



Bill and Sponsors Statement identical to A2549

<b>COMMITTEE STATEMENT:</b>	<b>ASSEMBLY:</b>	No
	<b>SENATE:</b>	Yes

<b>FLOOR AMENDMENT STATEMENTS:</b>	No
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<b>LEGISLATIVE FISCAL ESTIMATE:</b>	No
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<b>VETO MESSAGE:</b>	No
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<b>GOVERNOR'S PRESS RELEASE ON SIGNING:</b>	Yes
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<b>REPORTS:</b>	No
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<b>HEARINGS:</b>	No
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<b>NEWSPAPER ARTICLES:</b>	No
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# ASSEMBLY, No. 2549

## STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED JUNE 1, 2000

**Sponsored by:**

**Assemblyman JOHN V. KELLY**

**District 36 (Bergen, Essex and Passaic)**

**SYNOPSIS**

Permits real estate brokers, broker-salespersons and salespersons to engage in certain promotions offering free or discounted products and services.

**CURRENT VERSION OF TEXT**

As introduced.



A2549 KELLY

2

1 AN ACT concerning certain real estate promotions and amending  
2 R.S.45:15-17.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. R.S.45:15-17 is amended to read as follows:

8 45:15-17. The commission may, upon its own motion, and shall,  
9 upon the verified complaint in writing of any person, investigate the  
10 actions of any real estate broker, broker-salesperson or salesperson,  
11 or any person who assumes, advertises or represents himself as being  
12 authorized to act as a real estate broker, broker-salesperson or  
13 salesperson or engages in any of the activities described in R.S.45:15-3  
14 without being licensed so to do. The lapse or suspension of a license  
15 by operation of law or the voluntary surrender of a license by a  
16 licensee shall not deprive the commission of jurisdiction to proceed  
17 with any investigation as herein provided or prevent the commission  
18 from taking any regulatory action against such licensee, provided,  
19 however, that the alleged charges arose while said licensee was duly  
20 licensed. Each transaction shall be construed as a separate offense.

21 In conducting investigations, the commission may take testimony  
22 by deposition as provided in R.S.45:15-18, require or permit any  
23 person to file a statement in writing, under oath or otherwise as the  
24 commission determines, as to all the facts and circumstances  
25 concerning the matter under investigation, and, upon its own motion  
26 or upon the request of any party, subpoena witnesses, compel their  
27 attendance, take evidence, and require the production of any material  
28 which is relevant to the investigation, including any and all records of  
29 a licensee pertaining to his activities as a real estate broker,  
30 broker-salesperson or salesperson. The commission may also require  
31 the provision of any information concerning the existence, description,  
32 nature, custody, condition and location of any books, documents, or  
33 other tangible material and the identity and location of persons having  
34 knowledge of relevant facts of any other matter reasonably calculated  
35 to lead to the discovery of material evidence. Upon failure to obey a  
36 subpoena or to answer questions posed by an investigator or legal  
37 representative of the commission and upon reasonable notice to all  
38 affected persons, the commission may commence an administrative  
39 action as provided below or apply to the Superior Court for an order  
40 compelling compliance.

41 The commission may place on probation, suspend for a period less  
42 than the unexpired portion of the license period, or may revoke any  
43 license issued under the provisions of this article, or the right of

**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 licensure when such person is no longer the holder of a license at the  
2 time of hearing, or may impose, in addition or as an alternative to such  
3 probation, revocation or suspension, a penalty of not more than  
4 \$5,000 for the first violation, and a penalty of not more than \$10,000  
5 for any subsequent violation, which penalty shall be sued for and  
6 recovered by and in the name of the commission and shall be collected  
7 and enforced by summary proceedings pursuant to ["the penalty  
8 enforcement law" (N.J.S.2A:58-1 et seq.)] the "Penalty Enforcement  
9 Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.), where the  
10 licensee or any person, in performing or attempting to perform any of  
11 the acts mentioned herein, is deemed to be guilty of:

12 a. Making any false promises or any substantial misrepresentation;  
13 or

14 b. Acting for more than one party in a transaction without the  
15 knowledge of all parties thereto; or

16 c. Pursuing a flagrant and continued course of misrepresentation  
17 or making of false promises through agents, broker-salespersons or  
18 salespersons, advertisements or otherwise; or

19 d. Failure to account for or to pay over any moneys belonging to  
20 others, coming into the possession of the licensee; or

21 e. Any conduct which demonstrates unworthiness, incompetency,  
22 bad faith or dishonesty. The failure of any person to cooperate with  
23 the commission in the performance of its duties or to comply with a  
24 subpoena issued by the commission compelling the production of  
25 materials in the course of an investigation, or the failure to give a  
26 verbal or written statement concerning a matter under investigation  
27 may be construed as conduct demonstrating unworthiness; or

28 f. Failure to provide his client with a fully executed copy of any  
29 sale or exclusive sales or rental listing contract at the time of execution  
30 thereof, or failure to specify therein a definite terminal date which  
31 terminal date shall not be subject to any qualifying terms or conditions;  
32 or

33 g. Using any plan, scheme or method for the sale or promotion of  
34 the sale of real estate which involves a lottery, a contest, a game, a  
35 prize, a drawing, or the offering of a lot or parcel or lots or parcels for  
36 advertising purposes, except that a licensee may offer to a person any  
37 promotion that includes free or discounted products or services, if the  
38 promotion does not require a sale or listing of real estate as a  
39 condition for the person's participation in the promotion; or

40 h. Being convicted of a crime, knowledge of which the commission  
41 did not have at the time of last issuing a real estate license to the  
42 licensee; or

43 i. Collecting a commission as a real estate broker in a transaction,  
44 when at the same time representing either party in a transaction in a  
45 different capacity for a consideration; or

46 j. Using any trade name or insignia of membership in any real estate

A2549 KELLY

- 1 organization of which the licensee is not a member; or
- 2 k. Paying any rebate, profit, compensation or commission to
- 3 anyone not possessed of a real estate license; or
- 4 l. Any other conduct, whether of the same or a different character
- 5 than specified in this section, which constitutes fraud or dishonest
- 6 dealing; or
- 7 m. Accepting a commission or valuable consideration as a real
- 8 estate broker-salesperson or salesperson for the performance of any of
- 9 the acts specified in this act, from any person, except his employing
- 10 broker, who must be a licensed broker; or
- 11 n. Procuring a real estate license, for himself or anyone else, by
- 12 fraud, misrepresentation or deceit; or
- 13 o. Commingling the money or other property of his principals with
- 14 his own or failure to maintain and deposit in a special account,
- 15 separate and apart from personal or other business accounts, all
- 16 moneys received by a real estate broker, acting in said capacity, or as
- 17 escrow agent, or the temporary custodian of the funds of others, in a
- 18 real estate transaction; or
- 19 p. Selling property in the ownership of which he is interested in any
- 20 manner whatsoever, unless he first discloses to the purchaser in the
- 21 contract of sale his interest therein and his status as a real estate
- 22 broker, broker-salesperson or salesperson; or
- 23 q. Purchasing any property unless he first discloses to the seller in
- 24 the contract of sale his status as a real estate broker,
- 25 broker-salesperson or salesperson; or
- 26 r. Charging or accepting any fee, commission or compensation in
- 27 exchange for providing information on purportedly available rental
- 28 housing, including lists of such units supplied verbally or in written
- 29 form, before a lease has been executed or, where no lease is drawn,
- 30 before the tenant has taken possession of the premises without
- 31 complying with all applicable rules promulgated by the commission
- 32 regulating these practices; or
- 33 s. Failing to notify the commission within 30 days of having been
- 34 convicted of any crime, misdemeanor or disorderly persons offense, or
- 35 of having been indicted, or of the filing of any formal criminal charges,
- 36 or of the suspension or revocation of any real estate license issued by
- 37 another state, or of the initiation of formal disciplinary proceedings in
- 38 another state affecting any real estate license held, or failing to supply
- 39 any documentation available to the licensee that the commission may
- 40 request in connection with such matter; or
- 41 t. The violation of any of the provisions of this article or of the
- 42 administrative rules adopted by the commission pursuant to the
- 43 provisions of this article. The commission is expressly vested with the
- 44 power and authority to make, prescribe and enforce any and all rules
- 45 and regulations for the conduct of the real estate brokerage business
- 46 consistent with the provisions of chapter 15 of Title 45 of the Revised

1 Statutes.

2 If a licensee is deemed to be guilty of a third violation of any of the  
3 provisions of this section, whether of the same provision or of separate  
4 provisions, the commission may deem that person a repeat offender,  
5 in which event the commission may direct that no license as a real  
6 estate broker, broker-salesperson or salesperson shall henceforth be  
7 issued to that person.

8 (cf: P.L.1993, c.51, s.20)

9

10 2. This act shall take effect immediately.

11

12

13

STATEMENT

14

15 This bill amends R.S.45:15-17 to permit real estate brokers, broker-  
16 salespersons and salespersons to offer free or discounted merchandise  
17 and services to their customers in a promotion, if the promotion does  
18 not require a sale or listing of real estate as a condition for a  
19 customer's participation in the promotion.

ASSEMBLY CONSUMER AFFAIRS AND REGULATED  
PROFESSIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2549**

with committee amendments

**STATE OF NEW JERSEY**

DATED: OCTOBER 12, 2000

The Assembly Consumer Affairs and Regulated Professions Committee reports favorably with committee amendments Assembly Bill No. 2549.

As amended, this bill amends R.S.45:15-17 to permit real estate brokers to offer, with proper disclosure, discounted or free services or products to consumers if the offer does not require the recipient to enter into a sale, listing or other real estate contract as a condition of the offer and the offer does not involve a lottery, a contest, a game, a drawing or the offering of a lot or parcel or lots or parcels for advertising purposes. A broker must disclose in writing any compensation that he is receiving from the company supplying the product or service no later than when the offer is made.

The bill originally amended R.S.45:15-17 to permit real estate brokers, broker-salespersons and salespersons to offer free or discounted merchandise and services to their customers in a promotion, if the promotion did not require a sale or listing of real estate as a condition for a customer's participation in the promotion.



[First Reprint]

**ASSEMBLY, No. 2549**

**STATE OF NEW JERSEY**  
**209th LEGISLATURE**

INTRODUCED JUNE 1, 2000

**Sponsored by:**

**Assemblyman JOHN V. KELLY**

**District 36 (Bergen, Essex and Passaic)**

**Assemblyman GEORGE F. GEIST**

**District 4 (Camden and Gloucester)**

**Co-Sponsored by:**

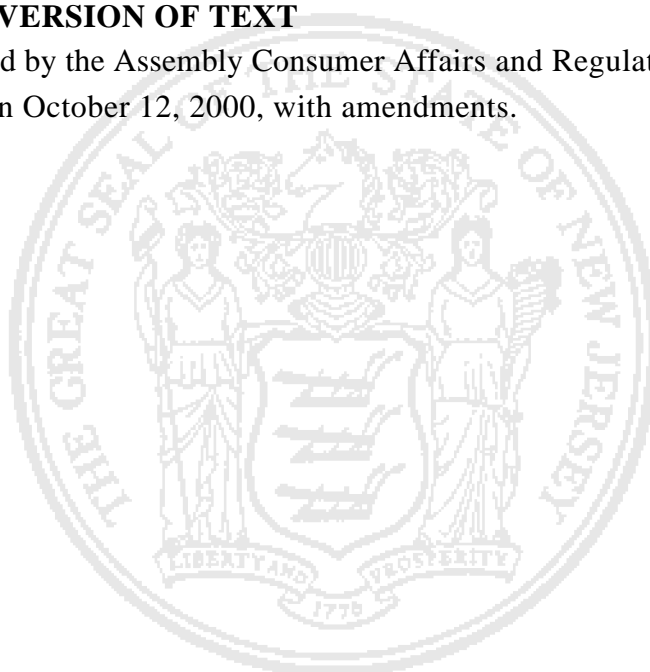
**Assemblyman Cohen, Senators Cardinale and Matheussen**

**SYNOPSIS**

Permits real estate brokers, broker-salespersons and salespersons to engage in certain promotions offering free or discounted products and services.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Consumer Affairs and Regulated Professions Committee on October 12, 2000, with amendments.



**(Sponsorship Updated As Of: 2/16/2001)**

1 AN ACT concerning certain real estate promotions and amending  
2 R.S.45:15-17.

3

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

6

7 1. R.S.45:15-17 is amended to read as follows:

8 45:15-17. The commission may, upon its own motion, and shall,  
9 upon the verified complaint in writing of any person, investigate the  
10 actions of any real estate broker, broker-salesperson or salesperson,  
11 or any person who assumes, advertises or represents himself as being  
12 authorized to act as a real estate broker, broker-salesperson or  
13 salesperson or engages in any of the activities described in R.S.45:15-3  
14 without being licensed so to do. The lapse or suspension of a license  
15 by operation of law or the voluntary surrender of a license by a  
16 licensee shall not deprive the commission of jurisdiction to proceed  
17 with any investigation as herein provided or prevent the commission  
18 from taking any regulatory action against such licensee, provided,  
19 however, that the alleged charges arose while said licensee was duly  
20 licensed. Each transaction shall be construed as a separate offense.

21 In conducting investigations, the commission may take testimony  
22 by deposition as provided in R.S.45:15-18, require or permit any  
23 person to file a statement in writing, under oath or otherwise as the  
24 commission determines, as to all the facts and circumstances  
25 concerning the matter under investigation, and, upon its own motion  
26 or upon the request of any party, subpoena witnesses, compel their  
27 attendance, take evidence, and require the production of any material  
28 which is relevant to the investigation, including any and all records of  
29 a licensee pertaining to his activities as a real estate broker,  
30 broker-salesperson or salesperson. The commission may also require  
31 the provision of any information concerning the existence, description,  
32 nature, custody, condition and location of any books, documents, or  
33 other tangible material and the identity and location of persons having  
34 knowledge of relevant facts of any other matter reasonably calculated  
35 to lead to the discovery of material evidence. Upon failure to obey a  
36 subpoena or to answer questions posed by an investigator or legal  
37 representative of the commission and upon reasonable notice to all  
38 affected persons, the commission may commence an administrative  
39 action as provided below or apply to the Superior Court for an order  
40 compelling compliance.

41 The commission may place on probation, suspend for a period less  
42 than the unexpired portion of the license period, or may revoke any

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Assembly ACP committee amendments adopted October 12, 2000.

1 license issued under the provisions of this article, or the right of  
2 licensure when such person is no longer the holder of a license at the  
3 time of hearing, or may impose, in addition or as an alternative to such  
4 probation, revocation or suspension, a penalty of not more than  
5 \$5,000 for the first violation, and a penalty of not more than \$10,000  
6 for any subsequent violation, which penalty shall be sued for and  
7 recovered by and in the name of the commission and shall be collected  
8 and enforced by summary proceedings pursuant to ["the penalty  
9 enforcement law" (N.J.S.2A:58-1 et seq.)] the "Penalty Enforcement  
10 Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.), where the  
11 licensee or any person, in performing or attempting to perform any of  
12 the acts mentioned herein, is deemed to be guilty of:

13 a. Making any false promises or any substantial misrepresentation;  
14 or

15 b. Acting for more than one party in a transaction without the  
16 knowledge of all parties thereto; or

17 c. Pursuing a flagrant and continued course of misrepresentation  
18 or making of false promises through agents, broker-salespersons or  
19 salespersons, advertisements or otherwise; or

20 d. Failure to account for or to pay over any moneys belonging to  
21 others, coming into the possession of the licensee; or

22 e. Any conduct which demonstrates unworthiness, incompetency,  
23 bad faith or dishonesty. The failure of any person to cooperate with  
24 the commission in the performance of its duties or to comply with a  
25 subpoena issued by the commission compelling the production of  
26 materials in the course of an investigation, or the failure to give a  
27 verbal or written statement concerning a matter under investigation  
28 may be construed as conduct demonstrating unworthiness; or

29 f. Failure to provide his client with a fully executed copy of any  
30 sale or exclusive sales or rental listing contract at the time of execution  
31 thereof, or failure to specify therein a definite terminal date which  
32 terminal date shall not be subject to any qualifying terms or conditions;  
33 or

34 g. Using any plan, scheme or method for the sale or promotion of  
35 the sale of real estate which involves a lottery, a contest, a game, a  
36 prize, a drawing, or the offering of a lot or parcel or lots or parcels for  
37 advertising purposes, <sup>1</sup> ["except that a licensee may offer to a person  
38 any promotion that includes free or discounted products or services,  
39 if the promotion does not require a sale or listing of real estate as a  
40 condition for the person's participation in the promotion] provided,  
41 however, that a promotion or offer of free, discounted or other  
42 services or products which does not require that the recipient of any  
43 free, discounted or other services or products enter into a sale, listing  
44 or other real estate contract as a condition of the promotion or offer  
45 shall not constitute a violation of this subsection if that promotion or  
46 offering does not involve a lottery, a contest, a game, a drawing or the

- 1 offering of a lot or parcel or lots or parcels for advertising purposes.  
2 A broker shall disclose in writing any compensation received for such  
3 promotion or offer in the form and substance as required by the federal  
4 "Real Estate Settlement Procedures Act of 1974," 12 U.S.C. ss.2601  
5 et seq., except that, notwithstanding the provisions of that federal act,  
6 written disclosure shall be provided no later than when the promotion  
7 or offer is extended by the broker to the consumer<sup>1</sup>; or
- 8 h. Being convicted of a crime, knowledge of which the commission  
9 did not have at the time of last issuing a real estate license to the  
10 licensee; or
- 11 i. Collecting a commission as a real estate broker in a transaction,  
12 when at the same time representing either party in a transaction in a  
13 different capacity for a consideration; or
- 14 j. Using any trade name or insignia of membership in any real estate  
15 organization of which the licensee is not a member; or
- 16 k. Paying any rebate, profit, compensation or commission to  
17 anyone not possessed of a real estate license <sup>1</sup>, except that free,  
18 discounted or other services or products provided for in subsection g.  
19 of this section shall not constitute a violation of this subsection<sup>1</sup>; or
- 20 l. Any other conduct, whether of the same or a different character  
21 than specified in this section, which constitutes fraud or dishonest  
22 dealing; or
- 23 m. Accepting a commission or valuable consideration as a real  
24 estate broker-salesperson or salesperson for the performance of any of  
25 the acts specified in this act, from any person, except his employing  
26 broker, who must be a licensed broker; or
- 27 n. Procuring a real estate license, for himself or anyone else, by  
28 fraud, misrepresentation or deceit; or
- 29 o. Commingling the money or other property of his principals with  
30 his own or failure to maintain and deposit in a special account,  
31 separate and apart from personal or other business accounts, all  
32 moneys received by a real estate broker, acting in said capacity, or as  
33 escrow agent, or the temporary custodian of the funds of others, in a  
34 real estate transaction; or
- 35 p. Selling property in the ownership of which he is interested in any  
36 manner whatsoever, unless he first discloses to the purchaser in the  
37 contract of sale his interest therein and his status as a real estate  
38 broker, broker-salesperson or salesperson; or
- 39 q. Purchasing any property unless he first discloses to the seller in  
40 the contract of sale his status as a real estate broker,  
41 broker-salesperson or salesperson; or
- 42 r. Charging or accepting any fee, commission or compensation in  
43 exchange for providing information on purportedly available rental  
44 housing, including lists of such units supplied verbally or in written  
45 form, before a lease has been executed or, where no lease is drawn,  
46 before the tenant has taken possession of the premises without

1 complying with all applicable rules promulgated by the commission  
2 regulating these practices; or

3 s. Failing to notify the commission within 30 days of having been  
4 convicted of any crime, misdemeanor or disorderly persons offense, or  
5 of having been indicted, or of the filing of any formal criminal charges,  
6 or of the suspension or revocation of any real estate license issued by  
7 another state, or of the initiation of formal disciplinary proceedings in  
8 another state affecting any real estate license held, or failing to supply  
9 any documentation available to the licensee that the commission may  
10 request in connection with such matter; or

11 t. The violation of any of the provisions of this article or of the  
12 administrative rules adopted by the commission pursuant to the  
13 provisions of this article. The commission is expressly vested with the  
14 power and authority to make, prescribe and enforce any and all rules  
15 and regulations for the conduct of the real estate brokerage business  
16 consistent with the provisions of chapter 15 of Title 45 of the Revised  
17 Statutes.

18 If a licensee is deemed to be guilty of a third violation of any of the  
19 provisions of this section, whether of the same provision or of separate  
20 provisions, the commission may deem that person a repeat offender,  
21 in which event the commission may direct that no license as a real  
22 estate broker, broker-salesperson or salesperson shall henceforth be  
23 issued to that person.

24 (cf: P.L.1993, c.51, s.20)

25

26 2. This act shall take effect immediately.

# SENATE, No. 901

## STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED FEBRUARY 7, 2000

**Sponsored by:**

**Senator GERALD CARDINALE**

**District 39 (Bergen)**

**SYNOPSIS**

Permits real estate brokers, broker-salespersons and salespersons to engage in certain promotions offering free or discounted products and services.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/9/2000)**

S901 CARDINALE

2

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17 with any investigation as herein provided or prevent the commission  
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24 commission determines, as to all the facts and circumstances  
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36 subpoena or to answer questions posed by an investigator or legal  
37 representative of the commission and upon reasonable notice to all  
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42 than the unexpired portion of the license period, or may revoke any  
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S901 CARDINALE

1 licensure when such person is no longer the holder of a license at the  
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14 b. Acting for more than one party in a transaction without the  
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44 when at the same time representing either party in a transaction in a  
45 different capacity for a consideration; or

46 j. Using any trade name or insignia of membership in any real estate



**S901 CARDINALE**

- 1 organization of which the licensee is not a member; or
- 2 k. Paying any rebate, profit, compensation or commission to
- 3 anyone not possessed of a real estate license; or
- 4 l. Any other conduct, whether of the same or a different character
- 5 than specified in this section, which constitutes fraud or dishonest
- 6 dealing; or
- 7 m. Accepting a commission or valuable consideration as a real
- 8 estate broker-salesperson or salesperson for the performance of any of
- 9 the acts specified in this act, from any person, except his employing
- 10 broker, who must be a licensed broker; or
- 11 n. Procuring a real estate license, for himself or anyone else, by
- 12 fraud, misrepresentation or deceit; or
- 13 o. Commingling the money or other property of his principals with
- 14 his own or failure to maintain and deposit in a special account,
- 15 separate and apart from personal or other business accounts, all
- 16 moneys received by a real estate broker, acting in said capacity, or as
- 17 escrow agent, or the temporary custodian of the funds of others, in a
- 18 real estate transaction; or
- 19 p. Selling property in the ownership of which he is interested in any
- 20 manner whatsoever, unless he first discloses to the purchaser in the
- 21 contract of sale his interest therein and his status as a real estate
- 22 broker, broker-salesperson or salesperson; or
- 23 q. Purchasing any property unless he first discloses to the seller in
- 24 the contract of sale his status as a real estate broker,
- 25 broker-salesperson or salesperson; or
- 26 r. Charging or accepting any fee, commission or compensation in
- 27 exchange for providing information on purportedly available rental
- 28 housing, including lists of such units supplied verbally or in written
- 29 form, before a lease has been executed or, where no lease is drawn,
- 30 before the tenant has taken possession of the premises without
- 31 complying with all applicable rules promulgated by the commission
- 32 regulating these practices; or
- 33 s. Failing to notify the commission within 30 days of having been
- 34 convicted of any crime, misdemeanor or disorderly persons offense, or
- 35 of having been indicted, or of the filing of any formal criminal charges,
- 36 or of the suspension or revocation of any real estate license issued by
- 37 another state, or of the initiation of formal disciplinary proceedings in
- 38 another state affecting any real estate license held, or failing to supply
- 39 any documentation available to the licensee that the commission may
- 40 request in connection with such matter; or
- 41 t. The violation of any of the provisions of this article or of the
- 42 administrative rules adopted by the commission pursuant to the
- 43 provisions of this article. The commission is expressly vested with the
- 44 power and authority to make, prescribe and enforce any and all rules
- 45 and regulations for the conduct of the real estate brokerage business
- 46 consistent with the provisions of chapter 15 of Title 45 of the Revised

**S901 CARDINALE**

1 Statutes.

2 If a licensee is deemed to be guilty of a third violation of any of the  
3 provisions of this section, whether of the same provision or of separate  
4 provisions, the commission may deem that person a repeat offender,  
5 in which event the commission may direct that no license as a real  
6 estate broker, broker-salesperson or salesperson shall henceforth be  
7 issued to that person.

8 (cf: P.L.1993, c.51, s.20)

9

10 2. This act shall take effect immediately.

11

12

13

**STATEMENT**

14

15 This bill amends R.S.45:15-17 to permit real estate brokers, broker-  
16 salespersons and salespersons to offer free or discounted merchandise  
17 and services to their customers in a promotion, if the promotion does  
18 not require a sale or listing of real estate as a condition for a  
19 customer's participation in the promotion.

SENATE COMMERCE COMMITTEE

STATEMENT TO

**SENATE, No. 901**

with committee amendments

**STATE OF NEW JERSEY**

DATED: OCTOBER 19, 2000

The Senate Commerce Committee reports favorably and with committee amendments Senate Bill No. 901.

This bill, as amended by the committee, amends R.S.45:15-17 to permit real estate brokers to offer, with proper disclosure, discounted or free services or products to consumers if the offer does not require the recipient to enter into a sale, listing or other real estate contract as a condition of the offer and the offer does not involve a lottery, a contest, a game, a drawing or the offering of a lot or parcel or lots or parcels for advertising purposes. A broker must disclose in writing any compensation that he is receiving from the company supplying the product or service no later than when the offer is made.

[First Reprint]

**SENATE, No. 901**

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**STATE OF NEW JERSEY**  
**209th LEGISLATURE**

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INTRODUCED FEBRUARY 7, 2000

**Sponsored by:**

**Senator GERALD CARDINALE**

**District 39 (Bergen)**

**Co-Sponsored by:**

**Senator Matheussen**

**SYNOPSIS**

Permits real estate brokers, broker-salespersons and salespersons to engage in certain promotions offering free or discounted products and services.

**CURRENT VERSION OF TEXT**

As reported by the Senate Commerce Committee on October 19, 2000, with amendments.



**(Sponsorship Updated As Of: 2/16/2001)**

**S901 [1R] CARDINALE**

2

1 **AN ACT** concerning certain real estate promotions and amending  
2 R.S.45:15-17.

3

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

6

7 1. R.S.45:15-17 is amended to read as follows:

8 45:15-17. The commission may, upon its own motion, and shall,  
9 upon the verified complaint in writing of any person, investigate the  
10 actions of any real estate broker, broker-salesperson or salesperson,  
11 or any person who assumes, advertises or represents himself as being  
12 authorized to act as a real estate broker, broker-salesperson or  
13 salesperson or engages in any of the activities described in R.S.45:15-3  
14 without being licensed so to do. The lapse or suspension of a license  
15 by operation of law or the voluntary surrender of a license by a  
16 licensee shall not deprive the commission of jurisdiction to proceed  
17 with any investigation as herein provided or prevent the commission  
18 from taking any regulatory action against such licensee, provided,  
19 however, that the alleged charges arose while said licensee was duly  
20 licensed. Each transaction shall be construed as a separate offense.

21 In conducting investigations, the commission may take testimony  
22 by deposition as provided in R.S.45:15-18, require or permit any  
23 person to file a statement in writing, under oath or otherwise as the  
24 commission determines, as to all the facts and circumstances  
25 concerning the matter under investigation, and, upon its own motion  
26 or upon the request of any party, subpoena witnesses, compel their  
27 attendance, take evidence, and require the production of any material  
28 which is relevant to the investigation, including any and all records of  
29 a licensee pertaining to his activities as a real estate broker,  
30 broker-salesperson or salesperson. The commission may also require  
31 the provision of any information concerning the existence, description,  
32 nature, custody, condition and location of any books, documents, or  
33 other tangible material and the identity and location of persons having  
34 knowledge of relevant facts of any other matter reasonably calculated  
35 to lead to the discovery of material evidence. Upon failure to obey a  
36 subpoena or to answer questions posed by an investigator or legal  
37 representative of the commission and upon reasonable notice to all  
38 affected persons, the commission may commence an administrative  
39 action as provided below or apply to the Superior Court for an order  
40 compelling compliance.

41 The commission may place on probation, suspend for a period less  
42 than the unexpired portion of the license period, or may revoke any

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

**<sup>1</sup> Senate SCM committee amendments adopted October 19, 2000.**

1 license issued under the provisions of this article, or the right of  
2 licensure when such person is no longer the holder of a license at the  
3 time of hearing, or may impose, in addition or as an alternative to such  
4 probation, revocation or suspension, a penalty of not more than  
5 \$5,000 for the first violation, and a penalty of not more than \$10,000  
6 for any subsequent violation, which penalty shall be sued for and  
7 recovered by and in the name of the commission and shall be collected  
8 and enforced by summary proceedings pursuant to ["the penalty  
9 enforcement law" (N.J.S.2A:58-1 et seq.)] the "Penalty Enforcement  
10 Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.), where the  
11 licensee or any person, in performing or attempting to perform any of  
12 the acts mentioned herein, is deemed to be guilty of:

13 a. Making any false promises or any substantial misrepresentation;  
14 or

15 b. Acting for more than one party in a transaction without the  
16 knowledge of all parties thereto; or

17 c. Pursuing a flagrant and continued course of misrepresentation  
18 or making of false promises through agents, broker-salespersons or  
19 salespersons, advertisements or otherwise; or

20 d. Failure to account for or to pay over any moneys belonging to  
21 others, coming into the possession of the licensee; or

22 e. Any conduct which demonstrates unworthiness, incompetency,  
23 bad faith or dishonesty. The failure of any person to cooperate with  
24 the commission in the performance of its duties or to comply with a  
25 subpoena issued by the commission compelling the production of  
26 materials in the course of an investigation, or the failure to give a  
27 verbal or written statement concerning a matter under investigation  
28 may be construed as conduct demonstrating unworthiness; or

29 f. Failure to provide his client with a fully executed copy of any  
30 sale or exclusive sales or rental listing contract at the time of execution  
31 thereof, or failure to specify therein a definite terminal date which  
32 terminal date shall not be subject to any qualifying terms or conditions;  
33 or

34 g. Using any plan, scheme or method for the sale or promotion of  
35 the sale of real estate which involves a lottery, a contest, a game, a  
36 prize, a drawing, or the offering of a lot or parcel or lots or parcels for  
37 advertising purposes, <sup>1</sup>[except that a licensee may offer to a person  
38 any promotion that includes free or discounted products or services,  
39 if the promotion does not require a sale or listing of real estate as a  
40 condition for the person's participation in the promotion] provided,  
41 however, that a promotion or offer of free, discounted or other  
42 services or products which does not require that the recipient of any  
43 free, discounted or other services or products to enter into a sale,  
44 listing or other real estate contract as a condition of the promotion or  
45 offer shall not constitute a violation of this subsection if that  
46 promotion or offering does not involve a lottery, a contest, a game, a

- 1 drawing or the offering of a lot or parcel or lots or parcels for  
2 advertising purposes. A broker shall disclose in writing any  
3 compensation received for such promotion or offer in the form and  
4 substance as required by the "Real Estate Settlement Procedures Act  
5 of 1974," 12 U.S.C. ss.2601 et seq., except that, notwithstanding that  
6 federal act, written disclosure shall be provided no later than when the  
7 promotion or offer is extended by the broker to the consumer<sup>1</sup>; or  
8 h. Being convicted of a crime, knowledge of which the commission  
9 did not have at the time of last issuing a real estate license to the  
10 licensee; or  
11 i. Collecting a commission as a real estate broker in a transaction,  
12 when at the same time representing either party in a transaction in a  
13 different capacity for a consideration; or  
14 j. Using any trade name or insignia of membership in any real estate  
15 organization of which the licensee is not a member; or  
16 k. Paying any rebate, profit, compensation or commission to  
17 anyone not possessed of a real estate license<sup>1</sup>, except that free,  
18 discounted or other services or products provided for in subsection g.  
19 of this section shall not constitute a violation of this subsection<sup>1</sup>; or  
20 l. Any other conduct, whether of the same or a different character  
21 than specified in this section, which constitutes fraud or dishonest  
22 dealing; or  
23 m. Accepting a commission or valuable consideration as a real  
24 estate broker-salesperson or salesperson for the performance of any of  
25 the acts specified in this act, from any person, except his employing  
26 broker, who must be a licensed broker; or  
27 n. Procuring a real estate license, for himself or anyone else, by  
28 fraud, misrepresentation or deceit; or  
29 o. Commingling the money or other property of his principals with  
30 his own or failure to maintain and deposit in a special account,  
31 separate and apart from personal or other business accounts, all  
32 moneys received by a real estate broker, acting in said capacity, or as  
33 escrow agent, or the temporary custodian of the funds of others, in a  
34 real estate transaction; or  
35 p. Selling property in the ownership of which he is interested in any  
36 manner whatsoever, unless he first discloses to the purchaser in the  
37 contract of sale his interest therein and his status as a real estate  
38 broker, broker-salesperson or salesperson; or  
39 q. Purchasing any property unless he first discloses to the seller in  
40 the contract of sale his status as a real estate broker,  
41 broker-salesperson or salesperson; or  
42 r. Charging or accepting any fee, commission or compensation in  
43 exchange for providing information on purportedly available rental  
44 housing, including lists of such units supplied verbally or in written  
45 form, before a lease has been executed or, where no lease is drawn,  
46 before the tenant has taken possession of the premises without

1 complying with all applicable rules promulgated by the commission  
2 regulating these practices; or

3 s. Failing to notify the commission within 30 days of having been  
4 convicted of any crime, misdemeanor or disorderly persons offense, or  
5 of having been indicted, or of the filing of any formal criminal charges,  
6 or of the suspension or revocation of any real estate license issued by  
7 another state, or of the initiation of formal disciplinary proceedings in  
8 another state affecting any real estate license held, or failing to supply  
9 any documentation available to the licensee that the commission may  
10 request in connection with such matter; or

11 t. The violation of any of the provisions of this article or of the  
12 administrative rules adopted by the commission pursuant to the  
13 provisions of this article. The commission is expressly vested with the  
14 power and authority to make, prescribe and enforce any and all rules  
15 and regulations for the conduct of the real estate brokerage business  
16 consistent with the provisions of chapter 15 of Title 45 of the Revised  
17 Statutes.

18 If a licensee is deemed to be guilty of a third violation of any of the  
19 provisions of this section, whether of the same provision or of separate  
20 provisions, the commission may deem that person a repeat offender,  
21 in which event the commission may direct that no license as a real  
22 estate broker, broker-salesperson or salesperson shall henceforth be  
23 issued to that person.

24 (cf: P.L.1993, c.51, s.20)

25

26 2. This act shall take effect immediately.



P.L. 2001, CHAPTER 68, *approved April 19, 2001*  
Assembly, No. 2549 (*First Reprint*)

1 **AN ACT** concerning certain real estate promotions and amending  
2 R.S.45:15-17.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. R.S.45:15-17 is amended to read as follows:  
8 45:15-17. The commission may, upon its own motion, and shall,  
9 upon the verified complaint in writing of any person, investigate the  
10 actions of any real estate broker, broker-salesperson or salesperson,  
11 or any person who assumes, advertises or represents himself as being  
12 authorized to act as a real estate broker, broker-salesperson or  
13 salesperson or engages in any of the activities described in R.S.45:15-3  
14 without being licensed so to do. The lapse or suspension of a license  
15 by operation of law or the voluntary surrender of a license by a  
16 licensee shall not deprive the commission of jurisdiction to proceed  
17 with any investigation as herein provided or prevent the commission  
18 from taking any regulatory action against such licensee, provided,  
19 however, that the alleged charges arose while said licensee was duly  
20 licensed. Each transaction shall be construed as a separate offense.

21 In conducting investigations, the commission may take testimony  
22 by deposition as provided in R.S.45:15-18, require or permit any  
23 person to file a statement in writing, under oath or otherwise as the  
24 commission determines, as to all the facts and circumstances  
25 concerning the matter under investigation, and, upon its own motion  
26 or upon the request of any party, subpoena witnesses, compel their  
27 attendance, take evidence, and require the production of any material  
28 which is relevant to the investigation, including any and all records of  
29 a licensee pertaining to his activities as a real estate broker,  
30 broker-salesperson or salesperson. The commission may also require  
31 the provision of any information concerning the existence, description,  
32 nature, custody, condition and location of any books, documents, or  
33 other tangible material and the identity and location of persons having  
34 knowledge of relevant facts of any other matter reasonably calculated  
35 to lead to the discovery of material evidence. Upon failure to obey a  
36 subpoena or to answer questions posed by an investigator or legal  
37 representative of the commission and upon reasonable notice to all  
38 affected persons, the commission may commence an administrative  
39 action as provided below or apply to the Superior Court for an order  
40 compelling compliance.

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Assembly ACP committee amendments adopted October 12, 2000.

1 The commission may place on probation, suspend for a period less  
2 than the unexpired portion of the license period, or may revoke any  
3 license issued under the provisions of this article, or the right of  
4 licensure when such person is no longer the holder of a license at the  
5 time of hearing, or may impose, in addition or as an alternative to such  
6 probation, revocation or suspension, a penalty of not more than  
7 \$5,000 for the first violation, and a penalty of not more than \$10,000  
8 for any subsequent violation, which penalty shall be sued for and  
9 recovered by and in the name of the commission and shall be collected  
10 and enforced by summary proceedings pursuant to ["the penalty  
11 enforcement law" (N.J.S.2A:58-1 et seq.)] the "Penalty Enforcement  
12 Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.), where the  
13 licensee or any person, in performing or attempting to perform any of  
14 the acts mentioned herein, is deemed to be guilty of:

15 a. Making any false promises or any substantial misrepresentation;  
16 or

17 b. Acting for more than one party in a transaction without the  
18 knowledge of all parties thereto; or

19 c. Pursuing a flagrant and continued course of misrepresentation  
20 or making of false promises through agents, broker-salespersons or  
21 salespersons, advertisements or otherwise; or

22 d. Failure to account for or to pay over any moneys belonging to  
23 others, coming into the possession of the licensee; or

24 e. Any conduct which demonstrates unworthiness, incompetency,  
25 bad faith or dishonesty. The failure of any person to cooperate with  
26 the commission in the performance of its duties or to comply with a  
27 subpoena issued by the commission compelling the production of  
28 materials in the course of an investigation, or the failure to give a  
29 verbal or written statement concerning a matter under investigation  
30 may be construed as conduct demonstrating unworthiness; or

31 f. Failure to provide his client with a fully executed copy of any  
32 sale or exclusive sales or rental listing contract at the time of execution  
33 thereof, or failure to specify therein a definite terminal date which  
34 terminal date shall not be subject to any qualifying terms or conditions;  
35 or

36 g. Using any plan, scheme or method for the sale or promotion of  
37 the sale of real estate which involves a lottery, a contest, a game, a  
38 prize, a drawing, or the offering of a lot or parcel or lots or parcels for  
39 advertising purposes, <sup>1</sup> ["except that a licensee may offer to a person  
40 any promotion that includes free or discounted products or services,  
41 if the promotion does not require a sale or listing of real estate as a  
42 condition for the person's participation in the promotion] provided,  
43 however, that a promotion or offer of free, discounted or other  
44 services or products which does not require that the recipient of any  
45 free, discounted or other services or products enter into a sale, listing  
46 or other real estate contract as a condition of the promotion or offer

- 1 shall not constitute a violation of this subsection if that promotion or  
2 offering does not involve a lottery, a contest, a game, a drawing or the  
3 offering of a lot or parcel or lots or parcels for advertising purposes.  
4 A broker shall disclose in writing any compensation received for such  
5 promotion or offer in the form and substance as required by the federal  
6 "Real Estate Settlement Procedures Act of 1974," 12 U.S.C. ss.2601  
7 et seq., except that, notwithstanding the provisions of that federal act,  
8 written disclosure shall be provided no later than when the promotion  
9 or offer is extended by the broker to the consumer<sup>1</sup>; or
- 10 h. Being convicted of a crime, knowledge of which the commission  
11 did not have at the time of last issuing a real estate license to the  
12 licensee; or
- 13 i. Collecting a commission as a real estate broker in a transaction,  
14 when at the same time representing either party in a transaction in a  
15 different capacity for a consideration; or
- 16 j. Using any trade name or insignia of membership in any real estate  
17 organization of which the licensee is not a member; or
- 18 k. Paying any rebate, profit, compensation or commission to  
19 anyone not possessed of a real estate license <sup>1</sup>, except that free,  
20 discounted or other services or products provided for in subsection g.  
21 of this section shall not constitute a violation of this subsection<sup>1</sup>; or
- 22 l. Any other conduct, whether of the same or a different character  
23 than specified in this section, which constitutes fraud or dishonest  
24 dealing; or
- 25 m. Accepting a commission or valuable consideration as a real  
26 estate broker-salesperson or salesperson for the performance of any of  
27 the acts specified in this act, from any person, except his employing  
28 broker, who must be a licensed broker; or
- 29 n. Procuring a real estate license, for himself or anyone else, by  
30 fraud, misrepresentation or deceit; or
- 31 o. Commingling the money or other property of his principals with  
32 his own or failure to maintain and deposit in a special account,  
33 separate and apart from personal or other business accounts, all  
34 moneys received by a real estate broker, acting in said capacity, or as  
35 escrow agent, or the temporary custodian of the funds of others, in a  
36 real estate transaction; or
- 37 p. Selling property in the ownership of which he is interested in any  
38 manner whatsoever, unless he first discloses to the purchaser in the  
39 contract of sale his interest therein and his status as a real estate  
40 broker, broker-salesperson or salesperson; or
- 41 q. Purchasing any property unless he first discloses to the seller in  
42 the contract of sale his status as a real estate broker,  
43 broker-salesperson or salesperson; or
- 44 r. Charging or accepting any fee, commission or compensation in  
45 exchange for providing information on purportedly available rental  
46 housing, including lists of such units supplied verbally or in written

1 form, before a lease has been executed or, where no lease is drawn,  
2 before the tenant has taken possession of the premises without  
3 complying with all applicable rules promulgated by the commission  
4 regulating these practices; or

5 s. Failing to notify the commission within 30 days of having been  
6 convicted of any crime, misdemeanor or disorderly persons offense, or  
7 of having been indicted, or of the filing of any formal criminal charges,  
8 or of the suspension or revocation of any real estate license issued by  
9 another state, or of the initiation of formal disciplinary proceedings in  
10 another state affecting any real estate license held, or failing to supply  
11 any documentation available to the licensee that the commission may  
12 request in connection with such matter; or

13 t. The violation of any of the provisions of this article or of the  
14 administrative rules adopted by the commission pursuant to the  
15 provisions of this article. The commission is expressly vested with the  
16 power and authority to make, prescribe and enforce any and all rules  
17 and regulations for the conduct of the real estate brokerage business  
18 consistent with the provisions of chapter 15 of Title 45 of the Revised  
19 Statutes.

20 If a licensee is deemed to be guilty of a third violation of any of the  
21 provisions of this section, whether of the same provision or of separate  
22 provisions, the commission may deem that person a repeat offender,  
23 in which event the commission may direct that no license as a real  
24 estate broker, broker-salesperson or salesperson shall henceforth be  
25 issued to that person.

26 (cf: P.L.1993, c.51, s.20)

27

28 2. This act shall take effect immediately.

29

30

31

32

33 \_\_\_\_\_  
34 Permits real estate brokers, broker-salespersons and salespersons to  
35 engage in certain promotions offering free or discounted products and  
services.

## CHAPTER 68

AN ACT concerning certain real estate promotions and amending R.S.45:15-17.

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

1. R.S.45:15-17 is amended to read as follows:

Investigation of actions of licenses; suspension or revocation of licenses and causes therefor.

45:15-17. The commission may, upon its own motion, and shall, upon the verified complaint in writing of any person, investigate the actions of any real estate broker, broker-salesperson or salesperson, or any person who assumes, advertises or represents himself as being authorized to act as a real estate broker, broker-salesperson or salesperson or engages in any of the activities described in R.S.45:15-3 without being licensed so to do. The lapse or suspension of a license by operation of law or the voluntary surrender of a license by a licensee shall not deprive the commission of jurisdiction to proceed with any investigation as herein provided or prevent the commission from taking any regulatory action against such licensee, provided, however, that the alleged charges arose while said licensee was duly licensed. Each transaction shall be construed as a separate offense.

In conducting investigations, the commission may take testimony by deposition as provided in R.S.45:15-18, require or permit any person to file a statement in writing, under oath or otherwise as the commission determines, as to all the facts and circumstances concerning the matter under investigation, and, upon its own motion or upon the request of any party, subpoena witnesses, compel their attendance, take evidence, and require the production of any material which is relevant to the investigation, including any and all records of a licensee pertaining to his activities as a real estate broker, broker-salesperson or salesperson. The commission may also require the provision of any information concerning the existence, description, nature, custody, condition and location of any books, documents, or other tangible material and the identity and location of persons having knowledge of relevant facts of any other matter reasonably calculated to lead to the discovery of material evidence. Upon failure to obey a subpoena or to answer questions posed by an investigator or legal representative of the commission and upon reasonable notice to all affected persons, the commission may commence an administrative action as provided below or apply to the Superior Court for an order compelling compliance.

The commission may place on probation, suspend for a period less than the unexpired portion of the license period, or may revoke any license issued under the provisions of this article, or the right of licensure when such person is no longer the holder of a license at the time of hearing, or may impose, in addition or as an alternative to such probation, revocation or suspension, a penalty of not more than \$5,000 for the first violation, and a penalty of not more than \$10,000 for any subsequent violation, which penalty shall be sued for and recovered by and in the name of the commission and shall be collected and enforced by summary proceedings pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.), where the licensee or any person, in performing or attempting to perform any of the acts mentioned herein, is deemed to be guilty of:

- a. Making any false promises or any substantial misrepresentation; or
- b. Acting for more than one party in a transaction without the knowledge of all parties thereto; or
- c. Pursuing a flagrant and continued course of misrepresentation or making of false promises through agents, broker-salespersons or salespersons, advertisements or otherwise; or
- d. Failure to account for or to pay over any moneys belonging to others, coming into the possession of the licensee; or
- e. Any conduct which demonstrates unworthiness, incompetency, bad faith or dishonesty. The failure of any person to cooperate with the commission in the performance of its duties or to comply with a subpoena issued by the commission compelling the production of materials in the course of an investigation, or the failure to give a verbal or written statement concerning a matter under investigation may be construed as conduct demonstrating unworthiness; or
- f. Failure to provide his client with a fully executed copy of any sale or exclusive sales or rental listing contract at the time of execution thereof, or failure to specify therein a definite terminal date which terminal date shall not be subject to any qualifying terms or conditions; or

g. Using any plan, scheme or method for the sale or promotion of the sale of real estate which involves a lottery, a contest, a game, a prize, a drawing, or the offering of a lot or parcel or lots or parcels for advertising purposes, provided, however, that a promotion or offer of free, discounted or other services or products which does not require that the recipient of any free, discounted or other services or products enter into a sale, listing or other real estate contract as a condition of the promotion or offer shall not constitute a violation of this subsection if that promotion or offering does not involve a lottery, a contest, a game, a drawing or the offering of a lot or parcel or lots or parcels for advertising purposes. A broker shall disclose in writing any compensation received for such promotion or offer in the form and substance as required by the federal "Real Estate Settlement Procedures Act of 1974," 12 U.S.C. ss.2601 et seq., except that, notwithstanding the provisions of that federal act, written disclosure shall be provided no later than when the promotion or offer is extended by the broker to the consumer; or

h. Being convicted of a crime, knowledge of which the commission did not have at the time of last issuing a real estate license to the licensee; or

i. Collecting a commission as a real estate broker in a transaction, when at the same time representing either party in a transaction in a different capacity for a consideration; or

j. Using any trade name or insignia of membership in any real estate organization of which the licensee is not a member; or

k. Paying any rebate, profit, compensation or commission to anyone not possessed of a real estate license, except that free, discounted or other services or products provided for in subsection g. of this section shall not constitute a violation of this subsection or

l. Any other conduct, whether of the same or a different character than specified in this section, which constitutes fraud or dishonest dealing; or

m. Accepting a commission or valuable consideration as a real estate broker-salesperson or salesperson for the performance of any of the acts specified in this act, from any person, except his employing broker, who must be a licensed broker; or

n. Procuring a real estate license, for himself or anyone else, by fraud, misrepresentation or deceit; or

o. Commingling the money or other property of his principals with his own or failure to maintain and deposit in a special account, separate and apart from personal or other business accounts, all moneys received by a real estate broker, acting in said capacity, or as escrow agent, or the temporary custodian of the funds of others, in a real estate transaction; or

p. Selling property in the ownership of which he is interested in any manner whatsoever, unless he first discloses to the purchaser in the contract of sale his interest therein and his status as a real estate broker, broker-salesperson or salesperson; or

q. Purchasing any property unless he first discloses to the seller in the contract of sale his status as a real estate broker, broker-salesperson or salesperson; or

r. Charging or accepting any fee, commission or compensation in exchange for providing information on purportedly available rental housing, including lists of such units supplied verbally or in written form, before a lease has been executed or, where no lease is drawn, before the tenant has taken possession of the premises without complying with all applicable rules promulgated by the commission regulating these practices; or

s. Failing to notify the commission within 30 days of having been convicted of any crime, misdemeanor or disorderly persons offense, or of having been indicted, or of the filing of any formal criminal charges, or of the suspension or revocation of any real estate license issued by another state, or of the initiation of formal disciplinary proceedings in another state affecting any real estate license held, or failing to supply any documentation available to the licensee that the commission may request in connection with such matter; or

t. The violation of any of the provisions of this article or of the administrative rules adopted by the commission pursuant to the provisions of this article. The commission is expressly vested with the power and authority to make, prescribe and enforce any and all rules and regulations for the conduct of the real estate brokerage business consistent with the provisions of chapter 15 of Title 45 of the Revised Statutes.

If a licensee is deemed to be guilty of a third violation of any of the provisions of this section,

whether of the same provision or of separate provisions, the commission may deem that person a repeat offender, in which event the commission may direct that no license as a real estate broker, broker-salesperson or salesperson shall henceforth be issued to that person.

2. This act shall take effect immediately.

Approved April 19, 2001.

*Office of the Governor*  
**NEWS RELEASE**

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RELEASE: April 19 , 2001

**DiFrancesco Signs Law Creating Hunger Prevention Program**

**\*\*\*Signs 7 other bills\*\*\***

Acting Gov. Donald T. DiFrancesco today signed legislation that creates a New Jersey Hunger Prevention and Assistance Program and allocates \$5 million for grants to food banks and other similar agencies.

**S-1591**, sponsored by Senators Kyrillos (R-Middlesex/Monmouth) and Palaia (R-Monmouth) and Assemblymembers Azzolina (R-Middlesex/Monmouth) and Thompson (R-Middlesex/Monmouth), allocates up to \$5 million in unexpended Temporary Assistance to Needy Family funds for grants to food banks and similar agencies.

The bill also establishes a New Jersey Hunger Prevention and Assistance Program in the Department of Human Services to improve the health and nutritional status of state residents in need of food assistance, supplement the efforts of emergency food programs in the state to reduce hunger, and enable families and individuals to become food secure and self-sufficient.

The Commissioner of Human Services is required by the bill to contract with Rutgers, the State University to conduct a six-pronged statewide needs assessment. The bill also establishes a 13 - member Hunger Prevention Advisory Committee within DHS to assist the commissioner in the implementation of the program.

The acting Governor also signed the following bills:

**S-84**, sponsored by Senator Zane (R-Salem/Cumberland/Gloucester) and Assembly members Felice (R-Bergen/Passaic) and Imprieveduto (D-Bergen/Hudson), clarifies the sexual assault statute in certain circumstances.

**S-1372**, sponsored by Senators Bennett (R-Monmouth) and Allen (R-Burlington/Camden) and Assemblymembers DiGaetano (R-Bergen/Essex/Passaic) and Moran (R-Atlantic/Burlington/Ocean), revises the procedure for self-administration by school pupils of medication for asthma.

**S-2097**, sponsored by Senators Kyrillos (R-Middlesex/Monmouth) and McNamara (R-Bergen/Passaic) and Assemblymembers Azzolina (R-Middlesex/Monmouth) and Thompson (R-Middlesex/Monmouth), Expands the role of the county superintendent in pupil transportation matters and permits school districts to offer subscription busing to additional students.



**A-2549**, sponsored by Assemblymembers Kelly (R-Bergen/Essex/Passaic) and Cohen (D-Union) and Senator Ciesla (R-Monmouth/Ocean), permits real estate brokers, broker-salespersons and salespersons to engage in certain promotions offering free or discounted products and services.

**A-2318**, sponsored by Assemblymembers Charles (D-Hudson) and Lance (R-Warren/Hunterdon/Mercer) and Senators Kenny (D-Hudson) and Kyrillos (R-Middlesex/Monmouth), appropriates \$350,000 to the Division of Youth and Family Services for a grant to Hudson Cradle, a nationally recognized multi-purpose family resource and transitional residence in Jersey City that serves approximately 50 "boarder babies" annually.

**A-2458**, sponsored by Assemblymembers Felice (R-Bergen/Passaic) and Doria (D-Hudson) and Assemblymember Conaway (D-Burlington/Camden), provides that prompt payment and claims payment enforcement laws apply to organized delivery systems. Organized delivery systems are entities that contract with health insurance carriers to provide either comprehensive health care services or benefits or limited health care services to covered persons under the carrier's health benefits plan or policy.