

ASSEMBLY SPECIAL COMMITTEE ON INFRASTRUCTURE
AND NATURAL RESOURCES

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4783

STATE OF NEW JERSEY

DATED: DECEMBER 8, 2022

The Assembly Special Committee on Infrastructure and Natural Resources reports favorably Assembly Bill No. 4783 (1R).

This bill requires sellers of real property and landlords to make certain notifications regarding flooding.

Specifically, the bill requires landlords to notify their tenants if the leased premises have been determined to be located in the FEMA Special Flood Hazard Area or Moderate Risk Flood Hazard Area, and if the landlord has actual knowledge that the rental premises or any portion of the parking areas of the real property containing the rental premises have been subjected to flooding. The bill requires the Department of Community Affairs (DCA) to promulgate a model notice to be used by landlords to provide prospective tenants with information concerning flood information and risks. The bill also requires landlords to notify tenants of the availability of insurance available for renters through the National Flood Insurance Program.

In addition, the bill requires sellers of real property located in this State to disclose, in writing, whether the property is located in the FEMA Special or Moderate Risk Flood Hazard Area, and any actual knowledge of the seller of the property regarding flood risks that are present on the property. The bill requires the Department of Community Affairs add to existing disclosure requirements and forms used by sellers of real property to provide purchasers of property with information concerning flood information and risks.

The bill requires the DCA, in consultation with the Department of Environmental Protection (DEP), to prepare a notification, to be distributed to purchasers of real property and in the State, that Statewide flood risks are increasing and that a purchaser or tenant may review these risks by going to a website that the DEP is required by the bill to create and update with current and scientifically-supported information. All notifications required pursuant to the bill would be required to be provided to the purchaser or tenant in writing before the purchaser or tenant becomes obligated under any contract for the purchase or lease of the property.

Finally, the bill provides that if a landlord violates the notification requirements established under the bill, and the tenant suffers a substantial loss or damage to personal property due to flooding, the tenant may terminate the lease and pursue legal remedies.