

56:8-208 to 56:8-210
LEGISLATIVE HISTORY CHECKLIST
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LAWS OF: 2017 **CHAPTER:** 251

NJSA: 56:8-208 to 56:8-210 (Regulates deed procurement services.)

BILL NO: S1962 (Substituted for A1652)

SPONSOR(S) Turner and others

DATE INTRODUCED: 3/14/2016

COMMITTEE: **ASSEMBLY:** Regulated Professions

SENATE: Commerce

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** 12/7/2017

SENATE: 1/23/2017

DATE OF APPROVAL: 1/8/2018

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced version of bill enacted) Yes

S1962

SPONSOR'S STATEMENT: (Begins on page 3 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

(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

LEGISLATIVE FISCAL ESTIMATE: Yes

A1652

SPONSOR'S STATEMENT: (Begins on page 2 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

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

LEGISLATIVE FISCAL ESTIMATE: Yes

(continued)

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

RH/CL

P.L.2017, CHAPTER 251, *approved January 8, 2018*
Senate, No. 1962

1 AN ACT concerning deed procurement services and supplementing
2 P.L.1960, c.39 (C.56:8-1 et seq.).

3

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

6

7 1. As used in this act:

8 “Deed” means a written instrument entitled to be recorded in the
9 office of a county recording officer which purports to convey or
10 transfer title to a freehold interest in any lands, tenements, or other
11 realty in this State by way of grant or bargain and sale thereof from
12 the named grantor to the named grantee. A leasehold interest for 99
13 years or more or a proprietary lease of a cooperative unit and any
14 assignment of a proprietary lease of a cooperative unit, shall be
15 treated as a "freehold" for the purpose of this act. Instruments
16 providing for common driveways; for exchanges of easements or
17 rights-of-way; for revocable licenses to use, to adjust, or to clear
18 defects of or clouds on title; to provide for utility service lines such
19 as drainage, sewerage, water, electric, telephone, or other such
20 service lines; or to quitclaim possible outstanding interests, shall
21 not be "deeds" for the purposes of this act.

22 “Deed procurement services” means the provision by a non-
23 governmental entity of one or more copies of deeds for lands,
24 tenements, or other realty in this State to a property owner, for a fee
25 in excess of the amount authorized under Title 22A of the New
26 Jersey Statutes that the county clerk’s office assesses for providing
27 copies of deeds, and not in relation to the transfer or sale of, or the
28 mortgage origination, mortgage servicing, mortgage refinancing,
29 property tax servicing, or other action initiated by or on behalf of
30 the owner with respect to, such lands, tenements, or realty.

31 “Director” means the Director of the Division of Consumer
32 Affairs in the Department of Law and Public Safety.

33

34 2. a. It shall be an unlawful practice and a violation of
35 P.L.1960, c.39 (C.56:8-1 et seq.) for any person to:

36 (1) use a written form of communication to solicit clients for
37 deed procurement services unless the written form of
38 communication displays, in a clear, conspicuous, and prominent
39 manner and makes the information stand out from the rest of the
40 text of the communication, the address and telephone number of the
41 appropriate county clerk’s office through which the recipient could
42 obtain a copy of the deed directly, the amount of the fee provided

1 for in Title 22A of the New Jersey Statutes that the county clerk’s
2 office assesses for providing copies of deeds, and any other
3 language that the director may prescribe by regulation; or

4 (2) create a false impression in a solicitation for deed
5 procurement services that the recipient is in any way legally
6 required to use the person’s services in order to obtain a copy of a
7 deed.

8 b. Any person who uses a written form of communication to
9 solicit clients for deed procurement services shall, at least 15 days
10 prior to distribution, provide a copy of such written form of
11 communication to the county clerk’s office in each of the counties
12 in which the written form of communication will be distributed.

13

14 3. The director, pursuant to the provisions of the
15 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
16 seq.), shall promulgate rules and regulations to effectuate the
17 purposes of this act.

18

19 4. This act shall take effect immediately.

20

21

22

STATEMENT

23

24 This bill requires non-governmental entities providing deed
25 procurement services to make certain disclosures when soliciting
26 clients. It will be an unlawful practice and a violation of the
27 consumer fraud act for any person to: (1) use a written form of
28 communication to solicit clients for deed procurement services
29 unless the written form of communication displays, in a clear,
30 conspicuous, and prominent manner and makes the information
31 stand out from the rest of the text of the communication, the address
32 and telephone number of the appropriate county clerk’s office
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34 directly, the amount of the fee provided for in Title 22A of the New
35 Jersey Statutes that the county clerk assesses for providing copies of
36 deeds and any other language that the Director of the Division of
37 Consumer Affairs may prescribe by regulation; or (2) create a false
38 impression in a solicitation for deed procurement services that the
39 recipient is in any way legally required to use the person’s services
40 in order to obtain a copy of a deed.

41 As defined in the bill, “deed procurement services” means the
42 provision by a non-governmental entity of one or more copies of
43 deeds for lands, tenements, or other realty in this State to a property
44 owner, for a fee in excess of the amount authorized under Title 22A
45 of the New Jersey Statutes that the county clerk’s office assesses for
46 providing copies of deeds, and not in relation to the transfer or sale
47 of, or the mortgage origination, mortgage servicing, mortgage

1 refinancing, property tax servicing, or other action initiated by or on
2 behalf of the owner with respect to, such lands, tenements, or realty.

3 The bill also stipulates that any person who uses a written form
4 of communication to solicit clients for deed procurement services
5 shall, at least 15 days prior to distribution, provide a copy of such
6 written form of communication to the county clerk's office in each
7 of the counties in which the written form of communication will be
8 distributed.

9 An unlawful practice under the consumer fraud act is punishable
10 by a monetary penalty of not more than \$10,000 for a first offense
11 and not more than \$20,000 for any subsequent offense. In addition,
12 a violation can result in cease and desist orders issued by the
13 Attorney General, the assessment of punitive damages, and the
14 awarding of treble damages and costs to the injured party.

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19

Regulates deed procurement services.

SENATE, No. 1962

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED MARCH 14, 2016

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

Senator NILSA CRUZ-PEREZ

District 5 (Camden and Gloucester)

Assemblyman GARY S. SCHAER

District 36 (Bergen and Passaic)

Assemblywoman ELIZABETH MAHER MUOIO

District 15 (Hunterdon and Mercer)

Assemblywoman SHEILA Y. OLIVER

District 34 (Essex and Passaic)

Assemblyman PAUL D. MORIARTY

District 4 (Camden and Gloucester)

Co-Sponsored by:

Senator Diegnan and Assemblyman Wisniewski

SYNOPSIS

Regulates deed procurement services.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/8/2017)

S1962 TURNER, CRUZ-PEREZ

2

1 AN ACT concerning deed procurement services and supplementing
2 P.L.1960, c.39 (C.56:8-1 et seq.).

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11 realty in this State by way of grant or bargain and sale thereof from
12 the named grantor to the named grantee. A leasehold interest for 99
13 years or more or a proprietary lease of a cooperative unit and any
14 assignment of a proprietary lease of a cooperative unit, shall be
15 treated as a "freehold" for the purpose of this act. Instruments
16 providing for common driveways; for exchanges of easements or
17 rights-of-way; for revocable licenses to use, to adjust, or to clear
18 defects of or clouds on title; to provide for utility service lines such
19 as drainage, sewerage, water, electric, telephone, or other such
20 service lines; or to quitclaim possible outstanding interests, shall
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24 tenements, or other realty in this State to a property owner, for a fee
25 in excess of the amount authorized under Title 22A of the New
26 Jersey Statutes that the county clerk’s office assesses for providing
27 copies of deeds, and not in relation to the transfer or sale of, or the
28 mortgage origination, mortgage servicing, mortgage refinancing,
29 property tax servicing, or other action initiated by or on behalf of
30 the owner with respect to, such lands, tenements, or realty.

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40 text of the communication, the address and telephone number of the
41 appropriate county clerk’s office through which the recipient could
42 obtain a copy of the deed directly, the amount of the fee provided
43 for in Title 22A of the New Jersey Statutes that the county clerk’s
44 office assesses for providing copies of deeds, and any other
45 language that the director may prescribe by regulation; or

46 (2) create a false impression in a solicitation for deed
47 procurement services that the recipient is in any way legally

1 required to use the person's services in order to obtain a copy of a
2 deed.

3 b. Any person who uses a written form of communication to
4 solicit clients for deed procurement services shall, at least 15 days
5 prior to distribution, provide a copy of such written form of
6 communication to the county clerk's office in each of the counties
7 in which the written form of communication will be distributed.

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9 3. The director, pursuant to the provisions of the
10 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
11 seq.), shall promulgate rules and regulations to effectuate the
12 purposes of this act.

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30 Jersey Statutes that the county clerk assesses for providing copies of
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36 As defined in the bill, "deed procurement services" means the
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39 owner, for a fee in excess of the amount authorized under Title 22A
40 of the New Jersey Statutes that the county clerk's office assesses for
41 providing copies of deeds, and not in relation to the transfer or sale
42 of, or the mortgage origination, mortgage servicing, mortgage
43 refinancing, property tax servicing, or other action initiated by or on
44 behalf of the owner with respect to, such lands, tenements, or realty.

45 The bill also stipulates that any person who uses a written form
46 of communication to solicit clients for deed procurement services
47 shall, at least 15 days prior to distribution, provide a copy of such
48 written form of communication to the county clerk's office in each

S1962 TURNER, CRUZ-PEREZ

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1 of the counties in which the written form of communication will be
2 distributed.

3 An unlawful practice under the consumer fraud act is punishable
4 by a monetary penalty of not more than \$10,000 for a first offense
5 and not more than \$20,000 for any subsequent offense. In addition,
6 a violation can result in cease and desist orders issued by the
7 Attorney General, the assessment of punitive damages, and the
8 awarding of treble damages and costs to the injured party.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 1962

STATE OF NEW JERSEY

DATED: JANUARY 9, 2017

The Senate Commerce Committee reports favorably Senate Bill No. 1962.

This bill requires non-governmental entities providing deed procurement services to make certain disclosures when soliciting clients. It will be an unlawful practice and a violation of the consumer fraud act for any person to: (1) use a written form of communication to solicit clients for deed procurement services unless the written form of communication displays, in a clear, conspicuous, and prominent manner and makes the information stand out from the rest of the text of the communication, the address and telephone number of the appropriate county clerk's office through which the recipient could obtain a copy of the deed directly, the amount of the fee provided for in Title 22A of the New Jersey Statutes that the county clerk assesses for providing copies of deeds and any other language that the Director of the Division of Consumer Affairs may prescribe by regulation; or (2) create a false impression in a solicitation for deed procurement services that the recipient is in any way legally required to use the person's services in order to obtain a copy of a deed.

As defined in the bill, "deed procurement services" means the provision by a non-governmental entity of one or more copies of deeds for lands, tenements, or other realty in this State to a property owner, for a fee in excess of the amount authorized under Title 22A of the New Jersey Statutes that the county clerk's office assesses for providing copies of deeds, and not in relation to the transfer or sale of, or the mortgage origination, mortgage servicing, mortgage refinancing, property tax servicing, or other action initiated by or on behalf of the owner with respect to, such lands, tenements, or realty.

The bill also stipulates that any person who uses a written form of communication to solicit clients for deed procurement services shall, at least 15 days prior to distribution, provide a copy of such written form of communication to the county clerk's office in each of the counties in which the written form of communication will be distributed.

An unlawful practice under the consumer fraud act is punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, a violation can result in cease and desist orders issued by the Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party.

ASSEMBLY REGULATED PROFESSIONS COMMITTEE

STATEMENT TO

SENATE, No. 1962

STATE OF NEW JERSEY

DATED: JUNE 12, 2017

The Assembly Regulated Professions Committee reports favorably Senate Bill No. 1962.

This bill requires non-governmental entities providing deed procurement services to make certain disclosures when soliciting clients. It will be an unlawful practice and a violation of the consumer fraud act for any person to: (1) use a written form of communication to solicit clients for deed procurement services unless the written form of communication displays, in a clear, conspicuous, and prominent manner and makes the information stand out from the rest of the text of the communication, the address and telephone number of the appropriate county clerk's office through which the recipient could obtain a copy of the deed directly, the amount of the fee provided for in Title 22A of the New Jersey Statutes that the county clerk assesses for providing copies of deeds and any other language that the Director of the Division of Consumer Affairs may prescribe by regulation; or (2) create a false impression in a solicitation for deed procurement services that the recipient is in any way legally required to use the person's services in order to obtain a copy of a deed.

As defined in the bill, "deed procurement services" means the provision by a non-governmental entity of one or more copies of deeds for lands, tenements, or other realty in this State to a property owner, for a fee in excess of the amount authorized under Title 22A of the New Jersey Statutes that the county clerk's office assesses for providing copies of deeds, and not in relation to the transfer or sale of, or the mortgage origination, mortgage servicing, mortgage refinancing, property tax servicing, or other action initiated by or on behalf of the owner with respect to, such lands, tenements, or realty.

The bill also stipulates that any person who uses a written form of communication to solicit clients for deed procurement services shall, at least 15 days prior to distribution, provide a copy of such written form of communication to the county clerk's office in each of the counties in which the written form of communication will be distributed.

An unlawful practice under the consumer fraud act is punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, a violation can result in cease and desist orders issued by the

Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 1962
STATE OF NEW JERSEY
217th LEGISLATURE

DATED: DECEMBER 4, 2017

SUMMARY

Synopsis: Regulates deed procurement services.

Type of Impact: Annual cost and revenue increases to the State and county governments.

Agencies Affected: Department of Law and Public Safety; County Governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Annual State and County Cost Increases	Indeterminate – See comments below.		
Annual State and County Revenue Increases	Indeterminate – See comments below.		

- The Office of Legislative Services (OLS) finds that there is an indeterminate annual State and county net fiscal impact associated with this bill.
- County clerk offices may experience additional indeterminate annual costs as the bill requires deed procurement service providers to file paperwork with county clerk offices prior to distributing deed procurement solicitations, and as the bill may increase the demand for copies of deeds.
- County clerk offices may experience additional indeterminate annual revenue from a possible increase in public records requests prompted by the solicitations of deed procurement service providers. Although deed solicitors have been soliciting clients and requesting this public information from county clerk offices in the past, the additional contact information of the county clerk offices required on the solicitation may prompt homeowners not interested in using services of a deed solicitor to make their own requests to their county clerk offices.
- A violation of the bill’s provisions could result in additional consumer fraud act cases, which may increase the workload and operating expenses of the Office of the Attorney General and the Division of Consumer Affairs; however, additional cases may result in additional indeterminate annual revenue from consumer fraud act penalties paid. Consumer fraud act violations are punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense.

BILL DESCRIPTION

Senate Bill No. 1962 of 2016 requires non-governmental entities providing deed procurement services to make certain disclosures when soliciting clients.

The bill stipulates that when deed solicitors advertise their services, they are also to include the address and telephone number of the appropriate county clerk's office through which the recipient could obtain a copy of the deed directly, the amount of the fee that the county clerk assesses for providing copies of deeds, and any other language that the Division of Consumer Affairs in the Department of Law and Public Safety may prescribe by regulation.

In addition, the bill prohibits deed procurement companies from creating a false impression in a solicitation for deed procurement services that the recipient is legally required to use the services in order to obtain a copy of a deed.

The bill also specifies that any person who uses a written form of communication to solicit clients for deed procurement services shall, at least 15 days prior to distribution, provide a copy of such written form of communication to the county clerk's office in each of the counties in which the written form of communication will be distributed.

The bill stipulates further that a violation of these provisions is punishable under the consumer fraud act. An unlawful practice is punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, a violation can result in cease and desist orders issued by the Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that there is an indeterminate annual State and county net fiscal impact associated with this bill.

Revenue Increases:

County clerk offices may experience additional indeterminate annual revenue from a possible increase in public records requests prompted by the solicitations of deed procurement service providers. Although deed solicitors currently advertise to potential clients and request this public information from county clerk offices, the additional contact information of the county clerk required on the solicitation may prompt homeowners not interested in using services of a deed solicitor to make their own requests to their county clerk offices, thus increasing the fee revenue from copies.

In addition, the State may collect additional indeterminate annual revenue from consumer fraud act penalties and other fines that may be imposed for violations of the provisions of this bill. Consumer fraud act violations are punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense.

Expenditure Increases:

County clerk offices may experience additional indeterminate annual costs as the bill requires deed procurement service providers to file paperwork with county clerk offices prior to distributing deed procurement solicitations, and as the bill may increase the demand for copies of deeds.

Moreover, a violation of the bill's provisions could result in additional indeterminate consumer fraud act complaints, which may potentially increase the workload and operating expenses of the Office of the Attorney General and the Division of Consumer Affairs. The cost of these cases may be offset by additional revenue from consumer fraud act penalties and other fines collected.

Section: Law and Public Safety

*Analyst: Kristin Brunner Santos
Senior Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY, No. 1652

STATE OF NEW JERSEY 217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

Sponsored by:

Assemblyman GARY S. SCHAER

District 36 (Bergen and Passaic)

Assemblywoman ELIZABETH MAHER MUOIO

District 15 (Hunterdon and Mercer)

Assemblywoman SHEILA Y. OLIVER

District 34 (Essex and Passaic)

Assemblyman PAUL D. MORIARTY

District 4 (Camden and Gloucester)

SYNOPSIS

Regulates deed procurement services.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 3/24/2017)

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2 P.L.1960, c.39 (C.56:8-1 et seq.).

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
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7 1. As used in this act:

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12 the named grantor to the named grantee. A leasehold interest for 99
13 years or more or a proprietary lease of a cooperative unit and any
14 assignment of a proprietary lease of a cooperative unit, shall be
15 treated as a "freehold" for the purpose of this act. Instruments
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29 property tax servicing, or other action initiated by or on behalf of
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14 4. This act shall take effect immediately.

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7 Attorney General, the assessment of punitive damages, and the
8 awarding of treble damages and costs to the injured party.

ASSEMBLY REGULATED PROFESSIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1652

STATE OF NEW JERSEY

DATED: JUNE 12, 2017

The Assembly Regulated Professional Committee reports favorably Assembly Bill No. 1652.

This bill requires non-governmental entities providing deed procurement services to make certain disclosures when soliciting clients. It will be an unlawful practice and a violation of the consumer fraud act for any person to: (1) use a written form of communication to solicit clients for deed procurement services unless the written form of communication displays, in a clear, conspicuous, and prominent manner and makes the information stand out from the rest of the text of the communication, the address and telephone number of the appropriate county clerk's office through which the recipient could obtain a copy of the deed directly, the amount of the fee provided for in Title 22A of the New Jersey Statutes that the county clerk assesses for providing copies of deeds and any other language that the Director of the Division of Consumer Affairs may prescribe by regulation; or (2) create a false impression in a solicitation for deed procurement services that the recipient is in any way legally required to use the person's services in order to obtain a copy of a deed.

As defined in the bill, "deed procurement services" means the provision by a non-governmental entity of one or more copies of deeds for lands, tenements, or other realty in this State to a property owner, for a fee in excess of the amount authorized under Title 22A of the New Jersey Statutes that the county clerk's office assesses for providing copies of deeds, and not in relation to the transfer or sale of, or the mortgage origination, mortgage servicing, mortgage refinancing, property tax servicing, or other action initiated by or on behalf of the owner with respect to, such lands, tenements, or realty.

The bill also stipulates that any person who uses a written form of communication to solicit clients for deed procurement services shall, at least 15 days prior to distribution, provide a copy of such written form of communication to the county clerk's office in each of the counties in which the written form of communication will be distributed.

An unlawful practice under the consumer fraud act is punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, a violation can result in cease and desist orders issued by the

Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party.

This bill was pre-filed for introduction in the 2016-2017 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 1652
STATE OF NEW JERSEY
217th LEGISLATURE

DATED: JANUARY 27, 2017

SUMMARY

Synopsis: Regulates deed procurement services.

Type of Impact: Annual cost and revenue increases to the State and county governments.

Agencies Affected: Department of Law and Public Safety; County Governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Annual State and County Cost Increases	Indeterminate – See comments below.		
Annual State and County Revenue Increases	Indeterminate – See comments below.		

- The Office of Legislative Services (OLS) finds that there is an indeterminate annual State and county net fiscal impact associated with this bill.
- County clerk offices may experience additional indeterminate annual costs as the bill requires deed procurement service providers to file paperwork with county clerk offices prior to distributing deed procurement solicitations, and as the bill may increase the demand for copies of deeds.
- County clerk offices may experience additional indeterminate annual revenue from a possible increase in public records requests prompted by the solicitations of deed procurement service providers. Although deed solicitors have been soliciting clients and requesting this public information from county clerk offices in the past, the additional contact information of the county clerk offices required on the solicitation may prompt homeowners not interested in using services of a deed solicitor to make their own requests to their county clerk offices.
- A violation of the bill’s provisions could result in additional consumer fraud act cases, which may increase the workload and operating expenses of the Office of the Attorney General and the Division of Consumer Affairs; however, additional cases may result in additional indeterminate annual revenue from consumer fraud act penalties paid. Consumer fraud act violations are punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense.

BILL DESCRIPTION

Assembly Bill No. 1652 of 2016 requires non-governmental entities providing deed procurement services to make certain disclosures when soliciting clients.

The bill stipulates that when deed solicitors advertise their services, they are also to include the address and telephone number of the appropriate county clerk's office through which the recipient could obtain a copy of the deed directly, the amount of the fee that the county clerk assesses for providing copies of deeds, and any other language that the Division of Consumer Affairs in the Department of Law and Public Safety may prescribe by regulation.

In addition, the bill prohibits deed procurement companies from creating a false impression in a solicitation for deed procurement services that the recipient is legally required to use the services in order to obtain a copy of a deed.

The bill also specifies that any person who uses a written form of communication to solicit clients for deed procurement services shall, at least 15 days prior to distribution, provide a copy of such written form of communication to the county clerk's office in each of the counties in which the written form of communication will be distributed.

The bill stipulates further that a violation of these provisions is punishable under the consumer fraud act. An unlawful practice is punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, a violation can result in cease and desist orders issued by the Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that there is an indeterminate annual State and county net fiscal impact associated with this bill.

Revenue Increases:

County clerk offices may experience additional indeterminate annual revenue from a possible increase in public records requests prompted by the solicitations of deed procurement service providers. Although deed solicitors currently advertise to potential clients and request this public information from county clerk offices, the additional contact information of the county clerk required on the solicitation may prompt homeowners not interested in using services of a deed solicitor to make their own requests to their county clerk offices, thus increasing the fee revenue from copies.

In addition, the State may collect additional indeterminate annual revenue from consumer fraud act penalties and other fines that may be imposed for violations of the provisions of this bill. Consumer fraud act violations are punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense.

Expenditure Increases:

County clerk offices may experience additional indeterminate annual costs as the bill requires deed procurement service providers to file paperwork with county clerk offices prior to distributing deed procurement solicitations, and as the bill may increase the demand for copies of deeds.

Moreover, a violation of the bill's provisions could result in additional indeterminate consumer fraud act complaints, which may potentially increase the workload and operating expenses of the Office of the Attorney General and the Division of Consumer Affairs. The cost of these cases may be offset by additional revenue from consumer fraud act penalties and other fines collected.

Section: Law and Public Safety

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*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).