



2023 New Jersey Legislative Session Report

Community Associations Institute's (CAI) New Jersey Legislative Action Committee (NJ LAC) had a busy legislative session advocating on [behalf of the approximately 1,458,000 New Jerseyites living in 548,000 homes in more than 7,020 community associations](#). More than 9,200 bills were introduced, and the NJ LAC closely monitored 74 bills that would have directly affected community associations. The NJ LAC supported 1 bill, successfully amended 4 bills, and successfully opposed 12 others. Below is a brief overview:

S2760/A4384 – Concerns structural integrity regulations for certain residential buildings.

Over the past two years, the NJ LAC has been instrumental in advocating for and shaping legislation aimed at enhancing structural integrity regulations for certain residential buildings. Prompted by the tragic collapse of the Champlain Tower South Condominium in Surfside, Florida, the legislation, largely influenced by [CAI's Condominium Safety Public Policy Report](#), introduces crucial procedures for inspecting, evaluating, and maintaining the structural integrity of specific housing structures in New Jersey.

Under the new law, new buildings are required to undergo inspection within 15 years. For subsequent inspections and existing buildings, buildings that are less than 20 years old must undergo inspections at least every 10 years. For buildings that are more than 20 years old, inspections must take place at least every 5 years. The new law requires a capital reserve study prepared in accordance with national standards with a proposed 30-year funding plan. Reserve studies will be required within one year if not done within five years of the effective date. Associations with planned real estate developments having less than \$25,000 in total common area capital assets are exempt. These requirements aim to ensure financial readiness for maintaining common interest community assets over an extended period, promoting transparency and planning.

NJ LAC members worked closely with state legislators, engaging in grassroots efforts, including their CAI Day at the New Jersey Capitol, and email campaigns with thousands of advocates, resulting in comprehensive legislation that ensures periodic inspections and transparent reporting for condominiums and cooperatives across the state. This legislation was signed into law by Governor Murphy and became law in January 2024.

Status: **Signed into Law**

A3959 – Requires certain local authorities to inspect, maintain, and repair fire hydrants in planned real estate developments. The CAI NJ LAC actively tracked and subsequently endorsed legislation that shifts the responsibility for fire hydrant maintenance to those situated on streets within planned communities. This measure aims to establish equitable practices within community associations, specifying that the municipality would retain responsibility for hydrants located on other roads.

Status: **Failed sine die.**



S1545 – Prohibits condominium associations from assessing insurance deductibles to individual unit owners or groups of unit owners. The NJ LAC opposed this bill as it would negatively alter the way insurance in condominiums was managed. NJ LAC opposed and offered amendments to this legislation which prohibits CICs from assessing insurance deductibles to individual unit owners or groups of unit owners.

Status: Failed sine die.

A793/S1427 - Creates "Community Wealth Preservation Program"; expands access for certain buyers to purchase property from sheriff's sales. The NJ LAC opposed this legislation as written and sought amendments to this legislation concerning sheriff's sales in community associations. This legislation would infringe the community association housing model in the sale of properties. However, the bill was vetoed, and the legislature did not attempt to override it.

Status: Vetoed

S414 – Establishes penalty on planned real estate development association for failure to provide association members timely access to certain meeting minutes. The NJ LAC opposed this legislation which creates financial penalties for associations on failure to provide access to meeting minutes. The LAC opposed the steep \$2,000 fine for any meeting for which the minutes were not immediately made available to one or more members. Existing law already requires associations to make minutes available before the next open meeting, this bill adds punitive penalties to existing law.

Status: Failed sine die.

S1410 – Limits certain provisions in restrictive covenants and limits enforceability of restrictive covenants. The NJ LAC opposed this legislation as written which allows restrictive covenants on behalf managers so that they can enforce their restrictive covenants. The language would inadvertently allow for community association managers to be barred from moving from individual communities.

Status: Failed sine die.

S2537/A4106 – Requires association of age-restricted common interest community to permit dwelling owner to transfer property without regard to age of buyer. The NJ LAC monitored this legislation which undermines the authority of associations. This legislation, which would preclude associations from enforcing age restrictions on sales in age-restricted communities.

Status: Failed sine die.

S2389/A4682 – Establishes employment protections for certain service employees during changes of ownership. Establishes employment protections for certain service employees during changes of ownership. The NJ LAC monitored this legislation and its effect on staffing within the community association housing model. This legislation mandates that in instances where an association engages or terminates a staffing company responsible for supplying personnel for building services (such as concierge, doorman, maintenance, security, and other non-office roles), individuals currently employed onsite must be afforded the chance to maintain their onsite positions with the new staffing



company (or with the association in case of a shift from external staffing to direct employment) during a designated 60-day transition period.

Status: Enacted.

S345 – Concerns development of accessory dwelling units. The NJ LAC worked to try to amend this legislation as it would preclude associations from governing the development and use of accessory dwelling units (ADUs) in single family associations. The NJ LAC particularly found issues with the bill not addressing the increases in population and demand for amenities. Fortunately, the bill did not move.

Status: Failed sine die.

S2788 – Concerns carbon monoxide detectors in multiple dwellings and certain hotels. The NJ LAC opposed this legislation as written and sought amendments to this legislation which puts an onus on community associations to install monitors carbon monoxide detectors, including them with hotels and all other multiunit dwellings. The bill would require retrofitting to allow for carbon monoxide detectors to be hardwired, which would be extremely costly to associations.

Status: Failed Sine Die

A5179 – "Fire Life Safety Damper and Smoke Control System Inspection Verification Act"; Requires routine maintenance and periodic testing of smoke dampers, fire dampers, and smoke control systems in certain buildings by qualified personnel. The NJ LAC monitored this legislation that requires periodic testing and inspection of smoke dampener control systems by a fire safety professional, affecting community associations' common areas. The bill was vetoed conditionally, where the legislature adopted the Governor's recommendations, and the bill did pass.

Status: Enacted.

A4488/S2662 – Limits common interest community regulation of certain vehicles. This bill prohibits community associations from prohibiting resident police officers (and other police officers visiting the property for reasons unrelated to police business) from parking their marked police vehicles in appropriate parking spaces. The NJ LAC prepared extensive amendments, which were accepted, in order to ensure that the bill's narrow focus was achieved without impacting parking rules.

Status: Enacted.

Your Assistance is Needed

The CAI New Jersey LAC relies on outside resources such as professional lobbying as a vital and integral part of the legislative process. The volunteers who make up the New Jersey Legislative Action Committee – including homeowner leaders, community managers, and business partners – greatly rely on contributions from management companies and business partners in addition to individuals to continue their important efforts in the legislature. The NJ LAC needs your financial support to bolster their advocacy activities in 2024 and beyond. We encourage donations from New Jersey community



associations, business partners, and individuals. Please visit www.caionline.org/lacdonate/ and donate to “New Jersey” to support our continued efforts.

We need YOUR voice! [Sign up today](#) to become a CAI Advocacy Ambassador and help shape legislation in your state!

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