ASSEMBLY COMMERCE, ECONOMIC DEVELOPMENT AND AGRICULTURE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1233

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 5, 2026

The Assembly Commerce, Economic Development and Agriculture Committee reports favorably and with committee amendments Assembly Bill No. 1233.

As amended, this bill would require a limited liability company or foreign limited liability company that is the grantee of a deed for residential real property containing one to two dwelling units, or that is a multiple dwelling, to disclose each beneficial owner of the company when it files a deed for recording. The bill defines "beneficial owner."

The bill requires the company to submit for recording, together with the deed, an affidavit containing the name and business address of the registered agent for service of process, along with the following information of each beneficial owner for service of process of the limited liability company: (1) full legal name; (2) date of birth; (3) current business street address; and (4) a unique identifying number from an acceptable identification document.

The bill would also permit a municipality to direct, by ordinance, that charges issued to certain limited liability companies or foreign limited liability companies pursuant to a housing code, building code, or health code will become a lien on the property if the charge remains unpaid on the first day of the 13th month next following the date when the charge becomes due and owing.

This bill was pre-filed for introduction in the 2024-2025 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) Require the identification of each beneficial owner, instead of the registered agent of an LLC, when it files a deed for recording;

(2) Require additional identifying information from beneficial owners;

(3) Expand a temporary exemption from a notice requirement to an additional class of LLCs;

(4) Narrow the definition of the term “beneficial owner” to mean, with respect to an entity:

- an individual who, directly or indirectly, owns not less than 25 percent of the ownership interests of the entity; and who holds the greatest ownership interest in the entity; or
- for an entity in which no individual owns greater than 25 percent of the ownership interests of the entity, an individual who, directly or indirectly, holds the greatest ownership interest in the entity;

(5) Extend the disclosure requirements of the bill to the registered agent of the company; and

(6) Specify that, if the registered agent is not a member of the company, the disclosure requirements of the bill would apply to at least one member of the company;

(7) Provide for municipal enforcement; and

(8) Make certain technical changes.