SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 3578

STATE OF NEW JERSEY

DATED: FEBRUARY 16, 2023

The Senate Commerce Committee reports favorably the Senate Committee Substitute for Senate Bill No. 3578.

This Senate Committee Substitute requires anyone who is not a licensee of the New Jersey Real Estate Commission (commission) who uses text messaging to solicit a home owner regarding the sale of a home to send, prior to a solicitation, a separate text message to the home owner that states the individual is not a licensee of the commission, the name of the employer with whom the individual is employed, and the text is a solicitation. An individual will incur a penalty of not more than $5,000 for a first violation of the bill, and of not more than $10,000 for any subsequent violation of the bill.

The Division of Consumer Affairs in the Department of Law and Public Safety (division) is to develop and undertake a public education program and marketing campaign designed to inform licensees of the commission and home owners of the provisions of the bill. If the division deems it necessary, the public education program and marketing campaign shall include information concerning issues and fraudulent activity related to text message real estate solicitations by individuals not licensed by the commission, and the assistance available to understand if a real estate broker, broker-salesperson, or salesperson, or purported real estate broker, broker-salesperson, or salesperson, is licensed by the commission. The public education program and marketing campaign may include a notice of the provisions posted clearly and conspicuously on the Internet website of the division and commission and any other action taken by the division or commission to raise public awareness.