

S2952 (2R)

INTRODUCED BILL: (Includes sponsor(s) statement)	Yes	
REPRINT(S):	Yes	SCU 12/5/24 1R Senate 3/24/25 2R
TECHNICAL REVIEW OF BILL:	No	
COMMITTEE STATEMENT:	ASSEMBLY:	No
	SENATE:	Yes Community & Urban Affairs Budget & Appropriations

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	Yes	
LEGISLATIVE FISCAL ESTIMATE:	Yes	01/31/2025
VETO MESSAGE:	Yes	
GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes	
LEGISLATOR STATEMENT:	No	

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

CL/MMcB

§4
C.55:13B-9.1
§5
C.55:13B-8.1
§6
Approp.
§7
Note

P.L. 2025, CHAPTER 60, *approved June 3, 2025*
Assembly, No. 4535 (*Third Reprint*)

1 AN ACT concerning State regulation of cooperative sober living
2 residences and boarding houses generally, ¹**[and]**¹ amending and
3 supplementing P.L.1979, c.496 ¹, and making an appropriation¹.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read
9 as follows:

10 3. As used in **[this act]** P.L.1979, c.496 (C.55:13B-1 et seq.):

11 a. "Boarding house" means any building, together with any
12 related structure, accessory building, any land appurtenant thereto,
13 and any part thereof, which contains two or more units of dwelling
14 space arranged or intended for single room occupancy, exclusive of
15 any such unit occupied by an owner or operator, and wherein
16 personal or financial services are provided to the residents,
17 including any residential hotel or congregate living arrangement,
18 but excluding any hotel, motel, or established guest house wherein a
19 minimum of 85 percent of the units of dwelling space are offered
20 for limited tenure only, any resource family home as defined in
21 section 1 of P.L.1962, c.137 (C.30:4C-26.1), any community
22 residence for the developmentally disabled and any community
23 residence for the mentally ill as defined in section 2 of P.L.1977,
24 c.448 (C.30:11B-2), any adult family care home as defined in
25 section 3 of P.L.2001, c.304 (C.26:2Y-3), any dormitory owned or
26 operated on behalf of any nonprofit institution of primary,
27 secondary, or higher education for the use of its students, any
28 building arranged for single room occupancy wherein the units of
29 dwelling space are occupied exclusively by students enrolled in a
30 full-time course of study at an institution of higher education
31 approved by the New Jersey Commission on Higher Education, any

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AOF committee amendments adopted December 16, 2024.

²Assembly AAP committee amendments adopted February 20, 2025.

³Assembly amendments adopted in accordance with Governor's recommendations May 15, 2025.

1 facility or living arrangement operated by, or under contract with,
2 any State department or agency, upon the written authorization of
3 the commissioner, and any owner-occupied, one-family residential
4 dwelling made available for occupancy by not more than six guests,
5 where the primary purpose of the occupancy is to provide charitable
6 assistance to the guests and where the owner derives no income
7 from the occupancy. A dwelling shall be deemed "owner-occupied"
8 within the meaning of this section if it is owned or operated by a
9 nonprofit religious or charitable association or corporation and is
10 used as the principal residence of a minister or employee of that
11 corporation or association. For any such dwelling, however, fire
12 detectors shall be required as determined by the Department of
13 Community Affairs.

14 b. "Commissioner" means the Commissioner of [the
15 Department of] Community Affairs.

16 c. "Financial services" means any assistance permitted or
17 required by the commissioner to be furnished by an owner or
18 operator to a resident in the management of personal financial
19 matters, including, but not limited to, the cashing of checks, holding
20 of personal funds for safekeeping in any manner or assistance in the
21 purchase of goods or services with a resident's personal funds.

22 d. "Limited tenure" means residence at a rooming or boarding
23 house on a temporary basis, for a period lasting no more than 90
24 days, when a resident either maintains a primary residence at a
25 location other than the rooming or boarding house or intends to
26 establish a primary residence at such a location and does so within
27 90 days after taking up original residence at the rooming or
28 boarding house.

29 e. "Operator" means any individual who is responsible for the
30 daily operation of a rooming or boarding house.

31 f. "Owner" means any person who owns, purports to own, or
32 exercises control of any rooming or boarding house.

33 g. "Personal services" means any services permitted or required
34 to be furnished by an owner or operator to a resident, other than
35 shelter, including, but not limited to, meals or other food services,
36 and assistance in dressing, bathing, or attending to other personal
37 needs.

38 h. "Rooming house" means a boarding house wherein no
39 personal or financial services are provided to the residents.

40 i. "Single room occupancy" means an arrangement of dwelling
41 space which does not provide a private, secure dwelling space
42 arranged for independent living, which contains both the sanitary
43 and cooking facilities required in dwelling spaces pursuant to the
44 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
45 seq.), and which is not used for limited tenure occupancy in a hotel,
46 motel, or established guest house, regardless of the number of
47 individuals occupying any room or rooms.

1 j. "Unit of dwelling space" means any room, rooms, suite, or
2 portion thereof, whether furnished or unfurnished, which is
3 occupied or intended, arranged, or designed to be occupied for
4 sleeping or dwelling purposes by one or more persons.

5 k. (Deleted by amendment, P.L.2015, c.125)

6 l. (Deleted by amendment, P.L.2015, c.125)

7 m. "Cooperative sober living residence" means a boarding
8 house that serves solely as a home for individuals who are
9 recovering from drug or alcohol addiction and is intended to
10 provide an environment where the residents can support each
11 other's sobriety and recovery.

12 (cf: P.L.2015, c.125, s.12)

13

14 2. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read
15 as follows:

16 7. a. (1) No person shall own or operate a rooming or boarding
17 house, hold out a building as available for rooming or boarding
18 house occupancy, or apply for any necessary construction or
19 planning approvals related to the establishment of a rooming or
20 boarding house without a valid license to own or operate such a
21 facility, issued by the commissioner and, if appropriate, by a
22 municipality which has elected to issue such licenses pursuant to
23 P.L.1993, c.290 (C.40:52-9 et seq.).

24 (2) (Deleted by amendment, P.L.2015, c.125)

25 (3) Any person found to be in violation of this subsection shall
26 be liable for a civil penalty of not more than **[\$5,000]** \$25,000 for
27 each building so owned or operated, which penalty shall be payable
28 to the appropriate licensing entity.

29 b. The commissioner shall establish separate categories of
30 licensure for owning and for operating a rooming or boarding
31 house, provided, however, that an owner who himself operates such
32 a facility need not also possess an operator's license.

33 If an owner seeking to be licensed is other than an individual, the
34 application shall state the name of an individual who is a member,
35 officer, or stockholder in the corporation or association seeking to
36 be licensed, and the same shall be designated the primary owner of
37 the rooming or boarding house.

38 Each application for licensure shall contain such information as
39 the commissioner may prescribe and, unless the person is licensed
40 by a municipality to own or operate a rooming and boarding house
41 pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be
42 accompanied by a fee established by the commissioner which shall
43 not be less than \$150 or more than \$600, except as provided in
44 subsection e. of this section. If, upon receipt of the fee and a review
45 of the application, the commissioner determines that the applicant
46 will operate, or provide for the operation of, a rooming or boarding
47 house in accordance with the provisions of this act, the
48 commissioner shall issue a license to the applicant.

1 Each license shall be valid for one year from the date of
2 issuance, but may be renewed upon application by the owner or
3 operator and upon payment of the same fee required for initial
4 licensure.

5 c. Only one license shall be required to own a rooming or
6 boarding house, but an endorsement thereto shall be required for
7 each separate building owned and operated, or intended to be
8 operated, as a rooming or boarding house. Each application for
9 licensure or renewal shall indicate every such building for which an
10 endorsement is required. If, during the term of a license, an
11 additional endorsement is required, or an existing one is no longer
12 required, an amended application for licensure shall be submitted.

13 d. A person making application for, or who has been issued, a
14 license to own or operate a rooming or boarding house who
15 conceals the fact that the person has been denied a license to own or
16 operate a residential facility, or that the person's license to own or
17 operate a residential facility has been revoked by a department or
18 agency of state government in this or any other state is liable for a
19 civil penalty of not more than ~~[\$5,000]~~ \$25,000, and any license to
20 own or operate a rooming or boarding house which has been issued
21 to that person shall be immediately revoked.

22 e. The commissioner shall annually review the cost of
23 administering and enforcing this section and shall establish by rule
24 such changes to the license application fee as may be necessary to
25 cover the cost of such administration and enforcement.

26 f. The commissioner shall maintain and publish on the
27 department's Internet website a list of each licensed cooperative
28 sober living residence in the State, including the location and
29 contact information for each licensed cooperative sober living
30 residence.

31 (cf: P.L.2015, c.125, s.14)

32

33 3. Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended to
34 read as follows:

35 9. The commissioner shall ensure that each rooming or
36 boarding house whose owner possesses a valid license is inspected
37 and its records reviewed at least once each year for the purpose of
38 determining whether the owner or operator is complying with
39 standards promulgated pursuant to the provisions of P.L.1979,
40 c.496 (C.55:13B-1 et seq.), except that in the case of a cooperative
41 sober living residence, the commissioner shall ensure that an
42 unannounced inspection and record review of a licensed cooperative
43 sober living residence is conducted at least twice each year for the
44 purpose of determining whether the owner or operator is complying
45 with standards promulgated pursuant to the provisions of P.L.1979,
46 c.496 (C.55:13B-1 et seq.). If the commissioner determines, as a
47 result of any such inspection and review of records, that an owner
48 or operator is in violation of such standards, he shall serve the

1 owner or operator of the facility with a written notice thereof, which
2 shall fix a date by which the owner or operator shall enter into
3 compliance. The commissioner shall not be required to perform
4 annual inspections of facilities licensed and inspected by a
5 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but
6 shall have the authority to oversee and ensure the enforcement of
7 the "Rooming and Boarding House Act of 1979," P.L.1979, c.496
8 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant
9 thereto in those facilities. A municipality shall file with the
10 commissioner a copy of an inspection report prepared following an
11 inspection of a rooming or boarding house performed by the
12 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.). The
13 commissioner may prescribe a standard inspection report format to
14 be used by the municipality.

15 The Department of Community Affairs shall post on its Internet
16 website each inspection report prepared following an inspection
17 performed on behalf of or filed with the commissioner pursuant to
18 this section, along with any other inspection report prepared by or
19 on behalf of the department for a rooming or boarding house.

20 If an inspection reveals a serious health and safety violation at a
21 rooming or boarding house, the department shall post the inspection
22 report, including the name of the rooming or boarding house and the
23 owner of the rooming or boarding house, on its website no later
24 than 72 hours following the inspection. If a license of a rooming or
25 boarding house is suspended, the department shall post the
26 suspension on its website no later than 72 hours following the
27 suspension. The department shall update its website to reflect the
28 correction of a serious health and safety violation, and the lifting of
29 a suspension.

30 The department shall notify, as soon as possible, the
31 Commissioner of Human Services, or the commissioner's designee,
32 and the director of the county board of social services or county
33 welfare agency, as appropriate, in the county in which a rooming or
34 boarding house is located, of a serious health and safety violation at
35 the rooming or boarding house and of any suspension of a license to
36 operate such rooming or boarding house.

37 (cf: P.L.2015, c.6, s.2)

38

39 4. (New section) a. The operator of a cooperative sober living
40 residence shall immediately notify the Department of Community
41 Affairs via electronic mail, or via fax, on a form prescribed by the
42 commissioner, if an event occurs that jeopardizes the health, safety,
43 or welfare of residents or staff, including, but not limited to:

44 (1) Fire, flood, disaster, accident, or other unanticipated event
45 that results in the serious injury or death of a resident or staff
46 member, or the evacuation of residents from the cooperative sober
47 living residence, or closure of the cooperative sober living residence
48 for six or more hours;

- 1 (2) Serious injury or death of a resident of the cooperative sober
2 living residence, including overdose;
- 3 (3) Outbreak of a communicable disease or other condition that
4 adversely affects multiple residents or staff;
- 5 (4) Alleged or suspected crimes that endanger the life or safety
6 of residents or staff, or which jeopardize the operations or fiscal
7 stability of the cooperative sober living residence;
- 8 (5) Disciplinary actions concerning staff, including termination,
9 resulting from inappropriate staff interaction with residents; and
- 10 (6) Criminal convictions or disciplinary sanctions imposed on
11 staff or board members or representatives of the governing authority
12 by licensing or credentialing boards since the prior application for
13 licensure.
- 14 b. The owner or operator of a cooperative sober living residence
15 shall submit to the Department of Community Affairs a written
16 report within five working days of an incident which requires
17 reporting pursuant to subsection a. of this section. The written
18 report shall contain detailed information of the incident, which shall
19 include but not be limited to, identification of any known factors
20 that contributed to the occurrence of the incident, and corrective
21 actions and timeframes being implemented by the cooperative sober
22 living residence to minimize the risk of further incident.
23
- 24 5. (New section) The commissioner shall, in consultation with the
25 Commissioner of Health and the Commissioner of Human Services,
26 require cooperative sober living residences to: ¹**[employ staff**
27 **members, who are to be required to live in the cooperative sober living**
28 **residences and who are qualified to assist others to recover from**
29 **alcohol and drug addiction in a manner to be determined by the**
30 **commissioner]**
- 31 a. ³**[employ]** provide³ ²[no less than one supervisor who is
32 required to live in the cooperative sober living residence and]
33 ³**[supervisors²]** two operators³ who ²[is] are² certified as meeting
34 qualifications, established by the commissioner, requisite to manage
35 the operations of a cooperative sober living house, which include, but
36 are not limited to, enforcing ²the² rules of the cooperative sober living
37 residence and assisting residents in recovery from alcohol and drug
38 addiction in a manner to be determined by the commissioner and
39 consistent with subsection c. of this section¹ ³[². No less than one
40 supervisor shall be required to be present at the cooperative sober
41 living residence at all times²], one of whom shall be present on-site
42 from 7:00 p.m. to 7:00 a.m. when residents are present, and at least
43 one of whom shall reside in the residence and exercise some level of
44 control over the operation of the residence and establishes the
45 residence's rules³;

1 ¹b.¹ forbid possession or use of alcohol or illicit drugs within the
2 residence and subject residents to random testing for alcohol and drug
3 use; and ¹**[provide]**

4 c. encourage¹ residents ¹**[individual counseling and group**
5 **meetings sessions which are]** to: attend self-help programs that are¹
6 centered on recovery from alcohol and drug addiction ¹; participate in
7 activities related to maintaining sobriety and continuing recovery from
8 alcohol and drug addiction, including, but not limited to, on-site peer-
9 led meetings; and receive off-site services deemed desirable or
10 necessary to maintain sobriety¹.

11
12 ¹6. There is appropriated \$100,000 from the General Fund to the
13 Department of Community Affairs to effectuate the purposes of
14 P.L. , c. (C.) (pending before the Legislature as this bill).¹

15
16 ¹**[6.]** 7.¹ This act shall take effect on the first day of the fourth
17 month next following the date of enactment, provided that section 3
18 of this act shall take effect on the first day of the calendar year next
19 following enactment, and further provided that the Commissioner of
20 Community Affairs shall be permitted to take anticipatory action
21 necessary to implement the provisions of P.L. , c. (C.)
22 (pending before the Legislature as this bill) ¹, including the
23 promulgation of necessary rules or regulations to ensure the proper
24 qualification and responsibilities of ³**[supervisors]** operators³ of
25 cooperative sober living residences pursuant to subsection a. of
26 section 5 of P.L. , c. (C.) (pending before the Legislature
27 as this bill)¹

28
29
30
31
32 Concerns State regulation of cooperative sober living residences
33 and boarding houses generally; appropriates \$100,000.

CHAPTER 60

AN ACT concerning State regulation of cooperative sober living residences and boarding houses generally, amending and supplementing P.L.1979, c.496, and making an appropriation.

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

1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read as follows:

C.55:13B-3 Terms defined.

3. As used in P.L.1979, c.496 (C.55:13B-1 et seq.):

- a. "Boarding house" means any building, together with any related structure, accessory building, any land appurtenant thereto, and any part thereof, which contains two or more units of dwelling space arranged or intended for single room occupancy, exclusive of any such unit occupied by an owner or operator, and wherein personal or financial services are provided to the residents, including any residential hotel or congregate living arrangement, but excluding any hotel, motel, or established guest house wherein a minimum of 85 percent of the units of dwelling space are offered for limited tenure only, any resource family home as defined in section 1 of P.L.1962, c.137 (C.30:4C-26.1), any community residence for the developmentally disabled and any community residence for the mentally ill as defined in section 2 of P.L.1977, c.448 (C.30:11B-2), any adult family care home as defined in section 3 of P.L.2001, c.304 (C.26:2Y-3), any dormitory owned or operated on behalf of any nonprofit institution of primary, secondary, or higher education for the use of its students, any building arranged for single room occupancy wherein the units of dwelling space are occupied exclusively by students enrolled in a full-time course of study at an institution of higher education approved by the New Jersey Commission on Higher Education, any facility or living arrangement operated by, or under contract with, any State department or agency, upon the written authorization of the commissioner, and any owner-occupied, one-family residential dwelling made available for occupancy by not more than six guests, where the primary purpose of the occupancy is to provide charitable assistance to the guests and where the owner derives no income from the occupancy. A dwelling shall be deemed "owner-occupied" within the meaning of this section if it is owned or operated by a nonprofit religious or charitable association or corporation and is used as the principal residence of a minister or employee of that corporation or association. For any such dwelling, however, fire detectors shall be required as determined by the Department of Community Affairs.

- b. "Commissioner" means the Commissioner of Community Affairs.

- c. "Financial services" means any assistance permitted or required by the commissioner to be furnished by an owner or operator to a resident in the management of personal financial matters, including, but not limited to, the cashing of checks, holding of personal funds for safekeeping in any manner or assistance in the purchase of goods or services with a resident's personal funds.

- d. "Limited tenure" means residence at a rooming or boarding house on a temporary basis, for a period lasting no more than 90 days, when a resident either maintains a primary residence at a location other than the rooming or boarding house or intends to establish a primary residence at such a location and does so within 90 days after taking up original residence at the rooming or boarding house.

- e. "Operator" means any individual who is responsible for the daily operation of a rooming or boarding house.

f. "Owner" means any person who owns, purports to own, or exercises control of any rooming or boarding house.

g. "Personal services" means any services permitted or required to be furnished by an owner or operator to a resident, other than shelter, including, but not limited to, meals or other food services, and assistance in dressing, bathing, or attending to other personal needs.

h. "Rooming house" means a boarding house wherein no personal or financial services are provided to the residents.

i. "Single room occupancy" means an arrangement of dwelling space which does not provide a private, secure dwelling space arranged for independent living, which contains both the sanitary and cooking facilities required in dwelling spaces pursuant to the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.), and which is not used for limited tenure occupancy in a hotel, motel, or established guest house, regardless of the number of individuals occupying any room or rooms.

j. "Unit of dwelling space" means any room, rooms, suite, or portion thereof, whether furnished or unfurnished, which is occupied or intended, arranged, or designed to be occupied for sleeping or dwelling purposes by one or more persons.

k. (Deleted by amendment, P.L.2015, c.125)

l. (Deleted by amendment, P.L.2015, c.125)

m. "Cooperative sober living residence" means a boarding house that serves solely as a home for individuals who are recovering from drug or alcohol addiction and is intended to provide an environment where the residents can support each other's sobriety and recovery.

2. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read as follows:

C.55:13B-7 Rooming, boarding house licensure; fee.

7. a. (1) No person shall own or operate a rooming or boarding house, hold out a building as available for rooming or boarding house occupancy, or apply for any necessary construction or planning approvals related to the establishment of a rooming or boarding house without a valid license to own or operate such a facility, issued by the commissioner and, if appropriate, by a municipality which has elected to issue such licenses pursuant to P.L.1993, c.290 (C.40:52-9 et seq.).

(2) (Deleted by amendment, P.L.2015, c.125)

(3) Any person found to be in violation of this subsection shall be liable for a civil penalty of not more than \$25,000 for each building so owned or operated, which penalty shall be payable to the appropriate licensing entity.

b. The commissioner shall establish separate categories of licensure for owning and for operating a rooming or boarding house, provided, however, that an owner who himself operates such a facility need not also possess an operator's license.

If an owner seeking to be licensed is other than an individual, the application shall state the name of an individual who is a member, officer, or stockholder in the corporation or association seeking to be licensed, and the same shall be designated the primary owner of the rooming or boarding house.

Each application for licensure shall contain such information as the commissioner may prescribe and, unless the person is licensed by a municipality to own or operate a rooming and boarding house pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be accompanied by a fee established by the commissioner which shall not be less than \$150 or more than \$600, except as provided in subsection e. of this section. If, upon receipt of the fee and a review of the application, the commissioner determines that the applicant will operate, or provide for the

operation of, a rooming or boarding house in accordance with the provisions of this act, the commissioner shall issue a license to the applicant.

Each license shall be valid for one year from the date of issuance, but may be renewed upon application by the owner or operator and upon payment of the same fee required for initial licensure.

c. Only one license shall be required to own a rooming or boarding house, but an endorsement thereto shall be required for each separate building owned and operated, or intended to be operated, as a rooming or boarding house. Each application for licensure or renewal shall indicate every such building for which an endorsement is required. If, during the term of a license, an additional endorsement is required, or an existing one is no longer required, an amended application for licensure shall be submitted.

d. A person making application for, or who has been issued, a license to own or operate a rooming or boarding house who conceals the fact that the person has been denied a license to own or operate a residential facility, or that the person's license to own or operate a residential facility has been revoked by a department or agency of state government in this or any other state is liable for a civil penalty of not more than \$25,000, and any license to own or operate a rooming or boarding house which has been issued to that person shall be immediately revoked.

e. The commissioner shall annually review the cost of administering and enforcing this section and shall establish by rule such changes to the license application fee as may be necessary to cover the cost of such administration and enforcement.

f. The commissioner shall maintain and publish on the department's Internet website a list of each licensed cooperative sober living residence in the State, including the location and contact information for each licensed cooperative sober living residence.

3. Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended to read as follows:

C.55:13B-9 Inspection, review of records; violations.

9. The commissioner shall ensure that each rooming or boarding house whose owner possesses a valid license is inspected and its records reviewed at least once each year for the purpose of determining whether the owner or operator is complying with standards promulgated pursuant to the provisions of P.L.1979, c.496 (C.55:13B-1 et seq.), except that in the case of a cooperative sober living residence, the commissioner shall ensure that an unannounced inspection and record review of a licensed cooperative sober living residence is conducted at least twice each year for the purpose of determining whether the owner or operator is complying with standards promulgated pursuant to the provisions of P.L.1979, c.496 (C.55:13B-1 et seq.). If the commissioner determines, as a result of any such inspection and review of records, that an owner or operator is in violation of such standards, he shall serve the owner or operator of the facility with a written notice thereof, which shall fix a date by which the owner or operator shall enter into compliance. The commissioner shall not be required to perform annual inspections of facilities licensed and inspected by a municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but shall have the authority to oversee and ensure the enforcement of the "Rooming and Boarding House Act of 1979," P.L.1979, c.496 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant thereto in those facilities. A municipality shall file with the commissioner a copy of an inspection report prepared following an inspection of a rooming or boarding house performed by the municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.). The commissioner may prescribe a standard inspection report format to be used by the municipality.

The Department of Community Affairs shall post on its Internet website each inspection report prepared following an inspection performed on behalf of or filed with the commissioner

pursuant to this section, along with any other inspection report prepared by or on behalf of the department for a rooming or boarding house.

If an inspection reveals a serious health and safety violation at a rooming or boarding house, the department shall post the inspection report, including the name of the rooming or boarding house and the owner of the rooming or boarding house, on its website no later than 72 hours following the inspection. If a license of a rooming or boarding house is suspended, the department shall post the suspension on its website no later than 72 hours following the suspension. The department shall update its website to reflect the correction of a serious health and safety violation, and the lifting of a suspension.

The department shall notify, as soon as possible, the Commissioner of Human Services, or the commissioner's designee, and the director of the county board of social services or county welfare agency, as appropriate, in the county in which a rooming or boarding house is located, of a serious health and safety violation at the rooming or boarding house and of any suspension of a license to operate such rooming or boarding house.

C.55:13B-9.1 Notice of event jeopardizing health, safety, welfare, cooperative sober living residences.

4. a. The operator of a cooperative sober living residence shall immediately notify the Department of Community Affairs via electronic mail, or via fax, on a form prescribed by the commissioner, if an event occurs that jeopardizes the health, safety, or welfare of residents or staff, including, but not limited to:

(1) Fire, flood, disaster, accident, or other unanticipated event that results in the serious injury or death of a resident or staff member, the evacuation of residents from the cooperative sober living residence, or closure of the cooperative sober living residence for six or more hours;

(2) Serious injury or death of a resident of the cooperative sober living residence, including overdose;

(3) Outbreak of a communicable disease or other condition that adversely affects multiple residents or staff;

(4) Alleged or suspected crimes that endanger the life or safety of residents or staff or which jeopardize the operations or fiscal stability of the cooperative sober living residence;

(5) Disciplinary actions concerning staff, including termination, resulting from inappropriate staff interaction with residents; and

(6) Criminal convictions or disciplinary sanctions imposed on staff or board members or representatives of the governing authority by licensing or credentialing boards since the prior application for licensure.

b. The owner or operator of a cooperative sober living residence shall submit to the Department of Community Affairs a written report within five working days of an incident which requires reporting pursuant to subsection a. of this section. The written report shall contain detailed information of the incident, which shall include, but not be limited to, identification of any known factors that contributed to the occurrence of the incident and corrective actions and timeframes being implemented by the cooperative sober living residence to minimize the risk of further incident.

C.55:13B-8.1 Cooperative sober living residences, requirements.

5. The commissioner shall, in consultation with the Commissioner of Health and the Commissioner of Human Services, require cooperative sober living residences to:

a. provide two operators who are certified as meeting qualifications, established by the commissioner, requisite to manage the operations of a cooperative sober living house, which

include, but are not limited to, enforcing the rules of the cooperative sober living residence and assisting residents in recovery from alcohol and drug addiction in a manner to be determined by the commissioner and consistent with subsection c. of this section, one of whom shall be present on-site from 7:00 p.m. to 7:00 a.m. when residents are present and at least one of whom shall reside in the residence and exercise some level of control over the operation of the residence and establishes the residence's rules;

b. forbid possession or use of alcohol or illicit drugs within the residence and subject residents to random testing for alcohol and drug use; and

c. encourage residents to: attend self-help programs that are centered on recovery from alcohol and drug addiction; participate in activities related to maintaining sobriety and continuing recovery from alcohol and drug addiction, including, but not limited to, on-site peer-led meetings; and receive off-site services deemed desirable or necessary to maintain sobriety.

6. There is appropriated \$100,000 from the General Fund to the Department of Community Affairs to effectuate the purposes of P.L.2025, c.60 (C.55:13B-9.1 et al.).

7. This act shall take effect on the first day of the fourth month next following the date of enactment, provided that section 3 of this act shall take effect on the first day of the calendar year next following enactment and further provided that the Commissioner of Community Affairs shall be permitted to take anticipatory action necessary to implement the provisions of P.L.2025, c.60 (C.55:13B-9.1 et al.), including the promulgation of necessary rules or regulations to ensure the proper qualification and responsibilities of operators of cooperative sober living residences pursuant to subsection a. of section 5 of P.L.2025, c.60 (C.55:13B-8.1).

Approved June 3, 2025.

ASSEMBLY, No. 4535

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JUNE 13, 2024

Sponsored by:

Assemblyman DAN HUTCHISON

District 4 (Atlantic, Camden and Gloucester)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

Assemblyman REGINALD W. ATKINS

District 20 (Union)

SYNOPSIS

Concerns State regulation of cooperative sober living residences and boarding houses generally.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/20/2024)

A4535 HUTCHISON, VERRELLI

2

1 AN ACT concerning State regulation of cooperative sober living
2 residences and boarding houses generally, and amending and
3 supplementing P.L.1979, c.496.

4

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

7

8 1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read
9 as follows:

10 3. As used in **[this act]** P.L.1979, c.496 (C.55:13B-1 et seq.):

11 a. "Boarding house" means any building, together with any
12 related structure, accessory building, any land appurtenant thereto,
13 and any part thereof, which contains two or more units of dwelling
14 space arranged or intended for single room occupancy, exclusive of
15 any such unit occupied by an owner or operator, and wherein
16 personal or financial services are provided to the residents,
17 including any residential hotel or congregate living arrangement,
18 but excluding any hotel, motel, or established guest house wherein a
19 minimum of 85 percent of the units of dwelling space are offered
20 for limited tenure only, any resource family home as defined in
21 section 1 of P.L.1962, c.137 (C.30:4C-26.1), any community
22 residence for the developmentally disabled and any community
23 residence for the mentally ill as defined in section 2 of P.L.1977,
24 c.448 (C.30:11B-2), any adult family care home as defined in
25 section 3 of P.L.2001, c.304 (C.26:2Y-3), any dormitory owned or
26 operated on behalf of any nonprofit institution of primary,
27 secondary, or higher education for the use of its students, any
28 building arranged for single room occupancy wherein the units of
29 dwelling space are occupied exclusively by students enrolled in a
30 full-time course of study at an institution of higher education
31 approved by the New Jersey Commission on Higher Education, any
32 facility or living arrangement operated by, or under contract with,
33 any State department or agency, upon the written authorization of
34 the commissioner, and any owner-occupied, one-family residential
35 dwelling made available for occupancy by not more than six guests,
36 where the primary purpose of the occupancy is to provide charitable
37 assistance to the guests and where the owner derives no income
38 from the occupancy. A dwelling shall be deemed "owner-occupied"
39 within the meaning of this section if it is owned or operated by a
40 nonprofit religious or charitable association or corporation and is
41 used as the principal residence of a minister or employee of that
42 corporation or association. For any such dwelling, however, fire
43 detectors shall be required as determined by the Department of
44 Community Affairs.

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

Matter underlined thus is new matter.

- 1 b. "Commissioner" means the Commissioner of **the**
2 Department of**】** Community Affairs.
- 3 c. "Financial services" means any assistance permitted or
4 required by the commissioner to be furnished by an owner or
5 operator to a resident in the management of personal financial
6 matters, including, but not limited to, the cashing of checks, holding
7 of personal funds for safekeeping in any manner or assistance in the
8 purchase of goods or services with a resident's personal funds.
- 9 d. "Limited tenure" means residence at a rooming or boarding
10 house on a temporary basis, for a period lasting no more than 90
11 days, when a resident either maintains a primary residence at a
12 location other than the rooming or boarding house or intends to
13 establish a primary residence at such a location and does so within
14 90 days after taking up original residence at the rooming or
15 boarding house.
- 16 e. "Operator" means any individual who is responsible for the
17 daily operation of a rooming or boarding house.
- 18 f. "Owner" means any person who owns, purports to own, or
19 exercises control of any rooming or boarding house.
- 20 g. "Personal services" means any services permitted or required
21 to be furnished by an owner or operator to a resident, other than
22 shelter, including, but not limited to, meals or other food services,
23 and assistance in dressing, bathing, or attending to other personal
24 needs.
- 25 h. "Rooming house" means a boarding house wherein no
26 personal or financial services are provided to the residents.
- 27 i. "Single room occupancy" means an arrangement of dwelling
28 space which does not provide a private, secure dwelling space
29 arranged for independent living, which contains both the sanitary
30 and cooking facilities required in dwelling spaces pursuant to the
31 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
32 seq.), and which is not used for limited tenure occupancy in a hotel,
33 motel, or established guest house, regardless of the number of
34 individuals occupying any room or rooms.
- 35 j. "Unit of dwelling space" means any room, rooms, suite, or
36 portion thereof, whether furnished or unfurnished, which is
37 occupied or intended, arranged, or designed to be occupied for
38 sleeping or dwelling purposes by one or more persons.
- 39 k. (Deleted by amendment, P.L.2015, c.125)
- 40 l. (Deleted by amendment, P.L.2015, c.125)
- 41 m. "Cooperative sober living residence" means a boarding
42 house that serves solely as a home for individuals who are
43 recovering from drug or alcohol addiction and is intended to
44 provide an environment where the residents can support each
45 other's sobriety and recovery.
46 (cf: P.L.2015, c.125, s.12)

1 2. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read
2 as follows:

3 7. a. (1) No person shall own or operate a rooming or boarding
4 house, hold out a building as available for rooming or boarding
5 house occupancy, or apply for any necessary construction or
6 planning approvals related to the establishment of a rooming or
7 boarding house without a valid license to own or operate such a
8 facility, issued by the commissioner and, if appropriate, by a
9 municipality which has elected to issue such licenses pursuant to
10 P.L.1993, c.290 (C.40:52-9 et seq.).

11 (2) (Deleted by amendment, P.L.2015, c.125)

12 (3) Any person found to be in violation of this subsection shall
13 be liable for a civil penalty of not more than ~~【\$5,000】~~ \$25,000 for
14 each building so owned or operated, which penalty shall be payable
15 to the appropriate licensing entity.

16 b. The commissioner shall establish separate categories of
17 licensure for owning and for operating a rooming or boarding
18 house, provided, however, that an owner who himself operates such
19 a facility need not also possess an operator's license.

20 If an owner seeking to be licensed is other than an individual, the
21 application shall state the name of an individual who is a member,
22 officer, or stockholder in the corporation or association seeking to
23 be licensed, and the same shall be designated the primary owner of
24 the rooming or boarding house.

25 Each application for licensure shall contain such information as
26 the commissioner may prescribe and, unless the person is licensed
27 by a municipality to own or operate a rooming and boarding house
28 pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be
29 accompanied by a fee established by the commissioner which shall
30 not be less than \$150 or more than \$600, except as provided in
31 subsection e. of this section. If, upon receipt of the fee and a review
32 of the application, the commissioner determines that the applicant
33 will operate, or provide for the operation of, a rooming or boarding
34 house in accordance with the provisions of this act, the
35 commissioner shall issue a license to the applicant.

36 Each license shall be valid for one year from the date of
37 issuance, but may be renewed upon application by the owner or
38 operator and upon payment of the same fee required for initial
39 licensure.

40 c. Only one license shall be required to own a rooming or
41 boarding house, but an endorsement thereto shall be required for
42 each separate building owned and operated, or intended to be
43 operated, as a rooming or boarding house. Each application for
44 licensure or renewal shall indicate every such building for which an
45 endorsement is required. If, during the term of a license, an
46 additional endorsement is required, or an existing one is no longer
47 required, an amended application for licensure shall be submitted.

1 d. A person making application for, or who has been issued, a
2 license to own or operate a rooming or boarding house who
3 conceals the fact that the person has been denied a license to own or
4 operate a residential facility, or that the person's license to own or
5 operate a residential facility has been revoked by a department or
6 agency of state government in this or any other state is liable for a
7 civil penalty of not more than ~~[\$5,000]~~ \$25,000, and any license to
8 own or operate a rooming or boarding house which has been issued
9 to that person shall be immediately revoked.

10 e. The commissioner shall annually review the cost of
11 administering and enforcing this section and shall establish by rule
12 such changes to the license application fee as may be necessary to
13 cover the cost of such administration and enforcement.

14 f. The commissioner shall maintain and publish on the
15 department's Internet website a list of each licensed cooperative
16 sober living residence in the State, including the location and
17 contact information for each licensed cooperative sober living
18 residence.

19 (cf: P.L.2015, c.125, s.14)

20
21 3. Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended to
22 read as follows:

23 9. The commissioner shall ensure that each rooming or
24 boarding house whose owner possesses a valid license is inspected
25 and its records reviewed at least once each year for the purpose of
26 determining whether the owner or operator is complying with
27 standards promulgated pursuant to the provisions of P.L.1979,
28 c.496 (C.55:13B-1 et seq.), except that in the case of a cooperative
29 sober living residence, the commissioner shall ensure that an
30 unannounced inspection and record review of a licensed cooperative
31 sober living residence is conducted at least twice each year for the
32 purpose of determining whether the owner or operator is complying
33 with standards promulgated pursuant to the provisions of P.L.1979,
34 c.496 (C.55:13B-1 et seq.). If the commissioner determines, as a
35 result of any such inspection and review of records, that an owner
36 or operator is in violation of such standards, he shall serve the
37 owner or operator of the facility with a written notice thereof, which
38 shall fix a date by which the owner or operator shall enter into
39 compliance. The commissioner shall not be required to perform
40 annual inspections of facilities licensed and inspected by a
41 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but
42 shall have the authority to oversee and ensure the enforcement of
43 the "Rooming and Boarding House Act of 1979," P.L.1979, c.496
44 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant
45 thereto in those facilities. A municipality shall file with the
46 commissioner a copy of an inspection report prepared following an
47 inspection of a rooming or boarding house performed by the
48 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.). The

1 commissioner may prescribe a standard inspection report format to
2 be used by the municipality.

3 The Department of Community Affairs shall post on its Internet
4 website each inspection report prepared following an inspection
5 performed on behalf of or filed with the commissioner pursuant to
6 this section, along with any other inspection report prepared by or
7 on behalf of the department for a rooming or boarding house.

8 If an inspection reveals a serious health and safety violation at a
9 rooming or boarding house, the department shall post the inspection
10 report, including the name of the rooming or boarding house and the
11 owner of the rooming or boarding house, on its website no later
12 than 72 hours following the inspection. If a license of a rooming or
13 boarding house is suspended, the department shall post the
14 suspension on its website no later than 72 hours following the
15 suspension. The department shall update its website to reflect the
16 correction of a serious health and safety violation, and the lifting of
17 a suspension.

18 The department shall notify, as soon as possible, the
19 Commissioner of Human Services, or the commissioner's designee,
20 and the director of the county board of social services or county
21 welfare agency, as appropriate, in the county in which a rooming or
22 boarding house is located, of a serious health and safety violation at
23 the rooming or boarding house and of any suspension of a license to
24 operate such rooming or boarding house.

25 (cf: P.L.2015, c.6, s.2)

26

27 4. (New section) a. The operator of a cooperative sober living
28 residence shall immediately notify the Department of Community
29 Affairs via electronic mail, or via fax, on a form prescribed by the
30 commissioner, if an event occurs that jeopardizes the health, safety,
31 or welfare of residents or staff, including, but not limited to:

32 (1) Fire, flood, disaster, accident, or other unanticipated event
33 that results in the serious injury or death of a resident or staff
34 member, or the evacuation of residents from the cooperative sober
35 living residence, or closure of the cooperative sober living residence
36 for six or more hours;

37 (2) Serious injury or death of a resident of the cooperative sober
38 living residence, including overdose;

39 (3) Outbreak of a communicable disease or other condition that
40 adversely affects multiple residents or staff;

41 (4) Alleged or suspected crimes that endanger the life or safety
42 of residents or staff, or which jeopardize the operations or fiscal
43 stability of the cooperative sober living residence;

44 (5) Disciplinary actions concerning staff, including termination,
45 resulting from inappropriate staff interaction with residents; and

46 (6) Criminal convictions or disciplinary sanctions imposed on
47 staff or board members or representatives of the governing authority

1 by licensing or credentialing boards since the prior application for
2 licensure.

3 b. The owner or operator of a cooperative sober living residence
4 shall submit to the Department of Community Affairs a written
5 report within five working days of an incident which requires
6 reporting pursuant to subsection a. of this section. The written
7 report shall contain detailed information of the incident, which shall
8 include but not be limited to, identification of any known factors
9 that contributed to the occurrence of the incident, and corrective
10 actions and timeframes being implemented by the cooperative sober
11 living residence to minimize the risk of further incident.

12
13 5. (New section) The commissioner shall, in consultation with
14 the Commissioner of Health and the Commissioner of Human
15 Services, require cooperative sober living residences to: employ
16 staff members, who are to be required to live in the cooperative
17 sober living residences and who are qualified to assist others to
18 recover from alcohol and drug addiction in a manner to be
19 determined by the commissioner; forbid possession or use of
20 alcohol or illicit drugs within the residence and subject residents to
21 random testing for alcohol and drug use; and provide residents
22 individual counseling and group meetings sessions which are
23 centered on recovery from alcohol and drug addiction.

24
25 6. This act shall take effect on the first day of the fourth month
26 next following the date of enactment, provided that section 3 of this
27 act shall take effect on the first day of the calendar year next
28 following enactment, and further provided that the Commissioner of
29 Community Affairs shall be permitted to take anticipatory action
30 necessary to implement the provisions of P.L. , c. (C.)
31 (pending before the Legislature as this bill).

32

33

34

STATEMENT

35

36 The bill amends the "Rooming and Boarding House Act of 1979"
37 to strengthen the State's regulation of cooperative sober living
38 residences, as defined in the bill.

39 Specifically, the bill increases the maximum civil penalty for
40 certain licensing violations for a rooming or boarding house,
41 including cooperative sober living residences. The bill requires the
42 Department of Community Affairs (DCA) to maintain a list of
43 licensed cooperative sober living residences on its Internet website
44 including the location and contact information for each licensed
45 cooperative sober living residence. The bill requires two
46 unannounced inspection and record reviews of cooperative sober
47 living residences per year to determine whether the owner or
48 operator of the cooperative sober living residence is complying with

1 the provisions of the "Rooming and Boarding House Act of 1979."
2 The bill also establishes reporting requirements for incidents
3 affecting the safety or welfare of cooperative sober living residence
4 residents or staff, which includes an immediate notification to DCA
5 and a written report of the incident within five working days of the
6 incident. Incidents for which the bill's reporting requirements
7 would apply include:

8 (1) fire, flood, disaster, accident, or other unanticipated event
9 that results in the serious injury or death of a resident or staff
10 member, or the evacuation of residents from the cooperative sober
11 living residence, or closure of the cooperative sober living residence
12 for six or more hours;

13 (2) serious injury or death of a resident of the cooperative sober
14 living residence, including overdose;

15 (3) outbreak of a communicable disease or other condition that
16 adversely affects multiple residents or staff;

17 (4) alleged or suspected crimes that endanger the life or safety
18 of residents or staff, or which jeopardize the operations or fiscal
19 stability of the cooperative sober living residence;

20 (5) disciplinary actions concerning staff, including termination,
21 resulting from inappropriate staff interaction with residents; and

22 (6) criminal convictions or disciplinary sanctions imposed on
23 staff or board members or representatives of the governing authority
24 by licensing or credentialing boards since the prior application for
25 licensure.

26 Under the bill, the Commissioner of Community Affairs is, in
27 consultation with the Commissioner of Health and the
28 Commissioner of Human Services, to require cooperative sober
29 living residences to: employ staff members, who are to be required
30 to live in cooperative sober living residences and who are qualified
31 to assist others to recover from alcohol and drug addiction in a
32 manner to be determined by the commissioner; forbid possession or
33 use of alcohol or illicit drugs within the residence and subject
34 residents to random testing for alcohol and drug use; and provide
35 residents individual counseling and group meetings sessions which
36 are centered on recovery from alcohol and drug addiction.

37 The bill makes additional technical corrections.

[First Reprint]

ASSEMBLY, No. 4535

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JUNE 13, 2024

Sponsored by:

Assemblyman DAN HUTCHISON

District 4 (Atlantic, Camden and Gloucester)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

Assemblyman REGINALD W. ATKINS

District 20 (Union)

Co-Sponsored by:

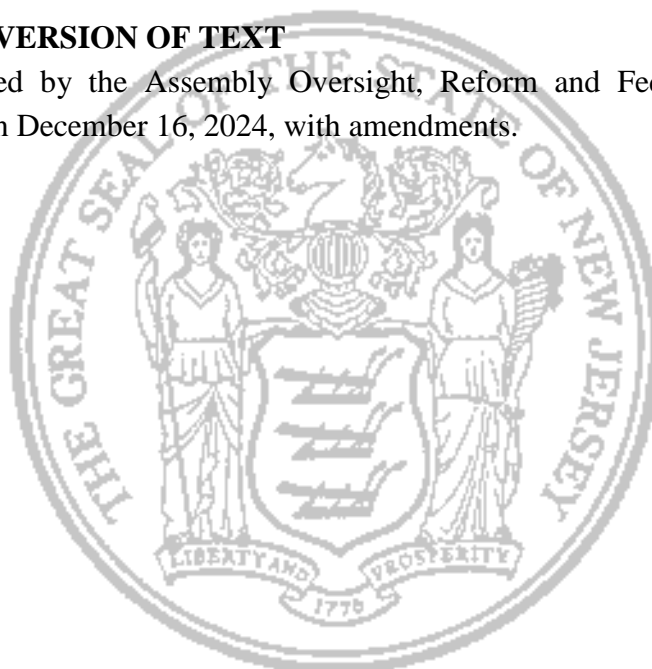
Assemblymen Wimberly, Moen, Inganamort and Assemblywoman Haider

SYNOPSIS

Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000.

CURRENT VERSION OF TEXT

As reported by the Assembly Oversight, Reform and Federal Relations Committee on December 16, 2024, with amendments.



(Sponsorship Updated As Of: 2/20/2025)

A4535 [1R] HUTCHISON, VERRELLI

2

1 AN ACT concerning State regulation of cooperative sober living
2 residences and boarding houses generally, ¹**["and"]**¹ amending and
3 supplementing P.L.1979, c.496 ¹, and making an appropriation¹.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read
9 as follows:

10 3. As used in **[this act]** P.L.1979, c.496 (C.55:13B-1 et seq.):

11 a. "Boarding house" means any building, together with any
12 related structure, accessory building, any land appurtenant thereto,
13 and any part thereof, which contains two or more units of dwelling
14 space arranged or intended for single room occupancy, exclusive of
15 any such unit occupied by an owner or operator, and wherein
16 personal or financial services are provided to the residents,
17 including any residential hotel or congregate living arrangement,
18 but excluding any hotel, motel, or established guest house wherein a
19 minimum of 85 percent of the units of dwelling space are offered
20 for limited tenure only, any resource family home as defined in
21 section 1 of P.L.1962, c.137 (C.30:4C-26.1), any community
22 residence for the developmentally disabled and any community
23 residence for the mentally ill as defined in section 2 of P.L.1977,
24 c.448 (C.30:11B-2), any adult family care home as defined in
25 section 3 of P.L.2001, c.304 (C.26:2Y-3), any dormitory owned or
26 operated on behalf of any nonprofit institution of primary,
27 secondary, or higher education for the use of its students, any
28 building arranged for single room occupancy wherein the units of
29 dwelling space are occupied exclusively by students enrolled in a
30 full-time course of study at an institution of higher education
31 approved by the New Jersey Commission on Higher Education, any
32 facility or living arrangement operated by, or under contract with,
33 any State department or agency, upon the written authorization of
34 the commissioner, and any owner-occupied, one-family residential
35 dwelling made available for occupancy by not more than six guests,
36 where the primary purpose of the occupancy is to provide charitable
37 assistance to the guests and where the owner derives no income
38 from the occupancy. A dwelling shall be deemed "owner-occupied"
39 within the meaning of this section if it is owned or operated by a
40 nonprofit religious or charitable association or corporation and is
41 used as the principal residence of a minister or employee of that
42 corporation or association. For any such dwelling, however, fire
43 detectors shall be required as determined by the Department of
44 Community Affairs.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AOF committee amendments adopted December 16, 2024.

- 1 b. "Commissioner" means the Commissioner of **【the**
2 Department of**】** Community Affairs.
- 3 c. "Financial services" means any assistance permitted or
4 required by the commissioner to be furnished by an owner or
5 operator to a resident in the management of personal financial
6 matters, including, but not limited to, the cashing of checks, holding
7 of personal funds for safekeeping in any manner or assistance in the
8 purchase of goods or services with a resident's personal funds.
- 9 d. "Limited tenure" means residence at a rooming or boarding
10 house on a temporary basis, for a period lasting no more than 90
11 days, when a resident either maintains a primary residence at a
12 location other than the rooming or boarding house or intends to
13 establish a primary residence at such a location and does so within
14 90 days after taking up original residence at the rooming or
15 boarding house.
- 16 e. "Operator" means any individual who is responsible for the
17 daily operation of a rooming or boarding house.
- 18 f. "Owner" means any person who owns, purports to own, or
19 exercises control of any rooming or boarding house.
- 20 g. "Personal services" means any services permitted or required
21 to be furnished by an owner or operator to a resident, other than
22 shelter, including, but not limited to, meals or other food services,
23 and assistance in dressing, bathing, or attending to other personal
24 needs.
- 25 h. "Rooming house" means a boarding house wherein no
26 personal or financial services are provided to the residents.
- 27 i. "Single room occupancy" means an arrangement of dwelling
28 space which does not provide a private, secure dwelling space
29 arranged for independent living, which contains both the sanitary
30 and cooking facilities required in dwelling spaces pursuant to the
31 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
32 seq.), and which is not used for limited tenure occupancy in a hotel,
33 motel, or established guest house, regardless of the number of
34 individuals occupying any room or rooms.
- 35 j. "Unit of dwelling space" means any room, rooms, suite, or
36 portion thereof, whether furnished or unfurnished, which is
37 occupied or intended, arranged, or designed to be occupied for
38 sleeping or dwelling purposes by one or more persons.
- 39 k. (Deleted by amendment, P.L.2015, c.125)
- 40 l. (Deleted by amendment, P.L.2015, c.125)
- 41 m. "Cooperative sober living residence" means a boarding
42 house that serves solely as a home for individuals who are
43 recovering from drug or alcohol addiction and is intended to
44 provide an environment where the residents can support each
45 other's sobriety and recovery.
46 (cf: P.L.2015, c.125, s.12)

1 2. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read
2 as follows:

3 7. a. (1) No person shall own or operate a rooming or boarding
4 house, hold out a building as available for rooming or boarding
5 house occupancy, or apply for any necessary construction or
6 planning approvals related to the establishment of a rooming or
7 boarding house without a valid license to own or operate such a
8 facility, issued by the commissioner and, if appropriate, by a
9 municipality which has elected to issue such licenses pursuant to
10 P.L.1993, c.290 (C.40:52-9 et seq.).

11 (2) (Deleted by amendment, P.L.2015, c.125)

12 (3) Any person found to be in violation of this subsection shall
13 be liable for a civil penalty of not more than ~~【\$5,000】~~ \$25,000 for
14 each building so owned or operated, which penalty shall be payable
15 to the appropriate licensing entity.

16 b. The commissioner shall establish separate categories of
17 licensure for owning and for operating a rooming or boarding
18 house, provided, however, that an owner who himself operates such
19 a facility need not also possess an operator's license.

20 If an owner seeking to be licensed is other than an individual, the
21 application shall state the name of an individual who is a member,
22 officer, or stockholder in the corporation or association seeking to
23 be licensed, and the same shall be designated the primary owner of
24 the rooming or boarding house.

25 Each application for licensure shall contain such information as
26 the commissioner may prescribe and, unless the person is licensed
27 by a municipality to own or operate a rooming and boarding house
28 pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be
29 accompanied by a fee established by the commissioner which shall
30 not be less than \$150 or more than \$600, except as provided in
31 subsection e. of this section. If, upon receipt of the fee and a review
32 of the application, the commissioner determines that the applicant
33 will operate, or provide for the operation of, a rooming or boarding
34 house in accordance with the provisions of this act, the
35 commissioner shall issue a license to the applicant.

36 Each license shall be valid for one year from the date of
37 issuance, but may be renewed upon application by the owner or
38 operator and upon payment of the same fee required for initial
39 licensure.

40 c. Only one license shall be required to own a rooming or
41 boarding house, but an endorsement thereto shall be required for
42 each separate building owned and operated, or intended to be
43 operated, as a rooming or boarding house. Each application for
44 licensure or renewal shall indicate every such building for which an
45 endorsement is required. If, during the term of a license, an
46 additional endorsement is required, or an existing one is no longer
47 required, an amended application for licensure shall be submitted.

1 d. A person making application for, or who has been issued, a
2 license to own or operate a rooming or boarding house who
3 conceals the fact that the person has been denied a license to own or
4 operate a residential facility, or that the person's license to own or
5 operate a residential facility has been revoked by a department or
6 agency of state government in this or any other state is liable for a
7 civil penalty of not more than ~~[\$5,000]~~ \$25,000, and any license to
8 own or operate a rooming or boarding house which has been issued
9 to that person shall be immediately revoked.

10 e. The commissioner shall annually review the cost of
11 administering and enforcing this section and shall establish by rule
12 such changes to the license application fee as may be necessary to
13 cover the cost of such administration and enforcement.

14 f. The commissioner shall maintain and publish on the
15 department's Internet website a list of each licensed cooperative
16 sober living residence in the State, including the location and
17 contact information for each licensed cooperative sober living
18 residence.

19 (cf: P.L.2015, c.125, s.14)

20
21 3. Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended to
22 read as follows:

23 9. The commissioner shall ensure that each rooming or
24 boarding house whose owner possesses a valid license is inspected
25 and its records reviewed at least once each year for the purpose of
26 determining whether the owner or operator is complying with
27 standards promulgated pursuant to the provisions of P.L.1979,
28 c.496 (C.55:13B-1 et seq.), except that in the case of a cooperative
29 sober living residence, the commissioner shall ensure that an
30 unannounced inspection and record review of a licensed cooperative
31 sober living residence is conducted at least twice each year for the
32 purpose of determining whether the owner or operator is complying
33 with standards promulgated pursuant to the provisions of P.L.1979,
34 c.496 (C.55:13B-1 et seq.). If the commissioner determines, as a
35 result of any such inspection and review of records, that an owner
36 or operator is in violation of such standards, he shall serve the
37 owner or operator of the facility with a written notice thereof, which
38 shall fix a date by which the owner or operator shall enter into
39 compliance. The commissioner shall not be required to perform
40 annual inspections of facilities licensed and inspected by a
41 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but
42 shall have the authority to oversee and ensure the enforcement of
43 the "Rooming and Boarding House Act of 1979," P.L.1979, c.496
44 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant
45 thereto in those facilities. A municipality shall file with the
46 commissioner a copy of an inspection report prepared following an
47 inspection of a rooming or boarding house performed by the
48 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.). The

1 commissioner may prescribe a standard inspection report format to
2 be used by the municipality.

3 The Department of Community Affairs shall post on its Internet
4 website each inspection report prepared following an inspection
5 performed on behalf of or filed with the commissioner pursuant to
6 this section, along with any other inspection report prepared by or
7 on behalf of the department for a rooming or boarding house.

8 If an inspection reveals a serious health and safety violation at a
9 rooming or boarding house, the department shall post the inspection
10 report, including the name of the rooming or boarding house and the
11 owner of the rooming or boarding house, on its website no later
12 than 72 hours following the inspection. If a license of a rooming or
13 boarding house is suspended, the department shall post the
14 suspension on its website no later than 72 hours following the
15 suspension. The department shall update its website to reflect the
16 correction of a serious health and safety violation, and the lifting of
17 a suspension.

18 The department shall notify, as soon as possible, the
19 Commissioner of Human Services, or the commissioner's designee,
20 and the director of the county board of social services or county
21 welfare agency, as appropriate, in the county in which a rooming or
22 boarding house is located, of a serious health and safety violation at
23 the rooming or boarding house and of any suspension of a license to
24 operate such rooming or boarding house.

25 (cf: P.L.2015, c.6, s.2)

26

27 4. (New section) a. The operator of a cooperative sober living
28 residence shall immediately notify the Department of Community
29 Affairs via electronic mail, or via fax, on a form prescribed by the
30 commissioner, if an event occurs that jeopardizes the health, safety,
31 or welfare of residents or staff, including, but not limited to:

32 (1) Fire, flood, disaster, accident, or other unanticipated event
33 that results in the serious injury or death of a resident or staff
34 member, or the evacuation of residents from the cooperative sober
35 living residence, or closure of the cooperative sober living residence
36 for six or more hours;

37 (2) Serious injury or death of a resident of the cooperative sober
38 living residence, including overdose;

39 (3) Outbreak of a communicable disease or other condition that
40 adversely affects multiple residents or staff;

41 (4) Alleged or suspected crimes that endanger the life or safety
42 of residents or staff, or which jeopardize the operations or fiscal
43 stability of the cooperative sober living residence;

44 (5) Disciplinary actions concerning staff, including termination,
45 resulting from inappropriate staff interaction with residents; and

46 (6) Criminal convictions or disciplinary sanctions imposed on
47 staff or board members or representatives of the governing authority

1 by licensing or credentialing boards since the prior application for
2 licensure.

3 b. The owner or operator of a cooperative sober living residence
4 shall submit to the Department of Community Affairs a written
5 report within five working days of an incident which requires
6 reporting pursuant to subsection a. of this section. The written
7 report shall contain detailed information of the incident, which shall
8 include but not be limited to, identification of any known factors
9 that contributed to the occurrence of the incident, and corrective
10 actions and timeframes being implemented by the cooperative sober
11 living residence to minimize the risk of further incident.

12

13 5. (New section) The commissioner shall, in consultation with the
14 Commissioner of Health and the Commissioner of Human Services,
15 require cooperative sober living residences to: ¹employ staff
16 members, who are to be required to live in the cooperative sober living
17 residences and who are qualified to assist others to recover from
18 alcohol and drug addiction in a manner to be determined by the
19 commissioner】

20 a. employ no less than one supervisor who is required to live in
21 the cooperative sober living residence and who is certified as meeting
22 qualifications, established by the commissioner, requisite to manage
23 the operations of a cooperative sober living house, which include, but
24 are not limited to, enforcing rules of the cooperative sober living
25 residence and assisting residents in recovery from alcohol and drug
26 addiction in a manner to be determined by the commissioner and
27 consistent with subsection c. of this section¹;

28 ¹b. ¹forbid possession or use of alcohol or illicit drugs within the
29 residence and subject residents to random testing for alcohol and drug
30 use; and ¹【provide】

31 c. encourage¹ residents ¹【individual counseling and group
32 meetings sessions which are】 to: attend self-help programs that are¹
33 centered on recovery from alcohol and drug addiction ¹; participate in
34 activities related to maintaining sobriety and continuing recovery from
35 alcohol and drug addiction, including, but not limited to, on-site peer-
36 led meetings; and receive off-site services deemed desirable or
37 necessary to maintain sobriety¹.

38

39 ¹6. There is appropriated \$100,000 from the General Fund
40 to the Department of Community Affairs to effectuate the purposes
41 of P.L. , c. (C.) (pending before the Legislature as this
42 bill).¹

43

44 ¹【6.】 ¹7. ¹This act shall take effect on the first day of the fourth
45 month next following the date of enactment, provided that section 3
46 of this act shall take effect on the first day of the calendar year next
47 following enactment, and further provided that the Commissioner of

1 Community Affairs shall be permitted to take anticipatory action
2 necessary to implement the provisions of P.L. , c. (C.)
3 (pending before the Legislature as this bill) ¹, including the
4 promulgation of necessary rules or regulations to ensure the proper
5 qualification and responsibilities of supervisors of cooperative
6 sober living residences pursuant to subsection a. of section 5 of
7 P.L. , c. (C.) (pending before the Legislature as this bill)¹

[Second Reprint]

ASSEMBLY, No. 4535

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JUNE 13, 2024

Sponsored by:

Assemblyman DAN HUTCHISON

District 4 (Atlantic, Camden and Gloucester)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

Assemblyman REGINALD W. ATKINS

District 20 (Union)

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator RAJ MUKHERJI

District 32 (Hudson)

Co-Sponsored by:

**Assemblymen Moen, Inganamort, Assemblywoman Haider, Assemblyman
Barlas, Senators Stack, Johnson, Space and Greenstein**

SYNOPSIS

Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on February 20, 2025, with amendments.



(Sponsorship Updated As Of: 3/24/2025)

A4535 [2R] HUTCHISON, VERRELLI

2

1 AN ACT concerning State regulation of cooperative sober living
2 residences and boarding houses generally, ¹**and**¹ amending and
3 supplementing P.L.1979, c.496 ¹, and making an appropriation¹.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read
9 as follows:

10 3. As used in **[this act]** P.L.1979, c.496 (C.55:13B-1 et seq.):

11 a. "Boarding house" means any building, together with any
12 related structure, accessory building, any land appurtenant thereto,
13 and any part thereof, which contains two or more units of dwelling
14 space arranged or intended for single room occupancy, exclusive of
15 any such unit occupied by an owner or operator, and wherein
16 personal or financial services are provided to the residents,
17 including any residential hotel or congregate living arrangement,
18 but excluding any hotel, motel, or established guest house wherein a
19 minimum of 85 percent of the units of dwelling space are offered
20 for limited tenure only, any resource family home as defined in
21 section 1 of P.L.1962, c.137 (C.30:4C-26.1), any community
22 residence for the developmentally disabled and any community
23 residence for the mentally ill as defined in section 2 of P.L.1977,
24 c.448 (C.30:11B-2), any adult family care home as defined in
25 section 3 of P.L.2001, c.304 (C.26:2Y-3), any dormitory owned or
26 operated on behalf of any nonprofit institution of primary,
27 secondary, or higher education for the use of its students, any
28 building arranged for single room occupancy wherein the units of
29 dwelling space are occupied exclusively by students enrolled in a
30 full-time course of study at an institution of higher education
31 approved by the New Jersey Commission on Higher Education, any
32 facility or living arrangement operated by, or under contract with,
33 any State department or agency, upon the written authorization of
34 the commissioner, and any owner-occupied, one-family residential
35 dwelling made available for occupancy by not more than six guests,
36 where the primary purpose of the occupancy is to provide charitable
37 assistance to the guests and where the owner derives no income
38 from the occupancy. A dwelling shall be deemed "owner-occupied"
39 within the meaning of this section if it is owned or operated by a
40 nonprofit religious or charitable association or corporation and is
41 used as the principal residence of a minister or employee of that
42 corporation or association. For any such dwelling, however, fire
43 detectors shall be required as determined by the Department of
44 Community Affairs.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AOF committee amendments adopted December 16, 2024.

²Assembly AAP committee amendments adopted February 20, 2025.

- 1 b. "Commissioner" means the Commissioner of **【the**
2 Department of**】** Community Affairs.
- 3 c. "Financial services" means any assistance permitted or
4 required by the commissioner to be furnished by an owner or
5 operator to a resident in the management of personal financial
6 matters, including, but not limited to, the cashing of checks, holding
7 of personal funds for safekeeping in any manner or assistance in the
8 purchase of goods or services with a resident's personal funds.
- 9 d. "Limited tenure" means residence at a rooming or boarding
10 house on a temporary basis, for a period lasting no more than 90
11 days, when a resident either maintains a primary residence at a
12 location other than the rooming or boarding house or intends to
13 establish a primary residence at such a location and does so within
14 90 days after taking up original residence at the rooming or
15 boarding house.
- 16 e. "Operator" means any individual who is responsible for the
17 daily operation of a rooming or boarding house.
- 18 f. "Owner" means any person who owns, purports to own, or
19 exercises control of any rooming or boarding house.
- 20 g. "Personal services" means any services permitted or required
21 to be furnished by an owner or operator to a resident, other than
22 shelter, including, but not limited to, meals or other food services,
23 and assistance in dressing, bathing, or attending to other personal
24 needs.
- 25 h. "Rooming house" means a boarding house wherein no
26 personal or financial services are provided to the residents.
- 27 i. "Single room occupancy" means an arrangement of dwelling
28 space which does not provide a private, secure dwelling space
29 arranged for independent living, which contains both the sanitary
30 and cooking facilities required in dwelling spaces pursuant to the
31 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
32 seq.), and which is not used for limited tenure occupancy in a hotel,
33 motel, or established guest house, regardless of the number of
34 individuals occupying any room or rooms.
- 35 j. "Unit of dwelling space" means any room, rooms, suite, or
36 portion thereof, whether furnished or unfurnished, which is
37 occupied or intended, arranged, or designed to be occupied for
38 sleeping or dwelling purposes by one or more persons.
- 39 k. (Deleted by amendment, P.L.2015, c.125)
- 40 l. (Deleted by amendment, P.L.2015, c.125)
- 41 m. "Cooperative sober living residence" means a boarding
42 house that serves solely as a home for individuals who are
43 recovering from drug or alcohol addiction and is intended to
44 provide an environment where the residents can support each
45 other's sobriety and recovery.
- 46 (cf: P.L.2015, c.125, s.12)

1 2. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read
2 as follows:

3 7. a. (1) No person shall own or operate a rooming or boarding
4 house, hold out a building as available for rooming or boarding
5 house occupancy, or apply for any necessary construction or
6 planning approvals related to the establishment of a rooming or
7 boarding house without a valid license to own or operate such a
8 facility, issued by the commissioner and, if appropriate, by a
9 municipality which has elected to issue such licenses pursuant to
10 P.L.1993, c.290 (C.40:52-9 et seq.).

11 (2) (Deleted by amendment, P.L.2015, c.125)

12 (3) Any person found to be in violation of this subsection shall
13 be liable for a civil penalty of not more than ~~[\$5,000]~~ \$25,000 for
14 each building so owned or operated, which penalty shall be payable
15 to the appropriate licensing entity.

16 b. The commissioner shall establish separate categories of
17 licensure for owning and for operating a rooming or boarding
18 house, provided, however, that an owner who himself operates such
19 a facility need not also possess an operator's license.

20 If an owner seeking to be licensed is other than an individual, the
21 application shall state the name of an individual who is a member,
22 officer, or stockholder in the corporation or association seeking to
23 be licensed, and the same shall be designated the primary owner of
24 the rooming or boarding house.

25 Each application for licensure shall contain such information as
26 the commissioner may prescribe and, unless the person is licensed
27 by a municipality to own or operate a rooming and boarding house
28 pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be
29 accompanied by a fee established by the commissioner which shall
30 not be less than \$150 or more than \$600, except as provided in
31 subsection e. of this section. If, upon receipt of the fee and a review
32 of the application, the commissioner determines that the applicant
33 will operate, or provide for the operation of, a rooming or boarding
34 house in accordance with the provisions of this act, the
35 commissioner shall issue a license to the applicant.

36 Each license shall be valid for one year from the date of
37 issuance, but may be renewed upon application by the owner or
38 operator and upon payment of the same fee required for initial
39 licensure.

40 c. Only one license shall be required to own a rooming or
41 boarding house, but an endorsement thereto shall be required for
42 each separate building owned and operated, or intended to be
43 operated, as a rooming or boarding house. Each application for
44 licensure or renewal shall indicate every such building for which an
45 endorsement is required. If, during the term of a license, an
46 additional endorsement is required, or an existing one is no longer
47 required, an amended application for licensure shall be submitted.

1 d. A person making application for, or who has been issued, a
2 license to own or operate a rooming or boarding house who
3 conceals the fact that the person has been denied a license to own or
4 operate a residential facility, or that the person's license to own or
5 operate a residential facility has been revoked by a department or
6 agency of state government in this or any other state is liable for a
7 civil penalty of not more than ~~[\$5,000]~~ \$25,000, and any license to
8 own or operate a rooming or boarding house which has been issued
9 to that person shall be immediately revoked.

10 e. The commissioner shall annually review the cost of
11 administering and enforcing this section and shall establish by rule
12 such changes to the license application fee as may be necessary to
13 cover the cost of such administration and enforcement.

14 f. The commissioner shall maintain and publish on the
15 department's Internet website a list of each licensed cooperative
16 sober living residence in the State, including the location and
17 contact information for each licensed cooperative sober living
18 residence.

19 (cf: P.L.2015, c.125, s.14)

20
21 3. Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended to
22 read as follows:

23 9. The commissioner shall ensure that each rooming or
24 boarding house whose owner possesses a valid license is inspected
25 and its records reviewed at least once each year for the purpose of
26 determining whether the owner or operator is complying with
27 standards promulgated pursuant to the provisions of P.L.1979,
28 c.496 (C.55:13B-1 et seq.), except that in the case of a cooperative
29 sober living residence, the commissioner shall ensure that an
30 unannounced inspection and record review of a licensed cooperative
31 sober living residence is conducted at least twice each year for the
32 purpose of determining whether the owner or operator is complying
33 with standards promulgated pursuant to the provisions of P.L.1979,
34 c.496 (C.55:13B-1 et seq.). If the commissioner determines, as a
35 result of any such inspection and review of records, that an owner
36 or operator is in violation of such standards, he shall serve the
37 owner or operator of the facility with a written notice thereof, which
38 shall fix a date by which the owner or operator shall enter into
39 compliance. The commissioner shall not be required to perform
40 annual inspections of facilities licensed and inspected by a
41 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but
42 shall have the authority to oversee and ensure the enforcement of
43 the "Rooming and Boarding House Act of 1979," P.L.1979, c.496
44 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant
45 thereto in those facilities. A municipality shall file with the
46 commissioner a copy of an inspection report prepared following an
47 inspection of a rooming or boarding house performed by the
48 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.). The

1 commissioner may prescribe a standard inspection report format to
2 be used by the municipality.

3 The Department of Community Affairs shall post on its Internet
4 website each inspection report prepared following an inspection
5 performed on behalf of or filed with the commissioner pursuant to
6 this section, along with any other inspection report prepared by or
7 on behalf of the department for a rooming or boarding house.

8 If an inspection reveals a serious health and safety violation at a
9 rooming or boarding house, the department shall post the inspection
10 report, including the name of the rooming or boarding house and the
11 owner of the rooming or boarding house, on its website no later
12 than 72 hours following the inspection. If a license of a rooming or
13 boarding house is suspended, the department shall post the
14 suspension on its website no later than 72 hours following the
15 suspension. The department shall update its website to reflect the
16 correction of a serious health and safety violation, and the lifting of
17 a suspension.

18 The department shall notify, as soon as possible, the
19 Commissioner of Human Services, or the commissioner's designee,
20 and the director of the county board of social services or county
21 welfare agency, as appropriate, in the county in which a rooming or
22 boarding house is located, of a serious health and safety violation at
23 the rooming or boarding house and of any suspension of a license to
24 operate such rooming or boarding house.

25 (cf: P.L.2015, c.6, s.2)

26

27 4. (New section) a. The operator of a cooperative sober living
28 residence shall immediately notify the Department of Community
29 Affairs via electronic mail, or via fax, on a form prescribed by the
30 commissioner, if an event occurs that jeopardizes the health, safety,
31 or welfare of residents or staff, including, but not limited to:

32 (1) Fire, flood, disaster, accident, or other unanticipated event
33 that results in the serious injury or death of a resident or staff
34 member, or the evacuation of residents from the cooperative sober
35 living residence, or closure of the cooperative sober living residence
36 for six or more hours;

37 (2) Serious injury or death of a resident of the cooperative sober
38 living residence, including overdose;

39 (3) Outbreak of a communicable disease or other condition that
40 adversely affects multiple residents or staff;

41 (4) Alleged or suspected crimes that endanger the life or safety
42 of residents or staff, or which jeopardize the operations or fiscal
43 stability of the cooperative sober living residence;

44 (5) Disciplinary actions concerning staff, including termination,
45 resulting from inappropriate staff interaction with residents; and

46 (6) Criminal convictions or disciplinary sanctions imposed on
47 staff or board members or representatives of the governing authority

1 by licensing or credentialing boards since the prior application for
2 licensure.

3 b. The owner or operator of a cooperative sober living residence
4 shall submit to the Department of Community Affairs a written
5 report within five working days of an incident which requires
6 reporting pursuant to subsection a. of this section. The written
7 report shall contain detailed information of the incident, which shall
8 include but not be limited to, identification of any known factors
9 that contributed to the occurrence of the incident, and corrective
10 actions and timeframes being implemented by the cooperative sober
11 living residence to minimize the risk of further incident.

12

13 5. (New section) The commissioner shall, in consultation with the
14 Commissioner of Health and the Commissioner of Human Services,
15 require cooperative sober living residences to: ¹employ staff
16 members, who are to be required to live in the cooperative sober living
17 residences and who are qualified to assist others to recover from
18 alcohol and drug addiction in a manner to be determined by the
19 commissioner]

20 a. employ ²[no less than one supervisor who is required to live in
21 the cooperative sober living residence and] supervisors² who ²[is]
22 are² certified as meeting qualifications, established by the
23 commissioner, requisite to manage the operations of a cooperative
24 sober living house, which include, but are not limited to, enforcing
25 ²the² rules of the cooperative sober living residence and assisting
26 residents in recovery from alcohol and drug addiction in a manner to
27 be determined by the commissioner and consistent with subsection c.
28 of this section^{1 2}. No less than one supervisor shall be required to be
29 present at the cooperative sober living residence at all times²;

30 ¹b.¹ forbid possession or use of alcohol or illicit drugs within the
31 residence and subject residents to random testing for alcohol and drug
32 use; and ¹[provide]

33 c. encourage¹ residents ¹[individual counseling and group
34 meetings sessions which are] to: attend self-help programs that are¹
35 centered on recovery from alcohol and drug addiction ¹; participate in
36 activities related to maintaining sobriety and continuing recovery from
37 alcohol and drug addiction, including, but not limited to, on-site peer-
38 led meetings; and receive off-site services deemed desirable or
39 necessary to maintain sobriety¹.

40

41 ¹6. There is appropriated \$100,000 from the General Fund to the
42 Department of Community Affairs to effectuate the purposes of
43 P.L. , c. (C.) (pending before the Legislature as this bill).¹

44

45 ¹[6.] 7.¹ This act shall take effect on the first day of the fourth
46 month next following the date of enactment, provided that section 3

1 of this act shall take effect on the first day of the calendar year next
2 following enactment, and further provided that the Commissioner of
3 Community Affairs shall be permitted to take anticipatory action
4 necessary to implement the provisions of P.L. , c. (C.)
5 (pending before the Legislature as this bill) ¹, including the
6 promulgation of necessary rules or regulations to ensure the proper
7 qualification and responsibilities of supervisors of cooperative
8 sober living residences pursuant to subsection a. of section 5 of
9 P.L. , c. (C.) (pending before the Legislature as this bill)¹

[Third Reprint]

ASSEMBLY, No. 4535

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED JUNE 13, 2024

Sponsored by:

Assemblyman DAN HUTCHISON

District 4 (Atlantic, Camden and Gloucester)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

Assemblyman REGINALD W. ATKINS

District 20 (Union)

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator RAJ MUKHERJI

District 32 (Hudson)

Co-Sponsored by:

Assemblymen Moen, Inganamort, Assemblywoman Haider, Assemblyman Barlas, Senators Stack, Johnson, Space, Greenstein, Assemblymen Stanley and Sampson

SYNOPSIS

Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000.

CURRENT VERSION OF TEXT

As amended on May 15, 2025 by the General Assembly pursuant to the Governor's recommendations.



(Sponsorship Updated As Of: 5/22/2025)

A4535 [3R] HUTCHISON, VERRELLI

2

1 AN ACT concerning State regulation of cooperative sober living
2 residences and boarding houses generally, ¹**[and]**¹ amending and
3 supplementing P.L.1979, c.496 ¹, and making an appropriation¹.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read
9 as follows:

10 3. As used in **[this act]** P.L.1979, c.496 (C.55:13B-1 et seq.):

11 a. "Boarding house" means any building, together with any
12 related structure, accessory building, any land appurtenant thereto,
13 and any part thereof, which contains two or more units of dwelling
14 space arranged or intended for single room occupancy, exclusive of
15 any such unit occupied by an owner or operator, and wherein
16 personal or financial services are provided to the residents,
17 including any residential hotel or congregate living arrangement,
18 but excluding any hotel, motel, or established guest house wherein a
19 minimum of 85 percent of the units of dwelling space are offered
20 for limited tenure only, any resource family home as defined in
21 section 1 of P.L.1962, c.137 (C.30:4C-26.1), any community
22 residence for the developmentally disabled and any community
23 residence for the mentally ill as defined in section 2 of P.L.1977,
24 c.448 (C.30:11B-2), any adult family care home as defined in
25 section 3 of P.L.2001, c.304 (C.26:2Y-3), any dormitory owned or
26 operated on behalf of any nonprofit institution of primary,
27 secondary, or higher education for the use of its students, any
28 building arranged for single room occupancy wherein the units of
29 dwelling space are occupied exclusively by students enrolled in a
30 full-time course of study at an institution of higher education
31 approved by the New Jersey Commission on Higher Education, any
32 facility or living arrangement operated by, or under contract with,
33 any State department or agency, upon the written authorization of
34 the commissioner, and any owner-occupied, one-family residential
35 dwelling made available for occupancy by not more than six guests,
36 where the primary purpose of the occupancy is to provide charitable
37 assistance to the guests and where the owner derives no income
38 from the occupancy. A dwelling shall be deemed "owner-occupied"
39 within the meaning of this section if it is owned or operated by a
40 nonprofit religious or charitable association or corporation and is
41 used as the principal residence of a minister or employee of that
42 corporation or association. For any such dwelling, however, fire

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AOF committee amendments adopted December 16, 2024.

²Assembly AAP committee amendments adopted February 20, 2025.

³Assembly amendments adopted in accordance with Governor's recommendations May 15, 2025.

1 detectors shall be required as determined by the Department of
2 Community Affairs.

3 b. "Commissioner" means the Commissioner of [the
4 Department of] Community Affairs.

5 c. "Financial services" means any assistance permitted or
6 required by the commissioner to be furnished by an owner or
7 operator to a resident in the management of personal financial
8 matters, including, but not limited to, the cashing of checks, holding
9 of personal funds for safekeeping in any manner or assistance in the
10 purchase of goods or services with a resident's personal funds.

11 d. "Limited tenure" means residence at a rooming or boarding
12 house on a temporary basis, for a period lasting no more than 90
13 days, when a resident either maintains a primary residence at a
14 location other than the rooming or boarding house or intends to
15 establish a primary residence at such a location and does so within
16 90 days after taking up original residence at the rooming or
17 boarding house.

18 e. "Operator" means any individual who is responsible for the
19 daily operation of a rooming or boarding house.

20 f. "Owner" means any person who owns, purports to own, or
21 exercises control of any rooming or boarding house.

22 g. "Personal services" means any services permitted or required
23 to be furnished by an owner or operator to a resident, other than
24 shelter, including, but not limited to, meals or other food services,
25 and assistance in dressing, bathing, or attending to other personal
26 needs.

27 h. "Rooming house" means a boarding house wherein no
28 personal or financial services are provided to the residents.

29 i. "Single room occupancy" means an arrangement of dwelling
30 space which does not provide a private, secure dwelling space
31 arranged for independent living, which contains both the sanitary
32 and cooking facilities required in dwelling spaces pursuant to the
33 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
34 seq.), and which is not used for limited tenure occupancy in a hotel,
35 motel, or established guest house, regardless of the number of
36 individuals occupying any room or rooms.

37 j. "Unit of dwelling space" means any room, rooms, suite, or
38 portion thereof, whether furnished or unfurnished, which is
39 occupied or intended, arranged, or designed to be occupied for
40 sleeping or dwelling purposes by one or more persons.

41 k. (Deleted by amendment, P.L.2015, c.125)

42 l. (Deleted by amendment, P.L.2015, c.125)

43 m. "Cooperative sober living residence" means a boarding
44 house that serves solely as a home for individuals who are
45 recovering from drug or alcohol addiction and is intended to
46 provide an environment where the residents can support each
47 other's sobriety and recovery.

48 (cf: P.L.2015, c.125, s.12)

1 2. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read
2 as follows:

3 7. a. (1) No person shall own or operate a rooming or boarding
4 house, hold out a building as available for rooming or boarding
5 house occupancy, or apply for any necessary construction or
6 planning approvals related to the establishment of a rooming or
7 boarding house without a valid license to own or operate such a
8 facility, issued by the commissioner and, if appropriate, by a
9 municipality which has elected to issue such licenses pursuant to
10 P.L.1993, c.290 (C.40:52-9 et seq.).

11 (2) (Deleted by amendment, P.L.2015, c.125)

12 (3) Any person found to be in violation of this subsection shall
13 be liable for a civil penalty of not more than ~~[\$5,000]~~ \$25,000 for
14 each building so owned or operated, which penalty shall be payable
15 to the appropriate licensing entity.

16 b. The commissioner shall establish separate categories of
17 licensure for owning and for operating a rooming or boarding
18 house, provided, however, that an owner who himself operates such
19 a facility need not also possess an operator's license.

20 If an owner seeking to be licensed is other than an individual, the
21 application shall state the name of an individual who is a member,
22 officer, or stockholder in the corporation or association seeking to
23 be licensed, and the same shall be designated the primary owner of
24 the rooming or boarding house.

25 Each application for licensure shall contain such information as
26 the commissioner may prescribe and, unless the person is licensed
27 by a municipality to own or operate a rooming and boarding house
28 pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be
29 accompanied by a fee established by the commissioner which shall
30 not be less than \$150 or more than \$600, except as provided in
31 subsection e. of this section. If, upon receipt of the fee and a review
32 of the application, the commissioner determines that the applicant
33 will operate, or provide for the operation of, a rooming or boarding
34 house in accordance with the provisions of this act, the
35 commissioner shall issue a license to the applicant.

36 Each license shall be valid for one year from the date of
37 issuance, but may be renewed upon application by the owner or
38 operator and upon payment of the same fee required for initial
39 licensure.

40 c. Only one license shall be required to own a rooming or
41 boarding house, but an endorsement thereto shall be required for
42 each separate building owned and operated, or intended to be
43 operated, as a rooming or boarding house. Each application for
44 licensure or renewal shall indicate every such building for which an
45 endorsement is required. If, during the term of a license, an
46 additional endorsement is required, or an existing one is no longer
47 required, an amended application for licensure shall be submitted.

1 d. A person making application for, or who has been issued, a
2 license to own or operate a rooming or boarding house who
3 conceals the fact that the person has been denied a license to own or
4 operate a residential facility, or that the person's license to own or
5 operate a residential facility has been revoked by a department or
6 agency of state government in this or any other state is liable for a
7 civil penalty of not more than ~~[\$5,000]~~ \$25,000, and any license to
8 own or operate a rooming or boarding house which has been issued
9 to that person shall be immediately revoked.

10 e. The commissioner shall annually review the cost of
11 administering and enforcing this section and shall establish by rule
12 such changes to the license application fee as may be necessary to
13 cover the cost of such administration and enforcement.

14 f. The commissioner shall maintain and publish on the
15 department's Internet website a list of each licensed cooperative
16 sober living residence in the State, including the location and
17 contact information for each licensed cooperative sober living
18 residence.

19 (cf: P.L.2015, c.125, s.14)

20
21 3. Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended to
22 read as follows:

23 9. The commissioner shall ensure that each rooming or
24 boarding house whose owner possesses a valid license is inspected
25 and its records reviewed at least once each year for the purpose of
26 determining whether the owner or operator is complying with
27 standards promulgated pursuant to the provisions of P.L.1979,
28 c.496 (C.55:13B-1 et seq.), except that in the case of a cooperative
29 sober living residence, the commissioner shall ensure that an
30 unannounced inspection and record review of a licensed cooperative
31 sober living residence is conducted at least twice each year for the
32 purpose of determining whether the owner or operator is complying
33 with standards promulgated pursuant to the provisions of P.L.1979,
34 c.496 (C.55:13B-1 et seq.). If the commissioner determines, as a
35 result of any such inspection and review of records, that an owner
36 or operator is in violation of such standards, he shall serve the
37 owner or operator of the facility with a written notice thereof, which
38 shall fix a date by which the owner or operator shall enter into
39 compliance. The commissioner shall not be required to perform
40 annual inspections of facilities licensed and inspected by a
41 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but
42 shall have the authority to oversee and ensure the enforcement of
43 the "Rooming and Boarding House Act of 1979," P.L.1979, c.496
44 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant
45 thereto in those facilities. A municipality shall file with the
46 commissioner a copy of an inspection report prepared following an
47 inspection of a rooming or boarding house performed by the
48 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.). The

1 commissioner may prescribe a standard inspection report format to
2 be used by the municipality.

3 The Department of Community Affairs shall post on its Internet
4 website each inspection report prepared following an inspection
5 performed on behalf of or filed with the commissioner pursuant to
6 this section, along with any other inspection report prepared by or
7 on behalf of the department for a rooming or boarding house.

8 If an inspection reveals a serious health and safety violation at a
9 rooming or boarding house, the department shall post the inspection
10 report, including the name of the rooming or boarding house and the
11 owner of the rooming or boarding house, on its website no later
12 than 72 hours following the inspection. If a license of a rooming or
13 boarding house is suspended, the department shall post the
14 suspension on its website no later than 72 hours following the
15 suspension. The department shall update its website to reflect the
16 correction of a serious health and safety violation, and the lifting of
17 a suspension.

18 The department shall notify, as soon as possible, the
19 Commissioner of Human Services, or the commissioner's designee,
20 and the director of the county board of social services or county
21 welfare agency, as appropriate, in the county in which a rooming or
22 boarding house is located, of a serious health and safety violation at
23 the rooming or boarding house and of any suspension of a license to
24 operate such rooming or boarding house.

25 (cf: P.L.2015, c.6, s.2)

26

27 4. (New section) a. The operator of a cooperative sober living
28 residence shall immediately notify the Department of Community
29 Affairs via electronic mail, or via fax, on a form prescribed by the
30 commissioner, if an event occurs that jeopardizes the health, safety,
31 or welfare of residents or staff, including, but not limited to:

32 (1) Fire, flood, disaster, accident, or other unanticipated event
33 that results in the serious injury or death of a resident or staff
34 member, or the evacuation of residents from the cooperative sober
35 living residence, or closure of the cooperative sober living residence
36 for six or more hours;

37 (2) Serious injury or death of a resident of the cooperative sober
38 living residence, including overdose;

39 (3) Outbreak of a communicable disease or other condition that
40 adversely affects multiple residents or staff;

41 (4) Alleged or suspected crimes that endanger the life or safety
42 of residents or staff, or which jeopardize the operations or fiscal
43 stability of the cooperative sober living residence;

44 (5) Disciplinary actions concerning staff, including termination,
45 resulting from inappropriate staff interaction with residents; and

46 (6) Criminal convictions or disciplinary sanctions imposed on
47 staff or board members or representatives of the governing authority

1 by licensing or credentialing boards since the prior application for
2 licensure.

3 b. The owner or operator of a cooperative sober living residence
4 shall submit to the Department of Community Affairs a written
5 report within five working days of an incident which requires
6 reporting pursuant to subsection a. of this section. The written
7 report shall contain detailed information of the incident, which shall
8 include but not be limited to, identification of any known factors
9 that contributed to the occurrence of the incident, and corrective
10 actions and timeframes being implemented by the cooperative sober
11 living residence to minimize the risk of further incident.

12

13 5. (New section) The commissioner shall, in consultation with the
14 Commissioner of Health and the Commissioner of Human Services,
15 require cooperative sober living residences to: ¹employ staff
16 members, who are to be required to live in the cooperative sober living
17 residences and who are qualified to assist others to recover from
18 alcohol and drug addiction in a manner to be determined by the
19 commissioner]

20 a. ³employ] provide³ ²no less than one supervisor who is
21 required to live in the cooperative sober living residence and]
22 ³supervisors²] two operators³ who ²is] are² certified as meeting
23 qualifications, established by the commissioner, requisite to manage
24 the operations of a cooperative sober living house, which include, but
25 are not limited to, enforcing ²the² rules of the cooperative sober living
26 residence and assisting residents in recovery from alcohol and drug
27 addiction in a manner to be determined by the commissioner and
28 consistent with subsection c. of this section¹ ³]. No less than one
29 supervisor shall be required to be present at the cooperative sober
30 living residence at all times²], one of whom shall be present on-site
31 from 7:00 p.m. to 7:00 a.m. when residents are present, and at least
32 one of whom shall reside in the residence and exercise some level of
33 control over the operation of the residence and establishes the
34 residence's rules³;

35 ¹b.¹ forbid possession or use of alcohol or illicit drugs within the
36 residence and subject residents to random testing for alcohol and drug
37 use; and ¹provide]

38 c. encourage¹ residents ¹individual counseling and group
39 meetings sessions which are] to: attend self-help programs that are¹
40 centered on recovery from alcohol and drug addiction ¹; participate in
41 activities related to maintaining sobriety and continuing recovery from
42 alcohol and drug addiction, including, but not limited to, on-site peer-
43 led meetings; and receive off-site services deemed desirable or
44 necessary to maintain sobriety¹.

1 ¹6. There is appropriated \$100,000 from the General Fund to the
2 Department of Community Affairs to effectuate the purposes of
3 P.L. , c. (C.) (pending before the Legislature as this bill).¹
4

5 ¹[6.] ¹7. This act shall take effect on the first day of the fourth
6 month next following the date of enactment, provided that section 3
7 of this act shall take effect on the first day of the calendar year next
8 following enactment, and further provided that the Commissioner of
9 Community Affairs shall be permitted to take anticipatory action
10 necessary to implement the provisions of P.L. , c. (C.)
11 (pending before the Legislature as this bill) ¹, including the
12 promulgation of necessary rules or regulations to ensure the proper
13 qualification and responsibilities of ³[supervisors] operators³ of
14 cooperative sober living residences pursuant to subsection a. of
15 section 5 of P.L. , c. (C.) (pending before the Legislature
16 as this bill)¹

ASSEMBLY OVERSIGHT, REFORM AND FEDERAL
RELATIONS COMMITTEE

STATEMENT TO
ASSEMBLY, No. 4535

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2024

The Assembly Oversight, Reform and Federal Relations Committee reports favorably and with committee amendments Assembly Bill No. 4535.

As amended, the bill amends the "Rooming and Boarding House Act of 1979" to strengthen the State's regulation of cooperative sober living residences, as defined in the bill. The bill considers and adopts several recommendations by the New Jersey State Commission of Investigation's February 2024 investigative report titled "The Dirty Business Behind Getting Clean" and related public hearings concerning fraud, ethical misconduct, and corruption in the addiction rehabilitation industry.

Specifically, the bill increases the maximum civil penalty for certain licensing violations for a rooming or boarding house, including cooperative sober living residences. The bill requires the Department of Community Affairs (DCA) to maintain a list of licensed cooperative sober living residences on its Internet website including the location and contact information for each licensed cooperative sober living residence. The bill requires two unannounced inspection and record reviews of cooperative sober living residences per year to determine whether the owner or operator of the cooperative sober living residence is complying with the provisions of the "Rooming and Boarding House Act of 1979." The bill also establishes reporting requirements for incidents affecting the safety or welfare of cooperative sober living residence residents or staff, which includes an immediate notification to DCA and a written report of the incident within five working days of the incident. Incidents for which the bill's reporting requirements would apply include:

(1) fire, flood, disaster, accident, or other unanticipated event that results in the serious injury or death of a resident or staff member, or the evacuation of residents from the cooperative sober living residence, or closure of the cooperative sober living residence for six or more hours;

(2) serious injury or death of a resident of the cooperative sober living residence, including overdose;

(3) outbreak of a communicable disease or other condition that adversely affects multiple residents or staff;

(4) alleged or suspected crimes that endanger the life or safety of residents or staff, or which jeopardize the operations or fiscal stability of the cooperative sober living residence;

(5) disciplinary actions concerning staff, including termination, resulting from inappropriate staff interaction with residents; and

(6) criminal convictions or disciplinary sanctions imposed on staff or board members or representatives of the governing authority by licensing or credentialing boards since the prior application for licensure.

Under the bill, the Commissioner of Community Affairs (commissioner), in consultation with the Commissioner of Health and the Commissioner of Human Services, is to require cooperative sober living residences to:

(1) employ no less than one supervisor who is required to live in the cooperative sober living residence and who is certified as meeting qualifications, established by the commissioner, requisite to manage the operations of a cooperative sober living house and assist others in recovery from alcohol and drug addiction in a manner to be determined by the commissioner and consistent with;

(2) forbid possession or use of alcohol or illicit drugs within the residence and subject residents to random testing for alcohol and drug use; and

(3) encourage residents to attend self-help programs that are centered on recovery from alcohol and drug addiction, participate in activities related to maintaining sobriety and continuing recovery from alcohol and drug addiction, and receive off-site services deemed desirable or necessary to maintain sobriety.

The bill is to take effect on the first day of the fourth month following enactment, except that: section 3 of the bill, providing certain requirements for the inspection of cooperative sober living residences, is to take effect on the first day of the next calendar year next following enactment; and the commissioner is to be permitted to take anticipatory action necessary to implement the provisions of the bill, including the promulgation of necessary rules and regulations to ensure the proper certification and responsibilities of supervisors of cooperative sober living residences.

The bill also appropriates \$100,000 to DCA to effectuate the purposes of the bill and makes additional technical corrections.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) remove a requirement to employ staff members at a cooperative sober living residence and, instead, establish a requirement, with associated authorization for advanced rulemaking, for cooperative sober living residences to employ no less than one

supervisor who is certified according to the department's requirements;

(2) require cooperative sober living residences to encourage residents to attend certain self-help programs, participate in activities related to maintaining sobriety, and receive off-site services as needed, rather than providing counseling services and meetings on-site;

(3) appropriate \$100,000 to DCA to effectuate the provisions of the bill; and

(4) change the title and synopsis to reflect the appropriation.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4535

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 20, 2025

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 4535 (1R).

As amended and reported, the bill amends the "Rooming and Boarding House Act of 1979" to strengthen the State's regulation of cooperative sober living residences, as defined in the bill. The bill considers and adopts several recommendations by the New Jersey State Commission of Investigation's February 2024 investigative report titled "The Dirty Business Behind Getting Clean" and related public hearings concerning fraud, ethical misconduct, and corruption in the addiction rehabilitation industry.

Specifically, the bill increases the maximum civil penalty for certain licensing violations for a rooming or boarding house, including cooperative sober living residences. The bill requires the Department of Community Affairs (DCA) to maintain a list of licensed cooperative sober living residences on its Internet website including the location and contact information for each licensed cooperative sober living residence. The bill requires two unannounced inspection and record reviews of cooperative sober living residences per year to determine whether the owner or operator of the cooperative sober living residence is complying with the provisions of the "Rooming and Boarding House Act of 1979." The bill also establishes reporting requirements for incidents affecting the safety or welfare of cooperative sober living residence residents or staff, which includes an immediate notification to DCA and a written report of the incident within five working days of the incident. Incidents for which the bill's reporting requirements would apply include:

(1) fire, flood, disaster, accident, or other unanticipated event that results in the serious injury or death of a resident or staff member, or the evacuation of residents from the cooperative sober living residence, or closure of the cooperative sober living residence for six or more hours;

(2) serious injury or death of a resident of the cooperative sober living residence, including overdose;

(3) outbreak of a communicable disease or other condition that adversely affects multiple residents or staff;

(4) alleged or suspected crimes that endanger the life or safety of residents or staff, or which jeopardize the operations or fiscal stability of the cooperative sober living residence;

(5) disciplinary actions concerning staff, including termination, resulting from inappropriate staff interaction with residents; and

(6) criminal convictions or disciplinary sanctions imposed on staff or board members or representatives of the governing authority by licensing or credentialing boards since the prior application for licensure.

Under the bill, the Commissioner of Community Affairs (commissioner), in consultation with the Commissioner of Health and the Commissioner of Human Services, is to require cooperative sober living residences to:

(1) employ supervisors, of which at least one is required to be present at the cooperative sober living residence at all times, who are certified as meeting qualifications, established by the commissioner, requisite to manage the operations of a cooperative sober living house and assist others in recovery from alcohol and drug addiction in a manner to be determined by the commissioner and consistent with;

(2) forbid possession or use of alcohol or illicit drugs within the residence and subject residents to random testing for alcohol and drug use; and

(3) encourage residents to attend self-help programs that are centered on recovery from alcohol and drug addiction, participate in activities related to maintaining sobriety and continuing recovery from alcohol and drug addiction, and receive off-site services deemed desirable or necessary to maintain sobriety.

The bill is to take effect on the first day of the fourth month following enactment, except that: section 3 of the bill, providing certain requirements for the inspection of cooperative sober living residences, is to take effect on the first day of the next calendar year next following enactment; and the commissioner is to be permitted to take anticipatory action necessary to implement the provisions of the bill, including the promulgation of necessary rules and regulations to ensure the proper certification and responsibilities of supervisors of cooperative sober living residences.

The bill also appropriates \$100,000 to DCA to effectuate the purposes of the bill

COMMITTEE AMENDMENTS:

The committee amendments to the bill to remove a requirement that cooperative sober living residences employ a live-in supervisor, and instead requires that a residence employ multiple supervisors and require that at least one be present at the residence at all times.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.

The bill will also result in increased revenue for the State and certain municipalities by increasing civil penalties for each rooming and boarding house licensure violation from a limit of up to \$5,000 to a limit of up to \$25,000.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 4535

STATE OF NEW JERSEY 221st LEGISLATURE

DATED: JANUARY 31, 2025

SUMMARY

- Synopsis:** Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000.
- Type of Impact:** Annual State expenditure and revenue increases; annual revenue increase for certain municipalities.
- Agencies Affected:** Department of Community Affairs; certain municipalities.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Thereafter</u>
State Expenditure Increase	Up to \$100,000	Indeterminate
State Revenue Increase	Up to \$20,000 per penalty	Up to \$20,000 per penalty
Local Revenue Increase	Up to \$20,000 per penalty	Up to \$20,000 per penalty

- The Office of Legislative Services (OLS) concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.
- The bill will also result in increased revenue for the State and certain municipalities by increasing civil penalties for each rooming and boarding house licensure violation from a limit of up to \$5,000 to a limit of up to \$25,000.

BILL DESCRIPTION

The bill amends the Rooming and Boarding House Act of 1979 in regards to the State's regulation of cooperative sober living residences, as defined in the bill. The bill increases the maximum civil penalty for certain licensing violations for a rooming or boarding house, including cooperative sober living residences. The bill requires the department to maintain a list of licensed

cooperative sober living residences on its Internet website including the location and contact information for each of these licensed residences. The bill requires two unannounced inspection and record reviews of cooperative sober living residences per year to determine whether the owner or operator is complying with the provisions of the Rooming and Boarding House Act of 1979. The bill also establishes reporting requirements for incidents affecting the safety or welfare of residents or staff.

Additionally, the Department of Community Affairs, in consultation with the Department of Health and the Department of Human Services, is to require cooperative sober living residences to: (1) employ no less than one supervisor who is required to live in the cooperative sober living residence and who is certified as meeting qualifications, established by the department, requisite to manage the operations of the residence and assist others in recovery from alcohol and drug addiction, in a manner to be determined by the department and consistent with the bill; (2) forbid possession or use of alcohol or illicit drugs within the residence and subject residents to random testing for alcohol and drug use; and (3) encourage residents to attend self-help programs that are centered on recovery from alcohol and drug addiction, participate in activities related to maintaining sobriety and continuing recovery from alcohol and drug addiction, and receive off-site services deemed desirable or necessary to maintain sobriety.

The bill also appropriates \$100,000 to the Department of Community Affairs to effectuate the purposes of the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.

The bill requires the department to ensure that an unannounced inspection and record review of each cooperative sober living residence is conducted at least twice per year. Currently, all rooming and boarding houses, including cooperative sober living residences, are required to be inspected at least once each year. The FY 2025 Governor's Budget indicates that there are an estimated 2,874 permanent boarding home licenses in the State. According to a February 2024 report by the New Jersey State Commission of Investigation titled "The Dirty Business Behind Getting Clean," there are approximately 210 licensed cooperative sober living residences in the State. The bill's requirement to conduct an additional inspection of each CSLR would increase the total inspections of boarding homes in the State by about one percent. The OLS, however, cannot predict the exact extent to which this new requirement will impact the department, including any potential staffing increase to meet the requirement. The OLS also notes that there is currently an unknown number of unlicensed cooperative sober living residences in the State that the bill, in part, seeks to address. Any increase in licensed cooperative sober living residences would increase the total required number of annual inspections by two, per new licensed residence.

The bill also requires the department to publish and maintain a list of licensed cooperative sober living residences in the State on its Internet website; prescribe a form for which the operator of a residence can notify the department of any incident that jeopardizes the health, safety, or welfare of the residents or staff and receive such reports; and prepare rules, regulations, or guidelines necessary for the operation of cooperative sober living residences in the State, including concerning the certification of certain staff. The department may experience an increase in administrative costs associated with these activities.

The bill may also result in increased revenue to entities that license rooming and boarding houses, including the department and certain municipalities that have elected to issue licenses for rooming and boarding houses. Current law provides that a person found to own or operate an unlicensed rooming or boarding house is liable for a civil penalty of not more than \$5,000 to be paid to the appropriate licensing entity. The bill increases the allowable civil penalty to \$25,000. Current law also provides that a person who owns or operates, or is applying for a license to own or operate, a residential facility—who conceals that the person has been denied a license to own or operate a residential facility, or that the person has had a license to own or operate a residential facility revoked by a state entity—is liable for a civil penalty of not more than \$5,000 to be paid to the State. The bill increases the allowable civil penalty to \$25,000. While the FY 2025 Governor’s Budget estimates that there will be 230 penalties issued in FY 2025 for boarding home violations, it is unclear how many of these penalties are expected to be due to licensure violations. Additionally, the OLS is unable to predict the exact monetary penalty for each violation.

Section: Local Government
Analyst: Abigail Stoyer
Associate Fiscal Analyst
Approved: Thomas Koenig
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 4535

STATE OF NEW JERSEY 221st LEGISLATURE

DATED: FEBRUARY 28, 2025

SUMMARY

- Synopsis:** Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000.
- Type of Impact:** Annual State expenditure and revenue increases; annual revenue increase for certain municipalities.
- Agencies Affected:** Department of Community Affairs; certain municipalities.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Thereafter</u>
State Expenditure Increase	Up to \$100,000	Indeterminate
State Revenue Increase	Up to \$20,000 per penalty	Up to \$20,000 per penalty
Local Revenue Increase	Up to \$20,000 per penalty	Up to \$20,000 per penalty

- The Office of Legislative Services (OLS) concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.
- The bill will also result in increased revenue for the State and certain municipalities by increasing civil penalties for each rooming and boarding house licensure violation from a limit of up to \$5,000 to a limit of up to \$25,000.

BILL DESCRIPTION

The bill amends the Rooming and Boarding House Act of 1979 in regards to the State's regulation of cooperative sober living residences, as defined in the bill. The bill increases the maximum civil penalty for certain licensing violations for a rooming or boarding house, including

cooperative sober living residences. The bill requires the department to maintain a list of licensed cooperative sober living residences on its Internet website including the location and contact information for each of these licensed residences. The bill requires two unannounced inspection and record reviews of cooperative sober living residences per year to determine whether the owner or operator is complying with the provisions of the Rooming and Boarding House Act of 1979. The bill also establishes reporting requirements for incidents affecting the safety or welfare of residents or staff.

Additionally, the Department of Community Affairs, in consultation with the Department of Health and the Department of Human Services, is to require cooperative sober living residences to: (1) employ supervisors, of which at least one is required to be present at the cooperative sober living residence at all times, who are certified as meeting qualifications, established by the department, requisite to manage the operations of the residence and assist others in recovery from alcohol and drug addiction, in a manner to be determined by the department and consistent with the bill; (2) forbid possession or use of alcohol or illicit drugs within the residence and subject residents to random testing for alcohol and drug use; and (3) encourage residents to attend self-help programs that are centered on recovery from alcohol and drug addiction, participate in activities related to maintaining sobriety and continuing recovery from alcohol and drug addiction, and receive off-site services deemed desirable or necessary to maintain sobriety.

The bill also appropriates \$100,000 to the Department of Community Affairs to effectuate the purposes of the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.

The bill requires the department to ensure that an unannounced inspection and record review of each cooperative sober living residence is conducted at least twice per year. Currently, all rooming and boarding houses, including cooperative sober living residences, are required to be inspected at least once each year. The FY 2025 Governor's Budget indicates that there are an estimated 2,874 permanent boarding home licenses in the State. According to a February 2024 report by the New Jersey State Commission of Investigation titled "The Dirty Business Behind Getting Clean," there are approximately 210 licensed cooperative sober living residences in the State. The bill's requirement to conduct an additional inspection of each cooperative sober living residence would increase the total inspections of boarding homes in the State by about one percent. The OLS, however, cannot predict the exact extent to which this new requirement will impact the department, including any potential staffing increase to meet the requirement. The OLS also notes that there is currently an unknown number of unlicensed cooperative sober living residences in the State that the bill, in part, seeks to address. Any increase in licensed cooperative sober living

residences would increase the total required number of annual inspections by two, per new licensed residence.

The bill also requires the department to publish and maintain a list of licensed cooperative sober living residences in the State on its Internet website; prescribe a form for which the operator of a residence can notify the department of any incident that jeopardizes the health, safety, or welfare of the residents or staff and receive such reports; and prepare rules, regulations, or guidelines necessary for the operation of cooperative sober living residences in the State, including concerning the certification of certain staff. The department may experience an increase in administrative costs associated with these activities.

The bill may also result in increased revenue to entities that license rooming and boarding houses, including the department and certain municipalities that have elected to issue licenses for rooming and boarding houses. Current law provides that a person found to own or operate an unlicensed rooming or boarding house is liable for a civil penalty of not more than \$5,000 to be paid to the appropriate licensing entity. The bill increases the allowable civil penalty to \$25,000. Current law also provides that a person who owns or operates, or is applying for a license to own or operate, a residential facility—who conceals that the person has been denied a license to own or operate a residential facility, or that the person has had a license to own or operate a residential facility revoked by a state entity—is liable for a civil penalty of not more than \$5,000 to be paid to the State. The bill increases the allowable civil penalty to \$25,000. While the FY 2025 Governor's Budget estimates that there will be 230 penalties issued in FY 2025 for boarding home violations, it is unclear how many of these penalties are expected to be due to licensure violations. Additionally, the OLS is unable to predict the exact monetary penalty for each violation.

Section: Local Government
Analyst: Abigail Stoyer
Associate Fiscal Analyst
Approved: Thomas Koenig
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

ASSEMBLY, No. 4535

STATE OF NEW JERSEY 221st LEGISLATURE

DATED: MAY 23, 2025

SUMMARY

- Synopsis:** Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000.
- Type of Impact:** Annual State expenditure and revenue increases; annual revenue increase for certain municipalities.
- Agencies Affected:** Department of Community Affairs; certain municipalities.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Thereafter</u>
State Expenditure Increase	Up to \$100,000	Indeterminate
State Revenue Increase	Up to \$20,000 per penalty	Up to \$20,000 per penalty
Local Revenue Increase	Up to \$20,000 per penalty	Up to \$20,000 per penalty

- The Office of Legislative Services (OLS) concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.
- The bill will also result in increased revenue for the State and certain municipalities by increasing civil penalties for each rooming and boarding house licensure violation from a limit of up to \$5,000 to a limit of up to \$25,000.

BILL DESCRIPTION

The bill amends the Rooming and Boarding House Act of 1979 in regards to the State's regulation of cooperative sober living residences, as defined in the bill. The bill increases the maximum civil penalty for certain licensing violations for a rooming or boarding house, including cooperative sober living residences. The bill requires the department to maintain a list of licensed

cooperative sober living residences on its Internet website including the location and contact information for each of these licensed residences. The bill requires two unannounced inspection and record reviews of cooperative sober living residences per year to determine whether the owner or operator is complying with the provisions of the Rooming and Boarding House Act of 1979. The bill also establishes reporting requirements for incidents affecting the safety or welfare of residents or staff.

Additionally, the Department of Community Affairs, in consultation with the Department of Health and the Department of Human Services, is to require cooperative sober living residences to: (1) provide two operators who are certified as meeting qualifications, established by the department, requisite to manage the operations of the residence and assist others in recovery from alcohol and drug addiction, in a manner to be determined by the department and consistent with the bill; (2) forbid possession or use of alcohol or illicit drugs within the residence and subject residents to random testing for alcohol and drug use; and (3) encourage residents to attend self-help programs that are centered on recovery from alcohol and drug addiction, participate in activities related to maintaining sobriety and continuing recovery from alcohol and drug addiction, and receive off-site services deemed desirable or necessary to maintain sobriety.

The bill also appropriates \$100,000 to the Department of Community Affairs to effectuate the purposes of the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.

The bill requires the department to ensure that an unannounced inspection and record review of each cooperative sober living residence is conducted at least twice per year. Currently, all rooming and boarding houses, including cooperative sober living residences, are required to be inspected at least once each year. The FY 2026 Governor's Budget indicates that there are an estimated 4,441 permanent boarding home licenses in the State. According to a February 2024 report by the New Jersey State Commission of Investigation titled "The Dirty Business Behind Getting Clean," there are approximately 210 licensed cooperative sober living residences in the State. The bill's requirement to conduct an additional inspection of each cooperative sober living residence would increase the total inspections of boarding homes in the State by about one percent. The OLS, however, cannot predict the exact extent to which this new requirement will impact the department, including any potential staffing increase to meet the requirement. The OLS also notes that there is currently an unknown number of unlicensed cooperative sober living residences in the State that the bill, in part, seeks to address. Any increase in licensed cooperative sober living residences would increase the total required number of annual inspections by two, per new licensed residence.

The bill also requires the department to publish and maintain a list of licensed cooperative sober living residences in the State on its Internet website; prescribe a form for which the operator of a residence can notify the department of any incident that jeopardizes the health, safety, or welfare of the residents or staff and receive such reports; and prepare rules, regulations, or guidelines necessary for the operation of cooperative sober living residences in the State, including concerning the certification of certain staff. The department may experience an increase in administrative costs associated with these activities.

The bill may also result in increased revenue to entities that license rooming and boarding houses, including the department and certain municipalities that have elected to issue licenses for rooming and boarding houses. Current law provides that a person found to own or operate an unlicensed rooming or boarding house is liable for a civil penalty of not more than \$5,000 to be paid to the appropriate licensing entity. The bill increases the allowable civil penalty to \$25,000. Current law also provides that a person who owns or operates, or is applying for a license to own or operate, a residential facility—who conceals that the person has been denied a license to own or operate a residential facility, or that the person has had a license to own or operate a residential facility revoked by a state entity—is liable for a civil penalty of not more than \$5,000 to be paid to the State. The bill increases the allowable civil penalty to \$25,000. While the FY 2026 Governor’s Budget estimates that there will be 263 penalties issued in FY 2025 for boarding home violations, it is unclear how many of these penalties are expected to be due to licensure violations. Additionally, the OLS is unable to predict the exact monetary penalty for each violation.

Section: Local Government

*Analyst: Abigail Stoyer
Senior Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE, No. 2952

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 11, 2024

Sponsored by:

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator RAJ MUKHERJI

District 32 (Hudson)

SYNOPSIS

Concerns State regulation of cooperative sober living residences and boarding houses generally.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/5/2024)

S2952 MORIARTY, MUKHERJI

2

1 AN ACT concerning State regulation of cooperative sober living
2 residences and boarding houses generally, and amending and
3 supplementing P.L.1979, c.496.

4

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

7

8 1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read
9 as follows:

10 3. As used in **[this act]** P.L.1979, c.496 (C.55:13B-1 et seq.):

11 a. "Boarding house" means any building, together with any
12 related structure, accessory building, any land appurtenant thereto,
13 and any part thereof, which contains two or more units of dwelling
14 space arranged or intended for single room occupancy, exclusive of
15 any such unit occupied by an owner or operator, and wherein
16 personal or financial services are provided to the residents,
17 including any residential hotel or congregate living arrangement,
18 but excluding any hotel, motel, or established guest house wherein a
19 minimum of 85 percent of the units of dwelling space are offered
20 for limited tenure only, any resource family home as defined in
21 section 1 of P.L.1962, c.137 (C.30:4C-26.1), any community
22 residence for the developmentally disabled and any community
23 residence for the mentally ill as defined in section 2 of P.L.1977,
24 c.448 (C.30:11B-2), any adult family care home as defined in
25 section 3 of P.L.2001, c.304 (C.26:2Y-3), any dormitory owned or
26 operated on behalf of any nonprofit institution of primary,
27 secondary, or higher education for the use of its students, any
28 building arranged for single room occupancy wherein the units of
29 dwelling space are occupied exclusively by students enrolled in a
30 full-time course of study at an institution of higher education
31 approved by the New Jersey Commission on Higher Education, any
32 facility or living arrangement operated by, or under contract with,
33 any State department or agency, upon the written authorization of
34 the commissioner, and any owner-occupied, one-family residential
35 dwelling made available for occupancy by not more than six guests,
36 where the primary purpose of the occupancy is to provide charitable
37 assistance to the guests and where the owner derives no income
38 from the occupancy. A dwelling shall be deemed "owner-occupied"
39 within the meaning of this section if it is owned or operated by a
40 nonprofit religious or charitable association or corporation and is
41 used as the principal residence of a minister or employee of that
42 corporation or association. For any such dwelling, however, fire
43 detectors shall be required as determined by the Department of
44 Community Affairs.

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

Matter underlined thus is new matter.

- 1 b. "Commissioner" means the Commissioner of **【the**
2 Department of**】** Community Affairs.
- 3 c. "Financial services" means any assistance permitted or
4 required by the commissioner to be furnished by an owner or
5 operator to a resident in the management of personal financial
6 matters, including, but not limited to, the cashing of checks, holding
7 of personal funds for safekeeping in any manner or assistance in the
8 purchase of goods or services with a resident's personal funds.
- 9 d. "Limited tenure" means residence at a rooming or boarding
10 house on a temporary basis, for a period lasting no more than 90
11 days, when a resident either maintains a primary residence at a
12 location other than the rooming or boarding house or intends to
13 establish a primary residence at such a location and does so within
14 90 days after taking up original residence at the rooming or
15 boarding house.
- 16 e. "Operator" means any individual who is responsible for the
17 daily operation of a rooming or boarding house.
- 18 f. "Owner" means any person who owns, purports to own, or
19 exercises control of any rooming or boarding house.
- 20 g. "Personal services" means any services permitted or required
21 to be furnished by an owner or operator to a resident, other than
22 shelter, including, but not limited to, meals or other food services,
23 and assistance in dressing, bathing, or attending to other personal
24 needs.
- 25 h. "Rooming house" means a boarding house wherein no
26 personal or financial services are provided to the residents.
- 27 i. "Single room occupancy" means an arrangement of dwelling
28 space which does not provide a private, secure dwelling space
29 arranged for independent living, which contains both the sanitary
30 and cooking facilities required in dwelling spaces pursuant to the
31 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
32 seq.), and which is not used for limited tenure occupancy in a hotel,
33 motel, or established guest house, regardless of the number of
34 individuals occupying any room or rooms.
- 35 j. "Unit of dwelling space" means any room, rooms, suite, or
36 portion thereof, whether furnished or unfurnished, which is
37 occupied or intended, arranged, or designed to be occupied for
38 sleeping or dwelling purposes by one or more persons.
- 39 k. (Deleted by amendment, P.L.2015, c.125)
- 40 l. (Deleted by amendment, P.L.2015, c.125)
- 41 m. "Cooperative sober living residence" means a boarding
42 house that serves solely as a home for individuals who are
43 recovering from drug or alcohol addiction and is intended to
44 provide an environment where the residents can support each
45 other's sobriety and recovery.
46 (cf: P.L.2015, c.125, s.12)

1 2. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read
2 as follows:

3 7. a. (1) No person shall own or operate a rooming or boarding
4 house, hold out a building as available for rooming or boarding
5 house occupancy, or apply for any necessary construction or
6 planning approvals related to the establishment of a rooming or
7 boarding house without a valid license to own or operate such a
8 facility, issued by the commissioner and, if appropriate, by a
9 municipality which has elected to issue such licenses pursuant to
10 P.L.1993, c.290 (C.40:52-9 et seq.).

11 (2) (Deleted by amendment, P.L.2015, c.125)

12 (3) Any person found to be in violation of this subsection shall
13 be liable for a civil penalty of not more than ~~【\$5,000】~~ \$25,000 for
14 each building so owned or operated, which penalty shall be payable
15 to the appropriate licensing entity.

16 b. The commissioner shall establish separate categories of
17 licensure for owning and for operating a rooming or boarding
18 house, provided, however, that an owner who himself operates such
19 a facility need not also possess an operator's license.

20 If an owner seeking to be licensed is other than an individual, the
21 application shall state the name of an individual who is a member,
22 officer, or stockholder in the corporation or association seeking to
23 be licensed, and the same shall be designated the primary owner of
24 the rooming or boarding house.

25 Each application for licensure shall contain such information as
26 the commissioner may prescribe and, unless the person is licensed
27 by a municipality to own or operate a rooming and boarding house
28 pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be
29 accompanied by a fee established by the commissioner which shall
30 not be less than \$150 or more than \$600, except as provided in
31 subsection e. of this section. If, upon receipt of the fee and a review
32 of the application, the commissioner determines that the applicant
33 will operate, or provide for the operation of, a rooming or boarding
34 house in accordance with the provisions of this act, the
35 commissioner shall issue a license to the applicant.

36 Each license shall be valid for one year from the date of
37 issuance, but may be renewed upon application by the owner or
38 operator and upon payment of the same fee required for initial
39 licensure.

40 c. Only one license shall be required to own a rooming or
41 boarding house, but an endorsement thereto shall be required for
42 each separate building owned and operated, or intended to be
43 operated, as a rooming or boarding house. Each application for
44 licensure or renewal shall indicate every such building for which an
45 endorsement is required. If, during the term of a license, an
46 additional endorsement is required, or an existing one is no longer
47 required, an amended application for licensure shall be submitted.

1 d. A person making application for, or who has been issued, a
2 license to own or operate a rooming or boarding house who
3 conceals the fact that the person has been denied a license to own or
4 operate a residential facility, or that the person's license to own or
5 operate a residential facility has been revoked by a department or
6 agency of state government in this or any other state is liable for a
7 civil penalty of not more than ~~[\$5,000]~~ \$25,000, and any license to
8 own or operate a rooming or boarding house which has been issued
9 to that person shall be immediately revoked.

10 e. The commissioner shall annually review the cost of
11 administering and enforcing this section and shall establish by rule
12 such changes to the license application fee as may be necessary to
13 cover the cost of such administration and enforcement.

14 f. The commissioner shall maintain and publish on the
15 department's Internet website a list of each licensed cooperative
16 sober living residence in the State, including the location and
17 contact information for each licensed cooperative sober living
18 residence.

19 (cf: P.L.2015, c.125, s.14)

20
21 3. Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended to
22 read as follows:

23 9. The commissioner shall ensure that each rooming or
24 boarding house whose owner possesses a valid license is inspected
25 and its records reviewed at least once each year for the purpose of
26 determining whether the owner or operator is complying with
27 standards promulgated pursuant to the provisions of P.L.1979,
28 c.496 (C.55:13B-1 et seq.), except that in the case of a cooperative
29 sober living residence, the commissioner shall ensure that an
30 unannounced inspection and record review of a licensed cooperative
31 sober living residence is conducted at least twice each year for the
32 purpose of determining whether the owner or operator is complying
33 with standards promulgated pursuant to the provisions of P.L.1979,
34 c.496 (C.55:13B-1 et seq.). If the commissioner determines, as a
35 result of any such inspection and review of records, that an owner
36 or operator is in violation of such standards, he shall serve the
37 owner or operator of the facility with a written notice thereof, which
38 shall fix a date by which the owner or operator shall enter into
39 compliance. The commissioner shall not be required to perform
40 annual inspections of facilities licensed and inspected by a
41 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but
42 shall have the authority to oversee and ensure the enforcement of
43 the "Rooming and Boarding House Act of 1979," P.L.1979, c.496
44 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant
45 thereto in those facilities. A municipality shall file with the
46 commissioner a copy of an inspection report prepared following an
47 inspection of a rooming or boarding house performed by the
48 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.). The

1 commissioner may prescribe a standard inspection report format to
2 be used by the municipality.

3 The Department of Community Affairs shall post on its Internet
4 website each inspection report prepared following an inspection
5 performed on behalf of or filed with the commissioner pursuant to
6 this section, along with any other inspection report prepared by or
7 on behalf of the department for a rooming or boarding house.

8 If an inspection reveals a serious health and safety violation at a
9 rooming or boarding house, the department shall post the inspection
10 report, including the name of the rooming or boarding house and the
11 owner of the rooming or boarding house, on its website no later
12 than 72 hours following the inspection. If a license of a rooming or
13 boarding house is suspended, the department shall post the
14 suspension on its website no later than 72 hours following the
15 suspension. The department shall update its website to reflect the
16 correction of a serious health and safety violation, and the lifting of
17 a suspension.

18 The department shall notify, as soon as possible, the
19 Commissioner of Human Services, or the commissioner's designee,
20 and the director of the county board of social services or county
21 welfare agency, as appropriate, in the county in which a rooming or
22 boarding house is located, of a serious health and safety violation at
23 the rooming or boarding house and of any suspension of a license to
24 operate such rooming or boarding house.

25 (cf: P.L.2015, c.6, s.2)

26

27 4. (New section) a. The operator of a cooperative sober living
28 residence shall immediately notify the Department of Community
29 Affairs via electronic mail, or via fax, on a form prescribed by the
30 commissioner, if an event occurs that jeopardizes the health, safety,
31 or welfare of residents or staff, including, but not limited to:

32 (1) Fire, flood, disaster, accident, or other unanticipated event
33 that results in the serious injury or death of a resident or staff
34 member, or the evacuation of residents from the cooperative sober
35 living residence, or closure of the cooperative sober living residence
36 for six or more hours;

37 (2) Serious injury or death of a resident of the cooperative sober
38 living residence, including overdose;

39 (3) Outbreak of a communicable disease or other condition that
40 adversely affects multiple residents or staff;

41 (4) Alleged or suspected crimes that endanger the life or safety
42 of residents or staff, or which jeopardize the operations or fiscal
43 stability of the cooperative sober living residence;

44 (5) Disciplinary actions concerning staff, including termination,
45 resulting from inappropriate staff interaction with residents; and

46 (6) Criminal convictions or disciplinary sanctions imposed on
47 staff or board members or representatives of the governing authority

1 by licensing or credentialing boards since the prior application for
2 licensure.

3 b. The owner or operator of a cooperative sober living residence
4 shall submit to the Department of Community Affairs a written
5 report within five working days of an incident which requires
6 reporting pursuant to subsection a. of this section. The written
7 report shall contain detailed information of the incident, which shall
8 include but not be limited to, identification of any known factors
9 that contributed to the occurrence of the incident, and corrective
10 actions and timeframes being implemented by the cooperative sober
11 living residence to minimize the risk of further incident.

12
13 5. (New section) The commissioner shall, in consultation with
14 the Commissioner of Health and the Commissioner of Human
15 Services, require cooperative sober living residences to: employ
16 staff members, who are to be required to live in the cooperative
17 sober living residences and who are qualified to assist others to
18 recover from alcohol and drug addiction in a manner to be
19 determined by the commissioner; forbid possession or use of
20 alcohol or illicit drugs within the residence and subject residents to
21 random testing for alcohol and drug use; and provide residents
22 individual counseling and group meetings sessions which are
23 centered on recovery from alcohol and drug addiction.

24
25 6. This act shall take effect on the first day of the fourth month
26 next following the date of enactment, provided that section 3 of this
27 act shall take effect on the first day of the calendar year next
28 following enactment, and further provided that the Commissioner of
29 Community Affairs shall be permitted to take anticipatory action
30 necessary to implement the provisions of P.L. , c. (C.)
31 (pending before the Legislature as this bill).

32

33

34

STATEMENT

35

36 The bill amends the "Rooming and Boarding House Act of 1979"
37 to strengthen the State's regulation of cooperative sober living
38 residences, as defined in the bill.

39 Specifically, the bill increases the maximum civil penalty for
40 certain licensing violations for a rooming or boarding house,
41 including cooperative sober living residences. The bill requires the
42 Department of Community Affairs (DCA) to maintain a list of
43 licensed cooperative sober living residences on its Internet website
44 including the location and contact information for each licensed
45 cooperative sober living residence. The bill requires two
46 unannounced inspection and record reviews of cooperative sober
47 living residences per year to determine whether the owner or
48 operator of the cooperative sober living residence is complying with

1 the provisions of the "Rooming and Boarding House Act of 1979."
2 The bill also establishes reporting requirements for incidents
3 affecting the safety or welfare of cooperative sober living residence
4 residents or staff, which includes an immediate notification to DCA
5 and a written report of the incident within five working days of the
6 incident. Incidents for which the bill's reporting requirements
7 would apply include:

8 (1) fire, flood, disaster, accident, or other unanticipated event
9 that results in the serious injury or death of a resident or staff
10 member, or the evacuation of residents from the cooperative sober
11 living residence, or closure of the cooperative sober living residence
12 for six or more hours;

13 (2) serious injury or death of a resident of the cooperative sober
14 living residence, including overdose;

15 (3) outbreak of a communicable disease or other condition that
16 adversely affects multiple residents or staff;

17 (4) alleged or suspected crimes that endanger the life or safety
18 of residents or staff, or which jeopardize the operations or fiscal
19 stability of the cooperative sober living residence;

20 (5) disciplinary actions concerning staff, including termination,
21 resulting from inappropriate staff interaction with residents; and

22 (6) criminal convictions or disciplinary sanctions imposed on
23 staff or board members or representatives of the governing authority
24 by licensing or credentialing boards since the prior application for
25 licensure.

26 Under the bill, the Commissioner of Community Affairs is, in
27 consultation with the Commissioner of Health and the
28 Commissioner of Human Services, to require cooperative sober
29 living residences to: employ staff members, who are to be required
30 to live in cooperative sober living residences and who are qualified
31 to assist others to recover from alcohol and drug addiction in a
32 manner to be determined by the commissioner; forbid possession or
33 use of alcohol or illicit drugs within the residence and subject
34 residents to random testing for alcohol and drug use; and provide
35 residents individual counseling and group meetings sessions which
36 are centered on recovery from alcohol and drug addiction.

37 The bill makes additional technical corrections.

[First Reprint]

SENATE, No. 2952

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 11, 2024

Sponsored by:

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator RAJ MUKHERJI

District 32 (Hudson)

Co-Sponsored by:

Senators Stack, Johnson, Space and Greenstein

SYNOPSIS

Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000.

CURRENT VERSION OF TEXT

As reported by the Senate Community and Urban Affairs Committee on December 5, 2024, with amendments.



(Sponsorship Updated As Of: 1/14/2025)

1 AN ACT concerning State regulation of cooperative sober living
2 residences and boarding houses generally, ¹**[and]**¹ amending and
3 supplementing P.L.1979, c.496 ¹, and making an appropriation¹.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read
9 as follows:

10 3. As used in **[this act]** P.L.1979, c.496 (C.55:13B-1 et seq.):

11 a. "Boarding house" means any building, together with any
12 related structure, accessory building, any land appurtenant thereto,
13 and any part thereof, which contains two or more units of dwelling
14 space arranged or intended for single room occupancy, exclusive of
15 any such unit occupied by an owner or operator, and wherein
16 personal or financial services are provided to the residents,
17 including any residential hotel or congregate living arrangement,
18 but excluding any hotel, motel, or established guest house wherein a
19 minimum of 85 percent of the units of dwelling space are offered
20 for limited tenure only, any resource family home as defined in
21 section 1 of P.L.1962, c.137 (C.30:4C-26.1), any community
22 residence for the developmentally disabled and any community
23 residence for the mentally ill as defined in section 2 of P.L.1977,
24 c.448 (C.30:11B-2), any adult family care home as defined in
25 section 3 of P.L.2001, c.304 (C.26:2Y-3), any dormitory owned or
26 operated on behalf of any nonprofit institution of primary,
27 secondary, or higher education for the use of its students, any
28 building arranged for single room occupancy wherein the units of
29 dwelling space are occupied exclusively by students enrolled in a
30 full-time course of study at an institution of higher education
31 approved by the New Jersey Commission on Higher Education, any
32 facility or living arrangement operated by, or under contract with,
33 any State department or agency, upon the written authorization of
34 the commissioner, and any owner-occupied, one-family residential
35 dwelling made available for occupancy by not more than six guests,
36 where the primary purpose of the occupancy is to provide charitable
37 assistance to the guests and where the owner derives no income
38 from the occupancy. A dwelling shall be deemed "owner-occupied"
39 within the meaning of this section if it is owned or operated by a
40 nonprofit religious or charitable association or corporation and is
41 used as the principal residence of a minister or employee of that
42 corporation or association. For any such dwelling, however, fire
43 detectors shall be required as determined by the Department of
44 Community Affairs.

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

Matter underlined **thus** is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCU committee amendments adopted December 5, 2024.

- 1 b. "Commissioner" means the Commissioner of **the**
2 Department of **Community Affairs**.
- 3 c. "Financial services" means any assistance permitted or
4 required by the commissioner to be furnished by an owner or
5 operator to a resident in the management of personal financial
6 matters, including, but not limited to, the cashing of checks, holding
7 of personal funds for safekeeping in any manner or assistance in the
8 purchase of goods or services with a resident's personal funds.
- 9 d. "Limited tenure" means residence at a rooming or boarding
10 house on a temporary basis, for a period lasting no more than 90
11 days, when a resident either maintains a primary residence at a
12 location other than the rooming or boarding house or intends to
13 establish a primary residence at such a location and does so within
14 90 days after taking up original residence at the rooming or
15 boarding house.
- 16 e. "Operator" means any individual who is responsible for the
17 daily operation of a rooming or boarding house.
- 18 f. "Owner" means any person who owns, purports to own, or
19 exercises control of any rooming or boarding house.
- 20 g. "Personal services" means any services permitted or required
21 to be furnished by an owner or operator to a resident, other than
22 shelter, including, but not limited to, meals or other food services,
23 and assistance in dressing, bathing, or attending to other personal
24 needs.
- 25 h. "Rooming house" means a boarding house wherein no
26 personal or financial services are provided to the residents.
- 27 i. "Single room occupancy" means an arrangement of dwelling
28 space which does not provide a private, secure dwelling space
29 arranged for independent living, which contains both the sanitary
30 and cooking facilities required in dwelling spaces pursuant to the
31 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
32 seq.), and which is not used for limited tenure occupancy in a hotel,
33 motel, or established guest house, regardless of the number of
34 individuals occupying any room or rooms.
- 35 j. "Unit of dwelling space" means any room, rooms, suite, or
36 portion thereof, whether furnished or unfurnished, which is
37 occupied or intended, arranged, or designed to be occupied for
38 sleeping or dwelling purposes by one or more persons.
- 39 k. (Deleted by amendment, P.L.2015, c.125)
- 40 l. (Deleted by amendment, P.L.2015, c.125)
- 41 m. "Cooperative sober living residence" means a boarding
42 house that serves solely as a home for individuals who are
43 recovering from drug or alcohol addiction and is intended to
44 provide an environment where the residents can support each
45 other's sobriety and recovery.
46 (cf: P.L.2015, c.125, s.12)

1 2. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read
2 as follows:

3 7. a. (1) No person shall own or operate a rooming or boarding
4 house, hold out a building as available for rooming or boarding
5 house occupancy, or apply for any necessary construction or
6 planning approvals related to the establishment of a rooming or
7 boarding house without a valid license to own or operate such a
8 facility, issued by the commissioner and, if appropriate, by a
9 municipality which has elected to issue such licenses pursuant to
10 P.L.1993, c.290 (C.40:52-9 et seq.).

11 (2) (Deleted by amendment, P.L.2015, c.125)

12 (3) Any person found to be in violation of this subsection shall
13 be liable for a civil penalty of not more than ~~【\$5,000】~~ \$25,000 for
14 each building so owned or operated, which penalty shall be payable
15 to the appropriate licensing entity.

16 b. The commissioner shall establish separate categories of
17 licensure for owning and for operating a rooming or boarding
18 house, provided, however, that an owner who himself operates such
19 a facility need not also possess an operator's license.

20 If an owner seeking to be licensed is other than an individual, the
21 application shall state the name of an individual who is a member,
22 officer, or stockholder in the corporation or association seeking to
23 be licensed, and the same shall be designated the primary owner of
24 the rooming or boarding house.

25 Each application for licensure shall contain such information as
26 the commissioner may prescribe and, unless the person is licensed
27 by a municipality to own or operate a rooming and boarding house
28 pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be
29 accompanied by a fee established by the commissioner which shall
30 not be less than \$150 or more than \$600, except as provided in
31 subsection e. of this section. If, upon receipt of the fee and a review
32 of the application, the commissioner determines that the applicant
33 will operate, or provide for the operation of, a rooming or boarding
34 house in accordance with the provisions of this act, the
35 commissioner shall issue a license to the applicant.

36 Each license shall be valid for one year from the date of
37 issuance, but may be renewed upon application by the owner or
38 operator and upon payment of the same fee required for initial
39 licensure.

40 c. Only one license shall be required to own a rooming or
41 boarding house, but an endorsement thereto shall be required for
42 each separate building owned and operated, or intended to be
43 operated, as a rooming or boarding house. Each application for
44 licensure or renewal shall indicate every such building for which an
45 endorsement is required. If, during the term of a license, an
46 additional endorsement is required, or an existing one is no longer
47 required, an amended application for licensure shall be submitted.

1 d. A person making application for, or who has been issued, a
2 license to own or operate a rooming or boarding house who
3 conceals the fact that the person has been denied a license to own or
4 operate a residential facility, or that the person's license to own or
5 operate a residential facility has been revoked by a department or
6 agency of state government in this or any other state is liable for a
7 civil penalty of not more than ~~[\$5,000]~~ \$25,000, and any license to
8 own or operate a rooming or boarding house which has been issued
9 to that person shall be immediately revoked.

10 e. The commissioner shall annually review the cost of
11 administering and enforcing this section and shall establish by rule
12 such changes to the license application fee as may be necessary to
13 cover the cost of such administration and enforcement.

14 f. The commissioner shall maintain and publish on the
15 department's Internet website a list of each licensed cooperative
16 sober living residence in the State, including the location and
17 contact information for each licensed cooperative sober living
18 residence.

19 (cf: P.L.2015, c.125, s.14)

20
21 3. Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended to
22 read as follows:

23 9. The commissioner shall ensure that each rooming or
24 boarding house whose owner possesses a valid license is inspected
25 and its records reviewed at least once each year for the purpose of
26 determining whether the owner or operator is complying with
27 standards promulgated pursuant to the provisions of P.L.1979,
28 c.496 (C.55:13B-1 et seq.), except that in the case of a cooperative
29 sober living residence, the commissioner shall ensure that an
30 unannounced inspection and record review of a licensed cooperative
31 sober living residence is conducted at least twice each year for the
32 purpose of determining whether the owner or operator is complying
33 with standards promulgated pursuant to the provisions of P.L.1979,
34 c.496 (C.55:13B-1 et seq.). If the commissioner determines, as a
35 result of any such inspection and review of records, that an owner
36 or operator is in violation of such standards, he shall serve the
37 owner or operator of the facility with a written notice thereof, which
38 shall fix a date by which the owner or operator shall enter into
39 compliance. The commissioner shall not be required to perform
40 annual inspections of facilities licensed and inspected by a
41 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but
42 shall have the authority to oversee and ensure the enforcement of
43 the "Rooming and Boarding House Act of 1979," P.L.1979, c.496
44 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant
45 thereto in those facilities. A municipality shall file with the
46 commissioner a copy of an inspection report prepared following an
47 inspection of a rooming or boarding house performed by the
48 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.). The

1 commissioner may prescribe a standard inspection report format to
2 be used by the municipality.

3 The Department of Community Affairs shall post on its Internet
4 website each inspection report prepared following an inspection
5 performed on behalf of or filed with the commissioner pursuant to
6 this section, along with any other inspection report prepared by or
7 on behalf of the department for a rooming or boarding house.

8 If an inspection reveals a serious health and safety violation at a
9 rooming or boarding house, the department shall post the inspection
10 report, including the name of the rooming or boarding house and the
11 owner of the rooming or boarding house, on its website no later
12 than 72 hours following the inspection. If a license of a rooming or
13 boarding house is suspended, the department shall post the
14 suspension on its website no later than 72 hours following the
15 suspension. The department shall update its website to reflect the
16 correction of a serious health and safety violation, and the lifting of
17 a suspension.

18 The department shall notify, as soon as possible, the
19 Commissioner of Human Services, or the commissioner's designee,
20 and the director of the county board of social services or county
21 welfare agency, as appropriate, in the county in which a rooming or
22 boarding house is located, of a serious health and safety violation at
23 the rooming or boarding house and of any suspension of a license to
24 operate such rooming or boarding house.

25 (cf: P.L.2015, c.6, s.2)

26

27 4. (New section) a. The operator of a cooperative sober living
28 residence shall immediately notify the Department of Community
29 Affairs via electronic mail, or via fax, on a form prescribed by the
30 commissioner, if an event occurs that jeopardizes the health, safety,
31 or welfare of residents or staff, including, but not limited to:

32 (1) Fire, flood, disaster, accident, or other unanticipated event
33 that results in the serious injury or death of a resident or staff
34 member, or the evacuation of residents from the cooperative sober
35 living residence, or closure of the cooperative sober living residence
36 for six or more hours;

37 (2) Serious injury or death of a resident of the cooperative sober
38 living residence, including overdose;

39 (3) Outbreak of a communicable disease or other condition that
40 adversely affects multiple residents or staff;

41 (4) Alleged or suspected crimes that endanger the life or safety
42 of residents or staff, or which jeopardize the operations or fiscal
43 stability of the cooperative sober living residence;

44 (5) Disciplinary actions concerning staff, including termination,
45 resulting from inappropriate staff interaction with residents; and

46 (6) Criminal convictions or disciplinary sanctions imposed on
47 staff or board members or representatives of the governing authority

1 by licensing or credentialing boards since the prior application for
2 licensure.

3 b. The owner or operator of a cooperative sober living residence
4 shall submit to the Department of Community Affairs a written
5 report within five working days of an incident which requires
6 reporting pursuant to subsection a. of this section. The written
7 report shall contain detailed information of the incident, which shall
8 include but not be limited to, identification of any known factors
9 that contributed to the occurrence of the incident, and corrective
10 actions and timeframes being implemented by the cooperative sober
11 living residence to minimize the risk of further incident.

12

13 5. (New section) The commissioner shall, in consultation with the
14 Commissioner of Health and the Commissioner of Human Services,
15 require cooperative sober living residences to: ¹**employ staff**
16 **members, who are to be required to live in the cooperative sober living**
17 **residences and who are qualified to assist others to recover from**
18 **alcohol and drug addiction in a manner to be determined by the**
19 **commissioner**]

20 a. employ no less than one supervisor who is required to live in
21 the cooperative sober living residence and who is certified as meeting
22 qualifications, established by the commissioner, requisite to manage
23 the operations of a cooperative sober living house, which include, but
24 are not limited to, enforcing rules of the cooperative sober living
25 residence and assisting residents in recovery from alcohol and drug
26 addiction in a manner to be determined by the commissioner and
27 consistent with subsection c. of this section¹;

28 ¹**b.** ¹forbid possession or use of alcohol or illicit drugs within the
29 residence and subject residents to random testing for alcohol and drug
30 use; and ¹**[provide]**

31 c. encourage¹ residents ¹**[individual counseling and group**
32 **meetings sessions which are]** to: attend self-help programs that are¹
33 centered on recovery from alcohol and drug addiction ¹;
34 participate in activities related to maintaining sobriety and continuing recovery from
35 alcohol and drug addiction, including, but not limited to, on-site peer-
36 led meetings; and receive off-site services deemed desirable or
37 necessary to maintain sobriety¹.

38

39 ¹**6.** There is appropriated \$100,000 from the General Fund to the
40 Department of Community Affairs to effectuate the purposes of
41 P.L. , c. (C.) (pending before the Legislature as this bill).¹

42

43 ¹**[6.] 7.**¹ This act shall take effect on the first day of the fourth
44 month next following the date of enactment, provided that section 3
45 of this act shall take effect on the first day of the calendar year next
46 following enactment, and further provided that the Commissioner of
47 Community Affairs shall be permitted to take anticipatory action

1 necessary to implement the provisions of P.L. , c. (C.)
2 (pending before the Legislature as this bill) ¹, including the
3 promulgation of necessary rules or regulations to ensure the proper
4 qualification and responsibilities of supervisors of cooperative
5 sober living residences pursuant to subsection a. of section 5 of
6 P.L. , c. (C.) (pending before the Legislature as this bill)¹.

[Second Reprint]

SENATE, No. 2952

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 11, 2024

Sponsored by:

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator RAJ MUKHERJI

District 32 (Hudson)

Co-Sponsored by:

Senators Stack, Johnson, Space and Greenstein

SYNOPSIS

Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000.

CURRENT VERSION OF TEXT

As amended by the Senate on March 24, 2025.



(Sponsorship Updated As Of: 1/14/2025)

1 AN ACT concerning State regulation of cooperative sober living
2 residences and boarding houses generally, ¹**["and"]**¹ amending and
3 supplementing P.L.1979, c.496 ¹, and making an appropriation¹.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. Section 3 of P.L.1979, c.496 (C.55:13B-3) is amended to read
9 as follows:

10 3. As used in **[this act]** P.L.1979, c.496 (C.55:13B-1 et seq.):

11 a. "Boarding house" means any building, together with any
12 related structure, accessory building, any land appurtenant thereto,
13 and any part thereof, which contains two or more units of dwelling
14 space arranged or intended for single room occupancy, exclusive of
15 any such unit occupied by an owner or operator, and wherein
16 personal or financial services are provided to the residents,
17 including any residential hotel or congregate living arrangement,
18 but excluding any hotel, motel, or established guest house wherein a
19 minimum of 85 percent of the units of dwelling space are offered
20 for limited tenure only, any resource family home as defined in
21 section 1 of P.L.1962, c.137 (C.30:4C-26.1), any community
22 residence for the developmentally disabled and any community
23 residence for the mentally ill as defined in section 2 of P.L.1977,
24 c.448 (C.30:11B-2), any adult family care home as defined in
25 section 3 of P.L.2001, c.304 (C.26:2Y-3), any dormitory owned or
26 operated on behalf of any nonprofit institution of primary,
27 secondary, or higher education for the use of its students, any
28 building arranged for single room occupancy wherein the units of
29 dwelling space are occupied exclusively by students enrolled in a
30 full-time course of study at an institution of higher education
31 approved by the New Jersey Commission on Higher Education, any
32 facility or living arrangement operated by, or under contract with,
33 any State department or agency, upon the written authorization of
34 the commissioner, and any owner-occupied, one-family residential
35 dwelling made available for occupancy by not more than six guests,
36 where the primary purpose of the occupancy is to provide charitable
37 assistance to the guests and where the owner derives no income
38 from the occupancy. A dwelling shall be deemed "owner-occupied"
39 within the meaning of this section if it is owned or operated by a
40 nonprofit religious or charitable association or corporation and is
41 used as the principal residence of a minister or employee of that
42 corporation or association. For any such dwelling, however, fire
43 detectors shall be required as determined by the Department of
44 Community Affairs.

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCU committee amendments adopted December 5, 2024.
amendments adopted March 24, 2025.

²Senate floor

- 1 b. "Commissioner" means the Commissioner of **【the**
2 Department of**】** Community Affairs.
- 3 c. "Financial services" means any assistance permitted or
4 required by the commissioner to be furnished by an owner or
5 operator to a resident in the management of personal financial
6 matters, including, but not limited to, the cashing of checks, holding
7 of personal funds for safekeeping in any manner or assistance in the
8 purchase of goods or services with a resident's personal funds.
- 9 d. "Limited tenure" means residence at a rooming or boarding
10 house on a temporary basis, for a period lasting no more than 90
11 days, when a resident either maintains a primary residence at a
12 location other than the rooming or boarding house or intends to
13 establish a primary residence at such a location and does so within
14 90 days after taking up original residence at the rooming or
15 boarding house.
- 16 e. "Operator" means any individual who is responsible for the
17 daily operation of a rooming or boarding house.
- 18 f. "Owner" means any person who owns, purports to own, or
19 exercises control of any rooming or boarding house.
- 20 g. "Personal services" means any services permitted or required
21 to be furnished by an owner or operator to a resident, other than
22 shelter, including, but not limited to, meals or other food services,
23 and assistance in dressing, bathing, or attending to other personal
24 needs.
- 25 h. "Rooming house" means a boarding house wherein no
26 personal or financial services are provided to the residents.
- 27 i. "Single room occupancy" means an arrangement of dwelling
28 space which does not provide a private, secure dwelling space
29 arranged for independent living, which contains both the sanitary
30 and cooking facilities required in dwelling spaces pursuant to the
31 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
32 seq.), and which is not used for limited tenure occupancy in a hotel,
33 motel, or established guest house, regardless of the number of
34 individuals occupying any room or rooms.
- 35 j. "Unit of dwelling space" means any room, rooms, suite, or
36 portion thereof, whether furnished or unfurnished, which is
37 occupied or intended, arranged, or designed to be occupied for
38 sleeping or dwelling purposes by one or more persons.
- 39 k. (Deleted by amendment, P.L.2015, c.125)
- 40 l. (Deleted by amendment, P.L.2015, c.125)
- 41 m. "Cooperative sober living residence" means a boarding
42 house that serves solely as a home for individuals who are
43 recovering from drug or alcohol addiction and is intended to
44 provide an environment where the residents can support each
45 other's sobriety and recovery.
46 (cf: P.L.2015, c.125, s.12)

1 2. Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to read
2 as follows:

3 7. a. (1) No person shall own or operate a rooming or boarding
4 house, hold out a building as available for rooming or boarding
5 house occupancy, or apply for any necessary construction or
6 planning approvals related to the establishment of a rooming or
7 boarding house without a valid license to own or operate such a
8 facility, issued by the commissioner and, if appropriate, by a
9 municipality which has elected to issue such licenses pursuant to
10 P.L.1993, c.290 (C.40:52-9 et seq.).

11 (2) (Deleted by amendment, P.L.2015, c.125)

12 (3) Any person found to be in violation of this subsection shall
13 be liable for a civil penalty of not more than ~~【\$5,000】~~ \$25,000 for
14 each building so owned or operated, which penalty shall be payable
15 to the appropriate licensing entity.

16 b. The commissioner shall establish separate categories of
17 licensure for owning and for operating a rooming or boarding
18 house, provided, however, that an owner who himself operates such
19 a facility need not also possess an operator's license.

20 If an owner seeking to be licensed is other than an individual, the
21 application shall state the name of an individual who is a member,
22 officer, or stockholder in the corporation or association seeking to
23 be licensed, and the same shall be designated the primary owner of
24 the rooming or boarding house.

25 Each application for licensure shall contain such information as
26 the commissioner may prescribe and, unless the person is licensed
27 by a municipality to own or operate a rooming and boarding house
28 pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be
29 accompanied by a fee established by the commissioner which shall
30 not be less than \$150 or more than \$600, except as provided in
31 subsection e. of this section. If, upon receipt of the fee and a review
32 of the application, the commissioner determines that the applicant
33 will operate, or provide for the operation of, a rooming or boarding
34 house in accordance with the provisions of this act, the
35 commissioner shall issue a license to the applicant.

36 Each license shall be valid for one year from the date of
37 issuance, but may be renewed upon application by the owner or
38 operator and upon payment of the same fee required for initial
39 licensure.

40 c. Only one license shall be required to own a rooming or
41 boarding house, but an endorsement thereto shall be required for
42 each separate building owned and operated, or intended to be
43 operated, as a rooming or boarding house. Each application for
44 licensure or renewal shall indicate every such building for which an
45 endorsement is required. If, during the term of a license, an
46 additional endorsement is required, or an existing one is no longer
47 required, an amended application for licensure shall be submitted.

1 d. A person making application for, or who has been issued, a
2 license to own or operate a rooming or boarding house who
3 conceals the fact that the person has been denied a license to own or
4 operate a residential facility, or that the person's license to own or
5 operate a residential facility has been revoked by a department or
6 agency of state government in this or any other state is liable for a
7 civil penalty of not more than ~~[\$5,000]~~ \$25,000, and any license to
8 own or operate a rooming or boarding house which has been issued
9 to that person shall be immediately revoked.

10 e. The commissioner shall annually review the cost of
11 administering and enforcing this section and shall establish by rule
12 such changes to the license application fee as may be necessary to
13 cover the cost of such administration and enforcement.

14 f. The commissioner shall maintain and publish on the
15 department's Internet website a list of each licensed cooperative
16 sober living residence in the State, including the location and
17 contact information for each licensed cooperative sober living
18 residence.

19 (cf: P.L.2015, c.125, s.14)

20
21 3. Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended to
22 read as follows:

23 9. The commissioner shall ensure that each rooming or
24 boarding house whose owner possesses a valid license is inspected
25 and its records reviewed at least once each year for the purpose of
26 determining whether the owner or operator is complying with
27 standards promulgated pursuant to the provisions of P.L.1979,
28 c.496 (C.55:13B-1 et seq.), except that in the case of a cooperative
29 sober living residence, the commissioner shall ensure that an
30 unannounced inspection and record review of a licensed cooperative
31 sober living residence is conducted at least twice each year for the
32 purpose of determining whether the owner or operator is complying
33 with standards promulgated pursuant to the provisions of P.L.1979,
34 c.496 (C.55:13B-1 et seq.). If the commissioner determines, as a
35 result of any such inspection and review of records, that an owner
36 or operator is in violation of such standards, he shall serve the
37 owner or operator of the facility with a written notice thereof, which
38 shall fix a date by which the owner or operator shall enter into
39 compliance. The commissioner shall not be required to perform
40 annual inspections of facilities licensed and inspected by a
41 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but
42 shall have the authority to oversee and ensure the enforcement of
43 the "Rooming and Boarding House Act of 1979," P.L.1979, c.496
44 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant
45 thereto in those facilities. A municipality shall file with the
46 commissioner a copy of an inspection report prepared following an
47 inspection of a rooming or boarding house performed by the
48 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.). The

1 commissioner may prescribe a standard inspection report format to
2 be used by the municipality.

3 The Department of Community Affairs shall post on its Internet
4 website each inspection report prepared following an inspection
5 performed on behalf of or filed with the commissioner pursuant to
6 this section, along with any other inspection report prepared by or
7 on behalf of the department for a rooming or boarding house.

8 If an inspection reveals a serious health and safety violation at a
9 rooming or boarding house, the department shall post the inspection
10 report, including the name of the rooming or boarding house and the
11 owner of the rooming or boarding house, on its website no later
12 than 72 hours following the inspection. If a license of a rooming or
13 boarding house is suspended, the department shall post the
14 suspension on its website no later than 72 hours following the
15 suspension. The department shall update its website to reflect the
16 correction of a serious health and safety violation, and the lifting of
17 a suspension.

18 The department shall notify, as soon as possible, the
19 Commissioner of Human Services, or the commissioner's designee,
20 and the director of the county board of social services or county
21 welfare agency, as appropriate, in the county in which a rooming or
22 boarding house is located, of a serious health and safety violation at
23 the rooming or boarding house and of any suspension of a license to
24 operate such rooming or boarding house.

25 (cf: P.L.2015, c.6, s.2)

26

27 4. (New section) a. The operator of a cooperative sober living
28 residence shall immediately notify the Department of Community
29 Affairs via electronic mail, or via fax, on a form prescribed by the
30 commissioner, if an event occurs that jeopardizes the health, safety,
31 or welfare of residents or staff, including, but not limited to:

32 (1) Fire, flood, disaster, accident, or other unanticipated event
33 that results in the serious injury or death of a resident or staff
34 member, or the evacuation of residents from the cooperative sober
35 living residence, or closure of the cooperative sober living residence
36 for six or more hours;

37 (2) Serious injury or death of a resident of the cooperative sober
38 living residence, including overdose;

39 (3) Outbreak of a communicable disease or other condition that
40 adversely affects multiple residents or staff;

41 (4) Alleged or suspected crimes that endanger the life or safety
42 of residents or staff, or which jeopardize the operations or fiscal
43 stability of the cooperative sober living residence;

44 (5) Disciplinary actions concerning staff, including termination,
45 resulting from inappropriate staff interaction with residents; and

46 (6) Criminal convictions or disciplinary sanctions imposed on
47 staff or board members or representatives of the governing authority

1 by licensing or credentialing boards since the prior application for
2 licensure.

3 b. The owner or operator of a cooperative sober living residence
4 shall submit to the Department of Community Affairs a written
5 report within five working days of an incident which requires
6 reporting pursuant to subsection a. of this section. The written
7 report shall contain detailed information of the incident, which shall
8 include but not be limited to, identification of any known factors
9 that contributed to the occurrence of the incident, and corrective
10 actions and timeframes being implemented by the cooperative sober
11 living residence to minimize the risk of further incident.

12

13 5. (New section) The commissioner shall, in consultation with the
14 Commissioner of Health and the Commissioner of Human Services,
15 require cooperative sober living residences to: ¹employ staff
16 members, who are to be required to live in the cooperative sober living
17 residences and who are qualified to assist others to recover from
18 alcohol and drug addiction in a manner to be determined by the
19 commissioner]

20 a. employ ²no less than one supervisor who is required to live in
21 the cooperative sober living residence and] supervisors² who ²is]
22 are² certified as meeting qualifications, established by the
23 commissioner, requisite to manage the operations of a cooperative
24 sober living house, which include, but are not limited to, enforcing
25 the² rules of the cooperative sober living residence and assisting
26 residents in recovery from alcohol and drug addiction in a manner to
27 be determined by the commissioner and consistent with subsection c.
28 of this section^{1 2}. No less than one supervisor shall be required to be
29 present at the cooperative sober living residence at all times²;

30 ¹b. ¹forbid possession or use of alcohol or illicit drugs within the
31 residence and subject residents to random testing for alcohol and drug
32 use; and ¹provide]

33 c. encourage¹ residents ¹individual counseling and group
34 meetings sessions which are] to: attend self-help programs that are¹
35 centered on recovery from alcohol and drug addiction ¹; participate in
36 activities related to maintaining sobriety and continuing recovery from
37 alcohol and drug addiction, including, but not limited to, on-site peer-
38 led meetings; and receive off-site services deemed desirable or
39 necessary to maintain sobriety¹.

40

41 ¹6. There is appropriated \$100,000 from the General Fund to the
42 Department of Community Affairs to effectuate the purposes of
43 P.L. , c. (C.) (pending before the Legislature as this bill).¹

44

45 ¹[6.] 7. ¹This act shall take effect on the first day of the fourth
46 month next following the date of enactment, provided that section 3

1 of this act shall take effect on the first day of the calendar year next
2 following enactment, and further provided that the Commissioner of
3 Community Affairs shall be permitted to take anticipatory action
4 necessary to implement the provisions of P.L. , c. (C.)
5 (pending before the Legislature as this bill) ¹, including the
6 promulgation of necessary rules or regulations to ensure the proper
7 qualification and responsibilities of supervisors of cooperative
8 sober living residences pursuant to subsection a. of section 5 of
9 P.L. , c. (C.) (pending before the Legislature as this bill)¹.

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 2952

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 5, 2024

The Senate Community and Urban Affairs Committee reports favorably, and with committee amendments, Senate Bill No. 2952.

As amended, the bill amends the "Rooming and Boarding House Act of 1979" to strengthen the State's regulation of cooperative sober living residences, as defined in the bill. The bill considers and adopts several recommendations by the New Jersey State Commission of Investigation's February 2024 investigative report titled "The Dirty Business Behind Getting Clean" and related public hearings concerning fraud, ethical misconduct, and corruption in the addiction rehabilitation industry.

Specifically, the bill increases the maximum civil penalty for certain licensing violations for a rooming or boarding house, including cooperative sober living residences. The bill requires the Department of Community Affairs (DCA) to maintain a list of licensed cooperative sober living residences on its Internet website including the location and contact information for each licensed cooperative sober living residence. The bill requires two unannounced inspection and record reviews of cooperative sober living residences per year to determine whether the owner or operator of the cooperative sober living residence is complying with the provisions of the "Rooming and Boarding House Act of 1979." The bill also establishes reporting requirements for incidents affecting the safety or welfare of cooperative sober living residence residents or staff, which includes an immediate notification to DCA and a written report of the incident within five working days of the incident. Incidents for which the bill's reporting requirements are to apply include:

(1) fire, flood, disaster, accident, or other unanticipated event that results in the serious injury or death of a resident or staff member, or the evacuation of residents from the cooperative sober living residence, or closure of the cooperative sober living residence for six or more hours;

(2) serious injury or death of a resident of the cooperative sober living residence, including overdose;

(3) outbreak of a communicable disease or other condition that adversely affects multiple residents or staff;

(4) alleged or suspected crimes that endanger the life or safety of residents or staff, or which jeopardize the operations or fiscal stability of the cooperative sober living residence;

(5) disciplinary actions concerning staff, including termination, resulting from inappropriate staff interaction with residents; and

(6) criminal convictions or disciplinary sanctions imposed on staff or board members or representatives of the governing authority by licensing or credentialing boards since the prior application for licensure.

Under the bill, the Commissioner of Community Affairs (commissioner), in consultation with the Commissioner of Health and the Commissioner of Human Services, is to require cooperative sober living residences to:

(1) employ no less than one supervisor who is required to live in the cooperative sober living residence and who is certified as meeting qualifications, established by the commissioner, requisite to manage the operations of a cooperative sober living house and assist others in recovery from alcohol and drug addiction in a manner to be determined by the commissioner and consistent with;

(2) forbid possession or use of alcohol or illicit drugs within the residence and subject residents to random testing for alcohol and drug use; and

(3) encourage residents to attend self-help programs that are centered on recovery from alcohol and drug addiction, participate in activities related to maintaining sobriety and continuing recovery from alcohol and drug addiction, and receive off-site services deemed desirable or necessary to maintain sobriety.

The bill is to take effect on the first day of the fourth month following enactment, except that: section 3 of the bill, providing certain requirements for the inspection of cooperative sober living residences, is to take effect on the first day of the next calendar year next following enactment; and the commissioner is to be permitted to take anticipatory action necessary to implement the provisions of the bill, including the promulgation of necessary rules and regulations to ensure the proper certification and responsibilities of supervisors of cooperative sober living residences.

The bill also appropriates \$100,000 to DCA to effectuate the purposes of the bill and makes additional technical corrections.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) remove a requirement to employ staff members at a cooperative sober living residence and, instead, establish a requirement, with associated authorization for advanced rulemaking, for cooperative sober living residences to employ no less than one supervisor who is certified according to the department's requirements;

(2) require cooperative sober living residences to encourage residents to attend certain self-help programs, participate in activities related to maintaining sobriety, and receive off-site services as needed, rather than providing counseling services and meetings on-site;

(3) appropriate \$100,000 to DCA to effectuate the provisions of the bill; and

(4) change the title and synopsis to reflect the appropriation.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2952

STATE OF NEW JERSEY

DATED: FEBRUARY 3, 2025

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2952 (1R).

The bill amends the "Rooming and Boarding House Act of 1979" to strengthen the State's regulation of cooperative sober living residences, as defined in the bill. The bill considers and adopts several recommendations by the New Jersey State Commission of Investigation's February 2024 investigative report titled "The Dirty Business Behind Getting Clean" and related public hearings concerning fraud, ethical misconduct, and corruption in the addiction rehabilitation industry.

Specifically, the bill increases the maximum civil penalty for certain licensing violations for a rooming or boarding house, including cooperative sober living residences. The bill requires the Department of Community Affairs (DCA) to maintain a list of licensed cooperative sober living residences on its Internet website including the location and contact information for each licensed cooperative sober living residence. The bill requires two unannounced inspection and record reviews of cooperative sober living residences per year to determine whether the owner or operator of the cooperative sober living residence is complying with the provisions of the "Rooming and Boarding House Act of 1979." The bill also establishes reporting requirements for incidents affecting the safety or welfare of cooperative sober living residence residents or staff, which includes an immediate notification to DCA and a written report of the incident within five working days of the incident. Incidents for which the bill's reporting requirements are to apply include:

(1) fire, flood, disaster, accident, or other unanticipated event that results in the serious injury or death of a resident or staff member, or the evacuation of residents from the cooperative sober living residence, or closure of the cooperative sober living residence for six or more hours;

(2) serious injury or death of a resident of the cooperative sober living residence, including overdose;

(3) outbreak of a communicable disease or other condition that adversely affects multiple residents or staff;

(4) alleged or suspected crimes that endanger the life or safety of residents or staff, or which jeopardize the operations or fiscal stability of the cooperative sober living residence;

(5) disciplinary actions concerning staff, including termination, resulting from inappropriate staff interaction with residents; and

(6) criminal convictions or disciplinary sanctions imposed on staff or board members or representatives of the governing authority by licensing or credentialing boards since the prior application for licensure.

Under the bill, the Commissioner of Community Affairs (commissioner), in consultation with the Commissioner of Health and the Commissioner of Human Services, is to require cooperative sober living residences to:

(1) employ no less than one supervisor who is required to live in the cooperative sober living residence and who is certified as meeting qualifications, established by the commissioner, requisite to manage the operations of a cooperative sober living house and assist others in recovery from alcohol and drug addiction in a manner to be determined by the commissioner and consistent with;

(2) forbid possession or use of alcohol or illicit drugs within the residence and subject residents to random testing for alcohol and drug use; and

(3) encourage residents to attend self-help programs that are centered on recovery from alcohol and drug addiction, participate in activities related to maintaining sobriety and continuing recovery from alcohol and drug addiction, and receive off-site services deemed desirable or necessary to maintain sobriety.

The bill is to take effect on the first day of the fourth month following enactment, except that: section 3 of the bill, providing certain requirements for the inspection of cooperative sober living residences, is to take effect on the first day of the next calendar year next following enactment; and the commissioner is to be permitted to take anticipatory action necessary to implement the provisions of the bill, including the promulgation of necessary rules and regulations to ensure the proper certification and responsibilities of supervisors of cooperative sober living residences.

The bill also appropriates \$100,000 to DCA to effectuate the purposes of the bill and makes additional technical corrections.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.

The bill will also result in increased revenue for the State and certain municipalities by increasing civil penalties for each rooming and boarding house licensure violation from a limit of up to \$5,000 to a limit of up to \$25,000.

STATEMENT TO
[First Reprint]
SENATE, No. 2952

with Senate Floor Amendments
(Proposed by Senator MORIARTY)

ADOPTED: MARCH 24, 2025

These floor amendments remove a requirement that cooperative sober living residences employ a live-in supervisor, and instead requires that a residence employ multiple supervisors and require that at least one be present at the residence at all times. These floor amendments make the bill identical to A4535 (2R).

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2952 STATE OF NEW JERSEY 221st LEGISLATURE

DATED: JANUARY 31, 2025

SUMMARY

- Synopsis:** Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000.
- Type of Impact:** Annual State expenditure and revenue increases; annual revenue increase for certain municipalities.
- Agencies Affected:** Department of Community Affairs; certain municipalities.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Thereafter</u>
State Expenditure Increase	Up to \$100,000	Indeterminate
State Revenue Increase	Up to \$20,000 per penalty	Up to \$20,000 per penalty
Local Revenue Increase	Up to \$20,000 per penalty	Up to \$20,000 per penalty

- The Office of Legislative Services (OLS) concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.
- The bill will also result in increased revenue for the State and certain municipalities by increasing civil penalties for each rooming and boarding house licensure violation from a limit of up to \$5,000 to a limit of up to \$25,000.

BILL DESCRIPTION

The bill amends the Rooming and Boarding House Act of 1979 in regards to the State's regulation of cooperative sober living residences, as defined in the bill. The bill increases the maximum civil penalty for certain licensing violations for a rooming or boarding house, including cooperative sober living residences. The bill requires the department to maintain a list of licensed

cooperative sober living residences on its Internet website including the location and contact information for each of these licensed residences. The bill requires two unannounced inspection and record reviews of cooperative sober living residences per year to determine whether the owner or operator is complying with the provisions of the Rooming and Boarding House Act of 1979. The bill also establishes reporting requirements for incidents affecting the safety or welfare of residents or staff.

Additionally, the Department of Community Affairs, in consultation with the Department of Health and the Department of Human Services, is to require cooperative sober living residences to: (1) employ no less than one supervisor who is required to live in the cooperative sober living residence and who is certified as meeting qualifications, established by the department, requisite to manage the operations of the residence and assist others in recovery from alcohol and drug addiction, in a manner to be determined by the department and consistent with the bill; (2) forbid possession or use of alcohol or illicit drugs within the residence and subject residents to random testing for alcohol and drug use; and (3) encourage residents to attend self-help programs that are centered on recovery from alcohol and drug addiction, participate in activities related to maintaining sobriety and continuing recovery from alcohol and drug addiction, and receive off-site services deemed desirable or necessary to maintain sobriety.

The bill also appropriates \$100,000 to the Department of Community Affairs to effectuate the purposes of the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill will result in a State expenditure increase of up to \$100,000 in the first year the bill is in effect for the Department of Community Affairs to conduct additional inspections of cooperative sober living residences, and maintain certain lists and reports. If the full \$100,000 is not expended in the first year, the residual amount will be spent in subsequent fiscal years until the full \$100,000 is exhausted.

The bill requires the department to ensure that an unannounced inspection and record review of each cooperative sober living residence is conducted at least twice per year. Currently, all rooming and boarding houses, including cooperative sober living residences, are required to be inspected at least once each year. The FY 2025 Governor's Budget indicates that there are an estimated 2,874 permanent boarding home licenses in the State. According to a February 2024 report by the New Jersey State Commission of Investigation titled "The Dirty Business Behind Getting Clean," there are approximately 210 licensed cooperative sober living residences in the State. The bill's requirement to conduct an additional inspection of each CSLR would increase the total inspections of boarding homes in the State by about one percent. The OLS, however, cannot predict the exact extent to which this new requirement will impact the department, including any potential staffing increase to meet the requirement. The OLS also notes that there is currently an unknown number of unlicensed cooperative sober living residences in the State that the bill, in part, seeks to address. Any increase in licensed cooperative sober living residences would increase the total required number of annual inspections by two, per new licensed residence.

The bill also requires the department to publish and maintain a list of licensed cooperative sober living residences in the State on its Internet website; prescribe a form for which the operator of a residence can notify the department of any incident that jeopardizes the health, safety, or welfare of the residents or staff and receive such reports; and prepare rules, regulations, or guidelines necessary for the operation of cooperative sober living residences in the State, including concerning the certification of certain staff. The department may experience an increase in administrative costs associated with these activities.

The bill may also result in increased revenue to entities that license rooming and boarding houses, including the department and certain municipalities that have elected to issue licenses for rooming and boarding houses. Current law provides that a person found to own or operate an unlicensed rooming or boarding house is liable for a civil penalty of not more than \$5,000 to be paid to the appropriate licensing entity. The bill increases the allowable civil penalty to \$25,000. Current law also provides that a person who owns or operates, or is applying for a license to own or operate, a residential facility—who conceals that the person has been denied a license to own or operate a residential facility, or that the person has had a license to own or operate a residential facility revoked by a state entity—is liable for a civil penalty of not more than \$5,000 to be paid to the State. The bill increases the allowable civil penalty to \$25,000. While the FY 2025 Governor’s Budget estimates that there will be 230 penalties issued in FY 2025 for boarding home violations, it is unclear how many of these penalties are expected to be due to licensure violations. Additionally, the OLS is unable to predict the exact monetary penalty for each violation.

Section: Local Government

*Analyst: Abigail Stoyer
Associate Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY BILL NO. 4535

(Second Reprint)

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 4535 (Second Reprint) with my recommendations for reconsideration.

Assembly Bill No. 4535 (Second Reprint) would codify cooperative sober living residences ("CSLRs"), also referred to as sober living homes, as a distinct category of boarding home under New Jersey's Rooming and Boarding House Act, N.J.S.A. 55:13B-1 et seq., and impose additional operational and oversight requirements for CSLRs that do not exist under current regulation. The bill would require the Department of Community Affairs ("DCA"), which licenses CSLRs, to maintain and publish online a list identifying each licensed CSLR's location and contact information and conduct unannounced inspections and records reviews of those CSLRs twice per year. The bill also would require operators of CSLRs to notify DCA of any events that jeopardize the health, safety, or welfare of residents or staff, including overdoses. In addition, the bill would compel CSLRs to employ supervisors certified by DCA as qualified to manage CSLR operations, at least one of whom must be present at the CSLR at all times; forbid alcohol or illicit drug possession within the residence and subject residents to random testing; and encourage residents to attend certain programs and activities focused on sobriety and recovery. Finally, the bill would increase the penalty for violating the licensing requirements from \$5,000 to \$25,000.

The bill comes in response to a recent report by the State Commission of Investigation ("SCI"), which found, in part, that certain unlicensed sober living homes were providing poor living conditions to recovery residents and otherwise failed to comply

with CSLR regulatory requirements. The bill adopts each SCI recommendation concerning the State's regulation of sober living homes: stiffer financial penalties for licensure violations; enhanced reporting requirements for certain incidents that occur on premises; and a published CSLR list.

I commend the bill's sponsors' commitment to implementing reasonable measures aimed at addressing potential abuses by owners of sober living homes that may adversely impact the home's residents. Sober living homes offer their residents a safe place to call home, where peer support and accountability are readily available, fostering a strong sense of community that is the cornerstone to sustained recovery. The bill takes important steps towards ensuring that CSLRs continue to provide stable, autonomous, and substance-free living environments to those in recovery.

But I am concerned that the legislation's command that licensed CSLRs employ at least one supervisor to be present at all times - which was not identified in the SCI report as having an apparent nexus to curtailing the conduct of unscrupulous owners - may unnecessarily strain the resources and erode the protections afforded to persons recovering from substance use disorders.

Since 2018, CSLRs have been recognized in DCA regulations as a discrete license category that allows them to exist in residential zones. Among other things, DCA's regulations impose licensing criteria that limit the number of individuals who may reside in a home to ten and require an individual who exercises control over the CSLR's operation to reside there. Just last year, DCA adopted several amendments to these regulations, including increasing the level of supervision required for licensure. The recently revised regulations now require a CSLR to have two operators, "one of whom must be present on-site from 7:00 p.m. to

7:00 a.m. when residents are present, and at least one of whom shall reside in the residence and exercise some level of control over the operation of the residence and establishes the residence's rules" to obtain and maintain a license to operate. This amendment was the product of significant stakeholdering, carefully designed to ensure that CSLR personnel are more readily available to residents without encroaching on the CSLR's purpose to provide a peer-supportive and structured living environment to individuals in recovery or overly burdening CSLR operations such that they could no longer provide the benefits of sober living to those in need.

For these reasons, I am recommending amendments to Assembly Bill No. 4535 (Second Reprint) that align the bill's staffing requirements with DCA's current regulations. My proposed modifications to the bill would codify the current requirement to provide two operators, one present from 7:00 p.m. to 7:00 a.m. when residents are present and one who resides in the home. My recommended amendments acknowledge the recency of this revision to the regulations as well as the significant efforts of DCA, industry experts, and sober living entities and organizations to achieve regulatory standards that ensure that CSLRs remain available to those who have taken the courageous step toward substance-use recovery.

Therefore, I herewith return Assembly Bill No. 4535 (Second Reprint) and recommend that it be amended as follows:

<u>Page 7, Section 5, Line 20:</u>	Delete "employ" and insert "provide"
<u>Page 7, Section 5, Line 21:</u>	Delete "supervisors" and insert "two operators"
<u>Page 7, Section 5, Lines 28-29:</u>	Delete ". No less than one supervisor shall be required to be present at the cooperative sober living residence at all times" and insert ", one of whom shall be present on-site from 7:00 p.m."

to 7:00 a.m. when residents are present, and at least one of whom shall reside in the residence and exercise some level of control over the operation of the residence and establishes the residence's rules"

Page 8, Section 7, Line 7:

Delete "supervisors" and insert "operators"

[seal]

Respectfully,

/s/ Philip D. Murphy

Governor

Attest:

/s/ Kate E. McDonnell

Chief Counsel to the Governor

Governor Murphy Takes Action on Legislation

Posted on - 05/8/2025

TRENTON – Today, Governor Murphy signed the following bills into law:

ACS for ACS for A-1825/SCS for S-3533 (Verrelli/McKnight, Bramnick) - Establishes certain guidelines for SHBP, SEHBP, and Medicaid concerning step therapy protocols

A-2813/S-2688 (Greenwald, Reynolds-Jackson, Speight/McKnight, Gopal) - Enters NJ in Social Work Licensure Compact

ACS for A-3940/SCS for S-1635 (Stanley, Schaer/Zwicker, Pou) - Modifies regulation of mortuary science and establishes oversight of mortuary and embalming science

A-4751/S-3606 (DeAngelo, Quijano, Bagolie/Diegnan, A.M. Bucco) - Permits purchase of service credit in SPRS for period of enrollment in military service academy and in New Jersey State Police Academy, and employment as class two special law enforcement officer

ACS for AJR-211/SCS for SJR-149 (Reynolds-Jackson, Sumter, Carter/Turner, Burgess) - Designates May 18 of each year as Six Triple Eight Day in NJ

Governor Murphy conditionally vetoed the following bills:

A-4535/S-2952 (Hutchison, Verrelli, Atkins/Moriarty, Mukherji) – CONDITIONAL - Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000

[Copy of Statement](#)

A-4652/S-3507 (Hutchison, Murphy/Moriarty, Wimberly) – CONDITIONAL -Establishes offense of inciting public brawl; upgrades penalty for disorderly conduct in certain circumstances

[Copy of Statement](#)

Governor Murphy Takes Action on Legislation

06/3/2025

TRENTON – Today, Governor Murphy signed the following bill into law:

A-4535wGR/S-2952 (Hutchison, Verrelli, Atkins/Moriarty, Mukherji) - Concerns State regulation of cooperative sober living residences and boarding houses generally; appropriates \$100,000