

45:22A-1 to 20

February 10, 1970

LEGISLATIVE HISTORY OF R.S. 45:22A-1 to 20
(Real estate developers, certain; "Retirement Community Full
Disclosure Act")

COPY NO. 2

No similar bills introduced in previous years.

Governor Hughes recommended this legislation in his 7th Annual
Message (January 14, 1969). (see p. 28-29).

L. 1969, Chapter 215, A895

Introduced April 14 by Aikins [and others].

Bill had statement (copy enclosed).

Not amended during passage.

Governor Hughes made statement on signing A895 (copy enclosed).

We located the following clippings (V.P.--N.J.--Old age--Housing). (copy enc)

"Bill regulates senior citizen homes." NEN 4-15-69.

"Retirement home measure passes." APP 5-21-69.

"Law would screen site for retirees." APP 11-25-69.

Articles enclosed from:

Community (publication of Dept. of Community Affairs).

Added Years (publication of Div. on Aging-Dept. of Community Affairs).

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STATE OF NEW JERSEY

INTRODUCED APRIL 14, 1969

By Assemblymen AIKINS, DICKEY, WILENTZ, WOOD-
SON and MORAITES

Referred to Committee on Commerce, Industry and Professions

AN ACT requiring full disclosure by developers of retirement communities and subdivisions.

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

1 1. This act may be cited as the "Retirement Community Full
2 Disclosure Act."

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

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

24 (d) "Common promotional plan" includes an offer for sale or
25 lease of lots or units in a subdivision or community by a single

26 developer, or a group of developers acting in concert where such
 27 lots or units are contiguous, or are known, designated, or advertised
 28 as a common entity or by a common name;

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

31 (f) "Developer" means any person who, directly or indirectly,
 32 sells or leases, or offers to sell or lease, or advertises for sale
 33 or lease any lots in a retirement subdivision or any units in a
 34 retirement community;

35 (g) "Agent" means any person who represents, or acts for
 36 or on behalf of, a developer in selling or leasing, or offering to
 37 sell or lease, any lot or lots in a retirement subdivision or any units
 38 in a retirement community; but shall not include an attorney at
 39 law whose representation of another person consists solely of
 40 rendering legal services;

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

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

44 (j) "Offer" includes any inducement, solicitation, or attempt
 45 to encourage a person to acquire a lot or unit in a subdivision or
 46 community;

47 (k) "Disposition" includes sale, lease, assignment, award by
 48 lottery, or any other transaction concerning a subdivision or
 49 community.

1 3. This act shall be administered by the Division of Housing
 2 and Urban Renewal, State Department of Community Affairs,
 3 which hereinafter is called the agency.

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

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

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

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

13 (d) A subdivision as to which the agency has granted an exemp-
 14 tion as provided in section 11;

15 (e) Offers or dispositions of securities currently registered with

16 the State Attorney General or the Bureau of Securities, within the
17 Division of Law, State Department of Law and Public Safety.

1 5. Unless the retirement subdivisions or community lands or the
2 transaction is exempt by section 4:

3 (a) No person may offer or dispose of any lot or unit in any
4 retirement subdivision or community located in this State, nor
5 offer or dispose in this State of any lot or unit in any retirement
6 subdivision or community located without this State prior to the
7 time such division or community is registered in the manner pre-
8 scribed by this act;

9 (b) No person may dispose of any lot or unit in any retirement
10 subdivision or community unless a current public offering statement
11 is delivered to the purchaser and the purchaser is afforded a rea-
12 sonable opportunity, under no circumstances less than 48 hours,
13 to examine the public offering statement prior to the disposition.

1 6. (a) A retirement subdivision or community may be registered
2 by filing with the agency, a statement of record containing the
3 following documents and information:

4 (1) An irrevocable appointment of the agency to receive service
5 of any lawful process in any noncriminal proceeding arising under
6 this act against the developer or his agent;

7 (2) A legal description of the lands offered for registration as
8 a retirement subdivision or community, together with a map show-
9 ing the subdivision proposed or made, and the dimensions of the
10 lots, parcels, units or interests and the relation of such lands to
11 existing streets, roads, and other improvements;

12 (3) The States or jurisdictions, including the Federal Govern-
13 ment, in which an application for registration or similar document
14 has been filed, and any adverse order, judgment, or decree entered
15 in connection with the subdivision or community lands by the
16 regulatory authorities in each jurisdiction or by any court;

17 (4) The applicant's name, address, and the form, date, and
18 jurisdiction of organization; and the address of each of its offices
19 in this State;

20 (5) The name, address, and principal occupation for the past
21 5 years of every director and officer of the applicant or person
22 occupying a similar status, performing similar functions or having
23 an interest in the subdivision or community lands; the extent and
24 nature of his interest in the applicant or the subdivision or com-
25 munity lands as of a specified date within 30 days of the filing of
26 the application;

27 (6) A statement, in a form acceptable to the agency, of the

28 condition of the title to the subdivision or community lands in-
29 cluding encumbrances as of a specified date within 30 days of the
30 date of application by a title opinion of a licensed attorney, not a
31 salaried employee, officer or director of the applicant or owner,
32 or by other evidence of title acceptable to the agency;

33 (7) Copies of the instruments which will be delivered to a
34 purchaser to evidence his interest in the subdivision or community
35 lands and of the contracts and other agreements which a purchaser
36 will be required to agree to or sign;

37 (8) Copies of the instruments by which the interest in the sub-
38 division or community lands was acquired and a statement of any
39 lien or encumbrance upon the title and copies of the instruments
40 creating the lien or encumbrance, if any, with data as to recording;

41 (9) If there is a lien or encumbrance affecting more than one lot,
42 parcel, unit or interest a statement of the consequences for a pur-
43 chaser of failure to discharge the lien or encumbrance and the
44 steps, if any, taken to protect the purchaser in case of this
45 eventuality;

46 (10) Copies of instruments creating easements, restrictions, or
47 other encumbrances, affecting the subdivision or community lands;

48 (11) A statement of the zoning and other governmental regula-
49 tions affecting the use of the subdivision or community lands and
50 also of any existing tax and existing or proposed special taxes or
51 assessments which affect such lands;

52 (12) A statement of the existing provisions for access, sewage
53 disposal, water, and other public utilities in the subdivision or
54 community; a statement of the improvements to be installed, the
55 schedule for their completion, and a statement as to the provisions
56 for improvement maintenance;

57 (13) A narrative description of the promotional plan for the
58 disposition of the subdivision or community lands together with
59 copies of all advertising material which has been prepared for
60 public distribution by and means of communication;

61 (14) Written assurances that the lands will be offered to the
62 public and that responses to applications will be made without
63 regard to race, creed, or national origin;

64 (15) The proposed public offering statement;

65 (16) A current financial statement, which shall include such in-
66 formation concerning the developer as the agency deems to be
67 pertinent, including, but not restricted to, a profit and loss state-
68 ment certified by an independent public accountant and information
69 concerning any adjudication of bankruptcy against the developer

70 or any principal owning more than 10% of the interests in the
71 subdivision or community at the time of filing;

72 (17) Any other information which the agency by its rules requires
73 for the protection of purchasers.

74 (b) At the time of filing a statement of record, or any amend-
75 ment thereto, the developer shall pay to the agency a fee, not in
76 excess of \$25.00, in accordance with a schedule to be fixed by the
77 regulations of the agency, which fees may be used by the agency
78 to defray part of the cost of rendering services under this act.

79 (c) The filing with the agency of a statement of record, or of an
80 amendment thereto, shall be deemed to have taken place upon the
81 receipt thereof, accompanied by payment of the fee required by
82 subsection (b).

83 (d) The information contained in or filed with any statement of
84 record shall be made available to the public under such regulations
85 as the agency may prescribe and copies thereof shall be furnished
86 to every applicant at such reasonable charge as the agency may
87 prescribe.

88 (e) If the developer registers additional subdivision or com-
89 munity lands, he may consolidate the subsequent registration with
90 any earlier registration offering such lands for disposition under
91 the same promotional plan.

92 (f) The developer shall immediately report any material changes
93 in the information contained in a statement of record.

1 7. (a) A public offering statement shall disclose fully and ac-
2 curately the physical characteristics of the retirement subdivision
3 or community lands offered and shall make known to prospective
4 purchasers all unusual and material circumstances or features
5 affecting such lands. The proposed public offering statement sub-
6 mitted to the agency shall be in a form prescribed by its rules and
7 shall include the following:

8 (1) The name and principal address of the developer;

9 (2) A general description of the subdivision or community lands
10 stating the total number of lots, parcels, units, or interests in the
11 offering;

12 (3) The significant terms of any encumbrances, easements, liens,
13 and restrictions, including zoning and other regulations affecting
14 such lands and each unit or lot, and a statement of all existing
15 taxes and existing or proposed special taxes or assessments which
16 affect such lands;

17 (4) A statement of the use for which the property is offered;

18 (5) Information concerning improvements, including hospitals,
19 health and recreational facilities of any kind, streets, water supply,

20 levees, drainage control systems, irrigation systems, sewage dis-
21 posal facilities and customary utilities, and the estimated cost, date
22 of completion and responsibility for construction and maintenance
23 of existing and proposed improvements which are referred to in
24 connection with the offering or disposition of any interest in the
25 subdivision or community lands;

26 (6) Additional information required by the agency to assure
27 full and fair disclosure to prospective purchasers.

28 (b) The public offering statement shall not be used for any pro-
29 motional purposes before registration of the retirement subdivision
30 or community lands and afterwards only if it is used in its entirety.
31 No person may advertise or represent that the agency approves or
32 recommends the subdivision lands or disposition thereof. No por-
33 tion of the public offering statement may be underscored, italicized,
34 or printed in larger or heavier or different color type than the
35 remainder of the statement unless the agency requires or permits it.

36 (c) The agency may require the developer to alter or amend the
37 proposed public offering statement in order to assure full and fair
38 disclosure to prospective purchasers, and no change in the sub-
39 stance of the promotional plan or plan of disposition or develop-
40 ment of the subdivision or community may be made after regis-
41 tration without notifying the agency and without making an ap-
42 propriate amendment to the public offering statement. A public
43 offering statement is not current unless all amendments are incor-
44 porated.

1 8. Upon receipt of a statement of record in proper form, the
2 agency shall forthwith initiate an examination to determine that:

3 (a) The developer can convey or cause to be conveyed the in-
4 terest in subdivided lands offered for disposition if the purchaser
5 complies with the terms of the offer, and when appropriate, that
6 release clauses, conveyances in trust or other safeguards have been
7 provided;

8 (b) There is reasonable assurance that all proposed improve-
9 ments will be completed as represented;

10 (c) The advertising material and the general promotional plan
11 are not false, misleading, or discriminatory and comply with the
12 standards prescribed by the agency in its rules and afford full and
13 fair disclosure;

14 (d) Such subdivider has not, or if a corporation, its officers, di-
15 rectors, and principals have not, been convicted of a crime involv-
16 ing land dispositions or any aspect of the land sales business in
17 this State, the United States, or any other State or foreign country

18 and has not been subject to any injunction or administrative order
19 restraining a false or misleading promotional plan involving land
20 dispositions;

21 (e) The public offering statement requirements of this act have
22 been satisfied.

1 9. (a) Upon filing of the statement of record in proper form,
2 the agency shall issue a notice of filing to the applicant. Within
3 10 days from the date of the notice of filing, the agency shall enter
4 an order registering the subdivision or community lands or reject-
5 ing the registration. If no order of rejection is entered within 90
6 days from the date of notice of filing, the land shall be deemed
7 registered unless the applicant has consented in writing to a delay.

8 (b) If the agency affirmatively determines, upon inquiry and
9 examination, that the requirements of section 8 have been met,
10 it shall enter an order registering the retirement subdivision or
11 community lands and shall designate the form of the public offering
12 statement.

13 (c) If the agency determines upon inquiry and examination that
14 any of the requirements of section 8 have not been met, the agency
15 shall notify the applicant that the statement of record must be
16 corrected in the particulars specified within 30 days. If the require-
17 ments are not met within the time allowed the agency shall enter
18 an order rejecting the registration containing the findings of fact
19 upon which the order is based. The order rejecting the registra-
20 tion shall not become effective for 20 days during which time the
21 applicant may petition for reconsideration and shall be entitled to
22 a hearing upon request.

1 10. (a) Within 30 days after each annual anniversary date of
2 an order registering senior citizens' subdivided lands, the sub-
3 divider of such lands shall file a report in the form prescribed by
4 the rules of the agency. The report shall reflect any material
5 changes in information contained in the original statement of
6 record.

7 (b) The agency at its option may permit the filing of annual
8 reports within 30 days after the anniversary date of the con-
9 solidated registration in lieu of the anniversary date of the original
10 registration.

1 11. (a) The agency shall adopt, amend, or repeal such rules and
2 regulations as are reasonably necessary for the enforcement of
3 the provisions of this act, after a public hearing with notice thereof
4 published once in a newspaper or newspapers with State-wide
5 circulation not less than 5 days nor more than 15 days prior to
6 the hearing and mailed to developers not less than 5 days nor more

7 than 15 days prior to the public hearing. The Director of the
8 Division on Aging, State Department of Community Affairs, shall
9 advise the director of the agency concerning the promulgation or
10 alteration of such rules. The rules shall include but not be limited
11 to provisions for advertising standards to assure full and fair
12 disclosure; provisions for escrow or trust agreements or other
13 means reasonably to assure that all improvements referred to in
14 the statement of record and advertising will be completed and that
15 purchasers will receive the interest in land contracted for; provi-
16 sions for operating procedures; rules of procedure to be followed
17 in the conduct of all hearings; and other rules as are necessary
18 and proper to effect the purpose of this act.

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

23 (c) If it appears that a person has engaged or is about to engage
24 in an act or practice constituting a violation of a provision of this
25 act, or a rule or order hereunder, the agency, with or without prior
26 administrative proceedings, may bring an action in the Chancery
27 Division of the State Superior Court to enjoin the acts or practices
28 and to enforce compliance with this act or any rule or order here-
29 under. Upon proper showing, injunctive relief or temporary
30 restraining orders shall be granted, and a receiver may be ap-
31 pointed. The agency is not required to post a bond in any court
32 proceedings.

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

37 (e) The agency may:

38 (1) Accept registrations filed in other States or with the Federal
39 Government;

40 (2) Grant exemptions if allowed by rules promulgated under
41 subsection (a);

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

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

45 (f) The agency shall co-operate with similar agencies in other
46 jurisdictions to establish uniform filing procedures, statements of
47 record and forms, uniform public offering statements, advertising
48 standards, rules and common administrative practices.

1 12. (a) The agency may:

2 (1) Make necessary public or private investigations within or
3 outside of this State to determine whether any person has violated
4 or is about to violate this act or any rule or order hereunder, or to
5 aid in the enforcement of this act or in the prescribing of rules and
6 forms hereunder;

7 (2) Require or permit any person to file a statement in writing,
8 under oath or otherwise as the agency determines, as to all the
9 facts and circumstances concerning the matter to be investigated.

10 (b) For the purpose of any investigation or proceeding under
11 this act, the agency or any officer designated by rule may administer
12 oaths or affirmations, and upon its own motion or upon request of
13 any party shall subpoena witnesses, compel their attendance, take
14 evidence, and require the production of any matter which is rele-
15 vant to the investigation, including the existence, description, na-
16 ture, custody, condition, and location of any books, documents, or
17 other tangible things and the identity and location of persons hav-
18 ing knowledge of relevant facts or any other matter reasonably
19 calculated to lead to the discovery of material evidence.

20 (c) Upon failure to obey a subpoena or to answer questions pro-
21 pounded by the investigating officer and upon reasonable notice to
22 all persons affected thereby, the agency may apply to Chancery
23 Division of the State Superior Court for an order compelling com-
24 pliance.

1 13. (a) If the agency determines after notice and hearing that
2 a person has:

3 (1) Violated any provision of this act;

4 (2) Directly or through an agent or employee knowingly en-
5 gaged in any false, deceptive, or misleading advertising, promo-
6 tional, or sales methods to offer or dispose of an interest in the
7 subdivision or community lands;

8 (3) Made any substantial change in the plan of disposition and
9 development of the subdivision or community lands subsequent to
10 the order of registration without obtaining prior written approval
11 from the agency;

12 (4) Disposed of any subdivision or community lands which have
13 not been registered with the agency;

14 (5) Violated any lawful order or rule of the agency, it may
15 issue an order requiring the person to cease and desist from the
16 unlawful practice and to take such affirmative action as in the
17 judgment of the agency will carry out the purposes of this act.

18 (b) If the agency makes a finding of fact in writing that the

19 public interest will be irreparably harmed by delay in issuing an
20 order, it may issue a temporary cease and desist order. Prior to
21 issuing a temporary cease and desist order, the agency whenever
22 possible by telephone or otherwise shall give notice of the proposal
23 to issue a temporary cease and desist order to the developer or
24 his agent. Every temporary cease and desist order shall include
25 in its terms a provision that upon request a hearing will be held
26 within 30 days at a place chosen by the agency to determine whether
27 or not it becomes permanent.

1 14. (a) A registration may be revoked after notice and hearing
2 upon a written finding of fact that the developer has :

3 (1) Failed to comply with the terms of a cease and desist order;

4 (2) Been convicted in any court subsequent to the filing of the
5 statement of record for registration for a crime involving fraud,
6 deception, false pretenses, misrepresentation, false advertising, or
7 dishonest dealing in real estate transactions;

8 (3) Disposed of, concealed, or diverted any funds or assets of
9 any person so as to defeat the rights of retirement subdivision or
10 community purchasers;

11 (4) Failed faithfully to perform any stipulation or agreement
12 made with the agency as an inducement to grant any registration,
13 to reinstate any registration, or to approve any promotional plan
14 or public offering statement;

15 (5) Advertised his lands or responded to applications for his
16 lands in a manner which was discriminatory on the basis of race,
17 creed, or national origin;

18 (6) Made intentional misrepresentations or concealed material
19 facts in a statement of record filed for registration. Findings of
20 fact, if set forth in statutory language, shall be accompanied by a
21 concise and explicit statement of the underlying facts supporting
22 the findings.

23 (b) If the agency finds after notice and hearing that the de-
24 veloper has been guilty of a violation for which revocation could
25 be ordered, it may issue a cease and desist order instead.

1 15. Any person who willfully violates any provision of this act
2 or of a rule adopted under it or any person who willfully, in a
3 statement of record filed for registration makes any untrue state-
4 ment of a material fact or omits to state a material fact shall be
5 fined not less than \$250.00 or double the amount of gain from the
6 transaction, whichever is the larger but not more than \$50,000.00;
7 or he may be imprisoned for not more than 1 year; or both.

1 16. (a) Any person who disposes of retirement subdivision or
2 community lands in violation of section 5, or who in disposing of
3 such lands covered by this act makes an untrue statement of a
4 material fact, or who in disposing of such lands omits a material
5 fact required to be stated in a statement of record or public
6 offering statement or necessary to make the statements made not
7 misleading, is liable as provided in this section to the purchaser
8 unless in the case of an untruth or omission it is proved that the
9 purchaser knew of the untruth or omission or that the person
10 offering or disposing of subdivided lands did not know and in the
11 exercise of reasonable care could not have known of the untruth
12 or omission, or that the purchaser did not rely on the untruth or
13 omission.

14 (b) In addition to any other remedies, the purchaser, under the
15 preceding subsection, may recover the consideration paid for the
16 lot, parcel, unit or interest in senior citizens' subdivided lands
17 together with interest at the rate of 6% per year from the date
18 of payment, property taxes paid, costs, and reasonable attorneys
19 fees less the amount of any income received from such subdivided
20 lands upon tender of appropriate instruments of reconveyance. If
21 the purchaser no longer owns the lot, parcel, unit or interest in the
22 subdivision or community lands, he may recover the amount that
23 would be recoverable upon a tender of a reconveyance less the
24 market value of the land or property when disposed of and less
25 interest at the rate of 6% per year on that amount from the date
26 of disposition.

27 (c) Every person who directly or indirectly controls a retire-
28 ment subdivision or community liable under Subsection (a), every
29 general partner, officer, or director of a developer, every person
30 occupying a similar status or performing a similar function, every
31 employee of the developer who materially aids in the disposition,
32 and every agent who materially aids in the disposition is also liable
33 jointly and severally with and to the same extent as such developer,
34 unless the person otherwise liable sustains the burden of proof that
35 he did not know and in the exercise of reasonable care could not
36 have known of the existence of the facts by reason of which the
37 liability is alleged to exist. There is a right to contribution as in
38 cases of contract among persons so liable.

39 (d) Every person whose occupation gives authority to a state-
40 ment which with his consent has been used in a statement of record
41 or public offering statement, if he is not otherwise associated with
42 the developer and development plan in a material way, is liable
43 only for false statements and omissions in his statement and only

44 if he fails to prove that he did not know and in the exercise of the
45 reasonable care of a man in his occupation could not have known
46 of the existence of the facts by reason of which the liability is
47 alleged to exist.

48 (e) A tender or reconveyance may be made at any time before
49 the entry of judgment.

50 (f) A person may not recover under this section in actions com-
51 menced more than 6 years after his first payment of money to the
52 senior citizens' subdivider in the contested transaction.

53 (g) Any stipulation or provision purporting to bind any person
54 acquiring retirement subdivision or community lands to waive
55 compliance with this act or any rule or order under it is void.

1 17. Dispositions of subdivision or community lands are subject
2 to this act if:

3 (a) Such lands offered for disposition are located in this State; or

4 (b) The developer's principal office is located in this State; or

5 (c) Any offer or disposition of subdivision or community lands
6 is made in this State, whether or not the seller or purchaser is then
7 present in this State, if the offer originates within this State or is
8 directed by the seller to a person or place in this State and received
9 by the person or at the place to which it is directed.

1 18. In the proceedings for extradition of a person charged with
2 a crime under this act, it need not be shown that the person whose
3 surrender is demanded has fled from justice or at the time of the
4 commission of the crime was in the demanding or other State.

1 19. (a) In addition to the methods of service provided for in the
2 rules governing the New Jersey Courts, service may be made by
3 delivering a copy of the process to the office of the agency, but it
4 is not effective unless the plaintiff, which may be the agency in a
5 proceeding instituted by it:

6 (1) Forthwith sends a copy of the process and of the pleading
7 by certified mail to the defendant or respondent at his last known
8 address, and

9 (2) The plaintiff's affidavit of compliance with this section is
10 filed in the case on or before the return day of the process, if any,
11 or within such further time as the court allows.

12 (b) If any person, including any nonresident of this State, en-
13 gages in conduct prohibited by this act or any rule or order here-
14 under, and has not filed a consent to service of process and personal
15 jurisdiction over him cannot otherwise be obtained in this State,
16 that conduct authorizes the agency to receive service of process
17 in any noncriminal proceeding against him or his successor which
18 grows out of that conduct and which is brought under this act or

19 any rule or order hereunder, with the same force and validity as
20 if served on him personally. Notice shall be given as provided in
21 subsection (a).

1 20. If any provision of this act or the application thereof to any
2 person or circumstances are held invalid, the invalidity does not
3 affect other provisions or applications of the act which can be
4 given effect without the invalid provisions or application, and to
5 this end the provisions of this act are severable.

1 21. There are authorized to be appropriated such sums as may
2 be necessary to carry out this act.

1 22. This act shall take effect upon the expiration of 180 days
2 after the date of its enactment.

STATEMENT

The purpose of this legislation is to require full and fair disclosure of the nature of interests in real estate subdivisions which are sold as retirement subdivisions or communities within New Jersey. As such, it is intended to prevent deceptive and fraudulent advertising to a sector of the population which has become most susceptible to such practices during the last few years. The legislation provides for the disclosure of all information concerning the subdivider and the physical characteristics of the development, information concerning the legal status of the subdivided property, statements concerning the condition of title including encumbrances, and appropriate financial information, as well as, the brochures, or "public offering statements" which are to be used for promotional or advertising purposes. This disclosure shall be submitted to the Division of Housing and Urban Renewal within the State Department of Community Affairs. After appropriate review by the division a registration will be issued permitting the subdivider to continue with his promotional activities. Both civil and criminal penalties are provided if any of the statements submitted to the division are purposely erroneous and the division has the power to revoke any senior citizens' subdivider's registration, if a violation has been found after appropriate examination and review.

This act will complement the Interstate Land Sales Full Disclosure Act recently adopted by Congress (Sec. 1400, et. seq. of P. L. 90-44). This Federal legislation provides for full disclosure of interests in real estate subdivisions, not restricted to those sold to senior citizens or people in retirement, promoted, advertised or sold through the mails or in Interstate Commerce. This law is also similar to full disclosure acts covering most subdivisions

(again, not restricted to sales to senior citizens), passed in a number of jurisdictions including California (Cal. Bus. & Prof. Code, Secs. 11000-11023); Arizona (Ariz. Rev. Stat., Secs. 32-2181 to 32-2185); Florida (Fla. Stat. Ann., Secs. 475.47-475.55); and New Mexico (New Mex. Stats. Nann. Secs. 70-3-1 to 70-3-9).

FROM: OFFICE OF THE GOVERNOR FOR IMMEDIATE RELEASE, Dec. 3, 1969
Governor Richard J. Hughes today announced he had signed the following bills:

Senate Bill No. 847 -- which appropriates \$25,000 for the purchase of land by the State Police and \$40,000 to the State Emergency Fund.

Assembly Bill No. 464 -- which requires employers of farm laborers to have workmen's compensation insurance coverage. Governor Hughes stated "This bill removes one more of many discriminations remaining against seasonal farm laborers in our laws. I sincerely hope that the Legislature will continue its efforts in this area and enact the companion measures I have requested in my Annual Message. Assembly Bill No. 465, which grants the fundamental right of collective bargaining to seasonal laborers, still languishes in committee. Assembly Bill No. 466, which allows seasonal laborers to have the basic dignity of being allowed visitors in migrant labor camps, also has not been approved. It seems sad to be compelled to ask so little for those who are denied so much."

Assembly Bill No. 674 -- which appropriates \$50,000 for the purpose of facilitating the transfer of the Gubernatorial office.

Assembly Bill No. 839 -- regarding the salaries of city commissioners of certain fourth-class cities.

Assembly Bill No. 895 -- The "Retirement Community Full Disclosure Act" which requires full disclosure of the financing and soundness of proposed "retirement villages." Governor Hughes stated "I must consider this one of the most important pieces of consumer protection legislation proposed in my Annual Message to the Legislature. We have already had one experience too many with the inadequate financing of a 'retirement village' which subsequently failed and left many of our elderly citizens in the lurch. This bill will allow the Department of Community Affairs to regulate the conditions under which such subdivisions are offered to the public. No law can guarantee that a developer of a 'retirement village' will not ultimately go bankrupt or fail to meet his obligations to the public. However, this bill presents a sound first step in minimizing the risk to the public of that eventuality."