Housing Affordability Impact Analysis

The proposed amendments will have an insignificant impact on the affordability of housing in New Jersey and there is an extreme likelihood that the proposed amendments would evoke a change in the average costs associated with housing because the proposed amendments eliminate a filing requirement associated with the registration of charitable organizations.

Smart Growth Development Impact Analysis

The proposed amendments will have an insignificant impact on smart growth and there is an extreme likelihood that the proposed amendments would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development Areas.

amendments would evoke a change in housing production in Planning

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Division has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the proposal follows (additions indicated in boldface thus; deletions indicated in brackets [thus]):

SUBCHAPTER 4. REGISTRATION OF CHARITABLE ORGANIZATIONS—SHORT FORM REGISTRATION

13:48-4.1 Short form registration

(a) (No change.)

(b) Information required for the initial and renewal short form registration statement shall include the following:

1.-6. (No change.)

7. A complete copy of the charitable organization’s most recent Internal Revenue Service filing(s), including, but not limited to, Form 990, Form 990EZ, Form 990PF and Form 990T (with schedule A) if the organization filed any one or more of these forms during the most recent fiscal year being reported. All schedules and statements shall be included, except for Schedule B;

8.-13. (No change.)

(c)-(f) (No change.)

13:48-4.3 Financial reports

(a) A charitable organization filing a short form registration or a short form renewal shall file an accompanying annual financial report on a form prescribed by the Attorney General. The financial report form shall include the following:

1.-7. (No change.)

8. A complete copy of the charitable organization’s most recent Internal Revenue Service filings including, but not limited to, Form 990, Form 990EZ, Form 990PF, and Form 990T (with schedule A), if the organization filed any one or more of these forms during the most recent fiscal year. All schedules and statements shall be included, except for Schedule B; and

9. If a charitable organization’s Internal Revenue Service filing under (a)8 above did not include a completed schedule B, a schedule of every contributor who, during the organization’s previous tax year, gave the charitable organization, directly or indirectly, money, securities, or any other type of property totaling $5,000 or more. In determining the total amount, separate and independent gifts of less than $1,000 can be disregarded. The schedule shall include:

i. The name and address of each contributor;

ii. The total amount each contributor gave; and

iii. For noncash property contributions, a description of the noncash property given, fair market value of the noncash property, and the date the noncash property was received by the charity; and]

10. 9. (No change in text.)

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2021-104.

Comments may be submitted by December 17, 2021, through email to: https://www.nj.gov/treasury/assets/contact/contact-treascomments.shtml or by mail to:

Peter Lowicki, Deputy Director for Business Services
PO Box 453
Trenton, NJ 08646
Attn: Rule Comments

The agency proposal is as follows:

Summary

This rulemaking is submitted in accordance with the requirements of the Administrative Procedure Act (N.J.S.A. 52:14B-1 et seq.) procedures for rulemaking. Based on the underlying law, P.L. 2021, c. 179, the requirements set forth in this subchapter are effective 365 days after July 22, 2021, the date Governor Murphy signed the Act into law, but the Department of the Treasury (Department) is permitted to take any anticipatory action it deems necessary prior to that date.

The office of notary public (office) is a vital public function. Notaries public are called upon to perform many valuable services for New Jersey’s business, legal, and financial communities. Effective notary services help to ensure that documents are properly executed, that facts are duly certified, and above all, that the public is protected from fraud. Notarization is essential for many official documents, including mortgages, deeds, contracts, and various corporate transactions.

These proposed new rules focus on two key dimensions of the office and notarial practice: education and testing as pre-requisites for the office.

The proposed new rules will help enhance the quality of notarial services in this State by requiring non-attorney applicants for new and renewed notary public commissions to complete a course of study that fosters an understanding of the principles and standards that govern sound notarial actions. The new rules also require non-attorney applicants for new commissions to pass a test that confirms their understanding of these principles and standards.

By fostering improved notarial services through education and testing, New Jersey will bolster the reliability and integrity of notarial practices in general. The ultimate beneficiaries of improved services will be New Jersey’s citizens and the State’s business and legal communities that rely upon notarial services.

N.J.A.C. 17:50-2.1 sets forth the purpose of this subchapter.

N.J.A.C. 17:50-2.2, Education and testing requirements for initial notary public commissions, establishes the requirement for non-attorney applicants for new notary public commissions to complete a course of study and pass a test confirming that applicants have understood the course content.

N.J.A.C. 17:50-2.3, Continuing education requirement for renewed notary public commissions, sets forth a requirement for non-attorney applicants for renewed notary public commissions to complete a continuing education course.

As the Department has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a.5).

Social Impact

The proposed new rules will have a positive social impact on New Jersey. Specifically, the educational and testing requirements will bolster the quality and integrity of notary services by fostering an understanding of the principles and standards that govern sound notarial actions.

Economic Impact

By enhancing the quality and integrity of the notarial office, the proposed new rules will help to improve the reliability of notarial acts and increase trust in the document-based processes and transactions that are foundations for the State’s economy. The proposed new rules will also help to ensure that New Jersey stays in step with evolving notarial practices in other states and at the Federal level.

Federal Standards Statement

N.J.S.A. 52:14B-1 et seq., requires State agencies that adopt, readopt, or amend State rules exceeding any Federal standards or requirements to include in the rulemaking document a Federal standards analysis.

The new rules do not modify, limit, or supersede 15 U.S.C. § 7001(c), or authorize electronic delivery of any of the notices described at 15 U.S.C. § 7003(b). Further, the rules are not promulgated under the authority of, or to implement, comply with, or participate in any program established under Federal law or under a State statute that incorporates Federal standards or Federal requirements. Accordingly, N.J.S.A. 52:14B-1 et seq., does not require a Federal standards analysis for the proposed new rules.

Jobs Impact

The proposed new rules are designed to implement the provisions at P.L. 2021, c. 179, and focus only on aspects of the notarial office and notarial practice. There will be no long- or short-term job increases or decreases associated with the proposed new rules.

Agricultural Industry Impact

The proposed new rules will have no impact on the agriculture industry.

Regulatory Flexibility Statement

A regulatory flexibility analysis is not required. The rules relate strictly to the notarial office (which is a public office) and notarial practices, and, therefore, do not impose requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.

Housing Affordability Impact Analysis

The proposed new rules relate strictly to the notarial office and notarial practice. They will not cause a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The proposed new rules relate strictly to the notarial office and notarial practice. They will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Therefore, no further analysis is required.

Full text of the proposed new rules follows:

SUBCHAPTER 2. CONTINUING EDUCATION AND EXAMINATION REQUIREMENTS

17:50-2.1 Purpose

A regulatory flexibility analysis is not required. The rules relate strictly to the notarial office and notarial practice. They do not impose requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.

Jobs Impact

The proposed new rules are designed to implement the provisions at P.L. 2021, c. 179, and focus only on aspects of the notarial office and notarial practice. There will be no long- or short-term job increases or decreases associated with the proposed new rules.

Agricultural Industry Impact

The proposed new rules will have no impact on the agriculture industry.

Regulatory Flexibility Statement

A regulatory flexibility analysis is not required. The rules relate strictly to the notarial office (which is a public office) and notarial practices, and, therefore, do not impose requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.

Housing Affordability Impact Analysis

The proposed new rules relate strictly to the notarial office and notarial practice. They will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Therefore, no further analysis is required.

Full text of the proposed new rules follows:

SUBCHAPTER 2. CONTINUING EDUCATION AND EXAMINATION REQUIREMENTS

17:50-2.1 Purpose

A non-attorney applicant for an initial commission as a notary public shall complete a course of study that fosters the applicants’ understanding of the statutes, rules, procedures, and ethical requirements documented in the State of New Jersey Notary Manual at www.nj.gov/njbs. The State Treasurer shall ensure that the online course can be accessed through www.nj.gov/njbs.
(b) Before being granted an initial notary public commission, a non-attorney applicant shall pass an online test at www.nj.gov/njbgs that confirms the applicant’s understanding of the course content at (a) above. The State Treasurer shall ensure the online test and test instructions are accessible at www.nj.gov/njbgs and that the testing process is integrated with the State’s online notary public commissioning system. The online system shall generate certificates of approval evidencing that applicants have passed the test. The system shall also record that applicants have passed the test and clear them to submit their notary public commission applications.

(c) The State Treasurer may charge up to $15.00 for administering each test.

17:50-2.3 Continuing education requirement for renewed notary public commissions

(a) A non-attorney applicant for renewal of a commission who has previously completed the educational and testing requirements at N.J.A.C. 17:50-2.2(a) and (b) at least one time, or who was commissioned for the first time before July 22, 2021, the effective date of P.L. 2021, c. 179, shall complete a continuing education course. The course shall focus on the statutes, rules, procedures, and ethical requirements documented in the State of New Jersey Notary Manual at www.nj.gov/njbgs. The State Treasurer shall ensure that the online course can be accessed at www.nj.gov/njbgs.

(b) The State Treasurer shall ensure the online course is integrated with the State’s online notary public commissioning system. The online system shall provide certificates of approval evidencing that applicants have completed the continuing education course. The system shall also record that applicants have completed the course and clear them to submit their notary public commission applications.