

46:3B-1

LEGISLATIVE HISTORY CHECKLIST
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(New Home Warranty--allow
alternative programs)

NJSA: 46:3B-1

LAWS OF: 1992 CHAPTER: 56

BILL NO: A868

SPONSOR(S): Corodemus and Sosa

DATE INTRODUCED: February 10, 1992

COMMITTEE: ASSEMBLY: Housing

SENATE: Community Affairs

AMENDED DURING PASSAGE: Yes Amendments during passage
denoted by asterisks

DATE OF PASSAGE: ASSEMBLY: April 13, 1992

SENATE: June 4, 1992

DATE OF APPROVAL: July 17, 1992

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

FISCAL NOTE: Yes

VETO MESSAGE: ~~Yes~~ No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

[FIRST REPRINT]
ASSEMBLY, No. 868

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 10, 1992

By Assemblymen CORODEMUS and SOSA

1 AN ACT establishing a register of alternate new home warranty
2 security programs, and supplementing P.L.1977, c.467
3 (C.46:3B-1 et seq.).
4

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

7 1. Whenever a builder participating in an alternative new home
8 warranty program approved by the commissioner pursuant to
9 section 8 of P.L.1977, c.467 (C.46:3B-8) issues a warranty
10 guaranteed by that plan, the warranty guarantor shall, before the
11 15th day of the month next following the month in which the new
12 home covered by the warranty is conveyed to the owner, file with
13 the commissioner a statement listing: (1) the name of the
14 approved program as listed with the department; (2) the name or
15 names and Social Security number or numbers of the owner or
16 owners to whom the warranty was issued, the warranty date, and
17 the enrollment number or other designation by which the
18 warranty is identified in the records of the approved program; (3)
19 the name, address and registration number of the registered
20 builder by whom the warranty has been issued; (4) the sales price
21 of the new home upon which the warranty was issued, its type and
22 method of construction in accordance with categories established
23 by the commissioner, and its location by street address or its
24 block and lot number designation in the tax records of the
25 municipality in which it is located; and (5) such other
26 information as the commissioner may require in order to carry
27 out the provisions and purposes of this act.

28 2. The commissioner shall cause the information reported to
29 him pursuant to section 1 of this act to be filed and indexed, in
30 coordination with data on file with the department relating to
31 alternate programs approved by the commissioner, so as to
32 permit a person consulting the file to ascertain the following data
33 and any combination thereof:

34 (1) The identity and business address of any approved program,
35 of the warranty guarantor of the program, and of the warranty
36 administrator if different from the warranty guarantor.

37 (2) The identity, business address and registration number of
38 each builder participating in any approved program.

39 (3) The number of warranties issued and in force by any builder
40 participating in an approved program; the type, sales price and
41 location of each property covered by those warranties; the
42 identity of the owners to whom those warranties were issued; and

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:

¹ Assembly AHO committee amendments adopted February 27, 1992.

1 warranty dates of each.

2 (4) The number of warranties issued and in force that are
3 guaranteed by the guarantor of any program; the builder by whom
4 they were issued; the type, sales price and location of each
5 property covered by those warranties; the identity of the owners
6 to whom those warranties were issued; and the warranty dates of
7 each.

8 (5) The address or other location of every property upon which
9 a warranty has been issued and is in force, according to the
10 warranty date, the builder by whom issued, the approved program
11 by which it is guaranteed, the owner or owners to whom issued,
12 the type of construction and the sales price.

13 (6) Each of the foregoing, or any combination thereof,
14 arranged chronologically according to the year, or any month of
15 any year, of the warranty dates of the warranties involved.

16 3. The files maintained pursuant to section 2 of this act shall
17 be open to inspection by the public at any time during regular
18 business hours at the department's main office ¹[in Trenton,]¹
19 and at any other location at which the commissioner may direct
20 duplicate files to be maintained. Copies of information derived
21 from these files shall be available, upon payment of fees
22 sufficient to defray the cost of preparing and distributing those
23 copies, to any person requesting them.

24 4. This act shall take effect on the 120th day next following
25 its enactment; provided, however, that any rules and regulations
26 necessary for its implementation may be promulgated
27 immediately.

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32 Establishes new-home warranty register in DCA.

1 they were issued; the type, sales price and location of each
2 property covered by those warranties; the identity of the owners
3 to whom those warranties were issued; and the warranty dates of
4 each.

5 (5) The address or other location of every property upon which
6 a warranty has been issued and is in force, according to the
7 warranty date, the builder by whom issued, the approved program
8 by which it is guaranteed, the owner or owners to whom issued,
9 the type of construction and the sales price.

10 (6) Each of the foregoing, or any combination thereof,
11 arranged chronologically according to the year, or any month of
12 any year, of the warranty dates of the warranties involved.

13 3. The files maintained pursuant to section 2 of this act shall
14 be open to inspection by the public at any time during regular
15 business hours at the department's main office in Trenton, and at
16 any other location at which the commissioner may direct
17 duplicate files to be maintained. Copies of information derived
18 from these files shall be available, upon payment of fees
19 sufficient to defray the cost of preparing and distributing those
20 copies, to any person requesting them.

21 4. This act shall take effect on the 120th day next following
22 its enactment; provided, however, that any rules and regulations
23 necessary for its implementation may be promulgated
24 immediately.

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STATEMENT

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29 This bill would establish in the Department of Community
30 Affairs (DCA) a central registry of information regarding
31 new-home warranties issued through "approved alternate"
32 warranty plans.

33 Under current law, "certificates of participation" for every
34 warranty guaranteed by the State-run warranty program are filed
35 with and validated by DCA. This bill would require comparable
36 information to be furnished to DCA by the guarantor of any
37 warranty backed by a program that DCA has approved as giving
38 the home owner protection at least equal to that of the State's
39 own program.

40 The bill also requires that this information be filed and indexed
41 so as to provide ready access to data regarding the builders by
42 whom, home owners to whom, and properties upon which, those
43 warranties have been issued, as well as the guarantors by whom
44 those warranties are backed. This information would be available
45 to the public.

46 The intention of the bill is to (1) facilitate monitoring of
47 compliance with, and the effectiveness of, the new-home
48 warranty law, and (2) enable purchasers of existing homes to
49 ascertain whether their new properties are still covered under
50 warranties previously issued, and if so by what guarantor, under
51 what conditions, and with what period of coverage remaining.

52 In addition, the information gathered by this registry will
53 provide comprehensive and current data on housing completions
54 in the State according to location, type and quantity. Fresh data

1 on completions -- as distinct from housing starts, which are
2 reported on a current basis, but do not always result in
3 completions -- are now available only at the decennial census
4 intervals. This information will be of great use in planning for
5 future development in the State.

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10 Establishes new-home warranty register in DCA.

ASSEMBLY HOUSING COMMITTEE

STATEMENT TO

ASSEMBLY, No. 868

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 27, 1992

The Assembly Housing Committee reports Assembly Bill No. 868 favorably, with an amendment.

This bill would establish in the Department of Community Affairs (DCA) a central registry of information regarding new-home warranties issued through "approved alternate" warranty plans.

Under current law, "certificates of participation" for every warranty guaranteed by the State-run warranty program are filed with and validated by DCA. This bill would require comparable information to be furnished to DCA by the guarantor of any warranty backed by a program that DCA has approved as giving the home owner protection at least equal to that of the State's own program.

The bill also requires that this information be filed and indexed so as to provide ready access to data regarding the builders by whom, home owners to whom, and properties upon which, those warranties have been issued, as well as the guarantors by whom those warranties are backed. This information would be available to the public.

The intention of the bill is to (1) facilitate monitoring of compliance with, and the effectiveness of, the new-home warranty law, and (2) enable purchasers of existing homes to ascertain whether their new properties are still covered under warranties previously issued, and if so by what guarantor, under what conditions, and with what period of coverage remaining.

In addition, the information gathered by this registry will provide comprehensive and current data on housing completions in the State according to location, type and quantity. Fresh data on completions -- as distinct from housing starts, which are reported on a current basis, but do not always result in completions -- are now available only at the decennial census intervals. This information will be of great use in planning for future development in the State.

The committee adopted an amendment to delete reference to the physical location of DCA's "main office".

SENATE COMMUNITY AFFAIRS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 868

STATE OF NEW JERSEY

DATED: JUNE 1, 1992

The Senate Community Affairs Committee favorably reports Assembly Bill No. 868(1R).

Assembly Bill No. 868(1R) establishes in the Department of Community Affairs (DCA) a central registry of information regarding new-home warranties issued through "approved alternate" warranty plans.

Under current law, "certificates of participation" for every warranty guaranteed by the State-run warranty program are filed with and validated by DCA. This bill would require comparable information to be furnished to DCA by the guarantor of any warranty backed by a program that DCA has approved as giving the home owner protection at least equal to that of the State's own program.

The bill also requires that this information be filed and indexed so as to provide ready access to data regarding the builders by whom, home owners to whom, and properties upon which, those warranties have been issued, as well as the guarantors by whom those warranties are backed. This information would be available to the public.

The intention of the bill is to (1) facilitate monitoring of compliance with, and the effectiveness of, the new-home warranty law, and (2) enable purchasers of existing homes to ascertain whether their new properties are still covered under warranties previously issued, and if so by what guarantor, under what conditions, and with what period of coverage remaining.

In addition, the information gathered by this registry will provide comprehensive and current data on housing completions in the State according to location, type and quantity. Fresh data on completions -- as distinct from housing starts, which are reported on a current basis, but do not always result in completions -- are now available only at the decennial census intervals. This information will be of great use in planning for future development in the State.

LEGISLATIVE FISCAL ESTIMATE TO

[FIRST REPRINT]

ASSEMBLY, No. 868

STATE OF NEW JERSEY

DATED: May 12, 1992

Assembly Bill No. 868 (1R) of 1992 would establish in the Department of Community Affairs (DCA) a central registry of information regarding new-home warranties issued through "approved alternate" warranty plans.

Under current law, "certificates of participation" for every warranty guaranteed by the State-run warranty program are filed with and validated by DCA. This bill would require comparable information to be furnished to DCA by the guarantor of any warranty backed by a program that DCA has approved as giving the home owner protection at least equal to that of the State's own program.

The bill also requires that this information be filed and indexed so as to provide ready access to data regarding the builders by whom, home owners to whom, and properties -- including their sales prices, type of construction, and location -- upon which those warranties have been issued, as well as the guarantors by whom those warranties are backed. This information would be available to the public. Copies of information derived from these files will be made available, upon payment of fees sufficient to defray the cost of preparing and distributing those copies, to any person requesting them.

DCA and the Office of Management and Budget did not submit a fiscal note worksheet on this bill. However, DCA informally responded and stated that this bill would require information computer tracking which is almost identical to the information computer tracking which DCA currently uses in administering the Home Warranty Program. DCA indicated that it can absorb the additional responsibilities with current computer systems and personnel and that therefore no additional State cost would be incurred.

The Office of Legislative Services (OLS) concurs.

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.