

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### [Second Reprint] **ASSEMBLY, No. 4728**

with committee amendments

# STATE OF NEW JERSEY

DATED: OCTOBER 22, 2026

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 4728 (2R).

As amended, this bill concerns photo advertising of dwelling units and dwelling sites for sale, rent, or lease.

The bill provides that sellers in real estate transactions, as defined in the bill to include landlords and prospective landlords, and seller's agents are prohibited from utilizing photos in an advertisement to sell, rent, or lease a dwelling unit or dwelling site which have been, in whole or in part, created or edited with the use of generative artificial intelligence or other photo editing software intended to fundamentally alter an image. The bill also provides that photos used in advertising a dwelling unit or dwelling site are required to reflect the actual, current state of the dwelling unit or dwelling site and be not older than five years.

Notwithstanding the bill's provisions, a seller or seller's agent would still be permitted to utilize generative artificial intelligence or other photo editing software for certain affirmative marketing responsibilities of affordable housing being constructed, and for the purpose of adding or removing furniture and other non-fixed items to an image that otherwise reflects the actual, current state of the dwelling unit or dwelling site. A seller or seller's agent that engages in a permitted use of generative artificial intelligence or other photo editing software pursuant to the bill, would be required to disclose the use of generative artificial intelligence or other photo editing software in each advertisement of the dwelling unit or dwelling site and, upon request, provide the original images of the dwelling unit or dwelling site to a prospective buyer or buyer's agent as those terms are defined in the bill.

A seller's agent who violates the provisions of the bill would be subject to disciplinary action by the New Jersey Real Estate Commission. A seller in violation of the bill would be subject to a civil penalty of \$500 for the first offense and up to \$1,000 for the second and each subsequent offense.

The bill requires the New Jersey Real Estate Commission to promulgate regulations as may be necessary to effectuate the provisions of the bill within one year of the bill's effective date. The bill takes effect on the first day of the second month following the date of enactment except that the New Jersey Real Estate Commission is permitted to take anticipatory action if necessary. The bill applies to photo advertisements concerning dwelling units and dwelling sites first listed as for sale, rent, or lease after the bill's effective date.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- Specify that the bill does not prohibit the use of artificial intelligence or other photo editing software for the purpose of completing the affirmative marketing responsibilities of the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.) prior to the completion of a housing unit's construction.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill will result in increased State revenues associated with the collection of civil penalties in the amount of \$500 for a first offense and \$1,000 for each and subsequent offense, to the extent that a seller in a real estate transaction or landlord violates a provision of the bill concerning the use of artificial intelligence in photo advertising of certain dwellings, or a rule or regulation adopted thereto.

The OLS anticipates that the New Jersey Real Estate Commission in the Department of Banking and Insurance and the Judiciary will experience cost increases to enforce the bill's provisions.