 27. a. Not less than 50 percent of the continuing education
9 courses of study that a broker, broker-salesperson or salesperson are
10 required to complete as a condition for license renewal shall be
11 comprised of one or more of the following core topics:

- 12 (1) Agency;
- 13 (2) Disclosure;
- 14 (3) Legal issues;
- 15 (4) Ethics, which shall not be less than two hours;
- 16 (5) Fair housing;
- 17 (6) Rules and regulations;
- 18 (7) Real estate licensee safety;
- 19 (8) Financial literacy and planning; and
- 20 (9) Any other core topics that the New Jersey Real Estate
21 Commission may prescribe by rule.

22 In no event shall the commission require that courses in these
23 core topics comprise more than 60 percent of the total continuing
24 education hours required for the renewal of any license.

25 b. In the case of continuing education courses and programs,
26 each hour of instruction shall be equivalent to one credit.

27 c. Notwithstanding the provisions of subsection a. of this
28 section, the commission shall require that the continuing education
29 courses of study that a broker, broker-salesperson or salesperson are
30 required to complete as a condition for license renewal shall be
31 comprised of at least one hour on the core topic of fair housing and
32 housing discrimination during each biennial license term.

33 d. Notwithstanding the provisions of subsection a. of this
34 section, the commission shall require that a continuing education
35 course on agency be completed by a broker, broker-salesperson and
36 salesperson as a condition for license renewal during each biennial
37 license term.

38 (cf: P.L.2019, c.177, s.2)

39
40 ¹17. The rights, remedies, and prohibitions accorded by the
41 provisions of P.L. , c. (C.) (pending before the Legislature as this
42 bill), are hereby declared to be in addition to and cumulative of any
43 other right, remedy, or prohibition accorded by the common law or
44 statutes of the United States or of this State, and nothing herein shall
45 be construed to deny, abrogate, or impair any such common law or
46 statutory right, remedy, or prohibition.¹

47
48 ¹**[17.] 18.**¹ This act shall take effect on August 1, 2024.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

SENATE, No. 3192

STATE OF NEW JERSEY

DATED: JUNE 13, 2024

The Assembly Financial Institutions and Insurance Committee reports favorably Senate Bill No. 3192.

This bill incorporates certain protections for consumers regarding residential real estate transactions and certain aspects of commercial real estate transactions. Specifically, the bill incorporates into current law the responsibilities to a consumer of: a brokerage firm; a buyer's agent; a seller's agent; a dual agent; a designated agent; and a transaction broker. Additionally, the bill establishes the circumstances under which an individual is a buyer's agent and under which an individual is a seller's agent and delineates the terms of the broker agreement between the agent and a consumer.

The bill also stipulates that a seller's agent is not required to submit any notice to a Multiple Listing Service stating that a seller has authorized the sharing of the compensation for the seller's agent with cooperating subagents, transaction brokers or a buyer's agent, or the amount of compensation to any Multiple Listing Service. Under the bill, a statement regarding a property is required for prospective buyers to see and is to be posted at open houses for the property. Lastly, the continuing education requirements of licensees to the Real Estate Commission are to include at least one hour on agency per biennial renewal period.

As reported by the committee, Senate Bill No. 3192 is identical to Assembly Bill No. 4454, which was also reported by the committee on this date.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

SENATE, No. 3192

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 26, 2024

The Assembly Budget Committee reports favorably and with committee amendments Senate Bill No. 3192.

As amended, this bill incorporates certain protections for consumers regarding residential real estate transactions and certain aspects of commercial real estate transactions. Specifically, the bill incorporates into current law the responsibilities to a consumer of: a brokerage firm; a buyer's agent; a seller's agent; a dual agent; a designated agent; and a transaction broker. Additionally, the bill establishes the circumstances under which an individual is a buyer's agent and under which an individual is a seller's agent and delineates the terms of the broker agreement between the agent and a consumer.

The bill also stipulates that a seller's agent is not required to submit any notice to a database, which may include a multiple listing service, stating that a seller has authorized the sharing of the compensation for the seller's agent with cooperating subagents, transaction brokers or a buyer's agent, or the amount of compensation to any database providing data about properties for sale. Under the bill, a statement regarding a property is required for prospective buyers to see and is to be posted at open houses for the property. Lastly, the continuing education requirements of licensees to the Real Estate Commission are to include at least one hour on agency per biennial renewal period.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- (1) clarify the meaning of "agent";
- (2) clarify that a brokerage firm has a duty to strictly comply with the laws of agency and the principles governing fiduciary relationships;
- (3) require that a signed property condition disclosure statement be provided to a property buyer before the buyer becomes obligated under contract to purchase the property, if a seller is not represented by a brokerage firm or a brokerage firm that is a transaction broker;
- (4) require that a brokerage firm disclose all existing material information known by the firm, or which can be ascertained by the

firm's principal, concerning the physical condition of the property to the principal;

(5) revise the terms of brokerage service agreements between a brokerage firm and a property buyer or seller;

(6) revise the duties of a property buyer's agent and a property seller's agent;

(7) revise the duties of a brokerage firm acting as a disclosed dual agent or transaction broker;

(8) clarify the circumstances in which a brokerage firm will not be liable for information that is to be disclosed by a property seller in a property condition disclosure statement;

(9) clarify the circumstances in which a brokerage firm representing or working with a principal may not be charged with knowledge or notice of any facts known by the principal that are not actually known by the brokerage firm;

(10) state that the rights, remedies, and prohibitions accorded by the provisions of this bill are in addition to any other right, remedy, or prohibition accorded by common law or the statutes of the United States or this State; and

(11) make certain technical changes.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 3192

STATE OF NEW JERSEY

DATED: MAY 13, 2024

The Senate Commerce Committee reports favorably Senate Bill No. 3192.

This bill incorporates certain protections for consumers regarding residential real estate transactions and certain aspects of commercial real estate transactions. Specifically, the bill incorporates into current law the responsibilities to a consumer of: a brokerage firm; a buyer's agent; a seller's agent; a dual agent; a designated agent; and a transaction broker. Additionally, the bill establishes the circumstances under which an individual is a buyer's agent and under which an individual is a seller's agent and delineates the terms of the broker agreement between the agent and a consumer.

The bill also stipulates that a seller's agent is not required to submit any notice to a Multiple Listing Service stating that a seller has authorized the sharing of the compensation for the seller's agent with cooperating subagents, transaction brokers or a buyer's agent, or the amount of compensation to any Multiple Listing Service. Under the bill, a statement regarding a property is required for prospective buyers to see and is to be posted at open houses for the property. Lastly, the continuing education requirements of licensees to the Real Estate Commission are to include at least one hour on agency per biennial renewal period.

ASSEMBLY, No. 4454

STATE OF NEW JERSEY 221st LEGISLATURE

INTRODUCED JUNE 3, 2024

Sponsored by:

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex and Hudson)

Assemblyman JOHN DIMAIO

District 23 (Hunterdon, Somerset and Warren)

Co-Sponsored by:

Assemblywomen Flynn and Reynolds-Jackson

SYNOPSIS

“Real Estate Consumer Protection Enhancement Act.”

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/13/2024)

1 AN ACT concerning consumer rights in certain real estate
2 transactions and amending P.L.2009, c.238 and supplementing
3 chapter 8 of Title 56 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. (New section) As used in P.L. , c. (C.) (pending
9 before the Legislature as this bill):

10 “Agency relationship” means the agency relationship created
11 under P.L. , c. (C.) (pending before the Legislature as this
12 bill) between a real estate brokerage firm and a principal relating to
13 the performance of real estate brokerage services.

14 “Agent” means a real estate brokerage firm, including affiliated
15 brokers, broker-salespersons and salespersons who are duly licensed
16 under P.L. , c. (C.) (pending before the Legislature as this
17 bill), that has an agency relationship with a principal.

18 “Brokerage firm” means a real estate brokerage firm, including real
19 estate brokers, real estate broker-salespersons and real estate
20 salespersons licensed or otherwise authorized to provide brokerage
21 services in this State pursuant to chapter 15 of Title 45 of the Revised
22 Statutes who are affiliated with the brokerage firm, unless the context
23 requires the terms to be considered separately. In accordance with
24 section 2 of P.L.1989, c.239 (C.45:15-16.28), “broker” also includes
25 any broker, broker-salesperson or salesperson who performs within
26 this State as an agent or employee of a subdivider any one or more of
27 the services or acts as set forth in chapter 15 of Title 45 of the Revised
28 Statutes.

29 “Brokerage services” means the rendering of services for which a
30 real estate license is required under chapter 15 of Title 45 of the
31 Revised Statutes.

32 “Brokerage services agreement” means a written agreement
33 between a brokerage firm and principal that appoints a brokerage firm
34 to represent the principal as an agent or work with a buyer or seller as
35 a transaction broker. Broker services agreements include, but are not
36 limited to, sale and rental listing agreements; buyer-lessee agency
37 agreements; and transaction broker, dual agency and designated
38 agency agreements.

39 “Buyer” means an actual or prospective purchaser in a real estate
40 transaction, or an actual or prospective tenant in a real estate rental or
41 lease transaction, as applicable.

42 “Buyer’s agent” means a brokerage firm, including brokers,
43 broker-salespersons and salespersons affiliated with the brokerage
44 firm, that has an agency relationship and works only with the buyer

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 in a real estate transaction, and to whom the brokerage firm and its
2 brokers, broker-salespersons and salespersons owe fiduciary duties.

3 “Commercial real estate” means a fee title interest, possessory
4 estate, or lease in real property located in the State of New Jersey,
5 other than an interest in real property that is:

6 (1) improved with one single-family residential unit or one
7 multifamily structure with four or fewer residential units;

8 (2) unimproved and the maximum permitted development is one
9 to four residential units or structures under applicable zoning
10 regulations;

11 (3) classified as farmland, timberland or other agricultural land for
12 real estate tax assessment purposes;

13 (4) improved with single-family residential units, such as
14 condominiums, townhouses, timeshares, or stand-alone houses in a
15 subdivision that may be legally sold, leased or otherwise disposed of
16 on a unit-by-unit basis;

17 (5) subject to an agreement that provides that the real estate should
18 be considered residential; or

19 (6) within the definition in this section as of the date of its
20 disposition.

21 “Confidential information” means information from or concerning
22 a principal that, unless required to be disclosed by the brokerage firm
23 pursuant to applicable law:

24 (1) is acquired by the brokerage firm during the course of an
25 agency relationship with the principal;

26 (2) is information that, as advised by the principal to the brokerage
27 firm, the principal reasonably expects to be kept confidential or that
28 the brokerage firm otherwise knows is confidential;

29 (3) would, if disclosed, operate to the detriment of the principal,
30 except that the information may be disclosed if authorized by the
31 principal; and

32 (4) the principal personally would not be obligated to disclose to
33 the other party.

34 “Designated agent” means, in any transaction where the buyer’s
35 agent and the seller’s agent are affiliated with the same brokerage firm
36 or are the same broker, broker-salesperson or salesperson, the broker,
37 broker-salesperson or salesperson who has been designated by the
38 brokerage firm, including but not limited to by a broker or managing
39 broker of the brokerage firm, to solely represent the buyer as the
40 buyer’s agent and another broker, broker-salesperson or salesperson
41 who has been designated by the brokerage firm, including but not
42 limited to a broker or managing broker of the brokerage firm, to solely
43 represent the seller as the seller’s agent in a particular real estate
44 transaction.

45 “Disclosed dual agent” means a brokerage firm, including brokers,
46 broker-salespersons and salespersons affiliated with the brokerage
47 firm, that has an agency relationship and is working for both the buyer
48 and seller in the same transaction.

1 “Material information” means the existence or non-existence of
2 information:

3 (1) to which a reasonable person would attach importance in
4 deciding whether or how to proceed with a transaction; or

5 (2) that the agent knows or has reason to know that the recipient
6 of the information regards or is likely to regard as important in
7 deciding whether or how to proceed, although a reasonable person
8 would not so regard it.

9 “Principal” means a buyer or a seller who has an agency
10 relationship with a brokerage firm.

11 “Real estate transaction” or “transaction” means an actual or
12 prospective transaction involving a purchase, sale, option, or
13 exchange of any interest in real property, or a lease or rental of real
14 property. For purposes of P.L. , c. (C.) (pending before the
15 Legislature as this bill), a prospective transaction does not exist until
16 a written offer has been signed by at least one party.

17 “Seller” means an actual or prospective seller in a real estate
18 transaction, or an actual or prospective landlord in a real estate rental
19 or lease transaction, as applicable.

20 “Seller’s agent” means a brokerage firm, including brokers,
21 broker-salespersons and salespersons affiliated with the brokerage
22 firm, that has an agency relationship and works only with the seller in
23 a real estate transaction, and to whom the brokerage firm and its
24 brokers, broker-salespersons and salespersons owe fiduciary duties.

25 “Transaction broker” means a brokerage firm, including brokers,
26 broker-salespersons or salespersons affiliated with the brokerage
27 firm, that works with a buyer or a seller, or both, in a real estate
28 transaction without representing either party and has no agency
29 relationship and owes no fiduciary duties to either party to the
30 transaction.

31

32 2. (New section) A brokerage firm, including its brokers, broker-
33 salespersons and salespersons, when acting as a buyer’s agent, seller’s
34 agent, disclosed dual agent or designated agent, owes the following
35 duties to the brokerage firm’s principal and to all parties in a
36 transaction, which may not be waived:

37 a. to exercise reasonable skill and care;

38 b. to deal honestly and in good faith;

39 c. unless otherwise directed in writing by the principal, to present
40 all written offers and counteroffers in a timely manner in accordance
41 with applicable law, and to provide written confirmation of receipt to
42 the other party or its agent or transaction broker of each and every
43 written offer or counteroffer as soon as reasonably practicable,
44 regardless of whether the property is subject to an existing contract
45 for sale or the buyer is already a party to an existing contract to
46 purchase another property;

47 d. where the principal is the seller in a residential real estate
48 transaction, to obtain a signed property condition disclosure statement

1 that is provided for in section 1 of P.L.1999, c.76 (C.56:8-19.1), with
2 it being required that the seller provide to the brokerage firm the
3 statement with the information filled in and signed by the seller and,
4 if the seller is not represented by a brokerage firm or working with a
5 brokerage firm that is a transaction broker, then the seller shall be
6 required to provide the statement to the buyer prior to there being a
7 binding sales contract, and to disclose all existing material
8 information known by the seller's agent and not apparent or readily
9 ascertainable to a buyer concerning the physical condition of the
10 property that is for sale. This subsection shall not be construed to
11 imply any duty to investigate matters that the brokerage firm has not
12 agreed to investigate, except as otherwise required by law;

13 e. to provide an accounting to the principal as necessary in a
14 timely manner for all money and property received from or on behalf
15 of any party to the transaction;

16 f. in a residential real estate transaction, to provide the consumer
17 information statement in the form required by the New Jersey Real
18 Estate Commission and obtain a signed acknowledgment of receipt of
19 same by the party. The statement shall be included as part of the
20 brokerage services agreement. The statement shall be provided to:

21 (1) any party to whom the broker renders real estate brokerage
22 services as soon as reasonably practical but no later than at the time
23 the party signs a brokerage services agreement; and

24 (2) any party not represented by a brokerage firm in a transaction
25 before the party signs an offer or as soon as reasonably practical
26 thereafter;

27 g. to disclose in writing as soon as reasonably practical but no
28 later than at the time the brokerage firm's principal signs a brokerage
29 service agreement:

30 (1) whether the brokerage firm is acting as the buyer's agent, the
31 seller's agent, a disclosed dual agent, a designated agent, or a
32 transaction broker. The disclosure shall be set forth in a separate
33 paragraph titled "Agency Disclosure" in a brokerage services
34 agreement prepared by the brokerage firm between the principal and
35 the brokerage firm or in a separate writing titled "Agency Disclosure"
36 signed by the principal; and

37 (2) the terms of compensation, if any, offered by a party or the
38 brokerage firm to another brokerage firm representing a different
39 party; and

40 h. to undertake a reasonable effort to obtain material information
41 concerning the condition of every property for which the brokerage
42 firm accepts an agency relationship or is retained to market as a
43 transaction broker, and concerning the financial qualifications of
44 every person for whom the brokerage firm submits an offer to the
45 brokerage firm's principal, provided that the broker, broker-
46 salesperson or salesperson at the brokerage firm who undertakes the
47 reasonable efforts shall not be held to a standard of a licensed property

1 inspector unless that broker, broker-salesperson or salesperson is
2 separately licensed as a property inspector.

3

4 3. (New section) a. A brokerage firm, including brokers, broker-
5 salespersons and salespersons affiliated with the brokerage firm, that
6 performs real estate brokerage services for a buyer is a buyer's agent
7 unless:

8 (1) a brokerage firm, including brokers, broker-salespersons and
9 salespersons affiliated with the brokerage firm, represents the seller
10 pursuant to a brokerage services agreement between the brokerage
11 firm and the seller, in which case the brokerage firm, including the
12 brokers, broker-salespersons and salespersons, is a seller's agent;

13 (2) a brokerage firm, including brokers, broker-salespersons and
14 salespersons affiliated with the brokerage firm, represents the seller
15 pursuant to a brokerage services agreement between the brokerage
16 firm and the seller, and the brokerage firm, including the same broker,
17 broker-salesperson or salesperson or a different broker, broker-
18 salesperson or salesperson affiliated with the same brokerage firm in
19 a residential real estate transaction or otherwise represents the buyer
20 in a commercial real estate transaction, represents the buyer pursuant
21 to a brokerage services agreement between the brokerage firm and the
22 buyer, in which case the brokerage firm, including the broker, broker-
23 salesperson, salesperson or brokers, broker-salespersons or
24 salespersons, as applicable, is a disclosed dual agent;

25 (3) the brokerage firm, including a broker, broker-salesperson or
26 salesperson affiliated with the brokerage firm, has agreed to work
27 with the buyer pursuant to a brokerage services agreement between
28 the brokerage firm and the buyer in a residential real estate transaction
29 or otherwise represents the buyer in a commercial real estate
30 transaction as a transaction broker; or

31 (4) the broker, broker-salesperson or salesperson affiliated with the
32 brokerage firm is the seller or one of the sellers.

33 b. (1) In a residential real estate transaction, a brokerage firm
34 shall enter into a brokerage services agreement with the buyer before,
35 or as soon as reasonably practical after, the firm commences rendering
36 real estate brokerage services to, or on behalf of, the buyer. A
37 brokerage services agreement shall not be required between a
38 brokerage firm and a buyer in a commercial real estate transaction.

39 (2) The brokerage services agreement shall include the following:

40 (a) the term of the brokerage services agreement, including, if
41 applicable, the period after the termination of the agreement that the
42 brokerage firm will be protected as provided in the agreement with
43 regard to any properties that a broker, broker-salesperson or
44 salesperson from the brokerage firm introduced to the buyer during
45 the term of the agreement;

46 (b) that the brokerage firm is appointed as an agent for the buyer;

47 (c) if the agency relationship is exclusive or nonexclusive;

1 (d) if the buyer consents to the brokerage firm acting as a disclosed
2 dual agent or designated agent, which, if consent is granted, shall be
3 in the brokerage services agreement or another document requiring
4 separate initialization or signature by the buyer and include an
5 acknowledgment from the buyer that a disclosed dual agent shall not
6 advocate terms favorable to one principal to the detriment of the other
7 principal;

8 (e) if the buyer consents, as demonstrated by initialization or
9 signature, to the broker or a managing broker for the brokerage firm,
10 or a broker, broker-salesperson or salesperson appointed by the broker
11 or managing broker, being an agent for the buyer to act as a disclosed
12 dual agent in a transaction in which the same broker, broker-
13 salesperson or salesperson or different brokers, broker-salespersons
14 or salespersons, as applicable, affiliated with the brokerage firm
15 represent different parties; and

16 (f) the brokerage firm's compensation and if the compensation is
17 to be shared with another brokerage firm that may have a brokerage
18 relationship with another party to the transaction.

19 c. A brokerage firm may work with a party in separate
20 transactions pursuant to different or the same agency relationships,
21 including, but not limited to, representing a party in one transaction
22 and at the same time representing that party in a different transaction,
23 if the broker complies with P.L. , c. (C.) (pending before the
24 Legislature as this bill) in establishing the relationships for each
25 transaction, even if the other transaction is a related transaction.

26

27 4. (New section) a. Unless additional duties are agreed to in
28 writing signed by a buyer's agent or other authorized representative
29 of the brokerage firm, the duties of a buyer's agent are limited to the
30 following, which may not be waived, except as expressly set forth in
31 paragraphs (4) and (5) of this subsection:

32 (1) to be loyal to the buyer by taking no action that is adverse or
33 detrimental to the buyer's interest in a transaction;

34 (2) to timely disclose to the buyer any conflicts of interest;

35 (3) to advise the buyer to seek expert advice on matters relating to
36 the transaction that are beyond the agent's expertise;

37 (4) to not disclose confidential information from or about the
38 buyer, except under subpoena, court order or otherwise as provided
39 by law, or as expressly authorized by the buyer, even after termination
40 of the agency relationship; and

41 (5) unless otherwise agreed to in writing, to make a good faith and
42 continuous effort to find a property for the buyer, except that a buyer's
43 agent is not obligated to seek additional properties to purchase while
44 the buyer is a party to an existing contract to purchase that is no longer
45 subject to the attorney-review period, if applicable.

46 b. (1) The showing of a property in which a buyer is interested
47 to other prospective buyers by a buyer's agent shall not breach the
48 duty of loyalty to the buyer or create a conflict of interest.

1 (2) The representation of or acting as a transaction broker with
2 more than one buyer by a brokerage firm, including different brokers,
3 broker-salespersons or salespersons affiliated with the brokerage
4 firm, in competing transactions involving the same property does not
5 breach the duty of loyalty to the buyer or create a conflict of interest.
6

7 5. (New section) a. A brokerage firm, including brokers,
8 broker-salespersons and salespersons affiliated with the brokerage
9 firm, that performs real estate brokerage services for a seller is a
10 seller's agent unless:

11 (1) a brokerage firm, including brokers, broker-salespersons and
12 salespersons affiliated with the brokerage firm, represents the buyer
13 pursuant to a brokerage services agreement between the brokerage
14 firm and the buyer in a residential real estate transaction or otherwise
15 represents the buyer in a commercial real estate transaction, in which
16 case the brokerage firm, including the brokers, broker-salespersons
17 and salespersons, is a buyer's agent;

18 (2) a brokerage firm, including brokers, broker-salespersons and
19 salespersons affiliated with the brokerage firm, represents the buyer
20 pursuant to a brokerage services agreement between the brokerage
21 firm and the buyer in a residential real estate transaction or otherwise
22 represents the buyer in a commercial real estate transaction, and the
23 brokerage firm, including the same broker, broker-salesperson or
24 salesperson or a different broker, broker-salesperson or salesperson
25 represents the seller pursuant to a brokerage services agreement
26 between the brokerage firm and the seller, in which case the brokerage
27 firm, including the broker, broker-salesperson or salesperson or
28 brokers, broker-salespersons or salespersons, as applicable, is a
29 disclosed dual agent;

30 (3) the brokerage firm, including a broker, broker-salesperson or
31 salesperson affiliated with the brokerage firm, has agreed to work
32 with the seller pursuant to brokerage services agreement between the
33 brokerage firm and the seller as a transaction broker; or

34 (4) the broker, broker-salesperson or salesperson affiliated with
35 the brokerage firm is the buyer or one of the buyers.

36 b. (1) A brokerage firm shall enter into a brokerage services
37 agreement with the seller before, or as soon as reasonably practical
38 after, it commences rendering real estate brokerage services to, or on
39 behalf of, the seller.

40 (2) The brokerage services agreement shall include the following:

41 (a) the term of the brokerage services agreement, including, if
42 applicable, the period after the termination of the agreement that the
43 brokerage firm will be protected as provided in the agreement with
44 regard to any properties that a broker, broker-salesperson or
45 salesperson from the brokerage firm introduced to the seller during
46 the term of the agreement;

47 (b) the brokerage firm is appointed as an agent for the seller;

1 (c) if the agency relationship is exclusive or nonexclusive, and
2 shall include an option for the seller to select if the relationship is
3 exclusive or nonexclusive;

4 (d) if the seller consents to the brokerage firm acting as a disclosed
5 dual agent or designated agent, which, if consent is granted, shall be
6 in the brokerage services agreement or in another document requiring
7 separate initialization or signature by the seller and include an
8 acknowledgment from the seller that a disclosed dual agent shall not
9 advocate terms favorable to one principal to the detriment of the other
10 principal;

11 (e) if the seller consents, as demonstrated by initialization or
12 signature, to the broker or a managing broker for the brokerage firm,
13 or a broker, broker-salesperson or salesperson appointed by the broker
14 or managing broker, being an agent for the seller to act as a disclosed
15 dual agent in a transaction in which the same broker, broker-
16 salesperson or salesperson or different brokers, broker-salespersons
17 or salespersons, as applicable, affiliated with the brokerage firm
18 represent different parties;

19 (f) the brokerage firm's compensation and if the compensation
20 will be shared with another brokerage firm that may have a brokerage
21 relationship with another party to the transaction; and

22 (g) whether a notice on the property to be sold will be circulated
23 in a Multiple Listing Service of which the brokerage firm is a
24 member, except that the seller's agent shall not submit any notice to
25 the service stating whether the seller authorized the sharing of the
26 compensation of the seller's agent with cooperating sub-agents,
27 transaction brokers, or the buyer's agents, or the amount of the shared
28 compensation to any service that prohibits an offer from being
29 displayed.

30 c. A brokerage firm may work with a party in separate
31 transactions pursuant to different or same agency relationships,
32 including, but not limited to, representing a party in one transaction
33 and at the same time representing that party in a different transaction,
34 if the broker complies with P.L. , c. (C.) (pending before the
35 Legislature as this bill) in establishing the relationships for each
36 transaction, even if the other transaction is a related transaction.

37

38 6. (New section) a. Unless additional duties are agreed to in
39 writing signed by a seller's agent or other authorized representative
40 of the brokerage firm, the duties of a seller's agent are limited to the
41 following, which may not be waived, except as expressly set forth in
42 paragraphs (4) and (5) of this subsection:

43 (1) to be loyal to the seller by taking no action that is adverse or
44 detrimental to the seller's interest in a transaction;

45 (2) to timely disclose to the seller any conflicts of interest;

46 (3) to advise the seller to seek expert advice on matters relating to
47 the transaction that are beyond the agent's expertise;

1 (4) not to disclose any confidential information from or about the
2 seller, except under subpoena, court order or otherwise as provided
3 by law, or as expressly authorized by the seller, even after termination
4 of the agency relationship; and

5 (5) unless otherwise agreed to in writing, to make a good faith and
6 continuous effort to find a buyer for the property, except that a seller's
7 agent is not obligated to seek additional offers to purchase the
8 property while the property is subject to an existing contract for sale
9 that is no longer subject to the attorney-review period, if applicable.

10 b. (1) The showing of properties not owned by the seller to
11 prospective buyers or the listing of competing properties for sale by a
12 seller's agent does not breach the duty of loyalty to the seller or create
13 a conflict of interest.

14 (2) The representation of or acting as a transaction broker with
15 more than one seller by a brokerage firm, including different brokers,
16 broker-salespersons or salespersons affiliated with the brokerage
17 firm, in competing transactions involving the same buyer does not
18 breach the duty of loyalty to the seller or create a conflict of interest.
19

20 7. (New section) a. A brokerage firm, including its brokers,
21 broker-salespersons and salespersons, may act as a disclosed dual
22 agent only with the informed consent of both parties to the
23 transaction as set forth in brokerage services agreements signed by
24 the buyer and the seller, respectively, in a residential real estate
25 transaction or otherwise in writing in a commercial real estate
26 transaction.

27 b. Unless additional duties are agreed to in writings signed by a
28 disclosed dual agent or an authorized representative of the brokerage
29 firm and each of the parties, the duties of a disclosed dual agent are
30 limited to the following, which may not be waived, except as
31 expressly set forth in paragraphs (4), (5) and (6) of this subsection:

32 (1) to take no action that is adverse or detrimental to either party's
33 interest in a transaction;

34 (2) to timely disclose to both parties any conflicts of interest;

35 (3) to advise both parties to seek expert advice on matters relating
36 to the transaction that are beyond the disclosed dual agent's expertise;

37 (4) not to disclose any confidential information from or about
38 either party, except under subpoena, court order or otherwise as
39 provided by law, or as expressly authorized by the party, even after
40 termination of the agency relationship;

41 (5) unless otherwise agreed to in writing with the seller, to make
42 a good faith and continuous effort to find a buyer for the property,
43 except that a disclosed dual agent is not obligated to seek additional
44 offers to purchase the property while the property is subject to an
45 existing contract for sale that is no longer subject to the attorney-
46 review period, if applicable; and

47 (6) unless otherwise agreed to in writing with the buyer, to make
48 a good faith and continuous effort to find a property for the buyer,

1 except that a disclosed dual agent is not obligated to seek additional
2 properties to purchase while the buyer is a party to an existing contract
3 to purchase that is no longer subject to the attorney-review period, if
4 applicable.

5 c. Notwithstanding any provision of chapter 15 of Title 45 of the
6 Revised Statutes or any other law, rule, or regulation to the contrary,
7 including but not limited to, subsection i. of R.S.45:15-17, a broker,
8 broker-salesperson or salesperson acting as a disclosed dual agent in
9 a real estate transaction shall be deemed to be acting in the same
10 capacity with the buyer and the seller as a dual agent and may receive
11 compensation through its brokerage firm from either or both the buyer
12 and seller provided that the sources and amounts of compensation are
13 disclosed in writing to the buyer and the seller.

14 d. (1) The showing of properties not owned by the seller to
15 prospective buyers or the listing of competing properties for sale by a
16 disclosed dual agent does not constitute action that is adverse or
17 detrimental to the seller or create a conflict of interest.

18 (2) The representation of or acting as a transaction broker with
19 more than one seller by different brokers, broker-salespersons or
20 salespersons licensed with the same brokerage firm in competing
21 transactions involving the same buyer does not constitute action that
22 is adverse or detrimental to the seller or create a conflict of interest.

23 e. (1) The showing of property in which a buyer is interested
24 to other prospective buyers or the presentation of additional offers to
25 purchase property while the property is subject to a transaction in
26 which a disclosed dual agent is involved does not constitute action
27 that is adverse or detrimental to the buyer or create a conflict of
28 interest.

29 (2) The representation of or acting as a transaction broker with
30 more than one buyer by the brokerage firm, including different
31 brokers, broker-salespersons or salespersons affiliated with the
32 brokerage firm, in competing transactions involving the same
33 property does not constitute action that is adverse or detrimental to
34 the buyer or create a conflict of interest.

35
36 8. (New section) a. In a transaction in which a different
37 broker, broker-salesperson or salesperson is designated as a
38 designated agent by a brokerage firm, including but not limited to by
39 the broker or a managing broker affiliated with the brokerage firm,
40 the broker, broker-salespersons or salespersons, as applicable, shall
41 be designated agents. Each designated agent shall solely represent the
42 party with whom the designated agent has an agency relationship.

43 (1) For the purposes of designated agency, the seller's designated
44 agent and the buyer's designated agent are not dual agents and owe
45 fiduciary duties solely to their respective principals.

46 (2) In order for a designated agency relationship to take effect, the
47 brokerage firm shall enter into a written designated agency agreement
48 that may be incorporated into the brokerage services agreement with

1 each of the parties in a residential real estate transaction or otherwise
2 in a written agreement with each of the parties in a commercial
3 transaction that includes the informed, written consent of each of
4 parties to the transaction.

5 b. Notwithstanding any provision of chapter 15 of Title 45 of the
6 Revised Statutes or any other law, rule, or regulation to the contrary,
7 including but not limited to subsection i. of R.S.45:15-17, a broker-
8 salesperson or salesperson acting as a designated agent in a real estate
9 transaction shall be deemed to be acting in the same capacity with the
10 buyer and the seller as a designated agent and may receive
11 compensation through its brokerage firm from either or both the buyer
12 and the seller provided that the sources and amounts of compensation
13 are disclosed in writing to the buyer and the seller.

14

15 9. (New section) a. A brokerage firm, including brokers,
16 broker-salespersons and salespersons affiliated with the brokerage
17 firm, that has been engaged as a transaction broker by a buyer, a seller,
18 or both, shall not act as an agent for and shall not represent any party
19 in the transaction; shall not promote the interest of one party over the
20 interest of the other party; and shall not be required to keep any
21 information confidential.

22 b. Unless additional duties are agreed to in writings signed by the
23 transaction broker or other authorized representative of the brokerage
24 firm, a transaction broker's duties are limited to the following:

25 (1) to perform the terms of any brokerage service agreement made
26 with any party to the transaction;

27 (2) to ensure, when working with a seller, that the brokerage
28 service agreement states whether a notice on the property to be sold
29 will be circulated in a Multiple Listing Service of which the brokerage
30 firm is a member, except that the seller's agent shall not submit any
31 notice to the service stating whether the seller authorized the sharing
32 of the compensation of the seller's agent with cooperating sub-agents,
33 transaction brokers, or the buyer's agents, or the amount of the shared
34 compensation to any service that prohibits an offer from being
35 displayed;

36 (3) to treat all parties honestly and act in a competent manner;

37 (4) to locate qualified buyers for a seller or suitable properties for
38 a buyer;

39 (5) unless otherwise directed in writing by the principal, to present
40 all written offers and counteroffers in a timely manner in accordance
41 with applicable law, and to provide written confirmation of receipt to
42 the other party or its agent or transaction broker of each and every
43 written offer or counteroffer as soon as reasonably practicable,
44 regardless of whether the property is subject to an existing contract of
45 sale or the buyer is already a party to an existing contract to purchase
46 another property;

47 (6) to keep the parties fully informed regarding the transaction;

1 (7) to communicate and work with all parties in an effort to arrive
2 at an acceptable agreement without providing advice to any party on
3 how to gain an advantage at the expense of the other party;

4 (8) to advise the parties to seek expert advice on matters relating
5 to the transaction; and

6 (9) to manage the transaction and perform tasks to facilitate the
7 closing of the transaction.

8 c. The showing of alternate properties not owned by the seller to
9 a buyer shall not breach any duties or create a conflict of interest.

10 d. The showing of a property in which a buyer is interested to
11 other prospective buyers shall not breach any duties or create a
12 conflict of interest.

13

14 10. (New section) a. The agency or transaction broker
15 relationships established pursuant to this chapter shall continue until
16 the earliest of the following:

17 (1) completion of performance by the brokerage firm;

18 (2) expiration of the term agreed upon by the parties;

19 (3) termination of the relationship by mutual agreement of the
20 parties; or

21 (4) termination of the relationship by written notice from either
22 party to the other as provided in the brokerage services agreement, if
23 applicable, except that a termination does not otherwise affect the
24 contractual rights of either party.

25 b. If the agency or transaction broker relationship is being
26 terminated pursuant to paragraphs (3) or (4) of subsection a. of this
27 section, written confirmation of termination shall be required for the
28 termination to take effect. Written confirmation of termination shall
29 not be required for the termination to take effect pursuant to
30 paragraphs (1) or (2) of subsection a. of this section.

31 c. Except as otherwise agreed to in writing, a brokerage firm
32 shall owe no further duty or other responsibility after termination of
33 the agency or transaction broker relationship, other than the duty:

34 (1) to provide an accounting to its principal as necessary in a
35 timely manner for all moneys and property received from or on behalf
36 of any party to the transaction; and

37 (2) to not disclose confidential information if there was an agency
38 relationship, except under subpoena, court order or otherwise as
39 provided by law, or as expressly authorized by the applicable party.

40 d. With respect to the termination of disclosed dual agent
41 relationships, absent a termination by expiration or fulfillment by a
42 completed closing, brokerage services agreements between a
43 disclosed dual agent and a buyer and a seller shall otherwise only be
44 terminated in writing signed by the buyer or seller, as applicable, with
45 confirmed delivery to the disclosed dual agent.

46

47 11. (New section) a. In any real estate transaction, a brokerage
48 firm's compensation may be paid by one or more of the following: the

1 seller; the buyer; a third party; or by sharing the compensation
2 between brokerage firms. Agreements on compensation shall be in
3 writing signed by the seller or buyer, as applicable.

4 b. An agreement to pay or payment of compensation shall not
5 establish an agency relationship between the party who paid the
6 compensation and the brokerage firm.

7 c. A seller may agree that a seller's agent's or transaction
8 broker's brokerage firm may share with another brokerage firm the
9 compensation paid by the seller, provided that this type of agreement
10 is in writing and signed by the seller.

11 d. A buyer may agree that a buyer's agent's or transaction
12 broker's brokerage firm may share with another brokerage firm the
13 compensation paid by the buyer, provided that this type of agreement
14 is in writing and signed by the buyer.

15 e. Notwithstanding any provision of chapter 15 of Title 45 of the
16 Revised Statutes or any other law, rule, or regulation to the contrary,
17 including but not limited to subsection i. of R.S.45:15-17, a brokerage
18 firm may be compensated by more than one party for real estate
19 brokerage services in a real estate transaction regardless of the agency
20 or transaction broker relationship the brokerage firm has with the
21 parties.

22 f. A brokerage firm may receive compensation based upon a flat
23 fee arrangement, a percentage of the purchase price or some other
24 method, all of which shall be a commission payment for any real
25 estate brokerage services rendered, without breaching any duty to the
26 buyer or seller.

27 g. To receive compensation for rendering real estate brokerage
28 services from any party, firm or third party, a brokerage firm shall
29 have a written brokerage services agreement with the buyer or the
30 seller, as applicable, in a residential real estate transaction and a
31 written brokerage services agreement with the seller but not with the
32 buyer in a commercial real estate transaction containing the
33 following:

34 (1) the terms of compensation, including:

35 (a) the amount the principal agrees to compensate the brokerage
36 firm;

37 (b) the principal's consent, if any, and any terms of the consent,
38 to compensation sharing between brokerage firms and parties sharing
39 the payment of the compensation; and

40 (c) the principal's consent, if any, and any terms of consent, to
41 compensation of the brokerage firm by more than one party; and

42 (2) in a brokerage services agreement with a buyer, if there is no
43 agreement or offer or a limited offer by any other party or brokerage
44 firm to pay compensation to the brokerage firm, if the buyer will pay
45 the difference between the offer and the compensation the buyer has
46 agreed is due to the buyer's agent and, if not, the buyer's agreement
47 as to how to proceed in this situation, including, but not limited to,
48 directing the buyer's agent not to introduce the buyer to properties

1 where the seller is not offering compensation or is offering less
2 compensation to the buyer's agent than the buyer agreed is due to the
3 buyer's agent.

4 h. A brokerage firm may receive compensation, which shall be
5 deemed to be the payment of a commission, without a brokerage
6 services agreement for the provision of a broker's price opinion;
7 comparative market analysis; or a referral by one firm to another firm
8 if the referring firm provided no real estate brokerage services in the
9 transaction.

10

11 12. (New section) a. A principal shall not be liable for an act, error
12 or omission by an agent or transaction broker of the principal arising
13 out of their relationship:

14 (1) unless the principal participated in or authorized the act, error
15 or omission.

16 (2) except to the extent that the principal benefited from the act,
17 error or omission, in which case the principal's liability shall be
18 limited to the monetary amount of the benefit unless some form of
19 punitive damages are awarded.

20 b. A brokerage firm shall not be liable for information that is to be
21 disclosed by a seller in a property condition disclosure statement that
22 is provided for in section 1 of P.L.1999, c.76 (C.56:8-19.1) or
23 otherwise by law or that the brokerage firm requested the seller to
24 provide and was not provided to the brokerage firm.

25

26 13. (New section) Unless otherwise agreed to in writing, a
27 principal may not be charged with knowledge or notice of any facts
28 known by a brokerage firm representing or working with the principal
29 that are not actually known by the principal and a brokerage firm
30 representing or working with the principal may not be charged with
31 knowledge or notice of any facts known by the principal that are not
32 actually known by the brokerage firm.

33

34 14. (New section) a. At any residential property showing that is
35 generally open to the public, a sign shall be posted at the entrance or
36 at a sign-in sheet clearly advising prospective buyers that the
37 brokerage firm hosting the real estate open house represents the seller
38 only and has no relationship with the prospective buyer, except if the
39 buyer does not have an exclusive buyer agency agreement with
40 another brokerage firm and agrees to the seller's agent becoming a
41 disclosed dual agent or designated agent.

42 b. For the avoidance of doubt and to ensure uniformity at public
43 real estate open houses across the State, the sign shall clearly read:
44 "ATTENTION PROSPECTIVE PURCHASERS - PLEASE READ
45 THIS SIGN CAREFULLY. This is to advise you that the agent who
46 is conducting this Open House REPRESENTS THE SELLER AND
47 IS REQUIRED BY LAW TO PROMOTE THE INTERESTS OF THE
48 SELLER. ANY INFORMATION YOU GIVE THIS AGENT IS NOT

1 CONSIDERED CONFIDENTIAL under New Jersey law and could
2 be disclosed to the Seller of this property. You, as the Buyer, are
3 entitled to have someone represent you as a Buyer's Agent if you are
4 interested in this property. The duties of a Buyer's Agent include
5 helping you evaluate the property, prepare an offer on the property
6 and negotiate in your best interests. If you, as the Buyer, are already
7 exclusively represented by a Buyer's Agent, you are required to
8 disclose this representation on the sign-in sheet. If you, as the Buyer,
9 are not already exclusively represented by a Buyer's Agent, please be
10 advised that the Open House agent is not precluded from being a
11 disclosed dual agent or designated agent and can enter into any
12 relationship with you as explained in the Consumer Information
13 Statement."

14

15 15. (New section) Notwithstanding the provisions of
16 P.L. , c. (C.) (pending before the Legislature as this bill), the
17 New Jersey Real Estate Commission may promulgate regulations to
18 address other types of agency or business relationships for real estate
19 brokerage firms.

20

21 16. Section 27 of P.L.2009, c.238 (C.45:15-16.2e) is amended to
22 read as follows:

23 27. a. Not less than 50 percent of the continuing education courses
24 of study that a broker, broker-salesperson or salesperson are required
25 to complete as a condition for license renewal shall be comprised of
26 one or more of the following core topics:

27 (1) Agency;

28 (2) Disclosure;

29 (3) Legal issues;

30 (4) Ethics, which shall not be less than two hours;

31 (5) Fair housing;

32 (6) Rules and regulations;

33 (7) Real estate licensee safety;

34 (8) Financial literacy and planning; and

35 (9) Any other core topics that the New Jersey Real Estate
36 Commission may prescribe by rule.

37 In no event shall the commission require that courses in these core
38 topics comprise more than 60 percent of the total continuing
39 education hours required for the renewal of any license.

40 b. In the case of continuing education courses and programs,
41 each hour of instruction shall be equivalent to one credit.

42 c. Notwithstanding the provisions of subsection a. of this
43 section, the commission shall require that the continuing education
44 courses of study that a broker, broker-salesperson or salesperson are
45 required to complete as a condition for license renewal shall be
46 comprised of at least one hour on the core topic of fair housing and
47 housing discrimination during each biennial license term.

[First Reprint]

ASSEMBLY, No. 4454

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED JUNE 3, 2024

Sponsored by:

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex and Hudson)

Assemblyman JOHN DIMAIO

District 23 (Hunterdon, Somerset and Warren)

Co-Sponsored by:

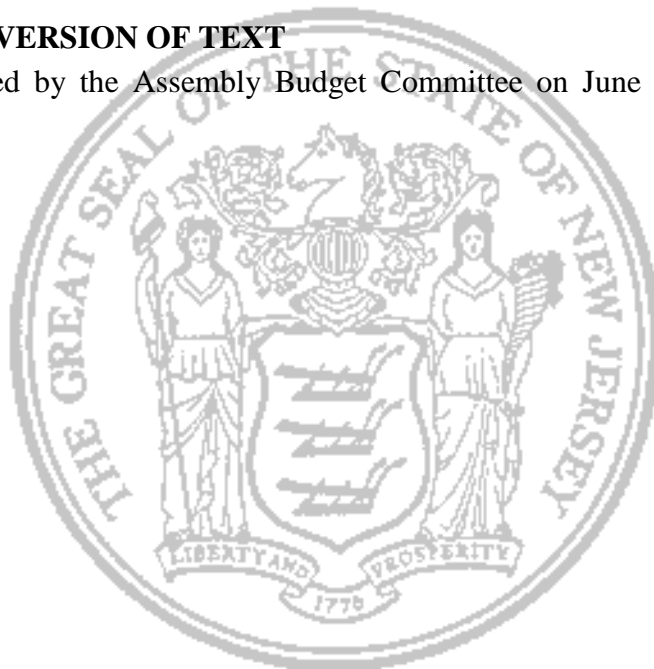
**Assemblywomen Flynn, Reynolds-Jackson, Assemblyman Sampson,
Assemblywomen Speight, Swain, Assemblymen Hutchison and Tully**

SYNOPSIS

“Real Estate Consumer Protection Enhancement Act.”

CURRENT VERSION OF TEXT

As reported by the Assembly Budget Committee on June 26, 2024, with amendments.



(Sponsorship Updated As Of: 6/28/2024)

1 AN ACT concerning consumer rights in certain real estate transactions
2 and amending P.L.2009, c.238 and supplementing ¹Title 45 of the
3 Revised Statutes and¹ chapter 8 of Title 56 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. (New section) As used in P.L. , c. (C.) (pending
9 before the Legislature as this bill):

10 “Agency relationship” means the agency relationship created
11 under P.L. , c. (C.) (pending before the Legislature as this
12 bill) between a real estate brokerage firm and a principal relating to
13 the performance of real estate brokerage services.

14 “Agent” means a real estate brokerage firm, including affiliated
15 brokers, broker-salespersons and salespersons who are duly licensed
16 under ¹[P.L. , c. (C.) (pending before the Legislature as this
17 bill)] R.S.45:15-1 et seq.¹, that has an agency relationship with a
18 principal.

19 “Brokerage firm” means a real estate brokerage firm, including
20 real estate brokers, real estate broker-salespersons and real estate
21 salespersons licensed or otherwise authorized to provide brokerage
22 services in this State pursuant to chapter 15 of Title 45 of the
23 Revised Statutes who are affiliated with the brokerage firm, unless
24 the context requires the terms to be considered separately. In
25 accordance with section 2 of P.L.1989, c.239 (C.45:15-16.28),
26 “broker” also includes any broker, broker-salesperson or salesperson
27 who performs within this State as an agent or employee of a
28 subdivider any one or more of the services or acts as set forth in
29 chapter 15 of Title 45 of the Revised Statutes.

30 “Brokerage services” means the rendering of services for which
31 a real estate license is required under chapter 15 of Title 45 of the
32 Revised Statutes.

33 “Brokerage services agreement” means a written agreement
34 between a brokerage firm and principal that appoints a brokerage
35 firm to represent the principal as an agent or work with a buyer or
36 seller as a transaction broker. Broker services agreements include,
37 but are not limited to, sale and rental listing agreements; buyer-
38 lessee agency agreements; and transaction broker, dual agency and
39 designated agency agreements.

40 “Buyer” means an actual or prospective purchaser in a real estate
41 transaction, or an actual or prospective tenant in a real estate rental
42 or lease transaction, as applicable.

43 “Buyer’s agent” means a brokerage firm, including brokers,
44 broker-salespersons and salespersons affiliated with the brokerage

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 ABU committee amendments adopted June 26, 2024.

1 firm, that has an agency relationship and works only with the buyer
2 in a real estate transaction, and to whom the brokerage firm and its
3 brokers, broker-salespersons and salespersons owe fiduciary duties.

4 “Commercial real estate” means a fee title interest, possessory
5 estate, or lease in real property located in the State of New Jersey,
6 other than an interest in real property that is:

7 (1) improved with one single-family residential unit or one
8 multifamily structure with four or fewer residential units;

9 (2) unimproved and the maximum permitted development is one
10 to four residential units or structures under applicable zoning
11 regulations;

12 (3) classified as farmland, timberland or other agricultural land
13 for real estate tax assessment purposes;

14 (4) improved with single-family residential units, such as
15 condominiums, townhouses, timeshares, or stand-alone houses in a
16 subdivision that may be legally sold, leased or otherwise disposed of
17 on a unit-by-unit basis;

18 (5) subject to an agreement that provides that the real estate
19 should be considered residential; or

20 (6) within the definition in this section as of the date of its
21 disposition.

22 “Confidential information” means information from or
23 concerning a principal that, unless required to be disclosed by the
24 brokerage firm pursuant to applicable law:

25 (1) is acquired by the brokerage firm during the course of an
26 agency relationship with the principal;

27 (2) is information that, as advised by the principal to the
28 brokerage firm, the principal reasonably expects to be kept
29 confidential or that the brokerage firm otherwise knows is
30 confidential;

31 (3) would, if disclosed, operate to the detriment of the principal,
32 except that the information may be disclosed if authorized by the
33 principal; and

34 (4) the principal personally would not be obligated to disclose to
35 the other party.

36 “Designated agent” means, in any transaction where the buyer’s
37 agent and the seller’s agent are affiliated with the same brokerage
38 firm or are the same broker, broker-salesperson or salesperson, the
39 broker, broker-salesperson or salesperson who has been designated
40 by the brokerage firm, including but not limited to by a broker or
41 managing broker of the brokerage firm, to solely represent the buyer
42 as the buyer’s agent and another broker, broker-salesperson or
43 salesperson who has been designated by the brokerage firm,
44 including but not limited to a broker or managing broker of the
45 brokerage firm, to solely represent the seller as the seller’s agent in a
46 particular real estate transaction.

47 “Disclosed dual agent” means a brokerage firm, including
48 brokers, broker-salespersons and salespersons affiliated with the

1 brokerage firm, that has an agency relationship and is working for
2 both the buyer and seller in the same transaction.

3 “Material information” means the existence or non-existence of
4 information:

5 (1) to which a reasonable person would attach importance in
6 deciding whether or how to proceed with a transaction; or

7 (2) that the agent knows or has reason to know that the recipient
8 of the information regards or is likely to regard as important in
9 deciding whether or how to proceed, although a reasonable person
10 would not so regard it.

11 “Principal” means a buyer or a seller who has an agency
12 relationship with a brokerage firm.

13 “Real estate transaction” or “transaction” means an actual or
14 prospective transaction involving a purchase, sale, option, or
15 exchange of any interest in real property, or a lease or rental of real
16 property. For purposes of P.L. , c. (C.) (pending before the
17 Legislature as this bill), a prospective transaction does not exist until
18 a written offer has been signed by at least one party.

19 “Seller” means an actual or prospective seller in a real estate
20 transaction, or an actual or prospective landlord in a real estate
21 rental or lease transaction, as applicable.

22 “Seller’s agent” means a brokerage firm, including brokers,
23 broker-salespersons and salespersons affiliated with the brokerage
24 firm, that has an agency relationship and works only with the seller
25 in a real estate transaction, and to whom the brokerage firm and its
26 brokers, broker-salespersons and salespersons owe fiduciary duties.

27 “Transaction broker” means a brokerage firm, including brokers,
28 broker-salespersons or salespersons affiliated with the brokerage
29 firm, that works with a buyer or a seller, or both, in a real estate
30 transaction without representing either party and has no agency
31 relationship and owes no fiduciary duties to either party to the
32 transaction.

33

34 2. (New section) ¹**[A]** In addition to the duties provided for
35 under current law, a¹ brokerage firm, including its brokers, broker-
36 salespersons and salespersons, when acting as a buyer’s agent,
37 seller’s agent, disclosed dual agent or designated agent, owes the
38 following duties to the brokerage firm’s principal and to all parties
39 in a transaction, which may not be waived:

40 a. ¹to strictly comply with the laws of agency and the principles
41 governing fiduciary relationships;

42 b.¹ to exercise reasonable skill and care;

43 ¹**[b.] c.**¹ to deal honestly and in good faith;

44 ¹**[c.] d.**¹ unless otherwise directed in writing by the principal,
45 to present all written offers and counteroffers in a timely manner in
46 accordance with applicable law, and to provide written confirmation
47 of receipt to the other party or its agent or transaction broker of each

1 and every written offer or counteroffer as soon as reasonably
2 practicable, regardless of whether the property is subject to an
3 existing contract for sale or the buyer is already a party to an
4 existing contract to purchase another property;

5 ¹~~【d.】~~ e.¹ where the principal is the seller in a residential real
6 estate transaction, to obtain a signed property condition disclosure
7 statement that is provided for in section 1 of P.L.1999, c.76 (C.56:8-
8 19.1), with it being required that the seller provide to the brokerage
9 firm the statement with the information filled in and signed by the
10 seller and, if the seller is not represented by a brokerage firm or
11 working with a brokerage firm that is a transaction broker, then the
12 seller shall be required to provide the statement to the buyer ¹~~【prior~~
13 ~~to there being a binding sales contract, and】~~ before the buyer
14 becomes obligated under any contract for the purchase of the property;

15 f.¹ to disclose all existing material information known by ¹~~【the~~
16 ~~seller’s agent and not apparent or readily ascertainable to a buyer】~~ a
17 real estate broker, real estate broker-salesperson, or real estate
18 salesperson acting on behalf of the brokerage firm or which a
19 reasonable effort to ascertain the information would have revealed to
20 their principal and when appropriate to any other party to the
21 transaction¹ concerning the physical condition of the property that is
22 for sale¹~~【~~. This subsection shall not be construed to imply any duty
23 to investigate matters that the brokerage firm has not agreed to
24 investigate, except as otherwise required by law¹~~】~~;

25 ¹~~【e.】~~ g.¹ to provide an accounting to the principal as necessary
26 in a timely manner for all money and property received from or on
27 behalf of any party to the transaction;

28 ¹~~【f.】~~ h.¹ in a residential real estate transaction, to provide the
29 consumer information statement in the form required by the New
30 Jersey Real Estate Commission and obtain a signed acknowledgment
31 of receipt of same by the party. The statement shall be included as
32 part of the brokerage services agreement. The statement shall be
33 provided to:

34 (1) any party to whom the broker renders real estate brokerage
35 services as soon as reasonably practical but no later than at the time
36 the party signs a brokerage services agreement; and

37 (2) any party not represented by a brokerage firm in a transaction
38 before the party signs an offer or as soon as reasonably practical
39 thereafter;

40 ¹~~【g.】~~ i.¹ to disclose in writing as soon as reasonably practical
41 but no later than at the time the brokerage firm's principal signs a
42 brokerage service agreement:

43 (1) whether the brokerage firm is acting as the buyer’s agent, the
44 seller’s agent, a disclosed dual agent, a designated agent, or a
45 transaction broker. The disclosure shall be set forth in a separate
46 paragraph titled “Agency Disclosure” in a brokerage services

1 agreement prepared by the brokerage firm between the principal and
2 the brokerage firm or in a separate writing titled “Agency
3 Disclosure” signed by the principal; and

4 (2) the terms of compensation, if any, offered by a party or the
5 brokerage firm to another brokerage firm representing a different
6 party; and

7 ¹[h.]_{j.}¹ to undertake a reasonable effort to obtain material
8 information concerning the condition of every property for which
9 the brokerage firm accepts an agency relationship or is retained to
10 market as a transaction broker, and concerning the financial
11 qualifications of every person for whom the brokerage firm submits
12 an offer to the brokerage firm’s principal, provided that the broker,
13 broker-salesperson or salesperson at the brokerage firm who
14 undertakes the reasonable efforts shall not be held to a standard of a
15 licensed property inspector unless that broker, broker-salesperson or
16 salesperson is separately licensed as a property inspector.

17

18 3. (New section) a. A brokerage firm, including brokers,
19 broker-salespersons and salespersons affiliated with the brokerage
20 firm, that performs real estate brokerage services for a buyer is a
21 buyer’s agent unless:

22 (1) a brokerage firm, including brokers, broker-salespersons and
23 salespersons affiliated with the brokerage firm, represents the seller
24 pursuant to a brokerage services agreement between the brokerage
25 firm and the seller, in which case the brokerage firm, including the
26 brokers, broker-salespersons and salespersons, is a seller’s agent;

27 (2) a brokerage firm, including brokers, broker-salespersons and
28 salespersons affiliated with the brokerage firm, represents the seller
29 pursuant to a brokerage services agreement between the brokerage
30 firm and the seller, and the brokerage firm, including the same
31 broker, broker-salesperson or salesperson or a different broker,
32 broker-salesperson or salesperson affiliated with the same brokerage
33 firm in a residential real estate transaction or otherwise represents
34 the buyer in a commercial real estate transaction, represents the
35 buyer pursuant to a brokerage services agreement between the
36 brokerage firm and the buyer, in which case the brokerage firm,
37 including the broker, broker-salesperson, salesperson or brokers,
38 broker-salespersons or salespersons, as applicable, is a disclosed
39 dual agent;

40 (3) the brokerage firm, including a broker, broker-salesperson or
41 salesperson affiliated with the brokerage firm, has agreed to work
42 with the buyer pursuant to a brokerage services agreement between
43 the brokerage firm and the buyer in a residential real estate
44 transaction or otherwise represents the buyer in a commercial real
45 estate transaction as a transaction broker; or

46 (4) the broker, broker-salesperson or salesperson affiliated with
47 the brokerage firm is the seller or one of the sellers.

1 b. (1) In a residential real estate transaction, a brokerage firm
2 shall enter into a brokerage services agreement with the buyer
3 before, or as soon as reasonably practical after, the firm commences
4 rendering real estate brokerage services to, or on behalf of, the
5 buyer. A brokerage services agreement shall not be required
6 between a brokerage firm and a buyer in a commercial real estate
7 transaction.

8 (2) The brokerage services agreement shall include the
9 following:

10 (a) the term of the brokerage services agreement, including, if
11 applicable, the period after the termination of the agreement that the
12 brokerage firm will be protected as provided in the agreement with
13 regard to any properties that a broker, broker-salesperson or
14 salesperson from the brokerage firm introduced to the buyer during
15 the term of the agreement;

16 (b) that the brokerage firm is appointed as an agent for the buyer;

17 (c) if the agency relationship is exclusive or nonexclusive;

18 (d) if the buyer consents to the brokerage firm acting as a
19 disclosed dual agent or designated agent, which, if consent is
20 granted, shall be in the brokerage services agreement or another
21 document requiring separate initialization or signature by the buyer
22 and include an acknowledgment from the buyer that a disclosed dual
23 agent shall not advocate terms favorable to one principal to the
24 detriment of the other principal;

25 (e) if the buyer consents, as demonstrated by initialization or
26 signature, to the broker or a managing broker for the brokerage firm,
27 or a broker, broker-salesperson or salesperson appointed by the
28 broker or managing broker, being an agent for the buyer to act as a
29 disclosed dual agent in a transaction in which the same broker,
30 broker-salesperson or salesperson or different brokers, broker-
31 salespersons or salespersons, as applicable, affiliated with the
32 brokerage firm represent different parties; ¹~~and~~¹

33 (f) the brokerage firm's compensation ¹, how the compensation
34 will be calculated,¹ and if the compensation is to be shared with
35 another brokerage firm that may have a brokerage relationship with
36 another party to the transaction¹; and

37 (g) a disclosure expressly stating that broker compensation is
38 fully negotiable and not set by law¹.

39 c. A brokerage firm may work with a party in separate
40 transactions pursuant to different or the same agency relationships,
41 including, but not limited to, representing a party in one transaction
42 and at the same time representing that party in a different
43 transaction, if the broker complies with P.L. , c. (C.)
44 (pending before the Legislature as this bill) in establishing the
45 relationships for each transaction, even if the other transaction is a
46 related transaction.

1 4. (New section) a. ¹~~【Unless additional duties are agreed to in~~
2 writing signed by a buyer's agent or other authorized representative
3 of the brokerage firm】 In addition to the duties provided for under
4 current law¹, the duties of a buyer's agent ¹~~【are limited to】~~ shall
5 include¹ the following, which may not be waived, except as
6 expressly set forth in paragraphs (4) and (5) of this subsection:

7 (1) to be loyal to the buyer by taking no action that is adverse or
8 detrimental to the buyer's interest in a transaction ¹and to exercise
9 primary devotion to the buyer's interests¹;

10 (2) to timely disclose to the buyer any ¹actual or potential¹
11 conflicts of interest ¹which the buyer's agent may reasonably
12 anticipate¹;

13 (3) to advise the buyer to seek expert advice on matters relating
14 to the transaction that are beyond the agent's expertise;

15 (4) to not disclose confidential information from or about the
16 buyer, except under subpoena, court order or otherwise as provided
17 by law, or as expressly authorized by the buyer, even after
18 termination of the agency relationship; ¹~~【and】~~¹

19 (5) unless otherwise agreed to in writing, to make a good faith
20 and continuous effort to find a property for the buyer, except that a
21 buyer's agent is not obligated to seek additional properties to
22 purchase while the buyer is a party to an existing contract to
23 purchase that is no longer subject to the attorney-review period, if
24 applicable¹; and

25 (6) any additional duties that are agreed to in writing signed by a
26 buyer's agent or other authorized representative of the brokerage
27 firm¹.

28 b. (1) The showing of a property in which a buyer is interested
29 to other prospective buyers by a buyer's agent shall not breach the
30 duty of loyalty to the buyer or create a conflict of interest.

31 (2) The representation of or acting as a transaction broker with
32 more than one buyer by a brokerage firm, including different
33 brokers, broker-salespersons or salespersons affiliated with the
34 brokerage firm, in competing transactions involving the same
35 property does not breach the duty of loyalty to the buyer or create a
36 conflict of interest.

37

38 5. (New section) a. A brokerage firm, including brokers,
39 broker-salespersons and salespersons affiliated with the brokerage
40 firm, that performs real estate brokerage services for a seller is a
41 seller's agent unless:

42 (1) a brokerage firm, including brokers, broker-salespersons and
43 salespersons affiliated with the brokerage firm, represents the buyer
44 pursuant to a brokerage services agreement between the brokerage
45 firm and the buyer in a residential real estate transaction or
46 otherwise represents the buyer in a commercial real estate

1 transaction, in which case the brokerage firm, including the brokers,
2 broker-salespersons and salespersons, is a buyer's agent;

3 (2) a brokerage firm, including brokers, broker-salespersons and
4 salespersons affiliated with the brokerage firm, represents the buyer
5 pursuant to a brokerage services agreement between the brokerage
6 firm and the buyer in a residential real estate transaction or
7 otherwise represents the buyer in a commercial real estate
8 transaction, and the brokerage firm, including the same broker,
9 broker-salesperson or salesperson or a different broker, broker-
10 salesperson or salesperson represents the seller pursuant to a
11 brokerage services agreement between the brokerage firm and the
12 seller, in which case the brokerage firm, including the broker,
13 broker-salesperson or salesperson or brokers, broker-salespersons or
14 salespersons, as applicable, is a disclosed dual agent;

15 (3) the brokerage firm, including a broker, broker-salesperson or
16 salesperson affiliated with the brokerage firm, has agreed to work
17 with the seller pursuant to brokerage services agreement between the
18 brokerage firm and the seller as a transaction broker; or

19 (4) the broker, broker-salesperson or salesperson affiliated with
20 the brokerage firm is the buyer or one of the buyers.

21 b. (1) A brokerage firm shall enter into a brokerage services
22 agreement with the seller before, or as soon as reasonably practical
23 after, it commences rendering real estate brokerage services to, or on
24 behalf of, the seller.

25 (2) The brokerage services agreement shall include the
26 following:

27 (a) the term of the brokerage services agreement, including, if
28 applicable, the period after the termination of the agreement that the
29 brokerage firm will be protected as provided in the agreement with
30 regard to any properties that a broker, broker-salesperson or
31 salesperson from the brokerage firm introduced to the seller during
32 the term of the agreement;

33 (b) the brokerage firm is appointed as an agent for the seller;

34 (c) if the agency relationship is exclusive or nonexclusive, and
35 shall include an option for the seller to select if the relationship is
36 exclusive or nonexclusive;

37 (d) if the seller consents to the brokerage firm acting as a
38 disclosed dual agent or designated agent, which, if consent is
39 granted, shall be in the brokerage services agreement or in another
40 document requiring separate initialization or signature by the seller
41 and include an acknowledgment from the seller that a disclosed dual
42 agent shall not advocate terms favorable to one principal to the
43 detriment of the other principal;

44 (e) if the seller consents, as demonstrated by initialization or
45 signature, to the broker or a managing broker for the brokerage firm,
46 or a broker, broker-salesperson or salesperson appointed by the
47 broker or managing broker, being an agent for the seller to act as a
48 disclosed dual agent in a transaction in which the same broker,

1 broker-salesperson or salesperson or different brokers, broker-
2 salespersons or salespersons, as applicable, affiliated with the
3 brokerage firm represent different parties;

4 (f) the brokerage firm's compensation¹, how the compensation
5 will be calculated,¹ and if the compensation will be shared with
6 another brokerage firm that may have a brokerage relationship with
7 another party to the transaction; and

8 (g) whether a notice on the property to be sold will be circulated in
9 a ¹Multiple Listing Service database established to provide data
10 about properties for sale, such as a multiple listing service,¹ of which
11 the brokerage firm is a member, except that the seller's agent shall not
12 submit any notice to the service stating whether the seller authorized
13 the sharing of the compensation of the seller's agent with cooperating
14 sub-agents, transaction brokers, or the buyer's agents, or the amount of
15 the shared compensation to any service that prohibits an offer from
16 being displayed.

17 c. A brokerage firm may work with a party in separate
18 transactions pursuant to different or same agency relationships,
19 including, but not limited to, representing a party in one transaction
20 and at the same time representing that party in a different
21 transaction, if the broker complies with P.L. , c. (C.)
22 (pending before the Legislature as this bill) in establishing the
23 relationships for each transaction, even if the other transaction is a
24 related transaction.

25

26 6. (New section) a. ¹Unless additional duties are agreed to in
27 writing signed by a seller's agent or other authorized representative
28 of the brokerage firm In addition to the duties provided for under
29 current law¹, the duties of a seller's agent ¹are limited to shall
30 include¹ the following, which may not be waived, except as
31 expressly set forth in paragraphs (4) and (5) of this subsection:

32 (1) to be loyal to the seller by taking no action that is adverse or
33 detrimental to the seller's interest in a transaction ¹and to exercise
34 primary devotion to the seller's interests¹;

35 (2) to timely disclose to the seller any ¹actual or potential
36 conflicts of interest ¹which the seller's agent may reasonably
37 anticipate¹;

38 (3) to advise the seller to seek expert advice on matters relating
39 to the transaction that are beyond the agent's expertise;

40 (4) not to disclose any confidential information from or about the
41 seller, except under subpoena, court order or otherwise as provided
42 by law, or as expressly authorized by the seller, even after
43 termination of the agency relationship; ¹and¹

44 (5) unless otherwise agreed to in writing, to make a good faith
45 and continuous effort to find a buyer for the property, except that a
46 seller's agent is not obligated to seek additional offers to purchase
47 the property while the property is subject to an existing contract for

1 sale that is no longer subject to the attorney-review period, if
2 applicable¹; and

3 (6) any additional duties that are agreed to in writing signed by a
4 seller's agent or other authorized representative of the brokerage
5 firm¹.

6 b. (1) The showing of properties not owned by the seller to
7 prospective buyers or the listing of competing properties for sale by
8 a seller's agent does not breach the duty of loyalty to the seller or
9 create a conflict of interest.

10 (2) The representation of or acting as a transaction broker with
11 more than one seller by a brokerage firm, including different
12 brokers, broker-salespersons or salespersons affiliated with the
13 brokerage firm, in competing transactions involving the same buyer
14 does not breach the duty of loyalty to the seller or create a conflict
15 of interest.

16
17 7. (New section) a. A brokerage firm, including its brokers,
18 broker-salespersons and salespersons, may act as a disclosed dual
19 agent only with the informed consent of both parties to the transaction
20 as set forth in brokerage services agreements signed by the buyer and
21 the seller, respectively, in a residential real estate transaction or
22 otherwise in writing in a commercial real estate transaction.

23 b. ¹~~【Unless additional duties are agreed to in writings signed by a~~
24 ~~disclosed dual agent or an authorized representative of the brokerage~~
25 ~~firm and each of the parties】~~ In addition to the duties provided for
26 under current law¹, the duties of a disclosed dual agent ¹~~【are limited~~
27 ~~to】~~ shall include¹ the following, which may not be waived, except as
28 expressly set forth in paragraphs (4), (5) and (6) of this subsection:

29 (1) to take no action that is adverse or detrimental to either party's
30 interest in a transaction;

31 (2) to timely disclose to both parties any ¹actual or potential¹
32 conflicts of interest ¹which the disclosed dual agent may reasonably
33 anticipate¹;

34 (3) to advise both parties to seek expert advice on matters
35 relating to the transaction that are beyond the disclosed dual agent's
36 expertise;

37 (4) not to disclose any confidential information from or about
38 either party, except under subpoena, court order or otherwise as
39 provided by law, or as expressly authorized by the party, even after
40 termination of the agency relationship;

41 (5) unless otherwise agreed to in writing with the seller, to make
42 a good faith and continuous effort to find a buyer for the property,
43 except that a disclosed dual agent is not obligated to seek additional
44 offers to purchase the property while the property is subject to an
45 existing contract for sale that is no longer subject to the attorney-
46 review period; ¹~~【and】~~¹

1 (6) unless otherwise agreed to in writing with the buyer, to make
2 a good faith and continuous effort to find a property for the buyer,
3 except that a disclosed dual agent is not obligated to seek additional
4 properties to purchase while the buyer is a party to an existing
5 contract to purchase that is no longer subject to the attorney-review
6 period, if applicable¹; and

7 (7) any additional duties that are agreed to in writings signed by
8 a disclosed dual agent or an authorized representative of the
9 brokerage firm and each of the parties¹.

10 c. Notwithstanding any provision of chapter 15 of Title 45 of
11 the Revised Statutes or any other law, rule, or regulation to the
12 contrary, including but not limited to, subsection i. of R.S.45:15-17,
13 a broker, broker-salesperson or salesperson acting as a disclosed
14 dual agent in a real estate transaction shall be deemed to be acting in
15 the same capacity with the buyer and the seller as a dual agent and
16 may receive compensation through its brokerage firm from either or
17 both the buyer and seller provided that the sources and amounts of
18 compensation are disclosed in writing to the buyer and the seller.

19 d. (1) The showing of properties not owned by the seller to
20 prospective buyers or the listing of competing properties for sale by
21 a disclosed dual agent does not constitute action that is adverse or
22 detrimental to the seller or create a conflict of interest.

23 (2) The representation of or acting as a transaction broker with
24 more than one seller by different brokers, broker-salespersons or
25 salespersons licensed with the same brokerage firm in competing
26 transactions involving the same buyer does not constitute action that
27 is adverse or detrimental to the seller or create a conflict of interest.

28 e. (1) The showing of property in which a buyer is
29 interested to other prospective buyers or the presentation of
30 additional offers to purchase property while the property is subject
31 to a transaction in which a disclosed dual agent is involved does not
32 constitute action that is adverse or detrimental to the buyer or create
33 a conflict of interest.

34 (2) The representation of or acting as a transaction broker with
35 more than one buyer by the brokerage firm, including different
36 brokers, broker-salespersons or salespersons affiliated with the
37 brokerage firm, in competing transactions involving the same
38 property does not constitute action that is adverse or detrimental to
39 the buyer or create a conflict of interest.

40
41 8. (New section) a. In a transaction in which a different
42 broker, broker-salesperson or salesperson is designated as a
43 designated agent by a brokerage firm, including but not limited to by
44 the broker or a managing broker affiliated with the brokerage firm,
45 the broker, broker-salespersons or salespersons, as applicable, shall
46 be designated agents. Each designated agent shall solely represent
47 the party with whom the designated agent has an agency
48 relationship.

1 (1) For the purposes of designated agency, the seller's
2 designated agent and the buyer's designated agent are not dual
3 agents and owe fiduciary duties solely to their respective principals.

4 (2) In order for a designated agency relationship to take effect,
5 the brokerage firm shall enter into a written designated agency
6 agreement that may be incorporated into the brokerage services
7 agreement with each of the parties in a residential real estate
8 transaction or otherwise in a written agreement with each of the
9 parties in a commercial transaction that includes the informed,
10 written consent of each of parties to the transaction.

11 b. Notwithstanding any provision of chapter 15 of Title 45 of
12 the Revised Statutes or any other law, rule, or regulation to the
13 contrary, including but not limited to subsection i. of R.S.45:15-17,
14 a broker-salesperson or salesperson acting as a designated agent in a
15 real estate transaction shall be deemed to be acting in the same
16 capacity with the buyer and the seller as a designated agent and may
17 receive compensation through its brokerage firm from either or both
18 the buyer and the seller provided that the sources and amounts of
19 compensation are disclosed in writing to the buyer and the seller.

20

21 9. (New section) a. A brokerage firm, including brokers,
22 broker-salespersons and salespersons affiliated with the brokerage
23 firm, that has been engaged as a transaction broker by a buyer, a
24 seller, or both, shall not act as an agent for and shall not represent
25 any party in the transaction; shall not promote the interest of one
26 party over the interest of the other party; and shall not be required to
27 keep any information confidential.

28 b. ¹Unless additional duties are agreed to in writings signed by
29 the transaction broker or other authorized representative of the
30 brokerage firm **】** In addition to the duties provided for under current
31 law¹, a transaction broker's duties ¹**【are limited to】** shall include¹ the
32 following:

33 (1) to perform the terms of any brokerage service agreement
34 made with any party to the transaction;

35 (2) to ensure, when working with a seller, that the brokerage
36 service agreement states whether a notice on the property to be sold
37 will be circulated in a ¹**【Multiple Listing Service】** database
38 established to provide data about properties for sale, such as a multiple
39 listing service,¹ of which the brokerage firm is a member, except that
40 the seller's agent shall not submit any notice to the service stating
41 whether the seller authorized the sharing of the compensation of the
42 seller's agent with cooperating sub-agents, transaction brokers, or
43 the buyer's agents, or the amount of the shared compensation to any
44 service that prohibits an offer from being displayed;

45 (3) to treat all parties honestly and act in a competent manner;

46 (4) to locate qualified buyers for a seller or suitable properties
47 for a buyer;

1 (5) unless otherwise directed in writing by the principal, to
2 present all written offers and counteroffers in a timely manner in
3 accordance with applicable law, and to provide written confirmation
4 of receipt to the other party or its agent or transaction broker of each
5 and every written offer or counteroffer as soon as reasonably
6 practicable, regardless of whether the property is subject to an
7 existing contract of sale or the buyer is already a party to an existing
8 contract to purchase another property;

9 (6) to keep the parties fully informed regarding the transaction;

10 (7) to communicate and work with all parties in an effort to
11 arrive at an acceptable agreement without providing advice to any
12 party on how to gain an advantage at the expense of the other party;

13 (8) to advise the parties to seek expert advice on matters relating
14 to the transaction; ¹**[and]**¹

15 (9) to manage the transaction and perform tasks to facilitate the
16 closing of the transaction¹; and

17 (10) any additional duties that are agreed to in writings signed by
18 the transaction broker or other authorized representative of the
19 brokerage firm¹.

20 c. The showing of alternate properties not owned by the seller
21 to a buyer shall not breach any duties or create a conflict of interest.

22 d. The showing of a property in which a buyer is interested to
23 other prospective buyers shall not breach any duties or create a
24 conflict of interest.

25
26 10. (New section) a. The agency or transaction broker
27 relationships established pursuant to this chapter shall continue until
28 the earliest of the following:

29 (1) completion of performance by the brokerage firm;

30 (2) expiration of the term agreed upon by the parties;

31 (3) termination of the relationship by mutual agreement of the
32 parties; or

33 (4) termination of the relationship by written notice from either
34 party to the other as provided in the brokerage services agreement, if
35 applicable, except that a termination does not otherwise affect the
36 contractual rights of either party.

37 b. If the agency or transaction broker relationship is being
38 terminated pursuant to paragraphs (3) or (4) of subsection a. of this
39 section, written confirmation of termination shall be required for the
40 termination to take effect. Written confirmation of termination shall
41 not be required for the termination to take effect pursuant to
42 paragraphs (1) or (2) of subsection a. of this section.

43 c. Except as otherwise agreed to in writing, a brokerage firm
44 shall owe no further duty or other responsibility after termination of
45 the agency or transaction broker relationship, other than the duty:

46 (1) to provide an accounting to its principal as necessary in a
47 timely manner for all moneys and property received from or on
48 behalf of any party to the transaction; and

1 (2) to not disclose confidential information if there was an
2 agency relationship, except under subpoena, court order or otherwise
3 as provided by law, or as expressly authorized by the applicable
4 party.

5 d. With respect to the termination of disclosed dual agent
6 relationships, absent a termination by expiration or fulfillment by a
7 completed closing, brokerage services agreements between a
8 disclosed dual agent and a buyer and a seller shall otherwise only be
9 terminated in writing signed by the buyer or seller, as applicable,
10 with confirmed delivery to the disclosed dual agent.

11

12 11. (New section) a. In any real estate transaction, a brokerage
13 firm's compensation may be paid by one or more of the following:
14 the seller; the buyer; a third party; or by sharing the compensation
15 between brokerage firms. Agreements on compensation shall be in
16 writing signed by the seller or buyer, as applicable.

17 b. An agreement to pay or payment of compensation shall not
18 establish an agency relationship between the party who paid the
19 compensation and the brokerage firm.

20 c. A seller may agree that a seller's agent's or transaction
21 broker's brokerage firm may share with another brokerage firm the
22 compensation paid by the seller, provided that this type of agreement
23 is in writing and signed by the seller.

24 d. A buyer may agree that a buyer's agent's or transaction
25 broker's brokerage firm may share with another brokerage firm the
26 compensation paid by the buyer, provided that this type of
27 agreement is in writing and signed by the buyer.

28 e. Notwithstanding any provision of chapter 15 of Title 45 of
29 the Revised Statutes or any other law, rule, or regulation to the
30 contrary, including but not limited to subsection i. of R.S.45:15-17,
31 a brokerage firm may be compensated by more than one party for
32 real estate brokerage services in a real estate transaction regardless
33 of the agency or transaction broker relationship the brokerage firm
34 has with the parties.

35 f. A brokerage firm may receive compensation based upon a
36 flat fee arrangement, a percentage of the purchase price or ¹[some]¹
37 other method ¹permitted by law¹, all of which shall be a commission
38 payment for any real estate brokerage services rendered, without
39 breaching any duty to the buyer or seller.

40 g. To receive compensation for rendering real estate brokerage
41 services from any party, firm or third party, a brokerage firm shall
42 have a written brokerage services agreement with the buyer or the
43 seller, as applicable, in a residential real estate transaction and a
44 written brokerage services agreement with the seller but not with the
45 buyer in a commercial real estate transaction containing the
46 following:

47 (1) the terms of compensation, including:

1 (a) the amount the principal agrees to compensate the brokerage
2 firm;

3 (b) the principal's consent, if any, and any terms of the consent,
4 to compensation sharing between brokerage firms and parties
5 sharing the payment of the compensation; and

6 (c) the principal's consent, if any, and any terms of consent, to
7 compensation of the brokerage firm by more than one party; and

8 (2) in a brokerage services agreement with a buyer, if there is no
9 agreement or offer or a limited offer by any other party or brokerage
10 firm to pay compensation to the brokerage firm, if the buyer will pay
11 the difference between the offer and the compensation the buyer has
12 agreed is due to the buyer's agent and, if not, the buyer's agreement
13 as to how to proceed in this situation, including, but not limited to,
14 directing the buyer's agent not to introduce the buyer to properties
15 where the seller is not offering compensation or is offering less
16 compensation to the buyer's agent than the buyer agreed is due to
17 the buyer's agent.

18 h. A brokerage firm may receive compensation, which shall be
19 deemed to be the payment of a commission, without a brokerage
20 services agreement for the provision of a broker's price opinion;
21 comparative market analysis; or a referral by one firm to another
22 firm if the referring firm provided no real estate brokerage services
23 in the transaction.

24
25 12. (New section) a. A principal shall not be liable for an act,
26 error or omission by an agent or transaction broker of the principal
27 arising out of their relationship:

28 (1) unless the principal participated in or authorized the act, error
29 or omission.

30 (2) except to the extent that the principal benefited from the act,
31 error or omission, in which case the principal's liability shall be
32 limited to the monetary amount of the benefit unless some form of
33 punitive damages are awarded.

34 b. A brokerage firm shall not be liable for information that is to
35 be disclosed by a seller in a property condition disclosure statement
36 that is provided for in section 1 of P.L.1999, c.76 (C.56:8-19.1) or
37 otherwise by law or that the brokerage firm requested the seller to
38 provide and was not provided to the brokerage firm¹; provided a real
39 estate broker, real estate broker-salesperson, or real estate salesperson
40 acting on behalf of the brokerage firm made reasonable efforts to
41 ascertain all material information concerning the physical condition,
42 including but not limited to making inquiries to the seller about any
43 physical conditions that may affect the property and performing a
44 visual inspection of the property to determine if there are any readily
45 observable physical conditions affecting the property, and made
46 disclosure of such information to appropriate parties to a transaction as
47 required by law¹.

1 13. (New section) Unless otherwise agreed to in writing, a
2 principal may not be charged with knowledge or notice of any facts
3 known by a brokerage firm representing or working with the
4 principal that are not actually known by the principal ¹[and a]. A¹
5 brokerage firm representing or working with the principal may not
6 be charged with knowledge or notice of any facts known by the
7 principal that are not actually known by the brokerage firm¹;
8 provided a real estate broker, real estate broker-salesperson, or real
9 estate salesperson acting on behalf of the brokerage firm made
10 reasonable efforts to ascertain all material information concerning the
11 physical condition, including but not limited to making inquiries to the
12 seller about any physical conditions that may affect the property and
13 performing a visual inspection of the property to determine if there are
14 any readily observable physical conditions affecting the property¹.
15

16 14. (New section) a. At any residential property showing that is
17 generally open to the public, a sign shall be posted at the entrance or
18 at a sign-in sheet clearly advising prospective buyers that the
19 brokerage firm hosting the real estate open house represents the
20 seller only and has no relationship with the prospective buyer,
21 except if the buyer does not have an exclusive buyer agency
22 agreement with another brokerage firm and agrees to the seller's
23 agent becoming a disclosed dual agent or designated agent.

24 b. For the avoidance of doubt and to ensure uniformity at public
25 real estate open houses across the State, the sign shall clearly read:
26 "ATTENTION PROSPECTIVE PURCHASERS - PLEASE READ
27 THIS SIGN CAREFULLY. This is to advise you that the agent who
28 is conducting this Open House REPRESENTS THE SELLER AND
29 IS REQUIRED BY LAW TO PROMOTE THE INTERESTS OF
30 THE SELLER. ANY INFORMATION YOU GIVE THIS AGENT
31 IS NOT CONSIDERED CONFIDENTIAL under New Jersey law
32 and could be disclosed to the Seller of this property. You, as the
33 Buyer, are entitled to have someone represent you as a Buyer's
34 Agent if you are interested in this property. The duties of a Buyer's
35 Agent include helping you evaluate the property, prepare an offer on
36 the property and negotiate in your best interests. If you, as the
37 Buyer, are already exclusively represented by a Buyer's Agent, you
38 are required to disclose this representation on the sign-in sheet. If
39 you, as the Buyer, are not already exclusively represented by a
40 Buyer's Agent, please be advised that the Open House agent is not
41 precluded from being a disclosed dual agent or designated agent and
42 can enter into any relationship with you as explained in the
43 Consumer Information Statement."
44

45 15. (New section) ¹[Notwithstanding the provisions of P.L. , c.
46 (C.) (pending before the Legislature as this bill), the] The¹
47 New Jersey Real Estate Commission may promulgate regulations

1 ¹pursuant to the “Administrative Procedure Act,” P.L.1968, c.410
2 (C.52:14B-1 et seq.) to effectuate the purposes of P.L. _____, c.
3 (C. _____) (pending before the Legislature as this bill), including
4 regulations¹ to address other types of agency or business
5 relationships for real estate brokerage firms.

6
7 16. Section 27 of P.L.2009, c.238 (C.45:15-16.2e) is amended to
8 read as follows:

9 27. a. Not less than 50 percent of the continuing education
10 courses of study that a broker, broker-salesperson or salesperson are
11 required to complete as a condition for license renewal shall be
12 comprised of one or more of the following core topics:

- 13 (1) Agency;
- 14 (2) Disclosure;
- 15 (3) Legal issues;
- 16 (4) Ethics, which shall not be less than two hours;
- 17 (5) Fair housing;
- 18 (6) Rules and regulations;
- 19 (7) Real estate licensee safety;
- 20 (8) Financial literacy and planning; and
- 21 (9) Any other core topics that the New Jersey Real Estate
22 Commission may prescribe by rule.

23 In no event shall the commission require that courses in these
24 core topics comprise more than 60 percent of the total continuing
25 education hours required for the renewal of any license.

26 b. In the case of continuing education courses and programs,
27 each hour of instruction shall be equivalent to one credit.

28 c. Notwithstanding the provisions of subsection a. of this
29 section, the commission shall require that the continuing education
30 courses of study that a broker, broker-salesperson or salesperson are
31 required to complete as a condition for license renewal shall be
32 comprised of at least one hour on the core topic of fair housing and
33 housing discrimination during each biennial license term.

34 d. Notwithstanding the provisions of subsection a. of this
35 section, the commission shall require that a continuing education
36 course on agency be completed by a broker, broker-salesperson and
37 salesperson as a condition for license renewal during each biennial
38 license term.

39 (cf: P.L.2019, c.177, s.2)

40
41 ¹17. The rights, remedies, and prohibitions accorded by the
42 provisions of P.L. _____, c. _____ (C. _____) (pending before the Legislature as
43 this bill), are hereby declared to be in addition to and cumulative of
44 any other right, remedy, or prohibition accorded by the common
45 law or statutes of the United States or of this State, and nothing
46 herein shall be construed to deny, abrogate, or impair any such
47 common law or statutory right, remedy, or prohibition.¹

1 ¹~~17.~~ 18.¹ This act shall take effect on August 1, 2024.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4454

STATE OF NEW JERSEY

DATED: JUNE 7, 2024

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No. 4454.

This bill incorporates certain protections for consumers regarding residential real estate transactions and certain aspects of commercial real estate transactions. Specifically, the bill incorporates into current law the responsibilities to a consumer of a brokerage firm; a buyer's agent; a seller's agent; a dual agent; a designated agent; and a transaction broker. Additionally, the bill establishes the circumstances under which an individual is a buyer's agent and under which an individual is a seller's agent and delineates the terms of the broker agreement between the agent and a consumer.

The bill also stipulates that a seller's agent is not required to submit any notice to a Multiple Listing Service stating that a seller has authorized the sharing of the compensation for the seller's agent with cooperating subagents, transaction brokers or a buyer's agent, or the amount of compensation to any Multiple Listing Service. Under the bill, a statement regarding a property is required for prospective buyers to see and is to be posted at open houses for the property. Lastly, the continuing education requirements of licensees to the Real Estate Commission are to include at least one hour on agency per biennial renewal period.

As reported by the committee, Assembly Bill No. 4454 is identical to Senate Bill No. 3192, which was also reported by the committee on this date.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4454

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 26, 2024

The Assembly Budget Committee reports favorably and with committee amendments Assembly Bill No. 4454.

As amended, this bill incorporates certain protections for consumers regarding residential real estate transactions and certain aspects of commercial real estate transactions. Specifically, the bill incorporates into current law the responsibilities to a consumer of: a brokerage firm; a buyer's agent; a seller's agent; a dual agent; a designated agent; and a transaction broker. Additionally, the bill establishes the circumstances under which an individual is a buyer's agent and under which an individual is a seller's agent and delineates the terms of the broker agreement between the agent and a consumer.

The bill also stipulates that a seller's agent is not required to submit any notice to a database, which may include a multiple listing service, stating that a seller has authorized the sharing of the compensation for the seller's agent with cooperating subagents, transaction brokers or a buyer's agent, or the amount of compensation to any database providing data about properties for sale. Under the bill, a statement regarding a property is required for prospective buyers to see and is to be posted at open houses for the property. Lastly, the continuing education requirements of licensees to the Real Estate Commission are to include at least one hour on agency per biennial renewal period.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- (1) clarify the meaning of "agent";
- (2) clarify that a brokerage firm has a duty to strictly comply with the laws of agency and the principles governing fiduciary relationships;
- (3) require that a signed property condition disclosure statement be provided to a property buyer before the buyer becomes obligated under contract to purchase the property, if a seller is not represented by a brokerage firm or a brokerage firm that is a transaction broker;
- (4) require that a brokerage firm disclose all existing material information known by the firm, or which can be ascertained by the

firm's principal, concerning the physical condition of the property to the principal;

(5) revise the terms of brokerage service agreements between a brokerage firm and a property buyer or seller;

(6) revise the duties of a property buyer's agent and a property seller's agent;

(7) revise the duties of a brokerage firm acting as a disclosed dual agent or transaction broker;

(8) clarify the circumstances in which a brokerage firm will not be liable for information that is to be disclosed by a property seller in a property condition disclosure statement;

(9) clarify the circumstances in which a brokerage firm representing or working with a principal may not be charged with knowledge or notice of any facts known by the principal that are not actually known by the brokerage firm;

(10) state that the rights, remedies, and prohibitions accorded by the provisions of this bill are in addition to any other right, remedy, or prohibition accorded by common law or the statutes of the United States or this State; and

(11) make certain technical changes.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

Governor Murphy Takes Action on Legislation

07/10/2024

TRENTON – Today, Governor Murphy signed the following bills into law:

S-2792/A-3697 (Cruz-Perez, Turner/Spearman, Park, Simmons) - Appropriates \$500,000 from constitutionally dedicated CBT revenues and "2009 Farmland Preservation Fund" to State Agriculture Development Committee for municipal planning incentive grants for farmland preservation purposes

S-2793/A-3698 (Cruz-Perez, Turner/Reynolds-Jackson, Fantasia, Stanley) - Appropriates \$1.723 million from constitutionally dedicated CBT revenues and "2009 Farmland Preservation Fund" to State Agriculture Development Committee for grants to certain nonprofit organizations for farmland preservation purposes

S-2825/A-3906 (Gopal/Peterpaul, Donlon, Flynn) - Removes time limitation on issuance of additional alcoholic beverage licenses within boundaries of former federal military installations

S-3192/A-4454 (Diegnan, Moriarty/Freiman, Pintor Marin, DiMaio) - "Real Estate Consumer Protection Enhancement Act"

S-3275/A-4448 (Gopal, McKeon/Donlon, Pintor Marin, Wimberly) - Revises various provisions of film and digital media content production tax credit program

S-3371/A-4457 (Pou, Singer/Freiman) - Revises limits for net cash surrender and net cash withdrawal values for certain annuity policies and contracts from \$100,000 to \$250,000

S-3384/A-4426 (Burzichelli, Schepisi/Katz, Atkins, Drulis) - Appropriates funds to DEP for environmental infrastructure projects for FY2025

S-3385/A-4602 (Singleton/Lopez) - Concerns deadline for municipality to report certain non-residential development fee information

S-3474/A-4570 (Greenstein/Carter, Speight, Wimberly) - Appropriates \$10,067,905 to DEP from constitutionally dedicated CBT revenues for grants to certain nonprofit entities to acquire or develop lands for recreation and conservation purposes, and for certain administrative expenses

A-1677/S-3263 (Lampitt, Bagolie, Stanley/Diegnan, Turner) - Authorizes extended terms for lease and purchase contracts for electric school buses; permits New Jersey School Boards Association to serve as government aggregator to obtain energy services for local units

A-3772/S-2334 (McCann Stamato, Sampson, Lopez/Stack, McKnight) - Revises process for property tax lien holder to foreclose right to redeem property tax lien; allows property owner to protect remaining equity

A-4046/S-3303 (Pintor Marin, Spearman/Pou, Mukherji) - Extends certain accommodations for businesses participating in State economic development programs

- A-4425/S-3383 (Ramirez, Spearman, Atkins/Gopal, Mukherji)** - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for environmental infrastructure projects for FY2025
- A-4458/S-3342 (Sumter, Sampson/Greenstein, Sarlo)** - Establishes exemptions and revises implementation timeline for requirement that newly constructed townhouses be installed with automatic fire sprinkler system
- A-4478/S-3367 (Calabrese, Karabinchak, Wimberly/Burzichelli)** - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for transportation infrastructure projects for FY2025; makes appropriation
- A-4572/S-3473 (Donlon, Sumter, Drulis/McKeon, Space)** - Appropriates \$101,696,535 from constitutionally dedicated CBT revenues to DEP for local government open space acquisition and park development projects, and for certain administrative expenses
- A-4581/S-3471 (Haider, Sampson, Tully/Mukherji, O'Scanlon)** - Authorizes NJ Infrastructure Bank to expend certain sums to make loans for Community Hazard Assistance Mitigation Program projects for FY 2025
- A-4587/S-3451 (Stanley/Cryan, Pou)** - Increases hours required for individual to obtain licensure as teacher in cosmetology and hairstyling or as massage and bodywork therapist