

45:22A-2 et. al.

LEGISLATIVE HISTORY CHECKLIST

NJSA 45:22A-2, -4, -11

Laws of 1975 Chapter 335

Bill No. S 957

Sponsor(s) Russo & Martindell

Date Introduced March 18, 1974

Committee: Assembly Judiciary, Law, Public Safety & Defense

Senate Law, Public Safety & Defense

Amended during passage ~~Yes~~ No

Date of passage: Assembly January 5, 1976

Senate April 17, 1975

Date of approval March 3, 1976

Following statements are attached if available:

Sponsor statement ~~Yes~~ No

Committee Statement: Assembly Yes ~~No~~

Senate Yes ~~No~~

Fiscal Note ~~Yes~~ No

Veto message ~~Yes~~ No

Message on signing ~~Yes~~ No

Following were printed:

Reports ~~Yes~~ No

Hearings ~~Yes~~ No

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10/4/76

MAR 1977

SENATE, No. 957

STATE OF NEW JERSEY

INTRODUCED MARCH 18, 1974

By Senators RUSSO and MARTINDELL

Referred to Committee on Law, Public Safety and Defense

AN ACT to amend the "Retirement Community Full Disclosure Act," approved December 2, 1969 (P. L. 1969, c. 215).

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

1 1. Section 2 of P. L. 1969, c. 215 (C. 45:22A-2) is amended to  
2 read as follows:

3 2. For the purposes of this act, the term:

4 (a) "Retirement subdivision" or "subdivision" means any land  
5 which is divided or proposed to be divided into 10 or more lots,  
6 whether contiguous or not, for the purpose of sale or lease as part  
7 of a common promotional plan where such subdivision is advertised  
8 or represented as a retirement subdivision or as a subdivision  
9 primarily for retirees or elderly persons, or where there is a  
10 minimum age limit tending to attract persons who are nearing  
11 retirement age;

12 (b) "Retirement community" or "community" means any  
13 complex or proposed complex of more than 10 units, whether con-  
14 tained in one or more buildings or whether constructed on separate  
15 lots, offered for sale or lease as part of a common promotional plan  
16 where such community is advertised or represented as a retirement  
17 community or as a community primarily for retirees or elderly  
18 persons, or where there is a minimum age limit tending to attract  
19 persons who are nearing retirement age;

20 (c) "Unit" means any apartment or structure intended pri-  
21 marily as a residence and consisting of one or more rooms occupy-  
22 ing all or part of a floor or floors in a building of one or more  
23 floors or stories, including a single residence dwelling *and a share*  
24 *or membership interest of a cooperative housing corporation or*

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

25 *association which entitles the holder thereof to possess and occupy*  
 26 *for dwelling purposes a house, apartment or other structure owned*  
 27 *or leased by said corporation or association, or to lease or purchase*  
 28 *a dwelling constructed or to be constructed by said corporation or*  
 29 *association;*

30 (d) "Common promotional plan" includes an offer for sale or  
 31 lease of lots or units in a subdivision or community by a single  
 32 developer, or a group of developers acting in concert where such  
 33 lots or units are contiguous, or are known, designated, or advertised  
 34 as a common entity or by a common name;

35 (e) "Person" means an individual, or any unincorporated  
 36 organization, partnership, association, corporation, trust, or estate;

37 (f) "Developer" means any person who, directly or indirectly,  
 38 sells or leases, or offers to sell or lease, or advertises for sale or  
 39 lease any lots in a retirement subdivision or any units in a retire-  
 40 ment community;

41 (g) "Agent" means any person who represents, or acts for or  
 42 on behalf of, a developer in selling or leasing, or offering to sell  
 43 or lease, any lot or lots in a retirement subdivision or any units  
 44 in a retirement community; but shall not include an attorney-at-  
 45 law whose representation of another person consists solely of  
 46 rendering legal services;

47 (h) "State" means the State of New Jersey;

48 (i) "Purchaser" means an actual or prospective purchaser or  
 49 lessee of any lot or unit in a subdivision or community;

50 (j) "Offer" includes any inducement, solicitation, or attempt  
 51 to encourage a person to acquire a lot or unit in a subdivision or  
 52 community;

53 (k) "Disposition" includes sale, lease, assignment, award by  
 54 lottery, or any other transaction concerning a subdivision or com-  
 55 munity.

1 2. Section 4 of P. L. 1969, c. 215 (C. 45:22A-4) is amended to  
 2 read as follows:

3 4. Unless the method of disposition is adopted for the purpose  
 4 of evasion of this act, the provisions of this act do not apply to  
 5 offers or dispositions of an interest in land by a purchaser of sub-  
 6 divided lands for his own account in a single or isolated trans-  
 7 action; nor shall the provisions of this act apply to the following:

8 (a) Offers or dispositions of evidences of indebtedness secured  
 9 by a mortgage or deed of trust of real estate;

10 (b) Offers or dispositions of securities or units of interest issued  
 11 by a real estate investment trust regulated under any State or  
 12 Federal Statute;

13 (c) The sale or lease of real estate under or pursuant to court  
 14 order;

15 (d) A subdivision as to which the agency has granted an exemp-  
 16 tion as provided in section 11[ : ].

17 (e) [Offers or dispositions of securities currently registered  
 18 with the State Attorney General or the Bureau of Securities, within  
 19 the Division of Law, State Department of Law and Public Safety.]  
 20 (*Deleted by amendment.*)

1 3. Section 11 of P. L. 1969, c. 215 (C. 45:22A-11) is amended to  
 2 read as follows:

3 11. (a) The agency shall adopt, amend, or repeal such rules and  
 4 regulations as are reasonably necessary for the enforcement of the  
 5 provisions of this act, after a public hearing with notice thereof  
 6 published once in a newspaper or newspapers with Statewide  
 7 circulation not less than 5 days nor more than 15 days prior to  
 8 the hearing and mailed to developers not less than 5 days nor more  
 9 than 15 days prior to the public hearing. The Director of the  
 10 Division on Aging, State Department of Community Affairs, shall  
 11 advise the director of the agency concerning the promulgation or  
 12 alteration of such rules. The rules shall include but not be limited  
 13 to provisions for advertising standards to assure full and fair  
 14 disclosure; provisions for escrow or trust agreements or other  
 15 means reasonably to assure that all improvements referred to in  
 16 the statement of record and advertising will be completed and that  
 17 purchasers will receive the interest in land contracted for; provi-  
 18 sions for operating procedures; rules of procedure to be followed  
 19 in the conduct of all hearings; and other rules as are necessary  
 20 and proper to effect the purpose of this act.

21 (b) The agency by rule or by an order, after reasonable notice  
 22 to all developers covered by this act and a hearing, may require  
 23 the filing of advertising material relating to retirement subdivision  
 24 and community lands prior to its distribution.

25 (c) If it appears that a person has engaged or is about to engage  
 26 in an act or practice constituting a violation of a provision of this  
 27 act, or a rule or order hereunder, the agency, with or without prior  
 28 administrative proceedings, may bring an action in the Chancery  
 29 Division of the State Superior Court to enjoin the acts or practices  
 30 and to enforce compliance with this act or any rule or order here-  
 31 under. Upon proper showing, injunctive relief or temporary

32 restraining orders shall be granted, and a receiver may be ap-  
33 pointed. The agency is not required to post a bond in any court  
34 proceedings.

35 (d) The agency may intervene in a suit involving subdivisions  
36 or community lands covered by this act. In such suit, the developer  
37 shall promptly furnish the agency notice of the suit and copies of  
38 all pleadings.

39 (e) The agency may:

40 (1) Accept registrations filed in other states or with the Federal  
41 Government, *or with the Bureau of Securities, within the Division*  
42 *of Consumer Affairs, Department of Law and Public Safety;*

43 (2) Grant exemptions if allowed by rules promulgated under  
44 subsection (a);

45 (3) Contract with similar agencies in this State or other jurisdic-  
46 tions to perform investigative functions;

47 (4) Accept grants in aid from any source.

48 (f) The agency shall cooperate with similar agencies in other  
49 jurisdictions to establish uniform filing procedures, statements of  
50 record and forms, uniform public offering statements, advertising  
51 standards, rules and common administrative practices.

1 4. This act shall take effect immediately.

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ASSEMBLY JUDICIARY, LAW, PUBLIC SAFETY  
AND DEFENSE COMMITTEE

STATEMENT TO  
**SENATE, No. 957**

—•—  
**STATE OF NEW JERSEY**  
—•—

DATED: JUNE 26, 1975

This bill would redefine "unit" in the "Retirement Community Full Disclosure Act" to include a share or membership interest of a co-operative housing corporation or association.

SENATE LAW, PUBLIC SAFETY AND DEFENSE  
COMMITTEE

STATEMENT TO  
**SENATE, No. 957**

—•—  
**STATE OF NEW JERSEY**  
—•—

DATED: JANUARY 27, 1975

This bill redefines "unit" in section 2 of P. L. 1969, c. 215 (C. 45:22A-2), the Retirement Community Full Disclosure Act, to include a share or membership interest of a cooperative housing corporation or association.

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