



**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

# ASSEMBLY, No. 611

## STATE OF NEW JERSEY 209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

**Sponsored by:**

**Assemblywoman JOAN M. QUIGLEY**

**District 32 (Bergen and Hudson)**

**Assemblyman JOHN V. KELLY**

**District 36 (Bergen, Essex and Passaic)**

**SYNOPSIS**

Permits billing of tenants' organizations to maintain certain utilities to rental premises.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



A611 QUIGLEY, KELLY

2

1 AN ACT concerning landlords and tenants, supplementing Title 2A of  
2 the New Jersey Statutes and amending P.L.1974, c.49.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. (New section) Whenever an electric, gas, water or sewer public  
8 utility has provided written notice to tenants residing in rental premises  
9 of a proposed discontinuance of service and the tenants so notified  
10 have indicated a desire to continue service, but the utility has  
11 determined that it would not be feasible to bill each tenant individually  
12 for the service, the utility shall permit a tenants' organization  
13 representing each tenant of the rental premises to accept billing for the  
14 utility and shall continue providing the service to the premises  
15 provided that payment is received.

16

17 2. (New section) Whenever a tenants' organization agrees to  
18 accept billing for a utility service, the tenants comprising the  
19 membership of the organization accepting and paying such billing shall  
20 be permitted to deduct from each of their respective rental payments  
21 to the landlord of the premises an amount corresponding to the  
22 tenant's share of the utility payment.

23

24 3. Section 2 of P.L.1974, c.49 (C.2A:18-61.1) is amended to read  
25 as follows:

26 2. No lessee or tenant or the assigns, under-tenants or legal  
27 representatives of such lessee or tenant may be removed by the  
28 Superior Court from any house, building, mobile home or land in a  
29 mobile home park or tenement leased for residential purposes, other  
30 than (1) owner-occupied premises with not more than two rental units  
31 or a hotel, motel or other guest house or part thereof rented to a  
32 transient guest or seasonal tenant; (2) a dwelling unit which is held in  
33 trust on behalf of a member of the immediate family of the person or  
34 persons establishing the trust, provided that the member of the  
35 immediate family on whose behalf the trust is established permanently  
36 occupies the unit; and (3) a dwelling unit which is permanently  
37 occupied by a member of the immediate family of the owner of that  
38 unit, provided, however, that exception (2) or (3) shall apply only in  
39 cases in which the member of the immediate family has a  
40 developmental disability, except upon establishment of one of the  
41 following grounds as good cause:

42 a. The person fails to pay rent due and owing under the lease  
43 whether the same be oral or written; provided that, for the purposes

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 of this section, any portion of rent unpaid by a tenant to a landlord but  
2 utilized by the tenant to continue utility service to the rental premises  
3 after receiving notice from an electric, gas, water or sewer public  
4 utility that such service was in danger of discontinuance based on  
5 nonpayment by the landlord, shall not be deemed to be unpaid rent.

6 b. The person has continued to be, after written notice to cease, so  
7 disorderly as to destroy the peace and quiet of the occupants or other  
8 tenants living in said house or neighborhood.

9 c. The person has willfully or by reason of gross negligence caused  
10 or allowed destruction, damage or injury to the premises.

11 d. The person has continued, after written notice to cease, to  
12 substantially violate or breach any of the landlord's rules and  
13 regulations governing said premises, provided such rules and  
14 regulations are reasonable and have been accepted in writing by the  
15 tenant or made a part of the lease at the beginning of the lease term.

16 e. (1) The person has continued, after written notice to cease, to  
17 substantially violate or breach any of the covenants or agreements  
18 contained in the lease for the premises where a right of reentry is  
19 reserved to the landlord in the lease for a violation of such covenant  
20 or agreement, provided that such covenant or agreement is reasonable  
21 and was contained in the lease at the beginning of the lease term.

22 (2) In public housing under the control of a public housing  
23 authority or redevelopment agency, the person has substantially  
24 violated or breached any of the covenants or agreements contained in  
25 the lease for the premises pertaining to illegal uses of controlled  
26 dangerous substances, or other illegal activities, whether or not a right  
27 of reentry is reserved to the landlord in the lease for a violation of such  
28 covenant or agreement, provided that such covenant or agreement  
29 conforms to federal guidelines regarding such lease provisions and was  
30 contained in the lease at the beginning of the lease term.

31 f. The person has failed to pay rent after a valid notice to quit and  
32 notice of increase of said rent, provided the increase in rent is not  
33 unconscionable and complies with any and all other laws or municipal  
34 ordinances governing rent increases.

35 g. The landlord or owner (1) seeks to permanently board up or  
36 demolish the premises because he has been cited by local or State  
37 housing inspectors for substantial violations affecting the health and  
38 safety of tenants and it is economically unfeasible for the owner to  
39 eliminate the violations; (2) seeks to comply with local or State  
40 housing inspectors who have cited him for substantial violations  
41 affecting the health and safety of tenants and it is unfeasible to so  
42 comply without removing the tenant; simultaneously with service of  
43 notice of eviction pursuant to this clause, the landlord shall notify the  
44 Department of Community Affairs of the intention to institute  
45 proceedings and shall provide the department with such other  
46 information as it may require pursuant to rules and regulations. The

1 department shall inform all parties and the court of its view with  
2 respect to the feasibility of compliance without removal of the tenant  
3 and may in its discretion appear and present evidence; (3) seeks to  
4 correct an illegal occupancy because he has been cited by local or  
5 State housing inspectors or zoning officers and it is unfeasible to  
6 correct such illegal occupancy without removing the tenant; or (4) is  
7 a governmental agency which seeks to permanently retire the premises  
8 from the rental market pursuant to a redevelopment or land clearance  
9 plan in a blighted area. In those cases where the tenant is being  
10 removed for any reason specified in this subsection, no warrant for  
11 possession shall be issued until P.L.1967, c.79 (C.52:31B-1 et seq.)  
12 and P.L.1971, c.362 (C.20:4-1 et seq.) have been complied with.

13 h. The owner seeks to retire permanently the residential building  
14 or the mobile home park from residential use or use as a mobile home  
15 park, provided this subsection shall not apply to circumstances  
16 covered under subsection g. of this section.

17 i. The landlord or owner proposes, at the termination of a lease,  
18 reasonable changes of substance in the terms and conditions of the  
19 lease, including specifically any change in the term thereof, which the  
20 tenant, after written notice, refuses to accept; provided that in cases  
21 where a tenant has received a notice of termination pursuant to  
22 subsection g. of section 3 of P.L.1974, c.49 (C.2A:18-61.2), or has a  
23 protected tenancy status pursuant to section 9 of the "Senior Citizens  
24 and Disabled Protected Tenancy Act," P.L.1981, c.226  
25 (C.2A:18-61.30), or pursuant to the "Tenant Protection Act of 1992,"  
26 P.L.1991, c.509 (C.2A:18-61.40 et al.), the landlord or owner shall  
27 have the burden of proving that any change in the terms and conditions  
28 of the lease, rental or regulations both is reasonable and does not  
29 substantially reduce the rights and privileges to which the tenant was  
30 entitled prior to the conversion.

31 j. The person, after written notice to cease, has habitually and  
32 without legal justification failed to pay rent which is due and owing.

33 k. The landlord or owner of the building or mobile home park is  
34 converting from the rental market to a condominium, cooperative or  
35 fee simple ownership of two or more dwelling units or park sites,  
36 except as hereinafter provided in subsection l. of this section. Where  
37 the tenant is being removed pursuant to this subsection, no warrant for  
38 possession shall be issued until this act has been complied with. No  
39 action for possession shall be brought pursuant to this subsection  
40 against a senior citizen tenant or disabled tenant with protected  
41 tenancy status pursuant to the "Senior Citizens and Disabled Protected  
42 Tenancy Act," P.L.1981, c.226 (C.2A:18-61.22 et al.), or against a  
43 qualified tenant under the "Tenant Protection Act of 1992," P.L.1991,  
44 c.509 (C.2A:18-61.40 et al.), as long as the agency has not terminated  
45 the protected tenancy status or the protected tenancy period has not  
46 expired.

1       l. (1) The owner of a building or mobile home park, which is  
2 constructed as or being converted to a condominium, cooperative or  
3 fee simple ownership, seeks to evict a tenant or sublessee whose initial  
4 tenancy began after the master deed, agreement establishing the  
5 cooperative or subdivision plat was recorded, because the owner has  
6 contracted to sell the unit to a buyer who seeks to personally occupy  
7 it and the contract for sale calls for the unit to be vacant at the time of  
8 closing. However, no action shall be brought against a tenant under  
9 paragraph (1) of this subsection unless the tenant was given a  
10 statement in accordance with section 6 of P.L.1975, c.311  
11 (C.2A:18-61.9);

12       (2) The owner of three or less condominium or cooperative units  
13 seeks to evict a tenant whose initial tenancy began by rental from an  
14 owner of three or less units after the master deed or agreement  
15 establishing the cooperative was recorded, because the owner seeks to  
16 personally occupy the unit, or has contracted to sell the unit to a buyer  
17 who seeks to personally occupy it and the contract for sale calls for  
18 the unit to be vacant at the time of closing;

19       (3) The owner of a building of three residential units or less seeks  
20 to personally occupy a unit, or has contracted to sell the residential  
21 unit to a buyer who wishes to personally occupy it and the contract for  
22 sale calls for the unit to be vacant at the time of closing.

23       m. The landlord or owner conditioned the tenancy upon and in  
24 consideration for the tenant's employment by the landlord or owner as  
25 superintendent, janitor or in some other capacity and such employment  
26 is being terminated.

27       n. The person has been convicted of or pleaded guilty to, or if a  
28 juvenile, has been adjudicated delinquent on the basis of an act which  
29 if committed by an adult would constitute an offense under the  
30 "Comprehensive Drug Reform Act of 1987," N.J.S.2C:35-1 et al.  
31 involving the use, possession, manufacture, dispensing or distribution  
32 of a controlled dangerous substance, controlled dangerous substance  
33 analog or drug paraphernalia within the meaning of that act within or  
34 upon the leased premises or the building or complex of buildings and  
35 land appurtenant thereto, or the mobile home park, in which those  
36 premises are located, and has not in connection with his sentence for  
37 that offense either (1) successfully completed or (2) been admitted to  
38 and continued upon probation while completing, a drug rehabilitation  
39 program pursuant to N.J.S.2C:35-14; or, being the tenant or lessee of  
40 such leased premises, knowingly harbors or harbored therein a person  
41 who has been so convicted or has so pleaded, or otherwise permits or  
42 permitted such a person to occupy those premises for residential  
43 purposes, whether continuously or intermittently, except that this  
44 subsection shall not apply to a person harboring or permitting a  
45 juvenile to occupy the premises if the juvenile has been adjudicated  
46 delinquent upon the basis of an act which if committed by an adult

1 would constitute the offense of use or possession under the said act.  
2 No action for removal may be brought pursuant to this subsection  
3 more than two years after the date of the adjudication or conviction or  
4 more than two years after the person's release from incarceration  
5 whichever is the later.

6 o. The person has been convicted of or pleaded guilty to, or if a  
7 juvenile, has been adjudicated delinquent on the basis of an act which  
8 if committed by an adult would constitute an offense under  
9 N.J.S.2C:12-1 or N.J.S.2C:12-3 involving assault, or terroristic threats  
10 against the landlord, a member of the landlord's family or an employee  
11 of the landlord; or, being the tenant or lessee of such leased premises,  
12 knowingly harbors or harbored therein a person who has been so  
13 convicted or has so pleaded, or otherwise permits or permitted such  
14 a person to occupy those premises for residential purposes, whether  
15 continuously or intermittently. No action for removal may be brought  
16 pursuant to this subsection more than two years after the adjudication  
17 or conviction or more than two years after the person's release from  
18 incarceration whichever is the later.

19 p. The person has been found, by a preponderance of the evidence,  
20 liable in a civil action for removal commenced under this act for an  
21 offense under N.J.S.2C:20-1 et al. involving theft of property located  
22 on the leased premises from the landlord, the leased premises or other  
23 tenants residing in the leased premises, or N.J.S.2C:12-1 or  
24 N.J.S.2C:12-3 involving assault or terroristic threats against the  
25 landlord, a member of the landlord's family or an employee of the  
26 landlord, or under the "Comprehensive Drug Reform Act of 1987,"  
27 N.J.S.2C:35-1 et al., involving the use, possession, manufacture,  
28 dispensing or distribution of a controlled dangerous substance,  
29 controlled dangerous substance analog or drug paraphernalia within  
30 the meaning of that act within or upon the leased premises or the  
31 building or complex of buildings and land appurtenant thereto, or the  
32 mobile home park, in which those premises are located, and has not in  
33 connection with his sentence for that offense either (1) successfully  
34 completed or (2) been admitted to and continued upon probation while  
35 completing a drug rehabilitation program pursuant to N.J.S.2C:35-14;  
36 or, being the tenant or lessee of such leased premises, knowingly  
37 harbors or harbored therein a person who committed such an offense,  
38 or otherwise permits or permitted such a person to occupy those  
39 premises for residential purposes, whether continuously or  
40 intermittently, except that this subsection shall not apply to a person  
41 who harbors or permits a juvenile to occupy the premises if the  
42 juvenile has been adjudicated delinquent upon the basis of an act which  
43 if committed by an adult would constitute the offense of use or  
44 possession under the said "Comprehensive Drug Reform Act of 1987."

45 q. The person has been convicted of or pleaded guilty to, or if a  
46 juvenile, has been adjudicated delinquent on the basis of an act which

1 if committed by an adult would constitute an offense under  
2 N.J.S.2C:20-1 et al. involving theft of property from the landlord, the  
3 leased premises or other tenants residing in the same building or  
4 complex; or, being the tenant or lessee of such leased premises,  
5 knowingly harbors therein a person who has been so convicted or has  
6 so pleaded, or otherwise permits such a person to occupy those  
7 premises for residential purposes, whether continuously or  
8 intermittently.

9 For purposes of this section, (1) "developmental disability" means  
10 any disability which is defined as such pursuant to section 3 of  
11 P.L.1977, c.82 (C.30:6D-3); (2) "member of the immediate family"  
12 means a person's spouse, parent, child or sibling, or a spouse, parent,  
13 child or sibling of any of them; and (3) "permanently" occupies or  
14 occupied means that the occupant maintains no other domicile at  
15 which the occupant votes, pays rent or property taxes or at which rent  
16 or property taxes are paid on the occupant's behalf.

17 (cf: P.L.1997, c.228, s.1)

18

19 4. This act shall take effect immediately.

20

21

## 22 STATEMENT

23

24 The purpose of this bill is to prevent the constructive eviction of  
25 tenants from their rental premises when a landlord who had agreed to  
26 pay for certain utilities fails to do so. Current regulations provide that  
27 a tenant be notified whenever electric, gas, water or sewer utilities are  
28 in danger of being discontinued because of a failure on the part of the  
29 landlord to pay for them. Under such circumstances, a utility company  
30 is required to offer a tenant continued service to be billed to the  
31 tenant, unless the utility company demonstrates that such billing is not  
32 "feasible." Lack of feasibility is most likely to occur when the utility  
33 is not one that can be billed to individual tenants, such as water.

34 This bill would require the utility company to allow a tenants'  
35 organization to be billed for the service as a group. In addition, a  
36 tenant belonging to such an organization would be permitted to deduct  
37 from his rental payment an amount equal to his contribution for the  
38 utility payment. The bill also amends the eviction laws to exclude this  
39 situation from being considered nonpayment of rent. Thus, a landlord  
40 would not have good cause to evict tenants who are withholding rent  
41 to pay utility bills which are the obligation of the landlord.

42 Currently, tenants who are not allowed to maintain utilities to their  
43 premises in this manner have no recourse but to be evicted and then to  
44 seek relocation assistance, either from a municipality or the landlord.  
45 This bill will help avoid evictions that would otherwise occur, and will  
46 benefit municipalities in holding down costs of relocation assistance.

# ASSEMBLY HOUSING COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 611**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: FEBRUARY 28, 2000

The Assembly Housing Committee reports favorably Assembly Bill No. 611 with committee amendments.

The purpose of this bill is to prevent the constructive eviction of tenants from their rental premises when a landlord who had agreed to pay for certain utilities fails to do so. Current regulations provide that a tenant be notified whenever electric, gas, water or sewer utilities are in danger of being discontinued because of a failure on the part of the landlord to pay for them. Under such circumstances, a utility company is required to offer a tenant continued service to be billed to the tenant, unless the utility company demonstrates that such billing is not "feasible." Lack of feasibility is most likely to occur when the utility is not one that can be billed to individual tenants, such as water.

This bill, as amended, would require a utility company to allow a tenants' organization to be billed for the service as a group. In addition, a tenant belonging to such an organization would be permitted to deduct from his rental payment an amount equal to his contribution for the utility payment, and in addition, could contribute up to 15 percent of the rent payment towards amounts past due for utilities previously supplied. The bill also amends the eviction laws to exclude this situation from being considered nonpayment of rent. Thus, a landlord would not have good cause to evict tenants who are withholding rent to pay utility bills which are the obligation of the landlord.

Currently, tenants who are not allowed to maintain utilities to their premises in this manner have no recourse but to be evicted and then to seek relocation assistance, either from a municipality or the landlord. This bill will help avoid evictions that would otherwise occur, and will benefit municipalities in holding down costs of relocation assistance.

The committee amended the bill to allow rent withholding for the payment of past due amounts, or arrearage, from the rental payments by tenants, as well as amounts to be withheld and applied to the current utility billing. The amount that may be applied from rent for arrearage is limited to 15 percent of a tenant's rent due to the landlord.

This bill was prefiled for introduction in the 2000 session pending technical review. As reported, the bill includes changes required by technical review, which has been performed.

# SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

## STATEMENT TO

[First Reprint]

**ASSEMBLY, No. 611**

# **STATE OF NEW JERSEY**

DATED: JUNE 15, 2000

The Senate Community and Urban Affairs Committee reports favorably Assembly Bill No. 611 (1R).

This bill would establish a mechanism to prevent the constructive eviction of tenants from their rental premises when a landlord who had agreed to pay for certain utilities fails to do so. Current regulations require a utility to notify a tenant whenever electric, gas, water or sewer service is in danger of being discontinued because of a failure on the part of the landlord to pay for the service. Under these circumstances, a utility company must offer to continue to provide service to a tenant on the condition that the tenant agree to pay for the service directly unless the utility company can demonstrate that it is not "feasible" to bill the tenant directly.

Under the bill, whenever an electric, gas, water or sewer public utility has provided written notice to tenants of a proposed discontinuance of service and the tenants have indicated a desire to continue service, but the utility has determined that it would not be feasible to bill each tenant individually for the service, the utility must allow a tenants' organization representing each tenant of the rental premises to accept billing for the utility. Billing would include the periodic billing for current charges, and a statement of any arrearage left unpaid by the landlord for service previously supplied by the utility. The utility would be required to continue to provide service to the premises so long as payment is received.

Tenants comprising the membership of the organization would be permitted to deduct from each of their respective rental payments an amount equal to each tenant's contribution toward the currently due utility payment and any arrearage owed by the landlord, provided that any contribution by a tenant to the arrearage may not exceed 15 percent of the tenant's rental payment which would have been payable to the landlord, but for the contribution.

The bill would amend the eviction laws to exclude this situation from being considered nonpayment of rent. Thus, a landlord would not have good cause to evict tenants who are withholding rent to pay utility bills which are the obligation of the landlord.

This bill is identical to Senate Bill No. 1179, which also was reported by the committee on June 15, 2000.

[First Reprint]

**ASSEMBLY, No. 611**

**STATE OF NEW JERSEY**  
**209th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

**Sponsored by:**

**Assemblywoman JOAN M. QUIGLEY**

**District 32 (Bergen and Hudson)**

**Assemblyman JOHN V. KELLY**

**District 36 (Bergen, Essex and Passaic)**

**Co-Sponsored by:**

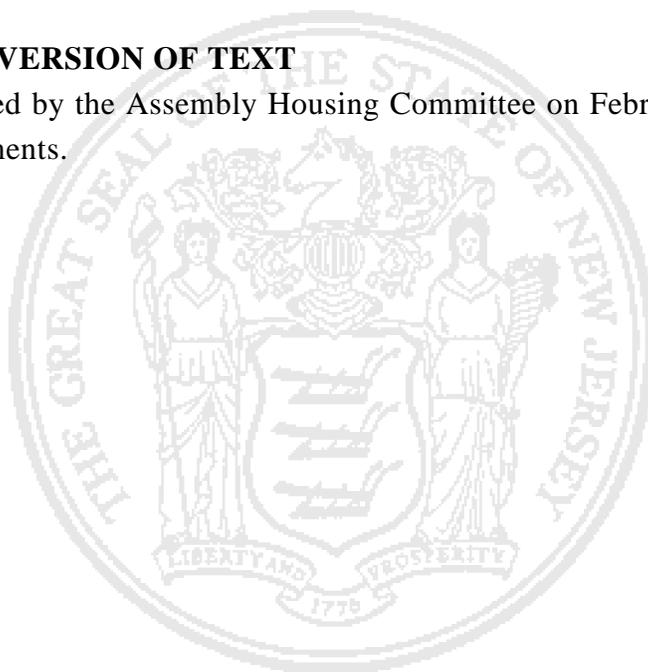
**Assemblywoman Watson Coleman, Senators Vitale, Bryant, Schluter and Sacco**

**SYNOPSIS**

Permits billing of tenants' organizations to maintain certain utilities to rental premises.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Housing Committee on February 28, 2000, with amendments.



**(Sponsorship Updated As Of: 6/27/2000)**

1 AN ACT concerning landlords and tenants, supplementing Title 2A of  
2 the New Jersey Statutes and amending P.L.1974, c.49.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. (New section) Whenever an electric, gas, water or sewer public  
8 utility has provided written notice to tenants residing in rental premises  
9 of a proposed discontinuance of service and the tenants so notified  
10 have indicated a desire to continue service, but the utility has  
11 determined that it would not be feasible to bill each tenant individually  
12 for the service, the utility shall permit a tenants' organization  
13 representing each tenant of the rental premises to accept billing for the  
14 utility <sup>1</sup>including the periodic billing for current charges, and a  
15 statement of any arrearage which is unpaid by the landlord for service  
16 previously supplied by the utility.<sup>1</sup> and shall continue providing the  
17 service to the premises provided that payment is received.

18  
19 2. (New section) Whenever a tenants' organization agrees to  
20 accept billing for a utility service, the tenants comprising the  
21 membership of the organization accepting and paying such billing shall  
22 be permitted to deduct from each of their respective rental payments  
23 to the landlord of the premises an amount corresponding to the  
24 tenant's <sup>1</sup>[share of] contribution towards<sup>1</sup> the <sup>1</sup>currently due<sup>1</sup> utility  
25 payment <sup>1</sup>and the arrearage, if any, owed by the landlord, provided  
26 that any contribution by a tenant to the arrearage shall not exceed 15  
27 percent of the tenant's rental payment which would have been payable  
28 to the landlord, but for the contribution<sup>1</sup>.

29  
30 3. Section 2 of P.L.1974, c.49 (C.2A:18-61.1) is amended to read  
31 as follows:

32 2. No lessee or tenant or the assigns, under-tenants or legal  
33 representatives of such lessee or tenant may be removed by the  
34 Superior Court from any house, building, mobile home or land in a  
35 mobile home park or tenement leased for residential purposes, other  
36 than (1) owner-occupied premises with not more than two rental units  
37 or a hotel, motel or other guest house or part thereof rented to a  
38 transient guest or seasonal tenant; (2) a dwelling unit which is held in  
39 trust on behalf of a member of the immediate family of the person or  
40 persons establishing the trust, provided that the member of the  
41 immediate family on whose behalf the trust is established permanently

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Assembly AHO committee amendments adopted February 28, 2000.

1 occupies the unit; and (3) a dwelling unit which is permanently  
2 occupied by a member of the immediate family of the owner of that  
3 unit, provided, however, that exception (2) or (3) shall apply only in  
4 cases in which the member of the immediate family has a  
5 developmental disability, except upon establishment of one of the  
6 following grounds as good cause:

7 a. The person fails to pay rent due and owing under the lease  
8 whether the same be oral or written; provided that, for the purposes  
9 of this section, any portion of rent unpaid by a tenant to a landlord but  
10 utilized by the tenant to continue utility service to the rental premises  
11 after receiving notice from an electric, gas, water or sewer public  
12 utility that such service was in danger of discontinuance based on  
13 nonpayment by the landlord, shall not be deemed to be unpaid rent.

14 b. The person has continued to be, after written notice to cease, so  
15 disorderly as to destroy the peace and quiet of the occupants or other  
16 tenants living in said house or neighborhood.

17 c. The person has willfully or by reason of gross negligence caused  
18 or allowed destruction, damage or injury to the premises.

19 d. The person has continued, after written notice to cease, to  
20 substantially violate or breach any of the landlord's rules and  
21 regulations governing said premises, provided such rules and  
22 regulations are reasonable and have been accepted in writing by the  
23 tenant or made a part of the lease at the beginning of the lease term.

24 e. (1) The person has continued, after written notice to cease, to  
25 substantially violate or breach any of the covenants or agreements  
26 contained in the lease for the premises where a right of reentry is  
27 reserved to the landlord in the lease for a violation of such covenant  
28 or agreement, provided that such covenant or agreement is reasonable  
29 and was contained in the lease at the beginning of the lease term.

30 (2) In public housing under the control of a public housing  
31 authority or redevelopment agency, the person has substantially  
32 violated or breached any of the covenants or agreements contained in  
33 the lease for the premises pertaining to illegal uses of controlled  
34 dangerous substances, or other illegal activities, whether or not a right  
35 of reentry is reserved to the landlord in the lease for a violation of such  
36 covenant or agreement, provided that such covenant or agreement  
37 conforms to federal guidelines regarding such lease provisions and was  
38 contained in the lease at the beginning of the lease term.

39 f. The person has failed to pay rent after a valid notice to quit and  
40 notice of increase of said rent, provided the increase in rent is not  
41 unconscionable and complies with any and all other laws or municipal  
42 ordinances governing rent increases.

43 g. The landlord or owner (1) seeks to permanently board up or  
44 demolish the premises because he has been cited by local or State  
45 housing inspectors for substantial violations affecting the health and  
46 safety of tenants and it is economically unfeasible for the owner to

1 eliminate the violations; (2) seeks to comply with local or State  
2 housing inspectors who have cited him for substantial violations  
3 affecting the health and safety of tenants and it is unfeasible to so  
4 comply without removing the tenant; simultaneously with service of  
5 notice of eviction pursuant to this clause, the landlord shall notify the  
6 Department of Community Affairs of the intention to institute  
7 proceedings and shall provide the department with such other  
8 information as it may require pursuant to rules and regulations. The  
9 department shall inform all parties and the court of its view with  
10 respect to the feasibility of compliance without removal of the tenant  
11 and may in its discretion appear and present evidence; (3) seeks to  
12 correct an illegal occupancy because he has been cited by local or  
13 State housing inspectors or zoning officers and it is unfeasible to  
14 correct such illegal occupancy without removing the tenant; or (4) is  
15 a governmental agency which seeks to permanently retire the premises  
16 from the rental market pursuant to a redevelopment or land clearance  
17 plan in a blighted area. In those cases where the tenant is being  
18 removed for any reason specified in this subsection, no warrant for  
19 possession shall be issued until P.L.1967, c.79 (C.52:31B-1 et seq.)  
20 and P.L.1971, c.362 (C.20:4-1 et seq.) have been complied with.

21 h. The owner seeks to retire permanently the residential building  
22 or the mobile home park from residential use or use as a mobile home  
23 park, provided this subsection shall not apply to circumstances  
24 covered under subsection g. of this section.

25 i. The landlord or owner proposes, at the termination of a lease,  
26 reasonable changes of substance in the terms and conditions of the  
27 lease, including specifically any change in the term thereof, which the  
28 tenant, after written notice, refuses to accept; provided that in cases  
29 where a tenant has received a notice of termination pursuant to  
30 subsection g. of section 3 of P.L.1974, c.49 (C.2A:18-61.2), or has a  
31 protected tenancy status pursuant to section 9 of the "Senior Citizens  
32 and Disabled Protected Tenancy Act," P.L.1981, c.226  
33 (C.2A:18-61.30), or pursuant to the "Tenant Protection Act of 1992,"  
34 P.L.1991, c.509 (C.2A:18-61.40 et al.), the landlord or owner shall  
35 have the burden of proving that any change in the terms and conditions  
36 of the lease, rental or regulations both is reasonable and does not  
37 substantially reduce the rights and privileges to which the tenant was  
38 entitled prior to the conversion.

39 j. The person, after written notice to cease, has habitually and  
40 without legal justification failed to pay rent which is due and owing.

41 k. The landlord or owner of the building or mobile home park is  
42 converting from the rental market to a condominium, cooperative or  
43 fee simple ownership of two or more dwelling units or park sites,  
44 except as hereinafter provided in subsection l. of this section. Where  
45 the tenant is being removed pursuant to this subsection, no warrant for  
46 possession shall be issued until this act has been complied with. No

1 action for possession shall be brought pursuant to this subsection  
2 against a senior citizen tenant or disabled tenant with protected  
3 tenancy status pursuant to the "Senior Citizens and Disabled Protected  
4 Tenancy Act," P.L.1981, c.226 (C.2A:18-61.22 et al.), or against a  
5 qualified tenant under the "Tenant Protection Act of 1992," P.L.1991,  
6 c.509 (C.2A:18-61.40 et al.), as long as the agency has not terminated  
7 the protected tenancy status or the protected tenancy period has not  
8 expired.

9 1. (1) The owner of a building or mobile home park, which is  
10 constructed as or being converted to a condominium, cooperative or  
11 fee simple ownership, seeks to evict a tenant or sublessee whose initial  
12 tenancy began after the master deed, agreement establishing the  
13 cooperative or subdivision plat was recorded, because the owner has  
14 contracted to sell the unit to a buyer who seeks to personally occupy  
15 it and the contract for sale calls for the unit to be vacant at the time of  
16 closing. However, no action shall be brought against a tenant under  
17 paragraph (1) of this subsection unless the tenant was given a  
18 statement in accordance with section 6 of P.L.1975, c.311  
19 (C.2A:18-61.9);

20 (2) The owner of three or less condominium or cooperative units  
21 seeks to evict a tenant whose initial tenancy began by rental from an  
22 owner of three or less units after the master deed or agreement  
23 establishing the cooperative was recorded, because the owner seeks to  
24 personally occupy the unit, or has contracted to sell the unit to a buyer  
25 who seeks to personally occupy it and the contract for sale calls for  
26 the unit to be vacant at the time of closing;

27 (3) The owner of a building of three residential units or less seeks  
28 to personally occupy a unit, or has contracted to sell the residential  
29 unit to a buyer who wishes to personally occupy it and the contract for  
30 sale calls for the unit to be vacant at the time of closing.

31 m. The landlord or owner conditioned the tenancy upon and in  
32 consideration for the tenant's employment by the landlord or owner as  
33 superintendent, janitor or in some other capacity and such employment  
34 is being terminated.

35 n. The person has been convicted of or pleaded guilty to, or if a  
36 juvenile, has been adjudicated delinquent on the basis of an act which  
37 if committed by an adult would constitute an offense under the  
38 "Comprehensive Drug Reform Act of 1987," N.J.S.2C:35-1 et al.  
39 involving the use, possession, manufacture, dispensing or distribution  
40 of a controlled dangerous substance, controlled dangerous substance  
41 analog or drug paraphernalia within the meaning of that act within or  
42 upon the leased premises or the building or complex of buildings and  
43 land appurtenant thereto, or the mobile home park, in which those  
44 premises are located, and has not in connection with his sentence for  
45 that offense either (1) successfully completed or (2) been admitted to  
46 and continued upon probation while completing, a drug rehabilitation

1 program pursuant to N.J.S.2C:35-14; or, being the tenant or lessee of  
2 such leased premises, knowingly harbors or harbored therein a person  
3 who has been so convicted or has so pleaded, or otherwise permits or  
4 permitted such a person to occupy those premises for residential  
5 purposes, whether continuously or intermittently, except that this  
6 subsection shall not apply to a person harboring or permitting a  
7 juvenile to occupy the premises if the juvenile has been adjudicated  
8 delinquent upon the basis of an act which if committed by an adult  
9 would constitute the offense of use or possession under the said act.  
10 No action for removal may be brought pursuant to this subsection  
11 more than two years after the date of the adjudication or conviction or  
12 more than two years after the person's release from incarceration  
13 whichever is the later.

14 o. The person has been convicted of or pleaded guilty to, or if a  
15 juvenile, has been adjudicated delinquent on the basis of an act which  
16 if committed by an adult would constitute an offense under  
17 N.J.S.2C:12-1 or N.J.S.2C:12-3 involving assault, or terroristic threats  
18 against the landlord, a member of the landlord's family or an employee  
19 of the landlord; or, being the tenant or lessee of such leased premises,  
20 knowingly harbors or harbored therein a person who has been so  
21 convicted or has so pleaded, or otherwise permits or permitted such  
22 a person to occupy those premises for residential purposes, whether  
23 continuously or intermittently. No action for removal may be brought  
24 pursuant to this subsection more than two years after the adjudication  
25 or conviction or more than two years after the person's release from  
26 incarceration whichever is the later.

27 p. The person has been found, by a preponderance of the evidence,  
28 liable in a civil action for removal commenced under this act for an  
29 offense under N.J.S.2C:20-1 et al. involving theft of property located  
30 on the leased premises from the landlord, the leased premises or other  
31 tenants residing in the leased premises, or N.J.S.2C:12-1 or  
32 N.J.S.2C:12-3 involving assault or terroristic threats against the  
33 landlord, a member of the landlord's family or an employee of the  
34 landlord, or under the "Comprehensive Drug Reform Act of 1987,"  
35 N.J.S.2C:35-1 et al., involving the use, possession, manufacture,  
36 dispensing or distribution of a controlled dangerous substance,  
37 controlled dangerous substance analog or drug paraphernalia within  
38 the meaning of that act within or upon the leased premises or the  
39 building or complex of buildings and land appurtenant thereto, or the  
40 mobile home park, in which those premises are located, and has not in  
41 connection with his sentence for that offense either (1) successfully  
42 completed or (2) been admitted to and continued upon probation while  
43 completing a drug rehabilitation program pursuant to N.J.S.2C:35-14;  
44 or, being the tenant or lessee of such leased premises, knowingly  
45 harbors or harbored therein a person who committed such an offense,  
46 or otherwise permits or permitted such a person to occupy those

1 premises for residential purposes, whether continuously or  
2 intermittently, except that this subsection shall not apply to a person  
3 who harbors or permits a juvenile to occupy the premises if the  
4 juvenile has been adjudicated delinquent upon the basis of an act which  
5 if committed by an adult would constitute the offense of use or  
6 possession under the said "Comprehensive Drug Reform Act of 1987."

7 q. The person has been convicted of or pleaded guilty to, or if a  
8 juvenile, has been adjudicated delinquent on the basis of an act which  
9 if committed by an adult would constitute an offense under  
10 N.J.S.2C:20-1 et al. involving theft of property from the landlord, the  
11 leased premises or other tenants residing in the same building or  
12 complex; or, being the tenant or lessee of such leased premises,  
13 knowingly harbors therein a person who has been so convicted or has  
14 so pleaded, or otherwise permits such a person to occupy those  
15 premises for residential purposes, whether continuously or  
16 intermittently.

17 For purposes of this section, (1) "developmental disability" means  
18 any disability which is defined as such pursuant to section 3 of  
19 P.L.1977, c.82 (C.30:6D-3); (2) "member of the immediate family"  
20 means a person's spouse, parent, child or sibling, or a spouse, parent,  
21 child or sibling of any of them; and (3) "permanently" occupies or  
22 occupied means that the occupant maintains no other domicile at  
23 which the occupant votes, pays rent or property taxes or at which rent  
24 or property taxes are paid on the occupant's behalf.

25 (cf: P.L.1997, c.228, s.1)

26

27 4. This act shall take effect immediately.

P.L. 2000, CHAPTER 113, *approved September 8, 2000*  
Assembly, No. 611 (*First Reprint*)

1 **AN ACT** concerning landlords and tenants, supplementing Title 2A of  
2 the New Jersey Statutes and amending P.L.1974, c.49.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. (New section) Whenever an electric, gas, water or sewer public  
8 utility has provided written notice to tenants residing in rental premises  
9 of a proposed discontinuance of service and the tenants so notified  
10 have indicated a desire to continue service, but the utility has  
11 determined that it would not be feasible to bill each tenant individually  
12 for the service, the utility shall permit a tenants' organization  
13 representing each tenant of the rental premises to accept billing for the  
14 utility <sup>1</sup>including the periodic billing for current charges, and a  
15 statement of any arrearage which is unpaid by the landlord for service  
16 previously supplied by the utility.<sup>1</sup> and shall continue providing the  
17 service to the premises provided that payment is received.

18

19 2. (New section) Whenever a tenants' organization agrees to  
20 accept billing for a utility service, the tenants comprising the  
21 membership of the organization accepting and paying such billing shall  
22 be permitted to deduct from each of their respective rental payments  
23 to the landlord of the premises an amount corresponding to the  
24 tenant's <sup>1</sup>[share of] contribution towards<sup>1</sup> the <sup>1</sup>currently due<sup>1</sup> utility  
25 payment <sup>1</sup>and the arrearage, if any, owed by the landlord, provided  
26 that any contribution by a tenant to the arrearage shall not exceed 15  
27 percent of the tenant's rental payment which would have been payable  
28 to the landlord, but for the contribution<sup>1</sup>.

29

30 3. Section 2 of P.L.1974, c.49 (C.2A:18-61.1) is amended to read  
31 as follows:

32 2. No lessee or tenant or the assigns, under-tenants or legal  
33 representatives of such lessee or tenant may be removed by the  
34 Superior Court from any house, building, mobile home or land in a  
35 mobile home park or tenement leased for residential purposes, other  
36 than (1) owner-occupied premises with not more than two rental units  
37 or a hotel, motel or other guest house or part thereof rented to a  
38 transient guest or seasonal tenant; (2) a dwelling unit which is held in

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> **Assembly AHO committee amendments adopted February 28, 2000.**

1 trust on behalf of a member of the immediate family of the person or  
2 persons establishing the trust, provided that the member of the  
3 immediate family on whose behalf the trust is established permanently  
4 occupies the unit; and (3) a dwelling unit which is permanently  
5 occupied by a member of the immediate family of the owner of that  
6 unit, provided, however, that exception (2) or (3) shall apply only in  
7 cases in which the member of the immediate family has a  
8 developmental disability, except upon establishment of one of the  
9 following grounds as good cause:

10 a. The person fails to pay rent due and owing under the lease  
11 whether the same be oral or written; provided that, for the purposes  
12 of this section, any portion of rent unpaid by a tenant to a landlord but  
13 utilized by the tenant to continue utility service to the rental premises  
14 after receiving notice from an electric, gas, water or sewer public  
15 utility that such service was in danger of discontinuance based on  
16 nonpayment by the landlord, shall not be deemed to be unpaid rent.

17 b. The person has continued to be, after written notice to cease, so  
18 disorderly as to destroy the peace and quiet of the occupants or other  
19 tenants living in said house or neighborhood.

20 c. The person has willfully or by reason of gross negligence caused  
21 or allowed destruction, damage or injury to the premises.

22 d. The person has continued, after written notice to cease, to  
23 substantially violate or breach any of the landlord's rules and  
24 regulations governing said premises, provided such rules and  
25 regulations are reasonable and have been accepted in writing by the  
26 tenant or made a part of the lease at the beginning of the lease term.

27 e. (1) The person has continued, after written notice to cease, to  
28 substantially violate or breach any of the covenants or agreements  
29 contained in the lease for the premises where a right of reentry is  
30 reserved to the landlord in the lease for a violation of such covenant  
31 or agreement, provided that such covenant or agreement is reasonable  
32 and was contained in the lease at the beginning of the lease term.

33 (2) In public housing under the control of a public housing  
34 authority or redevelopment agency, the person has substantially  
35 violated or breached any of the covenants or agreements contained in  
36 the lease for the premises pertaining to illegal uses of controlled  
37 dangerous substances, or other illegal activities, whether or not a right  
38 of reentry is reserved to the landlord in the lease for a violation of such  
39 covenant or agreement, provided that such covenant or agreement  
40 conforms to federal guidelines regarding such lease provisions and was  
41 contained in the lease at the beginning of the lease term.

42 f. The person has failed to pay rent after a valid notice to quit and  
43 notice of increase of said rent, provided the increase in rent is not  
44 unconscionable and complies with any and all other laws or municipal  
45 ordinances governing rent increases.

46 g. The landlord or owner (1) seeks to permanently board up or

1 demolish the premises because he has been cited by local or State  
2 housing inspectors for substantial violations affecting the health and  
3 safety of tenants and it is economically unfeasible for the owner to  
4 eliminate the violations; (2) seeks to comply with local or State  
5 housing inspectors who have cited him for substantial violations  
6 affecting the health and safety of tenants and it is unfeasible to so  
7 comply without removing the tenant; simultaneously with service of  
8 notice of eviction pursuant to this clause, the landlord shall notify the  
9 Department of Community Affairs of the intention to institute  
10 proceedings and shall provide the department with such other  
11 information as it may require pursuant to rules and regulations. The  
12 department shall inform all parties and the court of its view with  
13 respect to the feasibility of compliance without removal of the tenant  
14 and may in its discretion appear and present evidence; (3) seeks to  
15 correct an illegal occupancy because he has been cited by local or  
16 State housing inspectors or zoning officers and it is unfeasible to  
17 correct such illegal occupancy without removing the tenant; or (4) is  
18 a governmental agency which seeks to permanently retire the premises  
19 from the rental market pursuant to a redevelopment or land clearance  
20 plan in a blighted area. In those cases where the tenant is being  
21 removed for any reason specified in this subsection, no warrant for  
22 possession shall be issued until P.L.1967, c.79 (C.52:31B-1 et seq.)  
23 and P.L.1971, c.362 (C.20:4-1 et seq.) have been complied with.

24 h. The owner seeks to retire permanently the residential building  
25 or the mobile home park from residential use or use as a mobile home  
26 park, provided this subsection shall not apply to circumstances  
27 covered under subsection g. of this section.

28 i. The landlord or owner proposes, at the termination of a lease,  
29 reasonable changes of substance in the terms and conditions of the  
30 lease, including specifically any change in the term thereof, which the  
31 tenant, after written notice, refuses to accept; provided that in cases  
32 where a tenant has received a notice of termination pursuant to  
33 subsection g. of section 3 of P.L.1974, c.49 (C.2A:18-61.2), or has a  
34 protected tenancy status pursuant to section 9 of the "Senior Citizens  
35 and Disabled Protected Tenancy Act," P.L.1981, c.226  
36 (C.2A:18-61.30), or pursuant to the "Tenant Protection Act of 1992,"  
37 P.L.1991, c.509 (C.2A:18-61.40 et al.), the landlord or owner shall  
38 have the burden of proving that any change in the terms and conditions  
39 of the lease, rental or regulations both is reasonable and does not  
40 substantially reduce the rights and privileges to which the tenant was  
41 entitled prior to the conversion.

42 j. The person, after written notice to cease, has habitually and  
43 without legal justification failed to pay rent which is due and owing.

44 k. The landlord or owner of the building or mobile home park is  
45 converting from the rental market to a condominium, cooperative or  
46 fee simple ownership of two or more dwelling units or park sites,

1 except as hereinafter provided in subsection l. of this section. Where  
2 the tenant is being removed pursuant to this subsection, no warrant for  
3 possession shall be issued until this act has been complied with. No  
4 action for possession shall be brought pursuant to this subsection  
5 against a senior citizen tenant or disabled tenant with protected  
6 tenancy status pursuant to the "Senior Citizens and Disabled Protected  
7 Tenancy Act," P.L.1981, c.226 (C.2A:18-61.22 et al.), or against a  
8 qualified tenant under the "Tenant Protection Act of 1992," P.L.1991,  
9 c.509 (C.2A:18-61.40 et al.), as long as the agency has not terminated  
10 the protected tenancy status or the protected tenancy period has not  
11 expired.

12 l. (1) The owner of a building or mobile home park, which is  
13 constructed as or being converted to a condominium, cooperative or  
14 fee simple ownership, seeks to evict a tenant or sublessee whose initial  
15 tenancy began after the master deed, agreement establishing the  
16 cooperative or subdivision plat was recorded, because the owner has  
17 contracted to sell the unit to a buyer who seeks to personally occupy  
18 it and the contract for sale calls for the unit to be vacant at the time of  
19 closing. However, no action shall be brought against a tenant under  
20 paragraph (1) of this subsection unless the tenant was given a  
21 statement in accordance with section 6 of P.L.1975, c.311  
22 (C.2A:18-61.9);

23 (2) The owner of three or less condominium or cooperative units  
24 seeks to evict a tenant whose initial tenancy began by rental from an  
25 owner of three or less units after the master deed or agreement  
26 establishing the cooperative was recorded, because the owner seeks to  
27 personally occupy the unit, or has contracted to sell the unit to a buyer  
28 who seeks to personally occupy it and the contract for sale calls for  
29 the unit to be vacant at the time of closing;

30 (3) The owner of a building of three residential units or less seeks  
31 to personally occupy a unit, or has contracted to sell the residential  
32 unit to a buyer who wishes to personally occupy it and the contract for  
33 sale calls for the unit to be vacant at the time of closing.

34 m. The landlord or owner conditioned the tenancy upon and in  
35 consideration for the tenant's employment by the landlord or owner as  
36 superintendent, janitor or in some other capacity and such employment  
37 is being terminated.

38 n. The person has been convicted of or pleaded guilty to, or if a  
39 juvenile, has been adjudicated delinquent on the basis of an act which  
40 if committed by an adult would constitute an offense under the  
41 "Comprehensive Drug Reform Act of 1987," N.J.S.2C:35-1 et al.  
42 involving the use, possession, manufacture, dispensing or distribution  
43 of a controlled dangerous substance, controlled dangerous substance  
44 analog or drug paraphernalia within the meaning of that act within or  
45 upon the leased premises or the building or complex of buildings and  
46 land appurtenant thereto, or the mobile home park, in which those

1 premises are located, and has not in connection with his sentence for  
2 that offense either (1) successfully completed or (2) been admitted to  
3 and continued upon probation while completing, a drug rehabilitation  
4 program pursuant to N.J.S.2C:35-14; or, being the tenant or lessee of  
5 such leased premises, knowingly harbors or harbored therein a person  
6 who has been so convicted or has so pleaded, or otherwise permits or  
7 permitted such a person to occupy those premises for residential  
8 purposes, whether continuously or intermittently, except that this  
9 subsection shall not apply to a person harboring or permitting a  
10 juvenile to occupy the premises if the juvenile has been adjudicated  
11 delinquent upon the basis of an act which if committed by an adult  
12 would constitute the offense of use or possession under the said act.  
13 No action for removal may be brought pursuant to this subsection  
14 more than two years after the date of the adjudication or conviction or  
15 more than two years after the person's release from incarceration  
16 whichever is the later.

17 o. The person has been convicted of or pleaded guilty to, or if a  
18 juvenile, has been adjudicated delinquent on the basis of an act which  
19 if committed by an adult would constitute an offense under  
20 N.J.S.2C:12-1 or N.J.S.2C:12-3 involving assault, or terroristic threats  
21 against the landlord, a member of the landlord's family or an employee  
22 of the landlord; or, being the tenant or lessee of such leased premises,  
23 knowingly harbors or harbored therein a person who has been so  
24 convicted or has so pleaded, or otherwise permits or permitted such  
25 a person to occupy those premises for residential purposes, whether  
26 continuously or intermittently. No action for removal may be brought  
27 pursuant to this subsection more than two years after the adjudication  
28 or conviction or more than two years after the person's release from  
29 incarceration whichever is the later.

30 p. The person has been found, by a preponderance of the evidence,  
31 liable in a civil action for removal commenced under this act for an  
32 offense under N.J.S.2C:20-1 et al. involving theft of property located  
33 on the leased premises from the landlord, the leased premises or other  
34 tenants residing in the leased premises, or N.J.S.2C:12-1 or  
35 N.J.S.2C:12-3 involving assault or terroristic threats against the  
36 landlord, a member of the landlord's family or an employee of the  
37 landlord, or under the "Comprehensive Drug Reform Act of 1987,"  
38 N.J.S.2C:35-1 et al., involving the use, possession, manufacture,  
39 dispensing or distribution of a controlled dangerous substance,  
40 controlled dangerous substance analog or drug paraphernalia within  
41 the meaning of that act within or upon the leased premises or the  
42 building or complex of buildings and land appurtenant thereto, or the  
43 mobile home park, in which those premises are located, and has not in  
44 connection with his sentence for that offense either (1) successfully  
45 completed or (2) been admitted to and continued upon probation while  
46 completing a drug rehabilitation program pursuant to N.J.S.2C:35-14;

1 or, being the tenant or lessee of such leased premises, knowingly  
2 harbors or harbored therein a person who committed such an offense,  
3 or otherwise permits or permitted such a person to occupy those  
4 premises for residential purposes, whether continuously or  
5 intermittently, except that this subsection shall not apply to a person  
6 who harbors or permits a juvenile to occupy the premises if the  
7 juvenile has been adjudicated delinquent upon the basis of an act which  
8 if committed by an adult would constitute the offense of use or  
9 possession under the said "Comprehensive Drug Reform Act of 1987."

10 q. The person has been convicted of or pleaded guilty to, or if a  
11 juvenile, has been adjudicated delinquent on the basis of an act which  
12 if committed by an adult would constitute an offense under  
13 N.J.S.2C:20-1 et al. involving theft of property from the landlord, the  
14 leased premises or other tenants residing in the same building or  
15 complex; or, being the tenant or lessee of such leased premises,  
16 knowingly harbors therein a person who has been so convicted or has  
17 so pleaded, or otherwise permits such a person to occupy those  
18 premises for residential purposes, whether continuously or  
19 intermittently.

20 For purposes of this section, (1) "developmental disability" means  
21 any disability which is defined as such pursuant to section 3 of  
22 P.L.1977, c.82 (C.30:6D-3); (2) "member of the immediate family"  
23 means a person's spouse, parent, child or sibling, or a spouse, parent,  
24 child or sibling of any of them; and (3) "permanently" occupies or  
25 occupied means that the occupant maintains no other domicile at  
26 which the occupant votes, pays rent or property taxes or at which rent  
27 or property taxes are paid on the occupant's behalf.

28 (cf: P.L.1997, c.228, s.1)

29

30 4. This act shall take effect immediately.

31

32

33

34

35 Permits billing of tenants' organizations to maintain certain utilities to  
36 rental premises.

## CHAPTER 113

AN ACT concerning landlords and tenants, supplementing Title 2A of the New Jersey Statutes and amending P.L.1974, c.49.

**BE IT ENACTED** *by the Senate and General Assembly of the State of New Jersey:*

C.2A:18-61.60 Tenants' organization permitted to accept billing for utility.

1. Whenever an electric, gas, water or sewer public utility has provided written notice to tenants residing in rental premises of a proposed discontinuance of service and the tenants so notified have indicated a desire to continue service, but the utility has determined that it would not be feasible to bill each tenant individually for the service, the utility shall permit a tenants' organization representing each tenant of the rental premises to accept billing for the utility including the periodic billing for current charges, and a statement of any arrearage which is unpaid by the landlord for service previously supplied by the utility, and shall continue providing the service to the premises provided that payment is received.

C.2A:18-61.61 Deduction of certain utility costs from rental payment.

2. Whenever a tenants' organization agrees to accept billing for a utility service, the tenants comprising the membership of the organization accepting and paying such billing shall be permitted to deduct from each of their respective rental payments to the landlord of the premises an amount corresponding to the tenant's contribution towards the currently due utility payment and the arrearage, if any, owed by the landlord, provided that any contribution by a tenant to the arrearage shall not exceed 15 percent of the tenant's rental payment which would have been payable to the landlord, but for the contribution.

3. Section 2 of P.L.1974, c.49 (C.2A:18-61.1) is amended to read as follows:

C.2A:18-61.1 Grounds for removal of tenants.

2. No lessee or tenant or the assigns, under-tenants or legal representatives of such lessee or tenant may be removed by the Superior Court from any house, building, mobile home or land in a mobile home park or tenement leased for residential purposes, other than (1) owner-occupied premises with not more than two rental units or a hotel, motel or other guest house or part thereof rented to a transient guest or seasonal tenant; (2) a dwelling unit which is held in trust on behalf of a member of the immediate family of the person or persons establishing the trust, provided that the member of the immediate family on whose behalf the trust is established permanently occupies the unit; and (3) a dwelling unit which is permanently occupied by a member of the immediate family of the owner of that unit, provided, however, that exception (2) or (3) shall apply only in cases in which the member of the immediate family has a developmental disability, except upon establishment of one of the following grounds as good cause:

a. The person fails to pay rent due and owing under the lease whether the same be oral or written; provided that, for the purposes of this section, any portion of rent unpaid by a tenant to a landlord but utilized by the tenant to continue utility service to the rental premises after receiving notice from an electric, gas, water or sewer public utility that such service was in danger of discontinuance based on nonpayment by the landlord, shall not be deemed to be unpaid rent.

b. The person has continued to be, after written notice to cease, so disorderly as to destroy the peace and quiet of the occupants or other tenants living in said house or neighborhood.

c. The person has willfully or by reason of gross negligence caused or allowed destruction, damage or injury to the premises.

d. The person has continued, after written notice to cease, to substantially violate or breach any of the landlord's rules and regulations governing said premises, provided such rules and regulations are reasonable and have been accepted in writing by the tenant or made a part of the lease at the beginning of the lease term.

e. (1) The person has continued, after written notice to cease, to substantially violate or breach any of the covenants or agreements contained in the lease for the premises where a right of reentry is reserved to the landlord in the lease for a violation of such covenant or agreement, provided that such covenant or agreement is reasonable and was contained in the lease at the

beginning of the lease term.

(2) In public housing under the control of a public housing authority or redevelopment agency, the person has substantially violated or breached any of the covenants or agreements contained in the lease for the premises pertaining to illegal uses of controlled dangerous substances, or other illegal activities, whether or not a right of reentry is reserved to the landlord in the lease for a violation of such covenant or agreement, provided that such covenant or agreement conforms to federal guidelines regarding such lease provisions and was contained in the lease at the beginning of the lease term.

f. The person has failed to pay rent after a valid notice to quit and notice of increase of said rent, provided the increase in rent is not unconscionable and complies with any and all other laws or municipal ordinances governing rent increases.

g. The landlord or owner (1) seeks to permanently board up or demolish the premises because he has been cited by local or State housing inspectors for substantial violations affecting the health and safety of tenants and it is economically unfeasible for the owner to eliminate the violations; (2) seeks to comply with local or State housing inspectors who have cited him for substantial violations affecting the health and safety of tenants and it is unfeasible to so comply without removing the tenant; simultaneously with service of notice of eviction pursuant to this clause, the landlord shall notify the Department of Community Affairs of the intention to institute proceedings and shall provide the department with such other information as it may require pursuant to rules and regulations. The department shall inform all parties and the court of its view with respect to the feasibility of compliance without removal of the tenant and may in its discretion appear and present evidence; (3) seeks to correct an illegal occupancy because he has been cited by local or State housing inspectors or zoning officers and it is unfeasible to correct such illegal occupancy without removing the tenant; or (4) is a governmental agency which seeks to permanently retire the premises from the rental market pursuant to a redevelopment or land clearance plan in a blighted area. In those cases where the tenant is being removed for any reason specified in this subsection, no warrant for possession shall be issued until P.L.1967, c.79 (C.52:31B-1 et seq.) and P.L.1971, c.362 (C.20:4-1 et seq.) have been complied with.

h. The owner seeks to retire permanently the residential building or the mobile home park from residential use or use as a mobile home park, provided this subsection shall not apply to circumstances covered under subsection g. of this section.

i. The landlord or owner proposes, at the termination of a lease, reasonable changes of substance in the terms and conditions of the lease, including specifically any change in the term thereof, which the tenant, after written notice, refuses to accept; provided that in cases where a tenant has received a notice of termination pursuant to subsection g. of section 3 of P.L.1974, c.49 (C.2A:18-61.2), or has a protected tenancy status pursuant to section 9 of the "Senior Citizens and Disabled Protected Tenancy Act," P.L.1981, c.226 (C.2A:18-61.30), or pursuant to the "Tenant Protection Act of 1992," P.L.1991, c.509 (C.2A:18-61.40 et al.), the landlord or owner shall have the burden of proving that any change in the terms and conditions of the lease, rental or regulations both is reasonable and does not substantially reduce the rights and privileges to which the tenant was entitled prior to the conversion.

j. The person, after written notice to cease, has habitually and without legal justification failed to pay rent which is due and owing.

k. The landlord or owner of the building or mobile home park is converting from the rental market to a condominium, cooperative or fee simple ownership of two or more dwelling units or park sites, except as hereinafter provided in subsection l. of this section. Where the tenant is being removed pursuant to this subsection, no warrant for possession shall be issued until this act has been complied with. No action for possession shall be brought pursuant to this subsection against a senior citizen tenant or disabled tenant with protected tenancy status pursuant to the "Senior Citizens and Disabled Protected Tenancy Act," P.L.1981, c.226 (C.2A:18-61.22 et al.), or against a qualified tenant under the "Tenant Protection Act of 1992," P.L.1991, c.509 (C.2A:18-61.40 et al.), as long as the agency has not terminated the protected tenancy status or the protected tenancy period has not expired.

l. (1) The owner of a building or mobile home park, which is constructed as or being converted to a condominium, cooperative or fee simple ownership, seeks to evict a tenant or

sublessee whose initial tenancy began after the master deed, agreement establishing the cooperative or subdivision plat was recorded, because the owner has contracted to sell the unit to a buyer who seeks to personally occupy it and the contract for sale calls for the unit to be vacant at the time of closing. However, no action shall be brought against a tenant under paragraph (1) of this subsection unless the tenant was given a statement in accordance with section 6 of P.L.1975, c.311 (C.2A:18-61.9);

(2) The owner of three or less condominium or cooperative units seeks to evict a tenant whose initial tenancy began by rental from an owner of three or less units after the master deed or agreement establishing the cooperative was recorded, because the owner seeks to personally occupy the unit, or has contracted to sell the unit to a buyer who seeks to personally occupy it and the contract for sale calls for the unit to be vacant at the time of closing;

(3) The owner of a building of three residential units or less seeks to personally occupy a unit, or has contracted to sell the residential unit to a buyer who wishes to personally occupy it and the contract for sale calls for the unit to be vacant at the time of closing.

m. The landlord or owner conditioned the tenancy upon and in consideration for the tenant's employment by the landlord or owner as superintendent, janitor or in some other capacity and such employment is being terminated.

n. The person has been convicted of or pleaded guilty to, or if a juvenile, has been adjudicated delinquent on the basis of an act which if committed by an adult would constitute an offense under the "Comprehensive Drug Reform Act of 1987," N.J.S.2C:35-1 et al. involving the use, possession, manufacture, dispensing or distribution of a controlled dangerous substance, controlled dangerous substance analog or drug paraphernalia within the meaning of that act within or upon the leased premises or the building or complex of buildings and land appurtenant thereto, or the mobile home park, in which those premises are located, and has not in connection with his sentence for that offense either (1) successfully completed or (2) been admitted to and continued upon probation while completing, a drug rehabilitation program pursuant to N.J.S.2C:35-14; or, being the tenant or lessee of such leased premises, knowingly harbors or harbored therein a person who has been so convicted or has so pleaded, or otherwise permits or permitted such a person to occupy those premises for residential purposes, whether continuously or intermittently, except that this subsection shall not apply to a person harboring or permitting a juvenile to occupy the premises if the juvenile has been adjudicated delinquent upon the basis of an act which if committed by an adult would constitute the offense of use or possession under the said act. No action for removal may be brought pursuant to this subsection more than two years after the date of the adjudication or conviction or more than two years after the person's release from incarceration whichever is the later.

o. The person has been convicted of or pleaded guilty to, or if a juvenile, has been adjudicated delinquent on the basis of an act which if committed by an adult would constitute an offense under N.J.S.2C:12-1 or N.J.S.2C:12-3 involving assault, or terroristic threats against the landlord, a member of the landlord's family or an employee of the landlord; or, being the tenant or lessee of such leased premises, knowingly harbors or harbored therein a person who has been so convicted or has so pleaded, or otherwise permits or permitted such a person to occupy those premises for residential purposes, whether continuously or intermittently. No action for removal may be brought pursuant to this subsection more than two years after the adjudication or conviction or more than two years after the person's release from incarceration whichever is the later.

p. The person has been found, by a preponderance of the evidence, liable in a civil action for removal commenced under this act for an offense under N.J.S.2C:20-1 et al. involving theft of property located on the leased premises from the landlord, the leased premises or other tenants residing in the leased premises, or N.J.S.2C:12-1 or N.J.S.2C:12-3 involving assault or terroristic threats against the landlord, a member of the landlord's family or an employee of the landlord, or under the "Comprehensive Drug Reform Act of 1987," N.J.S.2C:35-1 et al., involving the use, possession, manufacture, dispensing or distribution of a controlled dangerous substance, controlled dangerous substance analog or drug paraphernalia within the meaning of that act within or upon the leased premises or the building or complex of buildings and land appurtenant thereto, or the mobile home park, in which those premises are located, and has not

in connection with his sentence for that offense either (1) successfully completed or (2) been admitted to and continued upon probation while completing a drug rehabilitation program pursuant to N.J.S.2C:35-14; or, being the tenant or lessee of such leased premises, knowingly harbors or harbored therein a person who committed such an offense, or otherwise permits or permitted such a person to occupy those premises for residential purposes, whether continuously or intermittently, except that this subsection shall not apply to a person who harbors or permits a juvenile to occupy the premises if the juvenile has been adjudicated delinquent upon the basis of an act which if committed by an adult would constitute the offense of use or possession under the said "Comprehensive Drug Reform Act of 1987."

q. The person has been convicted of or pleaded guilty to, or if a juvenile, has been adjudicated delinquent on the basis of an act which if committed by an adult would constitute an offense under N.J.S.2C:20-1 et al. involving theft of property from the landlord, the leased premises or other tenants residing in the same building or complex; or, being the tenant or lessee of such leased premises, knowingly harbors therein a person who has been so convicted or has so pleaded, or otherwise permits such a person to occupy those premises for residential purposes, whether continuously or intermittently.

For purposes of this section, (1) "developmental disability" means any disability which is defined as such pursuant to section 3 of P.L.1977, c.82 (C.30:6D-3); (2) "member of the immediate family" means a person's spouse, parent, child or sibling, or a spouse, parent, child or sibling of any of them; and (3) "permanently" occupies or occupied means that the occupant maintains no other domicile at which the occupant votes, pays rent or property taxes or at which rent or property taxes are paid on the occupant's behalf.

4. This act shall take effect immediately.

Approved September 8, 2000.