

52:27D-287.12 to 52:27D-287.14, Sec 4 Approp.**LEGISLATIVE HISTORY CHECKLIST**

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LAWS OF: 2025 **CHAPTER:** 85**NJSA:** 52:27D-287.12 to 52:27D-287.14, Sec 4 Approp. Establishes limit on rent increase for certain dwelling sites for modular or industrialized buildings or manufactured homes.**BILL NO:** A3361 (Substituted for S2953 (SS/1R))**SPONSOR(S)** Hutchison, Dan and others**DATE INTRODUCED:** 1/29/2024**COMMITTEE:** **ASSEMBLY:** Housing
Commerce, Economic Development & Agriculture**SENATE:** --**AMENDED DURING PASSAGE:** Yes**DATE OF PASSAGE: ASSEMBLY:** 06/30/2025**SENATE:** 06/30/2025**DATE OF APPROVAL:** 7/1/2025**FOLLOWING ARE ATTACHED IF AVAILABLE:****FINAL TEXT OF BILL** (A3361 AcsAaSa w/GR (ACS/3R) enacted)**ADVANCE LAW** Yes**PAMPHLET LAW** Yes**A3361****INTRODUCED BILL:** (Includes sponsor(s) statement) Yes**REPRINT(S):** Yes AHO 6/13/24 ACS
Senate 2/25/25 2R ACS
Assembly 9/26/24 1R ACS
Conditional Veto 3R ACS**TECHNICAL REVIEW OF BILL:** No**COMMITTEE STATEMENT: ASSEMBLY:** Yes Housing
Commerce, Economic Development, &
Agriculture**SENATE:** No(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 Assembly 9/26/24 ACS
Senate 2/25/25 1R ACS**LEGISLATIVE FISCAL ESTIMATE:** No

S2953 (SS/1R)

INTRODUCED BILL: (Includes sponsor(s) statement)	Yes	
REPRINT(S):	Yes	SSG 10/24/24 1R Senate 1/30/25 SS Senate 1/30/25 1R SS
TECHNICAL REVIEW OF BILL:	No	
COMMITTEE STATEMENT:	ASSEMBLY:	No
	SENATE:	Yes Government, Wagering, Tourism & Historic Preservation

(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	Senate 2/25/25 SCS
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LEGISLATIVE FISCAL ESTIMATE:	No
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VETO MESSAGE:	Yes
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GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
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LEGISLATOR STATEMENT:	No
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FOLLOWING WERE PRINTED:

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REPORTS:	No
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HEARINGS:	Yes
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Committee Meeting of Senate State Government, Wagering, Tourism, and Historic Preservation Committee. Assembly Tourism, Gaming, and the Arts Committee. "The Committees will receive testimony from invited speakers on the topic of online sports betting and its impact on the state" October, 24 2024
<https://hdl.handle.net/10929/145019>

NEWSPAPER ARTICLES:	No
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CL/MMcB

§§1-3
C.52:27D-287.12
to
52:27D-287.14
§4
Approp.
§6
Note to
§§1-3

P.L. 2025, CHAPTER 85, *approved July 1, 2025*
Assembly Committee Substitute (*Third Reprint*) for
Assembly, No. 3361

1 AN ACT concerning rent increases for certain dwelling sites for
2 modular or ²industrialized buildings or² manufactured homes and
3 supplementing chapter 27D of Title 52 of the Revised Statutes.
4
5 BE IT ENACTED by the Senate and General Assembly of the State
6 of New Jersey:
7
8 ²**1.** As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):
10 "Commissioner" means Commissioner of Community Affairs.
11 "Covered dwelling site" means a parcel of land within a
12 manufactured home park that is leased to the owner of a modular or
13 manufactured home for living and dwelling purposes for tenancy on
14 the site.
15 "Landlord" means a person or entity who owns or manages a
16 manufactured home park, and who rents, leases, or charges a lot fee,
17 or offers to rent, lease, or charge a lot fee, for a term of at least one
18 month, a covered dwelling site.
19 "Manufactured home park" means a parcel of land, or two or
20 more contiguous parcels of land, designed and improved such that
21 the land contains two or more sites, each of which is equipped for
22 the placement of modular or manufactured homes, and which sites
23 are under common ownership and control, other than as a
24 cooperative, for the purpose of leasing each site to the owner of a
25 modular or manufactured home for installation thereon, and where
26 the owner provides services, which may include, but shall not be
27 limited to:
28 (1) Construction and maintenance of streets;
29 (2) Lighting of streets and other common areas;
30 (3) Garbage removal;

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 floor amendments adopted September 26, 2024.
²Senate floor amendments adopted February 25, 2025.
³Senate amendments adopted in accordance with Governor's recommendations June 30, 2025.

1 (4) Snow removal; and

2 (5) Provision for the drainage of surface water from home sites
3 and common areas.

4 "Modular or manufactured home" means a building constructed
5 and intended for use as a dwelling unit that is primarily made or
6 assembled in manufacturing facilities off the building site, for the
7 installation or final assembly on the building site. "Modular or
8 manufactured home" includes, but is not limited to: modular
9 housing that is factory-built single-family and multifamily housing,
10 including closed wall panelized housing, and other modular
11 residential buildings. "Modular or manufactured home" also
12 includes, but is not limited to, a pre-manufactured home and a
13 mobile home.

14 "Rent" means the amount currently payable by the tenant to the
15 landlord pursuant to a lease or other agreement, without regard to
16 any modification thereof by any authorized board or agency, or any
17 court. "Rent" shall include lot fees, including license fees, charged
18 by a landlord to a tenant, in addition to tax surcharge costs passed
19 on to the tenant, and any other special expenses.

20 "Tenancy" means the lawful occupation of a covered dwelling
21 site, and which includes a lease or sublease, oral or written.

22 "Tenant" means a person who leases, rents, or pays a lot fee for a
23 covered dwelling site.】²

24
25 ²【2. a. Except as provided in subsections c. and g. of this
26 section, a landlord shall not, over the course of a 12-month period,
27 increase the rent on a covered dwelling site by more than ¹【two】
28 three¹ percent over the rent charged during the prior 12-month
29 period.

30 b. A tenant of a covered dwelling site shall not enter into a
31 sublease that results in a rental rate for the covered dwelling site
32 that exceeds the allowable rate authorized by subsection a. of this
33 section. Nothing in this subsection shall be construed to authorize a
34 tenant to sublet or assign the tenant's interest where otherwise
35 prohibited.

36 c. A landlord may, notwithstanding subsection a. of this section,
37 establish the initial rate for a new tenancy in which no tenant from
38 the prior tenancy remains in lawful possession of the covered
39 dwelling site. Subsection a. of this section shall only apply to
40 subsequent increases after that initial rate has been established with
41 respect to the new tenancy.

42 d. Except as allowed following a petition to the commissioner
43 pursuant to subsection g. of this section, if the landlord of a covered
44 dwelling site requests or accepts an increase in rent exceeding the
45 amount permitted pursuant to subsection a. of this section ¹【,】:

46 (1)¹ the applicable rent for the duration of the present lease or
47 agreement term, or subsequent lease or agreement term if the

1 present term is month-to-month, shall be the rent for the rental term
2 preceding the rent increase in violation of this section ¹; and
3 (2) the landlord shall be liable for a penalty of \$1,000 per
4 violation per unit. The penalty shall be collected and enforced by
5 summary proceedings pursuant to the "Penalty Enforcement Law of
6 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court,
7 Law Division, Special Civil Part in the county in which the
8 residential rental property is located shall have jurisdiction over the
9 proceedings described pursuant to this paragraph. Process shall be
10 in the nature of a summons or warrant, and shall issue upon the
11 complaint of the Commissioner of Community Affairs or the
12 Attorney General¹.

13 e. This section shall function in addition to, and not in place of,
14 the existing prohibition on unconscionable rent increases pursuant
15 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A
16 tenant may assert a violation of this section as a defense to an
17 eviction action as an unconscionable rent increase.

18 f. (1) A tenant shall have the right to petition a court of
19 competent jurisdiction to terminate a lease or agreement containing
20 a provision in violation of P.L. , c. (C.) (pending before the
21 Legislature as this bill), and shall be permitted to recover
22 reasonable attorney's fees or expenses.

23 (2) A landlord who violates P.L. , c. (C.) (pending
24 before the Legislature as this bill) shall also, at the discretion of the
25 tenant, be subject to a separate cause of action by the tenant in the
26 Superior Court, Law Division, Special Civil Part in the county in
27 which the covered dwelling site is located. A tenant may recover
28 \$500 from the landlord for a first offense, and \$1,000 from the
29 landlord for a second and any subsequent offense, in addition to
30 reasonable attorney's fees or expenses.

31 (3) A landlord shall be subject to the penalties set forth in this
32 subsection for each violation against each tenant, which may be
33 brought pursuant to paragraph (2) of this subsection at the tenant's
34 discretion.

35 g. (1) ¹(a)¹ A landlord may petition the Commissioner of
36 Community Affairs to request approval to increase the rent on a
37 covered dwelling site ¹;

38 (i)¹ by demonstrating that the present rental income and
39 additional charges from the manufactured home park on which the
40 landlord seeks relief, are insufficient to cover the costs of tax
41 increases, assessments, or maintenance to the manufactured home
42 park ¹; or
43 (ii) by submitting proof or documentation of capital
44 improvements to the property, which require the increase in rent¹ .

45 ¹(b)¹ The commissioner may, after a hearing, grant the landlord
46 a rent increase sufficient to meet the landlord's requirements or
47 needs after consideration of ¹, for approval sought pursuant to sub-

1 subparagraph (ii) of subparagraph (a) of this paragraph,¹ the proofs
2 ¹or documentation¹ presented, ¹or, for approval sought pursuant to
3 sub-subparagraph (i) of subparagraph (a) of this paragraph, the
4 proofs presented,¹ the physical condition of the manufactured home
5 park, the landlord's profitability with and without the proposed rent
6 increase, the arguments presented by affected tenants, and the
7 relative bargaining position of the parties ¹. The commissioner
8 shall schedule a hearing and make a final determination on a
9 petition pursuant to this paragraph within 90 days of the petition's
10 submission to the commissioner¹.

11 (2) A landlord that seeks to file, or files, a petition pursuant to
12 paragraph (1) of this section, shall:

13 (a) prior to filing the petition, post notice of the petition setting
14 forth the basis for the petition in a conspicuous place in and about
15 the manufactured home park;

16 (b) prior to filing the petition, serve each affected tenant
17 personally, or by certified mail, with the petition to be filed with the
18 commissioner;

19 (c) notify each affected tenant personally, or by certified mail,
20 of the hearing date set by the commissioner; and

21 (d) post notice of the hearing in a conspicuous place in the
22 manufactured home park for at least 10 days prior to the date set for
23 the hearing. **]²**

24
25 **²[¹3.** The provisions of P.L. , c. (C.) (pending before
26 the Legislature as this bill) shall not preempt an ordinance, rule, or
27 regulation, or other law regarding rent control, rent leveling, or rent
28 stabilization adopted by the governing body of a municipality that
29 would result in a lower permitted rent increase on a covered
30 dwelling unit over the course of a 12-month period. The provisions
31 of P.L. , c. (C.) (pending before the Legislature as this bill)
32 shall preempt an ordinance, rule, regulation, or other law regarding
33 rent control, rent leveling, or rent stabilization adopted by the
34 governing body of a municipality that would otherwise allow for a
35 higher permitted rent increase on a covered dwelling unit over the
36 course of a 12-month period.¹**]²**

37
38 **²1.** As used in P.L. , c. (C.) (pending before the
39 Legislature as this bill):

40 "Commissioner" means Commissioner of Community Affairs.

41 "Covered dwelling site" means a parcel of land within a
42 manufactured home park that is leased to the owner of a modular or
43 industrialized building, or a manufactured home for living and
44 dwelling purposes for tenancy on the site.

45 "Industrialized or modular building" means any building of closed
46 construction, including, but not limited to, modular housing that is
47 factory-built single-family and multi-family housing, including closed-

1 wall, panelized housing, as well as other modular, nonresidential
2 buildings. "Industrialized or modular building" shall not include any
3 structure subject to the requirements of the National Manufactured
4 Home Construction and Safety Standards Act of 1974 (42. U.S.C.
5 s.5401 et seq.).

6 "Landlord" means a person or entity who owns or manages a
7 manufactured home park, and who rents, leases, or charges a lot fee, or
8 offers to rent, lease, or charge a lot fee, for a term of at least one
9 month, a covered dwelling site.

10 "Manufactured home" means a structure for which the
11 manufacturer has filed a certification required by the Secretary of the
12 United States Department of Housing and Urban Development
13 pursuant to 42 U.S.C. s.5415 and which complies with the federal
14 standards established pursuant to the National Manufactured Home
15 Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et
16 seq.).

17 "Manufactured home park" means a parcel of land, or two or more
18 contiguous parcels of land, designed and improved such that the land
19 contains two or more sites, each of which is equipped for the
20 placement of modular or industrialized buildings or manufactured
21 homes, and which sites are under common ownership and control,
22 other than as a cooperative, for the purpose of leasing each site to the
23 owner of a modular or industrialized building or a manufactured home
24 for installation thereon, and where the owner provides services, which
25 may include, but shall not be limited to:

26 (1) Construction and maintenance of streets;

27 (2) Lighting of streets and other common areas;

28 (3) Garbage removal;

29 (4) Snow removal; and

30 (5) Provision for the drainage of surface water from home sites
31 and common areas.

32 "Rent" means the amount currently payable by the tenant to the
33 landlord pursuant to a lease or other agreement, without regard to any
34 modification thereof by any authorized board or agency, or any court.

35 "Rent" shall include lot fees, including license fees, charged by a
36 landlord to a tenant, in addition to tax surcharge costs passed on to the
37 tenant, and any other special expenses.

38 "Tenancy" means the lawful occupation of a covered dwelling site,
39 and which includes a lease or sublease, oral or written.

40 "Tenant" means a person who leases, rents, or pays a lot fee for a
41 covered dwelling site.²

42
43 ²2. a. Except as provided in subsections c. and g. of this section,
44 a landlord shall not, over the course of a 12-month period, increase
45 the rent on a covered dwelling site by more than three ³and one
46 half³ percent over the rent charged during the prior 12-month
47 period.

1 b. A tenant of a covered dwelling site shall not enter into a
2 sublease that results in a rental rate for the covered dwelling site
3 that exceeds the allowable rate authorized by subsection a. of this
4 section. Nothing in this subsection shall be construed to authorize a
5 tenant to sublet or assign the tenant's interest where otherwise
6 prohibited.

7 c. A landlord may, notwithstanding subsection a. of this section,
8 establish the initial rate for a new tenancy in which no tenant from
9 the prior tenancy remains in lawful possession of the covered
10 dwelling site. Subsection a. of this section shall only apply to
11 subsequent increases after that initial rate has been established with
12 respect to the new tenancy.

13 d. ³(1)³ Except as allowed following a petition to the
14 commissioner pursuant to subsection g. of this section, if the
15 landlord of a covered dwelling site requests or accepts an increase
16 in rent exceeding the amount permitted pursuant to subsection a. of
17 this section:

18 ³[(1)] (a)³ the applicable rent for the duration of the present
19 lease or agreement term, or subsequent lease or agreement term if
20 the present term is month-to-month, shall be the rent for the rental
21 term preceding the rent increase in violation of this section; and

22 ³[(2)] (b)³ the landlord shall be liable for a penalty of \$1,000
23 per violation per unit. The penalty shall be collected and enforced
24 by summary proceedings pursuant to the "Penalty Enforcement Law
25 of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior
26 Court, Law Division, Special Civil Part in the county in which the
27 residential rental property is located shall have jurisdiction over the
28 proceedings described pursuant to this paragraph. Process shall be
29 in the nature of a summons or warrant, and shall issue upon the
30 complaint of the Commissioner of Community Affairs or the
31 Attorney General.

32 ³(2) In municipalities where preemption does not apply pursuant
33 to section 3 of this act, P.L. , c. (C.) (pending before the
34 Legislature as this bill), enforcement of such penalty in
35 subparagraph (b) of paragraph (1) of this subsection shall be
36 pursuant to applicable law, including any ordinances or regulations
37 adopted thereto.³

38 e. This section shall function in addition to, and not in place of,
39 the existing prohibition on unconscionable rent increases pursuant
40 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A
41 tenant may assert a violation of this section as a defense to an
42 eviction action as an unconscionable rent increase.

43 f. (1) A tenant shall have the right to petition a court of
44 competent jurisdiction to terminate a lease or agreement containing
45 a provision in violation of P.L. , c. (C.) (pending before the
46 Legislature as this bill), and shall be permitted to recover
47 reasonable attorney's fees or expenses.

(2) A landlord who violates P.L. , c. (C.) (pending before the Legislature as this bill) shall also, at the discretion of the tenant, be subject to a separate cause of action by the tenant in the Superior Court, Law Division, Special Civil Part in the county in which the covered dwelling site is located. A tenant may recover \$500 from the landlord for a first offense, and \$1,000 from the landlord for a second and any subsequent offense, in addition to reasonable attorney's fees or expenses.

(3) A landlord shall be subject to the penalties set forth in this subsection for each violation against each tenant, which may be brought pursuant to paragraph (2) of this subsection at the tenant's discretion.

g. (1) (a) A landlord may petition the commissioner to request approval to increase the rent, in an amount specified by the landlord, on a covered dwelling site in excess of three ³and one half³ percent:

(i) by demonstrating ³through proof or documentation³ that the present rental income and additional charges from the manufactured home park on which the landlord seeks relief, are insufficient to cover unanticipated increases in the costs of: the abatement of hazardous conditions, taxes, assessments, maintenance to the manufactured home park, utilities, insurance, and management of the manufactured home park; or

(ii) by submitting proof or documentation of capital improvements to the property, which require the increase in rent.

(b) In determining whether to grant a landlord's petition pursuant to this subsection, there shall be a rebuttable presumption that the rent increase is reasonable and not unconscionable ³]. If the tenant offers evidence sufficient to overcome the rebuttable presumption, the] so long as the landlord first provides the proof or documentation required in subparagraph (a) of this paragraph to the tenant. The³ commissioner may, after a hearing, grant the landlord a rent increase sufficient to meet the landlord's requirements or needs after consideration of either the proofs or documentation presented, for approval of a petition submitted pursuant to sub-subparagraph (ii) of subparagraph (a) of this paragraph, or the proofs presented, the physical condition of the manufactured home park, the landlord's profitability with and without the proposed rent increase, the arguments presented by affected tenants, and the relative bargaining position of the parties, for approval of a petition seeking relief pursuant to sub-subparagraph (i) of subparagraph (a) of this paragraph. The commissioner shall schedule a hearing and make a final determination on a petition pursuant to this paragraph within 90 days after the landlord submits the petition to the commissioner. If the commissioner fails to act within 90 days after the landlord submits the petition, the rent increase on a covered

1 dwelling site shall be deemed approved, provided the rent increase
2 otherwise complies with the provisions of this subsection.

3 (2) A landlord that seeks to file, or files, a petition pursuant to
4 paragraph (1) of this subsection, shall:

5 (a) prior to filing the petition, post notice of the petition setting
6 forth the basis for the petition in a conspicuous place in and about
7 the manufactured home park;

8 (b) prior to filing the petition, serve each affected tenant
9 personally, or by certified mail, with the petition to be filed with the
10 commissioner³, along with the proof or documentation required by
11 subparagraph (a) of paragraph (1) of this subsection³;

12 (c) notify each affected tenant personally, or by certified mail,
13 of the hearing date set by the commissioner³, along with the proof
14 or other documentation required by subparagraph (a) of paragraph
15 (1) of this subsection³; and

16 (d) post notice of the hearing in a conspicuous place in the
17 manufactured home park for at least 10 days prior to the date set for
18 the hearing.²
19

20 ²3. a. ³(1)³ The provisions of P.L. , c. (C.) (pending
21 before the Legislature as this bill) shall not preempt an ordinance,
22 rule, or regulation, or other law regarding rent control, rent leveling,
23 or rent stabilization adopted by the governing body of a
24 municipality that³ governs covered dwelling sites and that³:

25 ³[(1)] (a)³ provides a fixed, numerical municipal rent increase
26 limit that is not based upon, in whole or in part, the Consumer Price
27 Index, or other variable criteria;³ and³

28 ³[(2)] was adopted in a municipality that provides and utilizes a
29 rent leveling board or similar municipal agency charged with
30 regulating rents; and]³

31 ³[(3)] (b)³ provides a rent increase limit on a covered dwelling
32 site that is less than or equal to three³ and one half³ percent over the
33 course of a 12-month period, regardless of whether:

34 ³[(a)] (i)³ a determination, made by a rent leveling board or
35 similar municipal agency charged with regulating rents, authorizes
36 an exemption from the municipal rent increase limit, resulting in a
37 rent increase on a covered dwelling site that is greater than three
38 ³ and one half³ percent over the course of a 12-month period; or

39 ³[(b)] (ii)³ the municipal rent increase limit permits one or
40 more exceptions, which are not based upon, in whole or in part, the
41 Consumer Price Index or other variable criteria.

42 ³(2) Nothing in this act, P.L. , c. (C.) (pending before
43 the Legislature as this bill), shall be construed to prohibit a
44 municipality from adopting or enforcing an ordinance reflecting, or
45 otherwise consistent with, the provisions of this act. In such cases,
46 the municipality shall maintain jurisdiction for effectuation,

1 implementation, and enforcement, and matters governed pursuant
2 thereto shall not come before the commissioner.³

3 b. Except as provided in subsection a. of this section, the
4 provisions of P.L. , c. (C.) (pending before the Legislature
5 as this bill) shall preempt an ordinance, rule, regulation, or other
6 law regarding rent control, rent leveling, or rent stabilization
7 adopted by the governing body of a municipality that:

8 (1) provides a rent increase limit on a covered dwelling site that
9 is greater than three ³and one half³ percent over the course of a 12-
10 month period; ³or³

11 (2) does not provide a fixed, numerical municipal rent increase
12 limit, and instead is based upon, in whole or in part, the Consumer
13 Price Index, or other variable criteria ³]; or

14 (3) was adopted in a municipality that does not provide or utilize
15 a rent leveling board or similar municipal agency charged with
16 regulating rents.

17 c. If an ordinance, rule, regulation, or other law regarding rent
18 control, rent leveling, or rent stabilization adopted by the governing
19 body of a municipality is preempted pursuant to subsection b. of
20 this section due to the failure of the municipality, in which such a
21 municipal law was adopted, to provide or utilize a rent leveling
22 board or similar municipal agency charged with regulating rents
23 pursuant to paragraph (3) of subsection b. of this section, P.L. , c.
24 (C.) (pending before the Legislature as this bill) shall not
25 preempt the fixed, numerical municipal rent increase limit provided
26 in the ordinance, rule, regulation, or other law regarding rent
27 control, rent leveling, or rent stabilization, but shall otherwise
28 preempt such a municipal law.²]

29 c. A landlord seeking to exceed the allowable rate authorized by
30 subsection a. of section 2 of this act, P.L. , c. (C.) (pending
31 before the Legislature as this bill), in any municipality with a rent
32 leveling board or similar municipal agency charged with regulating
33 rents whose ordinance, rule, regulation, or other law has been
34 preempted pursuant to this section shall seek approval from the
35 board or agency consistent with any requirements and procedures
36 prescribed thereby or by the governing body.³

37
38 ³4. There is appropriated from the General Fund to the
39 Department of Community Affairs the amount of \$2,000,000 to
40 effectuate the purposes of this act, subject to the approval of the
41 Director of the Division of Budget and Accounting.³

42
43 ¹[3.] ³[4.¹] 5.³ The commissioner shall, in accordance with the
44 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
45 seq.), adopt rules and regulations as necessary to implement the
46 provisions of P.L. , c. (C.) (pending before the Legislature
47 as this bill).

1 ¹[4.] ³[5.¹] 6.³ This act shall take effect ³[on] immediately,
2 but sections 1 through 3 shall remain inoperative until³ the first day
3 of the ³[third] eighth³ month next following the date of enactment,
4 except that the commissioner may take ³any³ anticipatory action
5 necessary to implement the provisions of P.L. , c. (C.)
6 (pending before the Legislature as this bill). This act shall apply to
7 tenancies commencing on or after the effective date of P.L. , c.
8 (C.) (pending before the Legislature as this bill).

9

10

11

12

13 Establishes limit on rent increase for certain dwelling sites for
14 modular or industrialized buildings or manufactured homes.

CHAPTER 85

AN ACT concerning rent increases for certain dwelling sites for modular or industrialized buildings or manufactured homes and supplementing chapter 27D of Title 52 of the Revised Statutes.

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

C.52:27D-287.12 Definitions.

1. As used in P.L.2025, c.85 (C.52:27D-287.12 et seq.):

"Commissioner" means Commissioner of Community Affairs.

"Covered dwelling site" means a parcel of land within a manufactured home park that is leased to the owner of a modular or industrialized building or a manufactured home for living and dwelling purposes for tenancy on the site.

"Industrialized or modular building" means any building of closed construction, including, but not limited to, modular housing that is factory-built, single-family, and multi-family housing, including closed-wall, panelized housing, as well as other modular, nonresidential buildings. "Industrialized or modular building" shall not include any structure subject to the requirements of the National Manufactured Home Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et seq.).

"Landlord" means a person or entity who owns or manages a manufactured home park and who rents, leases, or charges a lot fee, or offers to rent, lease, or charge a lot fee, for a term of at least one month, a covered dwelling site.

"Manufactured home" means a structure for which the manufacturer has filed a certification required by the Secretary of the United States Department of Housing and Urban Development pursuant to 42 U.S.C. s.5415 and which complies with the federal standards established pursuant to the National Manufactured Home Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et seq.).

"Manufactured home park" means a parcel of land, or two or more contiguous parcels of land, designed and improved such that the land contains two or more sites, each of which is equipped for the placement of modular or industrialized buildings or manufactured homes and which sites are under common ownership and control, other than as a cooperative, for the purpose of leasing each site to the owner of a modular or industrialized building or a manufactured home for installation thereon and where the owner provides services, which may include, but shall not be limited to:

Construction and maintenance of streets;

Lighting of streets and other common areas;

Garbage removal;

Snow removal; and

Provision for the drainage of surface water from home sites and common areas.

"Rent" means the amount currently payable by the tenant to the landlord pursuant to a lease or other agreement, without regard to any modification thereof by any authorized board or agency or any court. "Rent" shall include lot fees, including license fees, charged by a landlord to a tenant, in addition to tax surcharge costs passed on to the tenant, and any other special expenses.

"Tenancy" means the lawful occupation of a covered dwelling site and which includes a lease or sublease, oral or written.

"Tenant" means a person who leases, rents, or pays a lot fee for a covered dwelling site.

C.52:27D-287.13 Rent increases limited, covered dwelling sites.

2. a. Except as provided in subsections c. and g. of this section, a landlord shall not, over the course of a 12-month period, increase the rent on a covered dwelling site by more than three and one half percent over the rent charged during the prior 12-month period.

b. A tenant of a covered dwelling site shall not enter into a sublease that results in a rental rate for the covered dwelling site that exceeds the allowable rate authorized by subsection a. of this section. Nothing in this subsection shall be construed to authorize a tenant to sublet or assign the tenant's interest where otherwise prohibited.

c. A landlord may, notwithstanding subsection a. of this section, establish the initial rate for a new tenancy in which no tenant from the prior tenancy remains in lawful possession of the covered dwelling site. Subsection a. of this section shall only apply to subsequent increases after that initial rate has been established with respect to the new tenancy.

d. (1) Except as allowed following a petition to the commissioner pursuant to subsection g. of this section, if the landlord of a covered dwelling site requests or accepts an increase in rent exceeding the amount permitted pursuant to subsection a. of this section:

(a) the applicable rent for the duration of the present lease or agreement term, or subsequent lease or agreement term if the present term is month-to-month, shall be the rent for the rental term preceding the rent increase in violation of this section; and

(b) the landlord shall be liable for a penalty of \$1,000 per violation per unit. The penalty shall be collected and enforced by summary proceedings pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court, Law Division, Special Civil Part in the county in which the residential rental property is located shall have jurisdiction over the proceedings described pursuant to this paragraph. Process shall be in the nature of a summons or warrant and shall issue upon the complaint of the Commissioner of Community Affairs or the Attorney General.

(2) In municipalities where preemption does not apply pursuant to section 3 of this act, P.L.2025, c.85 (C.52:27D-287.14), enforcement of such penalty in subparagraph (b) of paragraph (1) of this subsection shall be pursuant to applicable law, including any ordinances or regulations adopted thereto.

e. This section shall function in addition to, and not in place of, the existing prohibition on unconscionable rent increases pursuant to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A tenant may assert a violation of this section as a defense to an eviction action as an unconscionable rent increase.

f. (1) A tenant shall have the right to petition a court of competent jurisdiction to terminate a lease or agreement containing a provision in violation of P.L.2025, c.85 (C.52:27D-287.12 et seq.), and shall be permitted to recover reasonable attorney's fees or expenses.

(2) A landlord who violates P.L.2025, c.85 (C.52:27D-287.12 et seq.) shall also, at the discretion of the tenant, be subject to a separate cause of action by the tenant in the Superior Court, Law Division, Special Civil Part in the county in which the covered dwelling site is located. A tenant may recover \$500 from the landlord for a first offense, and \$1,000 from the landlord for a second and any subsequent offense, in addition to reasonable attorney's fees or expenses.

(3) A landlord shall be subject to the penalties set forth in this subsection for each violation against each tenant, which may be brought pursuant to paragraph (2) of this subsection at the tenant's discretion.

g. (1) (a) A landlord may petition the commissioner to request approval to increase the rent, in an amount specified by the landlord, on a covered dwelling site in excess of three and one half percent:

(i) by demonstrating through proof or documentation that the present rental income and additional charges from the manufactured home park on which the landlord seeks relief are insufficient to cover unanticipated increases in the costs of: the abatement of hazardous conditions, taxes, assessments, maintenance to the manufactured home park, utilities, insurance, and management of the manufactured home park; or

(ii) by submitting proof or documentation of capital improvements to the property, which require the increase in rent.

(b) In determining whether to grant a landlord's petition pursuant to this subsection, there shall be a rebuttable presumption that the rent increase is reasonable and not unconscionable so long as the landlord first provides the proof or documentation required in subparagraph (a) of this paragraph to the tenant. The commissioner may, after a hearing, grant the landlord a rent increase sufficient to meet the landlord's requirements or needs after consideration of either the proofs or documentation presented, for approval of a petition submitted pursuant to sub-subparagraph (ii) of subparagraph (a) of this paragraph, or the proofs presented, the physical condition of the manufactured home park, the landlord's profitability with and without the proposed rent increase, the arguments presented by affected tenants, and the relative bargaining position of the parties, for approval of a petition seeking relief pursuant to sub-subparagraph (i) of subparagraph (a) of this paragraph. The commissioner shall schedule a hearing and make a final determination on a petition pursuant to this paragraph within 90 days after the landlord submits the petition to the commissioner. If the commissioner fails to act within 90 days after the landlord submits the petition, the rent increase on a covered dwelling site shall be deemed approved, provided the rent increase otherwise complies with the provisions of this subsection.

(2) A landlord that seeks to file, or files, a petition pursuant to paragraph (1) of this subsection, shall:

(a) prior to filing the petition, post notice of the petition setting forth the basis for the petition in a conspicuous place in and about the manufactured home park;

(b) prior to filing the petition, serve each affected tenant personally, or by certified mail, with the petition to be filed with the commissioner, along with the proof or documentation required by subparagraph (a) of paragraph (1) of this subsection;

(c) notify each affected tenant personally, or by certified mail, of the hearing date set by the commissioner, along with the proof or other documentation required by subparagraph (a) of paragraph (1) of this subsection; and

(d) post notice of the hearing in a conspicuous place in the manufactured home park for at least 10 days prior to the date set for the hearing.

C.52:27D-287.14 Effect on other measures regarding rent control, leveling, stabilization.

3. a. (1) The provisions of P.L.2025, c.85 (C.52:27D-287.12 et seq.) shall not preempt an ordinance, rule, regulation, or other law regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality that governs covered dwelling sites and that:

(a) provides a fixed, numerical municipal rent increase limit that is not based upon, in whole or in part, the Consumer Price Index, or other variable criteria; and

(b) provides a rent increase limit on a covered dwelling site that is less than or equal to three and one half percent over the course of a 12-month period, regardless of whether:

(i) a determination, made by a rent leveling board or similar municipal agency charged with regulating rents, authorizes an exemption from the municipal rent increase limit, resulting in a

rent increase on a covered dwelling site that is greater than three and one half percent over the course of a 12-month period; or

(ii) the municipal rent increase limit permits one or more exceptions, which are not based upon, in whole or in part, the Consumer Price Index or other variable criteria.

(2) Nothing in this act, P.L.2025, c.85 (C.52:27D-287.12 et seq.), shall be construed to prohibit a municipality from adopting or enforcing an ordinance reflecting, or otherwise consistent with, the provisions of this act. In such cases, the municipality shall maintain jurisdiction for effectuation, implementation, and enforcement, and matters governed pursuant thereto shall not come before the commissioner.

b. Except as provided in subsection a. of this section, the provisions of P.L.2025, c.85 (C.52:27D-287.12 et seq.) shall preempt an ordinance, rule, regulation, or other law regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality that:

(1) provides a rent increase limit on a covered dwelling site that is greater than three and one half percent over the course of a 12-month period; or

(2) does not provide a fixed, numerical municipal rent increase limit and instead is based upon, in whole or in part, the Consumer Price Index, or other variable criteria.

c. A landlord seeking to exceed the allowable rate authorized by subsection a. of section 2 of this act, P.L.2025, c.85 (C.52:27D-287.13), in any municipality with a rent leveling board or similar municipal agency charged with regulating rents whose ordinance, rule, regulation, or other law has been preempted pursuant to this section shall seek approval from the board or agency consistent with any requirements and procedures prescribed thereby or by the governing body.

4. There is appropriated from the General Fund to the Department of Community Affairs the amount of \$2,000,000 to effectuate the purposes of this act, subject to the approval of the Director of the Division of Budget and Accounting.

5. The commissioner shall, in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules and regulations as necessary to implement the provisions of P.L.2025, c.85 (C.52:27D-287.12 et seq.).

6. This act shall take effect immediately, but sections 1 through 3 shall remain inoperative until the first day of the eighth month next following the date of enactment, except that the commissioner may take any anticipatory action necessary to implement the provisions of P.L.2025, c.85 (C.52:27D-287.12 et seq.). This act shall apply to tenancies commencing on or after the effective date of P.L.2025, c.85 (C.52:27D-287.12 et seq.).

Approved July 1, 2025.

ASSEMBLY, No. 3361

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JANUARY 29, 2024

Sponsored by:

Assemblyman DAN HUTCHISON

District 4 (Atlantic, Camden and Gloucester)

Assemblyman WILLIAM F. MOEN, JR.

District 5 (Camden and Gloucester)

Assemblywoman BARBARA MCCANN STAMATO

District 31 (Hudson)

Co-Sponsored by:

Assemblymen Simonsen, McClellan, Miller, Bailey, Assemblywoman

Murphy, Assemblymen Clifton, Sauickie and Wimberly

SYNOPSIS

Establishes limit on rent increase for tenants residing in modular or manufactured homes.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/13/2024)

1 AN ACT concerning rent increases for residential tenants residing in
2 certain dwelling units that are modular or manufactured homes
3 and supplementing chapter 27D of Title 52 of the Revised
4 Statutes.

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

8
9 1. The Legislature finds and declares that:

10 a. The cost of housing in New Jersey, including rental housing,
11 constitutes one of the most substantial financial challenges faced by
12 residents of this State;

13 b. A substantial number of New Jersey renters pay more than 35
14 percent of their household income on rent, a percentage of income
15 that is commonly viewed as the limit of what constitutes affordable
16 rent;

17 c. State law has not previously established a precise limit on rent
18 increases, but instead has historically required that a rent increase
19 not be "unconscionable," which may be asserted as a defense to an
20 eviction by a residential tenant pursuant to subsection f. of section 2
21 of P.L.1974, c.49 (C.2A:18-61.1). The term "unconscionable" has
22 been defined on a case-by-case basis by the courts using the multi-
23 factor test set forth in case law;

24 d. Due to the summary nature of landlord-tenant proceedings,
25 limited discovery, case-by-case determinations of
26 unconscionability, disparity in bargaining power, and limited
27 precedent setting forth a bright line standard for unconscionable
28 rent increases, residential tenants, including tenants that reside in
29 modular or manufactured homes, are limited in their ability to
30 dispute a rent increase that recently, for many tenants of this State,
31 exceeds nine percent;

32 e. Therefore, the Legislature finds and declares that, to protect
33 the health and well-being of residential tenants, it is in the public
34 interest, and the public policy of this State, to establish a reasonable
35 limitation on annual rent increases for tenants that live in rental
36 housing that is a modular or manufactured home.

37
38 2. As used in P.L. , c. (C.) (pending before the
39 Legislature as this bill):

40 "Covered dwelling unit" means a structure, or a room or a group
41 of rooms within a structure:

42 (1) offered for rent by a landlord for residential purposes, other
43 than a dwelling unit in an owner-occupied premises of not more
44 than three dwelling units;

45 (2) that is rented to a residential tenant for their principal place
46 of residence; and

47 (3) that is a modular or manufactured home.

1 "Landlord" means any person or entity who rents or leases or
2 offers to rent or lease a covered dwelling unit, for a term of at least
3 one month, dwelling units, except dwelling units in owner-occupied
4 premises of not more than three dwelling units, or in hotels, motels
5 or other guest houses serving transient or seasonal guests.
6 "Landlord" includes a person or entity who rents or leases or offers
7 to rent or lease, for a term of at least one month, mobile or
8 manufactured home pad space for living or dwelling purposes in a
9 manufactured home park.

10 "Manufactured home park" means a parcel of land, or two or
11 more contiguous parcels of land, containing at least 10 sites
12 equipped for the installation of mobile or manufactured homes,
13 where these sites are under common ownership and control, other
14 than as a cooperative, for the purpose of leasing each site to the
15 owner of a mobile or manufactured home for the installation
16 thereof, and where the owner provides services, which are provided
17 by the municipality in which the park is located for property owners
18 outside the park, which services may include, but shall not be
19 limited to:

- 20 (1) Construction and maintenance of streets;
- 21 (2) Lighting of streets and other common areas;
- 22 (3) Garbage removal;
- 23 (4) Snow removal; and
- 24 (5) Provision for the drainage of surface water from home sites
25 and common areas.

26 "Modular or manufactured home" means a building constructed
27 and intended for use as a dwelling unit that is primarily made or
28 assembled in manufacturing facilities off the building site, for the
29 installation or final assembly on the building site. "Modular or
30 manufactured home" includes, but is not limited to: modular
31 housing that is factory-built single-family and multifamily housing,
32 including closed wall panelized housing, and other modular
33 residential buildings. "Modular or manufactured home" also
34 includes, but is not limited to pre-manufactured homes and mobile
35 homes.

36 "Tenancy" means the lawful occupation of a dwelling unit and
37 includes a lease or sublease, oral or written.

38

39 3. a. Except as provided in subsections c. and d. of this section,
40 and section 4 of P.L. , c. (C.) (pending before the
41 Legislature as this bill), a residential landlord shall not, over the
42 course of a 12-month period, increase the rent on a covered
43 dwelling unit by more than 2.5 percent.

44 b. A tenant of a covered dwelling unit shall not enter into a
45 sublease that results in a rental rate for the covered dwelling unit
46 that exceeds the allowable rental rate authorized by subsection a. of
47 this section. Nothing in this subsection shall be construed to

1 authorize a tenant to sublet or assign the tenant's interest where
2 otherwise prohibited.

3 c. A landlord may, notwithstanding subsection a. of this section,
4 establish the initial rental rate for a new tenancy in which no tenant
5 from the prior tenancy remains in lawful possession of the covered
6 dwelling unit. Subsection a. of this section shall only apply to
7 subsequent increases after that initial rental rate has been
8 established with respect to the new tenancy.

9 d. This section shall not apply to the following:

10 (1) non-residential real property;

11 (2) a covered dwelling unit restricted by deed, regulatory
12 restriction contained in an agreement with a government agency, or
13 other recorded document as affordable housing for persons and
14 families of very low, low, or moderate income; or

15 (3) a covered dwelling unit subject to a "Notice of Rent
16 Protection Emergency," established pursuant to P.L.2002, c.133
17 (C.2A:18-61.62 et seq.), the application of which results in a lower
18 permitted rent increase for the specified year than that permitted
19 pursuant to subsection a. of this section.

20 e. If the landlord of a covered dwelling unit requests or accepts
21 an increase in rent exceeding the amount permitted pursuant to
22 subsection a. of this section, the applicable rent for the duration of
23 the present lease term, or subsequent lease term if the present term
24 is month-to-month, shall be the rent for the rental term preceding
25 the rent increase in violation of this section.

26 f. This section shall function in addition to, and not in place of,
27 the existing prohibition on unconscionable rent increases pursuant
28 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1).

29 g. (1) A violation of P.L. , c. (C.) (pending before the
30 Legislature as this bill) shall constitute an unlawful practice
31 pursuant to P.L.1960, c.39 (C.56:8-1 et seq.), and a landlord who
32 violates P.L. , c. (C.) (pending before the Legislature as this
33 bill) shall be subject to all remedies and penalties available pursuant
34 to P.L.1960, c.39 (C.56:8-1 et seq.).

35 (2) Notwithstanding the provisions of paragraph (1) of this
36 subsection, a tenant shall have the right to petition a court of
37 competent jurisdiction to terminate a lease containing a provision in
38 violation of P.L. , c. (C.) (pending before the Legislature
39 as this bill), and shall be permitted to recover reasonable attorney's
40 fees or expenses.

41 (3) A landlord who violates P.L. , c. (C.) (pending
42 before the Legislature as this bill) shall also, at the discretion of the
43 tenant, be subject to a separate cause of action by the tenant in the
44 Superior Court, Law Division, Special Civil Part in the county in
45 which the rental premises are located. The tenant may recover \$500
46 for a first offense by the landlord, and \$1,000 for a second and any
47 subsequent offense by the landlord, in addition to reasonable
48 attorney's fees or expenses.

1 h. Pursuant to subsection f. of section 2 of P.L.1974, c.49
2 (C.2A:18-61.1), a tenant may assert a violation of this section as a
3 defense to an eviction action as an unconscionable rent increase.

4
5 4. The provisions of P.L. , c. (C.) (pending before the
6 Legislature as this bill) shall not preempt an ordinance, rule, or
7 regulation, or other law regarding rent control, rent leveling, or rent
8 stabilization adopted by the governing body of a municipality that
9 would result in a lower permitted rent increase on a covered
10 dwelling unit over the course of a 12-month period. The provisions
11 of P.L. , c. (C.) (pending before the Legislature as this bill)
12 shall preempt an ordinance, rule, regulation, or other law regarding
13 rent control, rent leveling, or rent stabilization adopted by the
14 governing body of a municipality that would otherwise allow for a
15 higher permitted rent increase on a covered dwelling unit over the
16 course of a 12-month period.

17
18 5. The Commissioner of Community Affairs shall, in accordance
19 with the "Administrative Procedure Act," P.L.1968, c.410
20 (C.52:14B-1 et seq.), adopt rules and regulations as necessary to
21 implement the provisions of P.L. , c. (C.) (pending before
22 the Legislature as this bill).

23
24 6. This act shall take effect on the first day of the third month
25 next following the date of enactment, and shall apply to tenancies
26 commencing on or after the effective date of P.L. , c. (C.)
27 (pending before the Legislature as this bill), except that the
28 Commissioner of Community Affairs may take anticipatory action
29 necessary to effectuate the provisions of this act.

30 31 32 STATEMENT

33
34 This bill would establish a limitation on rent increases imposed
35 on tenants of certain modular or manufactured homes, as defined in
36 the bill.

37 The cost of housing in New Jersey, including rental housing,
38 constitutes one of the most substantial financial challenges faced by
39 residents of this State, and a substantial number of New Jersey
40 renters pay more than 35 percent of their household income on rent.
41 State law has not set forth a precise limit on rent increases, but has
42 instead required that a rent increase not be "unconscionable," which
43 may be asserted as a defense to an eviction by a residential tenant
44 pursuant to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-
45 61.1). The term "unconscionable" is defined on a case-by-case
46 basis by the courts using the multi-factor test set forth by Fromet
47 Properties, Inc. v. Buel, 294 N.J. Super. 601 (App. Div. 1996). Due
48 to the summary nature of landlord-tenant proceedings, limited

1 discovery, case-by-case determinations of unconscionability,
2 disparity in bargaining power, and limited precedent setting forth a
3 bright line standard for unconscionable rent increases, residential
4 tenants, including tenants that reside in modular or manufactured
5 homes, are limited in their ability to dispute a rent increase, which
6 for many tenants, has exceeded nine percent. Therefore, to protect
7 the health and well-being of residential tenants, it is in the public
8 interest to establish a reasonable limitation on annual rent increases
9 for tenants that live in rental housing that is a modular or
10 manufactured home.

11 The bill prohibits a landlord—as defined in the bill, including a
12 sublessor—of a covered dwelling unit, from increasing the rent over
13 the course of a 12-month period by more than 2.5 percent. The bill
14 defines a "covered dwelling unit" as a structure, or a room or a
15 group of rooms within a structure that: (1) is offered for rent by a
16 landlord for residential purposes; (2) is rented to a residential tenant
17 for their principal place of residence; and (3) that is a modular or
18 manufactured home.

19 The bill provides that if the landlord increases the rent in excess
20 of the bill's limitation, the applicable rent for the duration of the
21 present lease term, or subsequent lease term if the present term is
22 month-to-month, is to be the rent for the year or term preceding the
23 violation. The bill's limitations would also function in addition to
24 the existing prohibition on unconscionable rent increases pursuant
25 the Anti-Eviction Act, P.L.1974, c.49 (C.2A:18-61.1 et seq.).

26 A violation of the bill would:

27 (1) constitute an unlawful practice pursuant to the New Jersey
28 Consumer Fraud Act, P.L.1960, c.39 (C.56:8-1 et seq.) (CFA);

29 (2) subject a landlord to all applicable penalties prescribed
30 pursuant to the CFA;

31 (3) permit a tenant to petition the court to terminate a lease in
32 violation of the bill, and to recover reasonable attorney's fees or
33 expenses;

34 (4) subject a landlord to certain penalties, as described in the
35 bill; and

36 (5) permit a tenant to assert the violation as a defense to an
37 eviction as an unconscionable rent increase.

38 The bill would only preempt other laws regarding rent control
39 that result in a higher permitted rent increase over the course of a
40 12-month period.

41 Further, the bill would take effect on the first day of the third
42 month following the date of enactment, and apply to tenancies
43 commencing on or after the effective date of the bill.

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 3361

STATE OF NEW JERSEY
221st LEGISLATURE

ADOPTED JUNE 13, 2024

Sponsored by:

Assemblyman DAN HUTCHISON

District 4 (Atlantic, Camden and Gloucester)

Assemblyman WILLIAM F. MOEN, JR.

District 5 (Camden and Gloucester)

Assemblywoman BARBARA MCCANN STAMATO

District 31 (Hudson)

Co-Sponsored by:

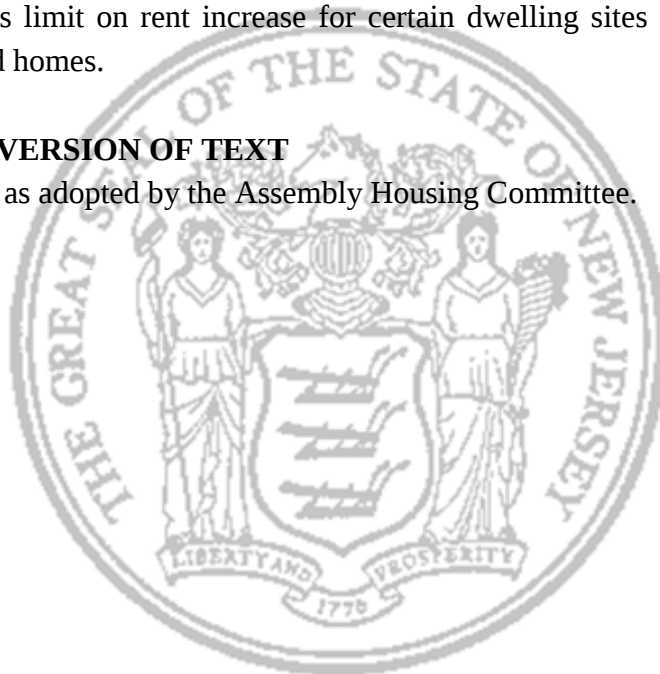
**Assemblymen Simonsen, McClellan, Miller, Bailey, Assemblywoman
Murphy, Assemblymen Clifton, Wimberly, Assemblywomen Quijano,
Katz, Assemblyman Atkins, Assemblywomen Haider and Simmons**

SYNOPSIS

Establishes limit on rent increase for certain dwelling sites for modular or
manufactured homes.

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Housing Committee.



(Sponsorship Updated As Of: 9/19/2024)

1 **AN ACT** concerning rent increases for certain dwelling sites for
2 modular or manufactured homes and supplementing chapter 27D
3 of Title 52 of the Revised Statutes.

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

7
8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 "Commissioner" means Commissioner of Community Affairs.

11 "Covered dwelling site" means a parcel of land within a
12 manufactured home park that is leased to the owner of a modular or
13 manufactured home for living and dwelling purposes for tenancy on
14 the site.

15 "Landlord" means a person or entity who owns or manages a
16 manufactured home park, and who rents, leases, or charges a lot fee,
17 or offers to rent, lease, or charge a lot fee, for a term of at least one
18 month, a covered dwelling site.

19 "Manufactured home park" means a parcel of land, or two or
20 more contiguous parcels of land, designed and improved such that
21 the land contains two or more sites, each of which is equipped for
22 the placement of modular or manufactured homes, and which sites
23 are under common ownership and control, other than as a
24 cooperative, for the purpose of leasing each site to the owner of a
25 modular or manufactured home for installation thereon, and where
26 the owner provides services, which may include, but shall not be
27 limited to:

- 28 (1) Construction and maintenance of streets;
29 (2) Lighting of streets and other common areas;
30 (3) Garbage removal;
31 (4) Snow removal; and
32 (5) Provision for the drainage of surface water from home sites
33 and common areas.

34 "Modular or manufactured home" means a building constructed
35 and intended for use as a dwelling unit that is primarily made or
36 assembled in manufacturing facilities off the building site, for the
37 installation or final assembly on the building site. "Modular or
38 manufactured home" includes, but is not limited to: modular
39 housing that is factory-built single-family and multifamily housing,
40 including closed wall panelized housing, and other modular
41 residential buildings. "Modular or manufactured home" also
42 includes, but is not limited to, a pre-manufactured home and a
43 mobile home.

44 "Rent" means the amount currently payable by the tenant to the
45 landlord pursuant to a lease or other agreement, without regard to
46 any modification thereof by any authorized board or agency, or any
47 court. "Rent" shall include lot fees, including license fees, charged

1 by a landlord to a tenant, in addition to tax surcharge costs passed
2 on to the tenant, and any other special expenses.

3 "Tenancy" means the lawful occupation of a covered dwelling
4 site, and which includes a lease or sublease, oral or written.

5 "Tenant" means a person who leases, rents, or pays a lot fee for a
6 covered dwelling site.

7
8 2. a. Except as provided in subsections c. and g. of this section,
9 a landlord shall not, over the course of a 12-month period, increase
10 the rent on a covered dwelling site by more than two percent over
11 the rent charged during the prior 12-month period.

12 b. A tenant of a covered dwelling site shall not enter into a
13 sublease that results in a rental rate for the covered dwelling site
14 that exceeds the allowable rate authorized by subsection a. of this
15 section. Nothing in this subsection shall be construed to authorize a
16 tenant to sublet or assign the tenant's interest where otherwise
17 prohibited.

18 c. A landlord may, notwithstanding subsection a. of this section,
19 establish the initial rate for a new tenancy in which no tenant from
20 the prior tenancy remains in lawful possession of the covered
21 dwelling site. Subsection a. of this section shall only apply to
22 subsequent increases after that initial rate has been established with
23 respect to the new tenancy.

24 d. Except as allowed following a petition to the commissioner
25 pursuant to subsection g. of this section, if the landlord of a covered
26 dwelling site requests or accepts an increase in rent exceeding the
27 amount permitted pursuant to subsection a. of this section, the
28 applicable rent for the duration of the present lease or agreement
29 term, or subsequent lease or agreement term if the present term is
30 month-to-month, shall be the rent for the rental term preceding the
31 rent increase in violation of this section.

32 e. This section shall function in addition to, and not in place of,
33 the existing prohibition on unconscionable rent increases pursuant
34 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A
35 tenant may assert a violation of this section as a defense to an
36 eviction action as an unconscionable rent increase.

37 f. (1) A tenant shall have the right to petition a court of
38 competent jurisdiction to terminate a lease or agreement containing
39 a provision in violation of P.L. , c. (C.) (pending before the
40 Legislature as this bill), and shall be permitted to recover
41 reasonable attorney's fees or expenses.

42 (2) A landlord who violates P.L. , c. (C.) (pending
43 before the Legislature as this bill) shall also, at the discretion of the
44 tenant, be subject to a separate cause of action by the tenant in the
45 Superior Court, Law Division, Special Civil Part in the county in
46 which the covered dwelling site is located. A tenant may recover
47 \$500 from the landlord for a first offense, and \$1,000 from the

1 landlord for a second and any subsequent offense, in addition to
2 reasonable attorney's fees or expenses.

3 (3) A landlord shall be subject to the penalties set forth in this
4 subsection for each violation against each tenant, which may be
5 brought pursuant to paragraph (2) of this subsection at the tenant's
6 discretion.

7 g. (1) A landlord may petition the Commissioner of Community
8 Affairs to request approval to increase the rent on a covered
9 dwelling site by demonstrating that the present rental income and
10 additional charges from the manufactured home park on which the
11 landlord seeks relief, are insufficient to cover the costs of tax
12 increases, assessments, or maintenance to the manufactured home
13 park. The commissioner may, after a hearing, grant the landlord a
14 rent increase sufficient to meet the landlord's requirements or needs
15 after consideration of the proofs presented, the physical condition of
16 the manufactured home park, the landlord's profitability with and
17 without the proposed rent increase, the arguments presented by
18 affected tenants, and the relative bargaining position of the parties.

19 (2) A landlord that seeks to file, or files, a petition pursuant to
20 paragraph (1) of this section, shall:

21 (a) prior to filing the petition, post notice of the petition setting
22 forth the basis for the petition in a conspicuous place in and about
23 the manufactured home park;

24 (b) prior to filing the petition, serve each affected tenant
25 personally, or by certified mail, with the petition to be filed with the
26 commissioner;

27 (c) notify each affected tenant personally, or by certified mail,
28 of the hearing date set by the commissioner, and

29 (d) post notice of the hearing in a conspicuous place in the
30 manufactured home park for at least 10 days prior to the date set for
31 the hearing.

32

33 3. The commissioner shall, in accordance with the
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
35 seq.), adopt rules and regulations as necessary to implement the
36 provisions of P.L. , c. (C.) (pending before the Legislature
37 as this bill).

38

39 4. This act shall take effect on the first day of the third month
40 next following the date of enactment, except that the commissioner
41 may take anticipatory action necessary to implement the provisions
42 of P.L. , c. (C.) (pending before the Legislature as this
43 bill). This act shall apply to tenancies commencing on or after the
44 effective date of P.L. , c. (C.) (pending before the
45 Legislature as this bill).

[Second Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 3361

STATE OF NEW JERSEY
221st LEGISLATURE

ADOPTED JUNE 13, 2024

Sponsored by:

Assemblyman DAN HUTCHISON
District 4 (Atlantic, Camden and Gloucester)
Assemblyman WILLIAM F. MOEN, JR.
District 5 (Camden and Gloucester)
Assemblywoman BARBARA MCCANN STAMATO
District 31 (Hudson)
Senator PAUL D. MORIARTY
District 4 (Atlantic, Camden and Gloucester)
Senator JOSEPH P. CRYAN
District 20 (Union)

Co-Sponsored by:

Assemblymen Simonsen, McClellan, Miller, Bailey, Assemblywoman
Murphy, Assemblymen Clifton, Wimberly, Assemblywomen Quijano,
Katz, Assemblyman Atkins, Assemblywomen Haider, Simmons, Hall,
Lopez, Senators Henry, Timberlake, Assemblyman Stanley and
Assemblywoman Ramirez

SYNOPSIS

Establishes limit on rent increase for certain dwelling sites for modular or industrialized buildings or manufactured homes.

CURRENT VERSION OF TEXT

As amended by the Senate on February 25, 2025.

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

1 AN ACT concerning rent increases for certain dwelling sites for
2 modular or ²industrialized buildings or² manufactured homes and
3 supplementing chapter 27D of Title 52 of the Revised Statutes.

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

7
8 ²[1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 "Commissioner" means Commissioner of Community Affairs.

11 "Covered dwelling site" means a parcel of land within a
12 manufactured home park that is leased to the owner of a modular or
13 manufactured home for living and dwelling purposes for tenancy on
14 the site.

15 "Landlord" means a person or entity who owns or manages a
16 manufactured home park, and who rents, leases, or charges a lot fee,
17 or offers to rent, lease, or charge a lot fee, for a term of at least one
18 month, a covered dwelling site.

19 "Manufactured home park" means a parcel of land, or two or
20 more contiguous parcels of land, designed and improved such that
21 the land contains two or more sites, each of which is equipped for
22 the placement of modular or manufactured homes, and which sites
23 are under common ownership and control, other than as a
24 cooperative, for the purpose of leasing each site to the owner of a
25 modular or manufactured home for installation thereon, and where
26 the owner provides services, which may include, but shall not be
27 limited to:

- 28 (1) Construction and maintenance of streets;
29 (2) Lighting of streets and other common areas;
30 (3) Garbage removal;
31 (4) Snow removal; and
32 (5) Provision for the drainage of surface water from home sites
33 and common areas.

34 "Modular or manufactured home" means a building constructed
35 and intended for use as a dwelling unit that is primarily made or
36 assembled in manufacturing facilities off the building site, for the
37 installation or final assembly on the building site. "Modular or
38 manufactured home" includes, but is not limited to: modular
39 housing that is factory-built single-family and multifamily housing,
40 including closed wall panelized housing, and other modular
41 residential buildings. "Modular or manufactured home" also
42 includes, but is not limited to, a pre-manufactured home and a
43 mobile home.

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 floor amendments adopted September 26, 2024.

²Senate floor amendments adopted February 25, 2025.

1 "Rent" means the amount currently payable by the tenant to the
2 landlord pursuant to a lease or other agreement, without regard to
3 any modification thereof by any authorized board or agency, or any
4 court. "Rent" shall include lot fees, including license fees, charged
5 by a landlord to a tenant, in addition to tax surcharge costs passed
6 on to the tenant, and any other special expenses.

7 "Tenancy" means the lawful occupation of a covered dwelling
8 site, and which includes a lease or sublease, oral or written.

9 "Tenant" means a person who leases, rents, or pays a lot fee for a
10 covered dwelling site.²

11
12 ²[2. a. Except as provided in subsections c. and g. of this
13 section, a landlord shall not, over the course of a 12-month period,
14 increase the rent on a covered dwelling site by more than ¹[two]
15 three¹ percent over the rent charged during the prior 12-month
16 period.

17 b. A tenant of a covered dwelling site shall not enter into a
18 sublease that results in a rental rate for the covered dwelling site
19 that exceeds the allowable rate authorized by subsection a. of this
20 section. Nothing in this subsection shall be construed to authorize a
21 tenant to sublet or assign the tenant's interest where otherwise
22 prohibited.

23 c. A landlord may, notwithstanding subsection a. of this section,
24 establish the initial rate for a new tenancy in which no tenant from
25 the prior tenancy remains in lawful possession of the covered
26 dwelling site. Subsection a. of this section shall only apply to
27 subsequent increases after that initial rate has been established with
28 respect to the new tenancy.

29 d. Except as allowed following a petition to the commissioner
30 pursuant to subsection g. of this section, if the landlord of a covered
31 dwelling site requests or accepts an increase in rent exceeding the
32 amount permitted pursuant to subsection a. of this section ¹[,] :

33 (1)¹ the applicable rent for the duration of the present lease or
34 agreement term, or subsequent lease or agreement term if the
35 present term is month-to-month, shall be the rent for the rental term
36 preceding the rent increase in violation of this section ¹; and

37 (2) the landlord shall be liable for a penalty of \$1,000 per
38 violation per unit. The penalty shall be collected and enforced by
39 summary proceedings pursuant to the "Penalty Enforcement Law of
40 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court,
41 Law Division, Special Civil Part in the county in which the
42 residential rental property is located shall have jurisdiction over the
43 proceedings described pursuant to this paragraph. Process shall be
44 in the nature of a summons or warrant, and shall issue upon the
45 complaint of the Commissioner of Community Affairs or the
46 Attorney General¹.

1 e. This section shall function in addition to, and not in place of,
2 the existing prohibition on unconscionable rent increases pursuant
3 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A
4 tenant may assert a violation of this section as a defense to an
5 eviction action as an unconscionable rent increase.

6 f. (1) A tenant shall have the right to petition a court of
7 competent jurisdiction to terminate a lease or agreement containing
8 a provision in violation of P.L. , c. (C.) (pending before the
9 Legislature as this bill), and shall be permitted to recover
10 reasonable attorney's fees or expenses.

11 (2) A landlord who violates P.L. , c. (C.) (pending
12 before the Legislature as this bill) shall also, at the discretion of the
13 tenant, be subject to a separate cause of action by the tenant in the
14 Superior Court, Law Division, Special Civil Part in the county in
15 which the covered dwelling site is located. A tenant may recover
16 \$500 from the landlord for a first offense, and \$1,000 from the
17 landlord for a second and any subsequent offense, in addition to
18 reasonable attorney's fees or expenses.

19 (3) A landlord shall be subject to the penalties set forth in this
20 subsection for each violation against each tenant, which may be
21 brought pursuant to paragraph (2) of this subsection at the tenant's
22 discretion.

23 g. (1) ¹(a)¹ A landlord may petition the Commissioner of
24 Community Affairs to request approval to increase the rent on a
25 covered dwelling site ¹;

26 ¹(i)¹ by demonstrating that the present rental income and
27 additional charges from the manufactured home park on which the
28 landlord seeks relief, are insufficient to cover the costs of tax
29 increases, assessments, or maintenance to the manufactured home
30 park ¹; or

31 ¹(ii)¹ by submitting proof or documentation of capital
32 improvements to the property, which require the increase in rent¹ .

33 ¹(b)¹ The commissioner may, after a hearing, grant the landlord
34 a rent increase sufficient to meet the landlord's requirements or
35 needs after consideration of ¹, for approval sought pursuant to sub-
36 subparagraph (ii) of subparagraph (a) of this paragraph,¹ the proofs
37 ¹or documentation¹ presented, ¹or, for approval sought pursuant to
38 sub-subparagraph (i) of subparagraph (a) of this paragraph, the
39 proofs presented,¹ the physical condition of the manufactured home
40 park, the landlord's profitability with and without the proposed rent
41 increase, the arguments presented by affected tenants, and the
42 relative bargaining position of the parties ¹. The commissioner
43 shall schedule a hearing and make a final determination on a
44 petition pursuant to this paragraph within 90 days of the petition's
45 submission to the commissioner¹.

46 (2) A landlord that seeks to file, or files, a petition pursuant to
47 paragraph (1) of this section, shall:

1 (a) prior to filing the petition, post notice of the petition setting
2 forth the basis for the petition in a conspicuous place in and about
3 the manufactured home park;

4 (b) prior to filing the petition, serve each affected tenant
5 personally, or by certified mail, with the petition to be filed with the
6 commissioner;

7 (c) notify each affected tenant personally, or by certified mail,
8 of the hearing date set by the commissioner; and

9 (d) post notice of the hearing in a conspicuous place in the
10 manufactured home park for at least 10 days prior to the date set for
11 the hearing.¹²

12
13 ²[¹3. The provisions of P.L. , c. (C.) (pending before
14 the Legislature as this bill) shall not preempt an ordinance, rule, or
15 regulation, or other law regarding rent control, rent leveling, or rent
16 stabilization adopted by the governing body of a municipality that
17 would result in a lower permitted rent increase on a covered
18 dwelling unit over the course of a 12-month period. The provisions
19 of P.L. , c. (C.) (pending before the Legislature as this bill)
20 shall preempt an ordinance, rule, regulation, or other law regarding
21 rent control, rent leveling, or rent stabilization adopted by the
22 governing body of a municipality that would otherwise allow for a
23 higher permitted rent increase on a covered dwelling unit over the
24 course of a 12-month period.¹²

25
26 ²1. As used in P.L. , c. (C.) (pending before the
27 Legislature as this bill):

28 "Commissioner" means Commissioner of Community Affairs.

29 "Covered dwelling site" means a parcel of land within a
30 manufactured home park that is leased to the owner of a modular or
31 industrialized building, or a manufactured home for living and
32 dwelling purposes for tenancy on the site.

33 "Industrialized or modular building" means any building of closed
34 construction, including, but not limited to, modular housing that is
35 factory-built single-family and multi-family housing, including closed-
36 wall, panelized housing, as well as other modular, nonresidential
37 buildings. "Industrialized or modular building" shall not include any
38 structure subject to the requirements of the National Manufactured
39 Home Construction and Safety Standards Act of 1974 (42. U.S.C.
40 s.5401 et seq.).

41 "Landlord" means a person or entity who owns or manages a
42 manufactured home park, and who rents, leases, or charges a lot fee, or
43 offers to rent, lease, or charge a lot fee, for a term of at least one
44 month, a covered dwelling site.

45 "Manufactured home" means a structure for which the
46 manufacturer has filed a certification required by the Secretary of the
47 United States Department of Housing and Urban Development

1 pursuant to 42 U.S.C. s.5415 and which complies with the federal
2 standards established pursuant to the National Manufactured Home
3 Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et
4 seq.).

5 "Manufactured home park" means a parcel of land, or two or more
6 contiguous parcels of land, designed and improved such that the land
7 contains two or more sites, each of which is equipped for the
8 placement of modular or industrialized buildings or manufactured
9 homes, and which sites are under common ownership and control,
10 other than as a cooperative, for the purpose of leasing each site to the
11 owner of a modular or industrialized building or a manufactured home
12 for installation thereon, and where the owner provides services, which
13 may include, but shall not be limited to:

14 (1) Construction and maintenance of streets;
15 (2) Lighting of streets and other common areas;
16 (3) Garbage removal;
17 (4) Snow removal; and
18 (5) Provision for the drainage of surface water from home sites
19 and common areas.

20 "Rent" means the amount currently payable by the tenant to the
21 landlord pursuant to a lease or other agreement, without regard to any
22 modification thereof by any authorized board or agency, or any court.
23 "Rent" shall include lot fees, including license fees, charged by a
24 landlord to a tenant, in addition to tax surcharge costs passed on to the
25 tenant, and any other special expenses.

26 "Tenancy" means the lawful occupation of a covered dwelling site,
27 and which includes a lease or sublease, oral or written.

28 "Tenant" means a person who leases, rents, or pays a lot fee for a
29 covered dwelling site.²

30
31 ²a. Except as provided in subsections c. and g. of this section, a
32 landlord shall not, over the course of a 12-month period, increase the
33 rent on a covered dwelling site by more than three percent over the
34 rent charged during the prior 12-month period.

35 b. A tenant of a covered dwelling site shall not enter into a
36 sublease that results in a rental rate for the covered dwelling site that
37 exceeds the allowable rate authorized by subsection a. of this section.
38 Nothing in this subsection shall be construed to authorize a tenant to
39 sublet or assign the tenant's interest where otherwise prohibited.

40 c. A landlord may, notwithstanding subsection a. of this section,
41 establish the initial rate for a new tenancy in which no tenant from the
42 prior tenancy remains in lawful possession of the covered dwelling
43 site. Subsection a. of this section shall only apply to subsequent
44 increases after that initial rate has been established with respect to the
45 new tenancy.

46 d. Except as allowed following a petition to the commissioner
47 pursuant to subsection g. of this section, if the landlord of a covered

dwelling site requests or accepts an increase in rent exceeding the amount permitted pursuant to subsection a. of this section:

(1) the applicable rent for the duration of the present lease or agreement term, or subsequent lease or agreement term if the present term is month-to-month, shall be the rent for the rental term preceding the rent increase in violation of this section; and

(2) the landlord shall be liable for a penalty of \$1,000 per violation per unit. The penalty shall be collected and enforced by summary proceedings pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court, Law Division, Special Civil Part in the county in which the residential rental property is located shall have jurisdiction over the proceedings described pursuant to this paragraph. Process shall be in the nature of a summons or warrant, and shall issue upon the complaint of the Commissioner of Community Affairs or the Attorney General.

e. This section shall function in addition to, and not in place of, the existing prohibition on unconscionable rent increases pursuant to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A tenant may assert a violation of this section as a defense to an eviction action as an unconscionable rent increase.

f. (1) A tenant shall have the right to petition a court of competent jurisdiction to terminate a lease or agreement containing a provision in violation of P.L. , c. (C.) (pending before the Legislature as this bill), and shall be permitted to recover reasonable attorney's fees or expenses.

(2) A landlord who violates P.L. , c. (C.) (pending before the Legislature as this bill) shall also, at the discretion of the tenant, be subject to a separate cause of action by the tenant in the Superior Court, Law Division, Special Civil Part in the county in which the covered dwelling site is located. A tenant may recover \$500 from the landlord for a first offense, and \$1,000 from the landlord for a second and any subsequent offense, in addition to reasonable attorney's fees or expenses.

(3) A landlord shall be subject to the penalties set forth in this subsection for each violation against each tenant, which may be brought pursuant to paragraph (2) of this subsection at the tenant's discretion.

g. (1) (a) A landlord may petition the commissioner to request approval to increase the rent, in an amount specified by the landlord, on a covered dwelling site in excess of three percent:

(i) by demonstrating that the present rental income and additional charges from the manufactured home park on which the landlord seeks relief, are insufficient to cover unanticipated increases in the costs of: the abatement of hazardous conditions, taxes, assessments, maintenance to the manufactured home park, utilities, insurance, and management of the manufactured home park; or

(ii) by submitting proof or documentation of capital improvements to the property, which require the increase in rent.

1 (b) In determining whether to grant a landlord's petition pursuant
2 to this subsection, there shall be a rebuttable presumption that the rent
3 increase is reasonable and not unconscionable. If the tenant offers
4 evidence sufficient to overcome the rebuttable presumption, the
5 commissioner may, after a hearing, grant the landlord a rent increase
6 sufficient to meet the landlord's requirements or needs after
7 consideration of either the proofs or documentation presented, for
8 approval of a petition submitted pursuant to sub-subparagraph (ii) of
9 subparagraph (a) of this paragraph, or the proofs presented, the
10 physical condition of the manufactured home park, the landlord's
11 profitability with and without the proposed rent increase, the
12 arguments presented by affected tenants, and the relative bargaining
13 position of the parties, for approval of a petition seeking relief
14 pursuant to sub-subparagraph (i) of subparagraph (a) of this paragraph.
15 The commissioner shall schedule a hearing and make a final
16 determination on a petition pursuant to this paragraph within 90 days
17 after the landlord submits the petition to the commissioner. If the
18 commissioner fails to act within 90 days after the landlord submits the
19 petition, the rent increase on a covered dwelling site shall be deemed
20 approved, provided the rent increase otherwise complies with the
21 provisions of this subsection.

22 (2) A landlord that seeks to file, or files, a petition pursuant to
23 paragraph (1) of this subsection, shall:

24 (a) prior to filing the petition, post notice of the petition setting
25 forth the basis for the petition in a conspicuous place in and about the
26 manufactured home park;

27 (b) prior to filing the petition, serve each affected tenant
28 personally, or by certified mail, with the petition to be filed with the
29 commissioner;

30 (c) notify each affected tenant personally, or by certified mail, of
31 the hearing date set by the commissioner; and

32 (d) post notice of the hearing in a conspicuous place in the
33 manufactured home park for at least 10 days prior to the date set for
34 the hearing.²

35
36 ²3. a. The provisions of P.L. , c. (C.) (pending before the
37 Legislature as this bill) shall not preempt an ordinance, rule, or
38 regulation, or other law regarding rent control, rent leveling, or rent
39 stabilization adopted by the governing body of a municipality that:

40 (1) provides a fixed, numerical municipal rent increase limit that is
41 not based upon, in whole or in part, the Consumer Price Index, or other
42 variable criteria;

43 (2) was adopted in a municipality that provides and utilizes a rent
44 leveling board or similar municipal agency charged with regulating
45 rents; and

46 (3) provides a rent increase limit on a covered dwelling site that is
47 less than or equal to three percent over the course of a 12-month
48 period, regardless of whether:

1 (a) a determination, made by a rent leveling board or similar
2 municipal agency charged with regulating rents, authorizes an
3 exemption from the municipal rent increase limit, resulting in a rent
4 increase on a covered dwelling site that is greater than three percent
5 over the course of a 12-month period; or

6 (b) the municipal rent increase limit permits one or more
7 exceptions, which are not based upon, in whole or in part, the
8 Consumer Price Index or other variable criteria.

9 b. Except as provided in subsection a. of this section, the
10 provisions of P.L. , c. (C.) (pending before the Legislature as
11 this bill) shall preempt an ordinance, rule, regulation, or other law
12 regarding rent control, rent leveling, or rent stabilization adopted by
13 the governing body of a municipality that:

14 (1) provides a rent increase limit on a covered dwelling site that is
15 greater than three percent over the course of a 12-month period;

16 (2) does not provide a fixed, numerical municipal rent increase
17 limit, and instead is based upon, in whole or in part, the Consumer
18 Price Index, or other variable criteria; or

19 (3) was adopted in a municipality that does not provide or utilize a
20 rent leveling board or similar municipal agency charged with
21 regulating rents.

22 c. If an ordinance, rule, regulation, or other law regarding rent
23 control, rent leveling, or rent stabilization adopted by the governing
24 body of a municipality is preempted pursuant to subsection b. of this
25 section due to the failure of the municipality, in which such a
26 municipal law was adopted, to provide or utilize a rent leveling board
27 or similar municipal agency charged with regulating rents pursuant to
28 paragraph (3) of subsection b. of this section, P.L. , c. (C.)
29 (pending before the Legislature as this bill) shall not preempt the fixed,
30 numerical municipal rent increase limit provided in the ordinance,
31 rule, regulation, or other law regarding rent control, rent leveling, or
32 rent stabilization, but shall otherwise preempt such a municipal law.²

33
34 ¹**[3.] 4.**¹ The commissioner shall, in accordance with the
35 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
36 seq.), adopt rules and regulations as necessary to implement the
37 provisions of P.L. , c. (C.) (pending before the Legislature
38 as this bill).

39
40 ¹**[4.] 5.**¹ This act shall take effect on the first day of the third
41 month next following the date of enactment, except that the
42 commissioner may take anticipatory action necessary to implement
43 the provisions of P.L. , c. (C.) (pending before the
44 Legislature as this bill). This act shall apply to tenancies
45 commencing on or after the effective date of P.L. , c. (C.)
46 (pending before the Legislature as this bill).

[First Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 3361

STATE OF NEW JERSEY
221st LEGISLATURE

ADOPTED JUNE 13, 2024

Sponsored by:

Assemblyman DAN HUTCHISON

District 4 (Atlantic, Camden and Gloucester)

Assemblyman WILLIAM F. MOEN, JR.

District 5 (Camden and Gloucester)

Assemblywoman BARBARA MCCANN STAMATO

District 31 (Hudson)

Co-Sponsored by:

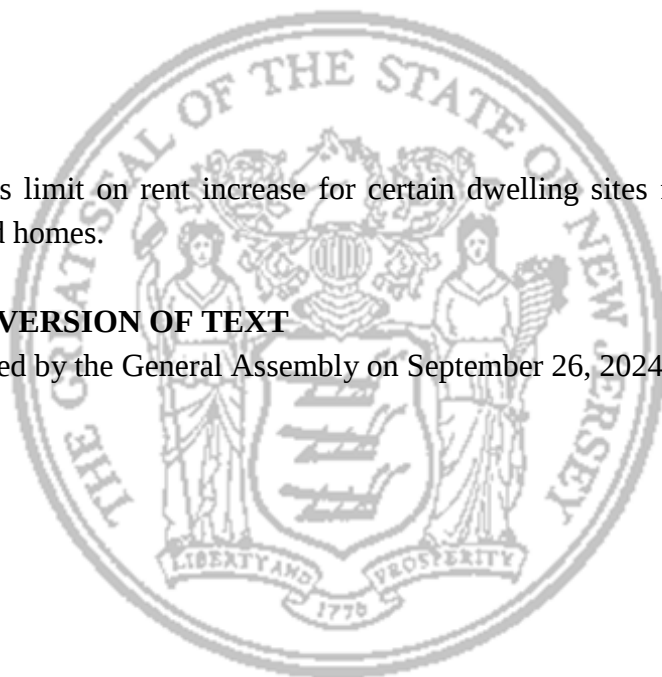
**Assemblymen Simonsen, McClellan, Miller, Bailey, Assemblywoman
Murphy, Assemblymen Clifton, Wimberly, Assemblywomen Quijano,
Katz, Assemblyman Atkins, Assemblywomen Haider, Simmons, Hall and
Lopez**

SYNOPSIS

Establishes limit on rent increase for certain dwelling sites for modular or
manufactured homes.

CURRENT VERSION OF TEXT

As amended by the General Assembly on September 26, 2024.



(Sponsorship Updated As Of: 1/30/2025)

1 **AN ACT** concerning rent increases for certain dwelling sites for
2 modular or manufactured homes and supplementing chapter 27D
3 of Title 52 of the Revised Statutes.

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

7
8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 "Commissioner" means Commissioner of Community Affairs.

11 "Covered dwelling site" means a parcel of land within a
12 manufactured home park that is leased to the owner of a modular or
13 manufactured home for living and dwelling purposes for tenancy on
14 the site.

15 "Landlord" means a person or entity who owns or manages a
16 manufactured home park, and who rents, leases, or charges a lot fee,
17 or offers to rent, lease, or charge a lot fee, for a term of at least one
18 month, a covered dwelling site.

19 "Manufactured home park" means a parcel of land, or two or
20 more contiguous parcels of land, designed and improved such that
21 the land contains two or more sites, each of which is equipped for
22 the placement of modular or manufactured homes, and which sites
23 are under common ownership and control, other than as a
24 cooperative, for the purpose of leasing each site to the owner of a
25 modular or manufactured home for installation thereon, and where
26 the owner provides services, which may include, but shall not be
27 limited to:

- 28 (1) Construction and maintenance of streets;
29 (2) Lighting of streets and other common areas;
30 (3) Garbage removal;
31 (4) Snow removal; and
32 (5) Provision for the drainage of surface water from home sites
33 and common areas.

34 "Modular or manufactured home" means a building constructed
35 and intended for use as a dwelling unit that is primarily made or
36 assembled in manufacturing facilities off the building site, for the
37 installation or final assembly on the building site. "Modular or
38 manufactured home" includes, but is not limited to: modular
39 housing that is factory-built single-family and multifamily housing,
40 including closed wall panelized housing, and other modular
41 residential buildings. "Modular or manufactured home" also
42 includes, but is not limited to, a pre-manufactured home and a
43 mobile home.

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 floor amendments adopted September 26, 2024.

1 "Rent" means the amount currently payable by the tenant to the
2 landlord pursuant to a lease or other agreement, without regard to
3 any modification thereof by any authorized board or agency, or any
4 court. "Rent" shall include lot fees, including license fees, charged
5 by a landlord to a tenant, in addition to tax surcharge costs passed
6 on to the tenant, and any other special expenses.

7 "Tenancy" means the lawful occupation of a covered dwelling
8 site, and which includes a lease or sublease, oral or written.

9 "Tenant" means a person who leases, rents, or pays a lot fee for a
10 covered dwelling site.

11

12 2. a. Except as provided in subsections c. and g. of this section,
13 a landlord shall not, over the course of a 12-month period, increase
14 the rent on a covered dwelling site by more than ~~'[two]~~ three¹
15 percent over the rent charged during the prior 12-month period.

16 b. A tenant of a covered dwelling site shall not enter into a
17 sublease that results in a rental rate for the covered dwelling site
18 that exceeds the allowable rate authorized by subsection a. of this
19 section. Nothing in this subsection shall be construed to authorize a
20 tenant to sublet or assign the tenant's interest where otherwise
21 prohibited.

22 c. A landlord may, notwithstanding subsection a. of this section,
23 establish the initial rate for a new tenancy in which no tenant from
24 the prior tenancy remains in lawful possession of the covered
25 dwelling site. Subsection a. of this section shall only apply to
26 subsequent increases after that initial rate has been established with
27 respect to the new tenancy.

28 d. Except as allowed following a petition to the commissioner
29 pursuant to subsection g. of this section, if the landlord of a covered
30 dwelling site requests or accepts an increase in rent exceeding the
31 amount permitted pursuant to subsection a. of this section ~~'[.]~~ :

32 (1)¹ the applicable rent for the duration of the present lease or
33 agreement term, or subsequent lease or agreement term if the
34 present term is month-to-month, shall be the rent for the rental term
35 preceding the rent increase in violation of this section ¹; and

36 (2) the landlord shall be liable for a penalty of \$1,000 per
37 violation per unit. The penalty shall be collected and enforced by
38 summary proceedings pursuant to the "Penalty Enforcement Law of
39 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court,
40 Law Division, Special Civil Part in the county in which the
41 residential rental property is located shall have jurisdiction over the
42 proceedings described pursuant to this paragraph. Process shall be
43 in the nature of a summons or warrant, and shall issue upon the
44 complaint of the Commissioner of Community Affairs or the
45 Attorney General¹.

46 e. This section shall function in addition to, and not in place of,
47 the existing prohibition on unconscionable rent increases pursuant

1 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A
2 tenant may assert a violation of this section as a defense to an
3 eviction action as an unconscionable rent increase.

4 f. (1) A tenant shall have the right to petition a court of
5 competent jurisdiction to terminate a lease or agreement containing
6 a provision in violation of P.L. , c. (C.) (pending before the
7 Legislature as this bill), and shall be permitted to recover
8 reasonable attorney's fees or expenses.

9 (2) A landlord who violates P.L. , c. (C.) (pending
10 before the Legislature as this bill) shall also, at the discretion of the
11 tenant, be subject to a separate cause of action by the tenant in the
12 Superior Court, Law Division, Special Civil Part in the county in
13 which the covered dwelling site is located. A tenant may recover
14 \$500 from the landlord for a first offense, and \$1,000 from the
15 landlord for a second and any subsequent offense, in addition to
16 reasonable attorney's fees or expenses.

17 (3) A landlord shall be subject to the penalties set forth in this
18 subsection for each violation against each tenant, which may be
19 brought pursuant to paragraph (2) of this subsection at the tenant's
20 discretion.

21 g. (1) ¹(a)¹ A landlord may petition the Commissioner of
22 Community Affairs to request approval to increase the rent on a
23 covered dwelling site ¹;

24 ¹(i)¹ by demonstrating that the present rental income and
25 additional charges from the manufactured home park on which the
26 landlord seeks relief, are insufficient to cover the costs of tax
27 increases, assessments, or maintenance to the manufactured home
28 park ¹; or

29 ¹(ii)¹ by submitting proof or documentation of capital
30 improvements to the property, which require the increase in rent ¹ .

31 ¹(b)¹ The commissioner may, after a hearing, grant the landlord
32 a rent increase sufficient to meet the landlord's requirements or
33 needs after consideration of ¹, for approval sought pursuant to sub-
34 subparagraph (ii) of subparagraph (a) of this paragraph,¹ the proofs
35 ¹or documentation¹ presented, ¹or, for approval sought pursuant to
36 sub-subparagraph (i) of subparagraph (a) of this paragraph, the
37 proofs presented,¹ the physical condition of the manufactured home
38 park, the landlord's profitability with and without the proposed rent
39 increase, the arguments presented by affected tenants, and the
40 relative bargaining position of the parties ¹. The commissioner
41 shall schedule a hearing and make a final determination on a
42 petition pursuant to this paragraph within 90 days of the petition's
43 submission to the commissioner¹.

44 (2) A landlord that seeks to file, or files, a petition pursuant to
45 paragraph (1) of this section, shall:

1 (a) prior to filing the petition, post notice of the petition setting
2 forth the basis for the petition in a conspicuous place in and about
3 the manufactured home park;

4 (b) prior to filing the petition, serve each affected tenant
5 personally, or by certified mail, with the petition to be filed with the
6 commissioner;

7 (c) notify each affected tenant personally, or by certified mail,
8 of the hearing date set by the commissioner; and

9 (d) post notice of the hearing in a conspicuous place in the
10 manufactured home park for at least 10 days prior to the date set for
11 the hearing.

12

13 ¹3. The provisions of P.L. , c. (C.) (pending before the
14 Legislature as this bill) shall not preempt an ordinance, rule, or
15 regulation, or other law regarding rent control, rent leveling, or rent
16 stabilization adopted by the governing body of a municipality that
17 would result in a lower permitted rent increase on a covered
18 dwelling unit over the course of a 12-month period. The provisions
19 of P.L. , c. (C.) (pending before the Legislature as this bill)
20 shall preempt an ordinance, rule, regulation, or other law regarding
21 rent control, rent leveling, or rent stabilization adopted by the
22 governing body of a municipality that would otherwise allow for a
23 higher permitted rent increase on a covered dwelling unit over the
24 course of a 12-month period.¹

25

26 ¹**[3.] 4.**¹ The commissioner shall, in accordance with the
27 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
28 seq.), adopt rules and regulations as necessary to implement the
29 provisions of P.L. , c. (C.) (pending before the Legislature
30 as this bill).

31

32 ¹**[4.] 5.**¹ This act shall take effect on the first day of the third
33 month next following the date of enactment, except that the
34 commissioner may take anticipatory action necessary to implement
35 the provisions of P.L. , c. (C.) (pending before the
36 Legislature as this bill). This act shall apply to tenancies
37 commencing on or after the effective date of P.L. , c. (C.)
38 (pending before the Legislature as this bill).

[Third Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 3361

STATE OF NEW JERSEY
221st LEGISLATURE

ADOPTED JUNE 13, 2024

Sponsored by:

Assemblyman DAN HUTCHISON

District 4 (Atlantic, Camden and Gloucester)

Assemblyman WILLIAM F. MOEN, JR.

District 5 (Camden and Gloucester)

Assemblywoman BARBARA MCCANN STAMATO

District 31 (Hudson)

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator JOSEPH P. CRYAN

District 20 (Union)

Co-Sponsored by:

**Assemblymen Simonsen, McClellan, Miller, Bailey, Assemblywoman
Murphy, Assemblymen Clifton, Wimberly, Assemblywomen Quijano,
Katz, Assemblyman Atkins, Assemblywomen Haider, Simmons, Hall,
Lopez, Senators Henry, Timberlake, Assemblyman Stanley and
Assemblywoman Ramirez**

SYNOPSIS

Establishes limit on rent increase for certain dwelling sites for modular or industrialized buildings or manufactured homes.

CURRENT VERSION OF TEXT

As amended on June 30, 2025 by the Senate pursuant to the Governor's recommendations.

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

1 AN ACT concerning rent increases for certain dwelling sites for
2 modular or ²industrialized buildings or² manufactured homes and
3 supplementing chapter 27D of Title 52 of the Revised Statutes.
4

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

8 ²[1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 "Commissioner" means Commissioner of Community Affairs.

11 "Covered dwelling site" means a parcel of land within a
12 manufactured home park that is leased to the owner of a modular or
13 manufactured home for living and dwelling purposes for tenancy on
14 the site.

15 "Landlord" means a person or entity who owns or manages a
16 manufactured home park, and who rents, leases, or charges a lot fee,
17 or offers to rent, lease, or charge a lot fee, for a term of at least one
18 month, a covered dwelling site.

19 "Manufactured home park" means a parcel of land, or two or
20 more contiguous parcels of land, designed and improved such that
21 the land contains two or more sites, each of which is equipped for
22 the placement of modular or manufactured homes, and which sites
23 are under common ownership and control, other than as a
24 cooperative, for the purpose of leasing each site to the owner of a
25 modular or manufactured home for installation thereon, and where
26 the owner provides services, which may include, but shall not be
27 limited to:

- 28 (1) Construction and maintenance of streets;
29 (2) Lighting of streets and other common areas;
30 (3) Garbage removal;
31 (4) Snow removal; and
32 (5) Provision for the drainage of surface water from home sites
33 and common areas.

34 "Modular or manufactured home" means a building constructed
35 and intended for use as a dwelling unit that is primarily made or
36 assembled in manufacturing facilities off the building site, for the
37 installation or final assembly on the building site. "Modular or
38 manufactured home" includes, but is not limited to: modular
39 housing that is factory-built single-family and multifamily housing,
40 including closed wall panelized housing, and other modular
41 residential buildings. "Modular or manufactured home" also

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 floor amendments adopted September 26, 2024.

²Senate floor amendments adopted February 25, 2025.

³Senate amendments adopted in accordance with Governor's recommendations June 30, 2025.

1 includes, but is not limited to, a pre-manufactured home and a
2 mobile home.

3 "Rent" means the amount currently payable by the tenant to the
4 landlord pursuant to a lease or other agreement, without regard to
5 any modification thereof by any authorized board or agency, or any
6 court. "Rent" shall include lot fees, including license fees, charged
7 by a landlord to a tenant, in addition to tax surcharge costs passed
8 on to the tenant, and any other special expenses.

9 "Tenancy" means the lawful occupation of a covered dwelling
10 site, and which includes a lease or sublease, oral or written.

11 "Tenant" means a person who leases, rents, or pays a lot fee for a
12 covered dwelling site.¹²

13

14 ²[2. a. Except as provided in subsections c. and g. of this
15 section, a landlord shall not, over the course of a 12-month period,
16 increase the rent on a covered dwelling site by more than ¹[two]
17 three¹ percent over the rent charged during the prior 12-month
18 period.

19 b. A tenant of a covered dwelling site shall not enter into a
20 sublease that results in a rental rate for the covered dwelling site
21 that exceeds the allowable rate authorized by subsection a. of this
22 section. Nothing in this subsection shall be construed to authorize a
23 tenant to sublet or assign the tenant's interest where otherwise
24 prohibited.

25 c. A landlord may, notwithstanding subsection a. of this section,
26 establish the initial rate for a new tenancy in which no tenant from
27 the prior tenancy remains in lawful possession of the covered
28 dwelling site. Subsection a. of this section shall only apply to
29 subsequent increases after that initial rate has been established with
30 respect to the new tenancy.

31 d. Except as allowed following a petition to the commissioner
32 pursuant to subsection g. of this section, if the landlord of a covered
33 dwelling site requests or accepts an increase in rent exceeding the
34 amount permitted pursuant to subsection a. of this section ¹[.], :

35 (1)¹ the applicable rent for the duration of the present lease or
36 agreement term, or subsequent lease or agreement term if the
37 present term is month-to-month, shall be the rent for the rental term
38 preceding the rent increase in violation of this section ¹; and

39 (2) the landlord shall be liable for a penalty of \$1,000 per
40 violation per unit. The penalty shall be collected and enforced by
41 summary proceedings pursuant to the "Penalty Enforcement Law of
42 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court,
43 Law Division, Special Civil Part in the county in which the
44 residential rental property is located shall have jurisdiction over the
45 proceedings described pursuant to this paragraph. Process shall be
46 in the nature of a summons or warrant, and shall issue upon the

1 complaint of the Commissioner of Community Affairs or the
2 Attorney General¹.

3 e. This section shall function in addition to, and not in place of,
4 the existing prohibition on unconscionable rent increases pursuant
5 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A
6 tenant may assert a violation of this section as a defense to an
7 eviction action as an unconscionable rent increase.

8 f. (1) A tenant shall have the right to petition a court of
9 competent jurisdiction to terminate a lease or agreement containing
10 a provision in violation of P.L. , c. (C.) (pending before the
11 Legislature as this bill), and shall be permitted to recover
12 reasonable attorney's fees or expenses.

13 (2) A landlord who violates P.L. , c. (C.) (pending
14 before the Legislature as this bill) shall also, at the discretion of the
15 tenant, be subject to a separate cause of action by the tenant in the
16 Superior Court, Law Division, Special Civil Part in the county in
17 which the covered dwelling site is located. A tenant may recover
18 \$500 from the landlord for a first offense, and \$1,000 from the
19 landlord for a second and any subsequent offense, in addition to
20 reasonable attorney's fees or expenses.

21 (3) A landlord shall be subject to the penalties set forth in this
22 subsection for each violation against each tenant, which may be
23 brought pursuant to paragraph (2) of this subsection at the tenant's
24 discretion.

25 g. (1) ¹(a)¹ A landlord may petition the Commissioner of
26 Community Affairs to request approval to increase the rent on a
27 covered dwelling site ¹;

28 (i)¹ by demonstrating that the present rental income and
29 additional charges from the manufactured home park on which the
30 landlord seeks relief, are insufficient to cover the costs of tax
31 increases, assessments, or maintenance to the manufactured home
32 park ¹; or

33 (ii) by submitting proof or documentation of capital
34 improvements to the property, which require the increase in rent¹ .

35 ¹(b)¹ The commissioner may, after a hearing, grant the landlord
36 a rent increase sufficient to meet the landlord's requirements or
37 needs after consideration of ¹, for approval sought pursuant to sub-
38 subparagraph (ii) of subparagraph (a) of this paragraph,¹ the proofs
39 ¹or documentation¹ presented, ¹or, for approval sought pursuant to
40 sub-subparagraph (i) of subparagraph (a) of this paragraph, the
41 proofs presented,¹ the physical condition of the manufactured home
42 park, the landlord's profitability with and without the proposed rent
43 increase, the arguments presented by affected tenants, and the
44 relative bargaining position of the parties¹. The commissioner
45 shall schedule a hearing and make a final determination on a
46 petition pursuant to this paragraph within 90 days of the petition's
47 submission to the commissioner¹.

1 (2) A landlord that seeks to file, or files, a petition pursuant to
2 paragraph (1) of this section, shall:

3 (a) prior to filing the petition, post notice of the petition setting
4 forth the basis for the petition in a conspicuous place in and about
5 the manufactured home park;

6 (b) prior to filing the petition, serve each affected tenant
7 personally, or by certified mail, with the petition to be filed with the
8 commissioner;

9 (c) notify each affected tenant personally, or by certified mail,
10 of the hearing date set by the commissioner; and

11 (d) post notice of the hearing in a conspicuous place in the
12 manufactured home park for at least 10 days prior to the date set for
13 the hearing.¹²

14

15 ²13. The provisions of P.L. , c. (C.) (pending before
16 the Legislature as this bill) shall not preempt an ordinance, rule, or
17 regulation, or other law regarding rent control, rent leveling, or rent
18 stabilization adopted by the governing body of a municipality that
19 would result in a lower permitted rent increase on a covered
20 dwelling unit over the course of a 12-month period. The provisions
21 of P.L. , c. (C.) (pending before the Legislature as this bill)
22 shall preempt an ordinance, rule, regulation, or other law regarding
23 rent control, rent leveling, or rent stabilization adopted by the
24 governing body of a municipality that would otherwise allow for a
25 higher permitted rent increase on a covered dwelling unit over the
26 course of a 12-month period.¹²

27

28 ²1. As used in P.L. , c. (C.) (pending before the
29 Legislature as this bill):

30 "Commissioner" means Commissioner of Community Affairs.

31 "Covered dwelling site" means a parcel of land within a
32 manufactured home park that is leased to the owner of a modular or
33 industrialized building, or a manufactured home for living and
34 dwelling purposes for tenancy on the site.

35 "Industrialized or modular building" means any building of closed
36 construction, including, but not limited to, modular housing that is
37 factory-built single-family and multi-family housing, including closed-
38 wall, panelized housing, as well as other modular, nonresidential
39 buildings. "Industrialized or modular building" shall not include any
40 structure subject to the requirements of the National Manufactured
41 Home Construction and Safety Standards Act of 1974 (42. U.S.C.
42 s.5401 et seq.).

43 "Landlord" means a person or entity who owns or manages a
44 manufactured home park, and who rents, leases, or charges a lot fee, or
45 offers to rent, lease, or charge a lot fee, for a term of at least one
46 month, a covered dwelling site.

1 "Manufactured home" means a structure for which the
2 manufacturer has filed a certification required by the Secretary of the
3 United States Department of Housing and Urban Development
4 pursuant to 42 U.S.C. s.5415 and which complies with the federal
5 standards established pursuant to the National Manufactured Home
6 Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et
7 seq.).

8 "Manufactured home park" means a parcel of land, or two or more
9 contiguous parcels of land, designed and improved such that the land
10 contains two or more sites, each of which is equipped for the
11 placement of modular or industrialized buildings or manufactured
12 homes, and which sites are under common ownership and control,
13 other than as a cooperative, for the purpose of leasing each site to the
14 owner of a modular or industrialized building or a manufactured home
15 for installation thereon, and where the owner provides services, which
16 may include, but shall not be limited to:

17 (1) Construction and maintenance of streets;

18 (2) Lighting of streets and other common areas;

19 (3) Garbage removal;

20 (4) Snow removal; and

21 (5) Provision for the drainage of surface water from home sites
22 and common areas.

23 "Rent" means the amount currently payable by the tenant to the
24 landlord pursuant to a lease or other agreement, without regard to any
25 modification thereof by any authorized board or agency, or any court.
26 "Rent" shall include lot fees, including license fees, charged by a
27 landlord to a tenant, in addition to tax surcharge costs passed on to the
28 tenant, and any other special expenses.

29 "Tenancy" means the lawful occupation of a covered dwelling site,
30 and which includes a lease or sublease, oral or written.

31 "Tenant" means a person who leases, rents, or pays a lot fee for a
32 covered dwelling site.²

33
34 ²2. a. Except as provided in subsections c. and g. of this section,
35 a landlord shall not, over the course of a 12-month period, increase
36 the rent on a covered dwelling site by more than three ³and one
37 half³ percent over the rent charged during the prior 12-month
38 period.

39 b. A tenant of a covered dwelling site shall not enter into a
40 sublease that results in a rental rate for the covered dwelling site
41 that exceeds the allowable rate authorized by subsection a. of this
42 section. Nothing in this subsection shall be construed to authorize a
43 tenant to sublet or assign the tenant's interest where otherwise
44 prohibited.

45 c. A landlord may, notwithstanding subsection a. of this section,
46 establish the initial rate for a new tenancy in which no tenant from
47 the prior tenancy remains in lawful possession of the covered
48 dwelling site. Subsection a. of this section shall only apply to

1 subsequent increases after that initial rate has been established with
2 respect to the new tenancy.

3 d. ³(1)³ Except as allowed following a petition to the
4 commissioner pursuant to subsection g. of this section, if the
5 landlord of a covered dwelling site requests or accepts an increase
6 in rent exceeding the amount permitted pursuant to subsection a. of
7 this section:

8 ³[(1)] (a)³ the applicable rent for the duration of the present
9 lease or agreement term, or subsequent lease or agreement term if
10 the present term is month-to-month, shall be the rent for the rental
11 term preceding the rent increase in violation of this section; and

12 ³[(2)] (b)³ the landlord shall be liable for a penalty of \$1,000
13 per violation per unit. The penalty shall be collected and enforced
14 by summary proceedings pursuant to the "Penalty Enforcement Law
15 of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior
16 Court, Law Division, Special Civil Part in the county in which the
17 residential rental property is located shall have jurisdiction over the
18 proceedings described pursuant to this paragraph. Process shall be
19 in the nature of a summons or warrant, and shall issue upon the
20 complaint of the Commissioner of Community Affairs or the
21 Attorney General.

22 ³(2) In municipalities where preemption does not apply pursuant
23 to section 3 of this act, P.L. , c. (C.) (pending before the
24 Legislature as this bill), enforcement of such penalty in
25 subparagraph (b) of paragraph (1) of this subsection shall be
26 pursuant to applicable law, including any ordinances or regulations
27 adopted thereto.³

28 e. This section shall function in addition to, and not in place of,
29 the existing prohibition on unconscionable rent increases pursuant
30 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A
31 tenant may assert a violation of this section as a defense to an
32 eviction action as an unconscionable rent increase.

33 f. (1) A tenant shall have the right to petition a court of
34 competent jurisdiction to terminate a lease or agreement containing
35 a provision in violation of P.L. , c. (C.) (pending before the
36 Legislature as this bill), and shall be permitted to recover
37 reasonable attorney's fees or expenses.

38 (2) A landlord who violates P.L. , c. (C.) (pending
39 before the Legislature as this bill) shall also, at the discretion of the
40 tenant, be subject to a separate cause of action by the tenant in the
41 Superior Court, Law Division, Special Civil Part in the county in
42 which the covered dwelling site is located. A tenant may recover
43 \$500 from the landlord for a first offense, and \$1,000 from the
44 landlord for a second and any subsequent offense, in addition to
45 reasonable attorney's fees or expenses.

46 (3) A landlord shall be subject to the penalties set forth in this
47 subsection for each violation against each tenant, which may be

1 brought pursuant to paragraph (2) of this subsection at the tenant's
2 discretion.

3 g. (1) (a) A landlord may petition the commissioner to request
4 approval to increase the rent, in an amount specified by the
5 landlord, on a covered dwelling site in excess of three ³and one
6 half³ percent:

7 (i) by demonstrating ³through proof or documentation³ that the
8 present rental income and additional charges from the manufactured
9 home park on which the landlord seeks relief, are insufficient to
10 cover unanticipated increases in the costs of: the abatement of
11 hazardous conditions, taxes, assessments, maintenance to the
12 manufactured home park, utilities, insurance, and management of
13 the manufactured home park; or

14 (ii) by submitting proof or documentation of capital
15 improvements to the property, which require the increase in rent.

16 (b) In determining whether to grant a landlord's petition
17 pursuant to this subsection, there shall be a rebuttable presumption
18 that the rent increase is reasonable and not unconscionable ³]. If
19 the tenant offers evidence sufficient to overcome the rebuttable
20 presumption, the] so long as the landlord first provides the proof or
21 documentation required in subparagraph (a) of this paragraph to the
22 tenant. The³ commissioner may, after a hearing, grant the landlord
23 a rent increase sufficient to meet the landlord's requirements or
24 needs after consideration of either the proofs or documentation
25 presented, for approval of a petition submitted pursuant to sub-
26 subparagraph (ii) of subparagraph (a) of this paragraph, or the
27 proofs presented, the physical condition of the manufactured home
28 park, the landlord's profitability with and without the proposed rent
29 increase, the arguments presented by affected tenants, and the
30 relative bargaining position of the parties, for approval of a petition
31 seeking relief pursuant to sub-subparagraph (i) of subparagraph (a)
32 of this paragraph. The commissioner shall schedule a hearing and
33 make a final determination on a petition pursuant to this paragraph
34 within 90 days after the landlord submits the petition to the
35 commissioner. If the commissioner fails to act within 90 days after
36 the landlord submits the petition, the rent increase on a covered
37 dwelling site shall be deemed approved, provided the rent increase
38 otherwise complies with the provisions of this subsection.

39 (2) A landlord that seeks to file, or files, a petition pursuant to
40 paragraph (1) of this subsection, shall:

41 (a) prior to filing the petition, post notice of the petition setting
42 forth the basis for the petition in a conspicuous place in and about
43 the manufactured home park;

44 (b) prior to filing the petition, serve each affected tenant
45 personally, or by certified mail, with the petition to be filed with the
46 commissioner ³, along with the proof or documentation required by
47 subparagraph (a) of paragraph (1) of this subsection³;

1 (c) notify each affected tenant personally, or by certified mail,
2 of the hearing date set by the commissioner³, along with the proof
3 or other documentation required by subparagraph (a) of paragraph
4 (1) of this subsection³; and

5 (d) post notice of the hearing in a conspicuous place in the
6 manufactured home park for at least 10 days prior to the date set for
7 the hearing.²

8
9 ²3. a. ³(1)³ The provisions of P.L. , c. (C.) (pending
10 before the Legislature as this bill) shall not preempt an ordinance,
11 rule, or regulation, or other law regarding rent control, rent leveling,
12 or rent stabilization adopted by the governing body of a
13 municipality that³ governs covered dwelling sites and that³:

14 ³[(1)] (a)³ provides a fixed, numerical municipal rent increase
15 limit that is not based upon, in whole or in part, the Consumer Price
16 Index, or other variable criteria; ³and³

17 ³[(2)] was adopted in a municipality that provides and utilizes a
18 rent leveling board or similar municipal agency charged with
19 regulating rents; and]³

20 ³[(3)] (b)³ provides a rent increase limit on a covered dwelling
21 site that is less than or equal to three ³and one half³ percent over the
22 course of a 12-month period, regardless of whether:

23 ³[(a)] (i)³ a determination, made by a rent leveling board or
24 similar municipal agency charged with regulating rents, authorizes
25 an exemption from the municipal rent increase limit, resulting in a
26 rent increase on a covered dwelling site that is greater than three
27 ³and one half³ percent over the course of a 12-month period; or

28 ³[(b)] (ii)³ the municipal rent increase limit permits one or
29 more exceptions, which are not based upon, in whole or in part, the
30 Consumer Price Index or other variable criteria.

31 ³(2) Nothing in this act, P.L. , c. (C.) (pending before
32 the Legislature as this bill), shall be construed to prohibit a
33 municipality from adopting or enforcing an ordinance reflecting, or
34 otherwise consistent with, the provisions of this act. In such cases,
35 the municipality shall maintain jurisdiction for effectuation,
36 implementation, and enforcement, and matters governed pursuant
37 thereto shall not come before the commissioner.³

38 b. Except as provided in subsection a. of this section, the
39 provisions of P.L. , c. (C.) (pending before the Legislature
40 as this bill) shall preempt an ordinance, rule, regulation, or other
41 law regarding rent control, rent leveling, or rent stabilization
42 adopted by the governing body of a municipality that:

43 (1) provides a rent increase limit on a covered dwelling site that
44 is greater than three ³and one half³ percent over the course of a 12-
45 month period; ³or³

1 (2) does not provide a fixed, numerical municipal rent increase
2 limit, and instead is based upon, in whole or in part, the Consumer
3 Price Index, or other variable criteria ³]; or

4 (3) was adopted in a municipality that does not provide or utilize
5 a rent leveling board or similar municipal agency charged with
6 regulating rents.

7 c. If an ordinance, rule, regulation, or other law regarding rent
8 control, rent leveling, or rent stabilization adopted by the governing
9 body of a municipality is preempted pursuant to subsection b. of
10 this section due to the failure of the municipality, in which such a
11 municipal law was adopted, to provide or utilize a rent leveling
12 board or similar municipal agency charged with regulating rents
13 pursuant to paragraph (3) of subsection b. of this section, P.L. , c.
14 (C.) (pending before the Legislature as this bill) shall not
15 preempt the fixed, numerical municipal rent increase limit provided
16 in the ordinance, rule, regulation, or other law regarding rent
17 control, rent leveling, or rent stabilization, but shall otherwise
18 preempt such a municipal law. ²] .

19 c. A landlord seeking to exceed the allowable rate authorized by
20 subsection a. of section 2 of this act, P.L. , c. (C.) (pending
21 before the Legislature as this bill), in any municipality with a rent
22 leveling board or similar municipal agency charged with regulating
23 rents whose ordinance, rule, regulation, or other law has been
24 preempted pursuant to this section shall seek approval from the
25 board or agency consistent with any requirements and procedures
26 prescribed thereby or by the governing body. ³

27
28 ³4. There is appropriated from the General Fund to the
29 Department of Community Affairs the amount of \$2,000,000 to
30 effectuate the purposes of this act, subject to the approval of the
31 Director of the Division of Budget and Accounting. ³

32
33 ¹[3.] ³[4.1] ^{5.}³ The commissioner shall, in accordance with the
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
35 seq.), adopt rules and regulations as necessary to implement the
36 provisions of P.L. , c. (C.) (pending before the Legislature
37 as this bill).

38
39 ¹[4.] ³[5.1] ^{6.}³ This act shall take effect ³[on] immediately,
40 but sections 1 through 3 shall remain inoperative until ³the first day
41 of the ³[third] ³eighth ³month next following the date of enactment,
42 except that the commissioner may take ³any ³anticipatory action
43 necessary to implement the provisions of P.L. , c. (C.)
44 (pending before the Legislature as this bill). This act shall apply to
45 tenancies commencing on or after the effective date of P.L. , c.
46 (C.) (pending before the Legislature as this bill).

ASSEMBLY HOUSING COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 3361

STATE OF NEW JERSEY

DATED: JUNE 13, 2024

The Assembly Housing Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 3361.

This Assembly Committee Substitute would limit the amount a landlord may increase the rent on a tenant of a dwelling site within a manufactured home park, upon which the tenant is permitted to install a modular or manufactured home, as defined in the bill.

The bill prohibits a landlord, as defined in the bill, of a covered dwelling site, from increasing the rent over the course of a 12-month period by more than two percent. The bill defines the term "covered dwelling site" to mean a parcel of land within a manufactured home park that is leased to the owner of a modular or manufactured home for living and dwelling purposes. Under the bill, "rent" includes lot fees, including license fees, charged by a landlord to a tenant, in addition to tax surcharge costs passed on to the tenant, and any other special expenses.

The bill provides, with limited exceptions, that if the landlord increases the rent in excess of the bill's limitation, the applicable rent for the duration of the present lease term, or subsequent lease term if the present term is month-to-month, is to be the rent for the year or term preceding the violation. The bill's limitations would function in addition to the existing prohibition on unconscionable rent increases pursuant the Anti-Eviction Act, P.L.1974, c.49 (C.2A:18-61.1 et seq.), and would permit a tenant to assert the violation as a defense to an eviction as an unconscionable rent increase.

A violation of the bill would:

(1) permit a tenant to petition the court to terminate a lease or agreement in violation of the bill, and to recover reasonable attorney's fees or expenses; and

(2) subject a landlord to a private cause of action, brought at the discretion of the tenant, who would be permitted to recover \$500 for a first offense by the landlord, and \$1,000 for a second and any subsequent offense by the landlord, in addition to reasonable attorney's fees or expenses.

A landlord would be subject to the penalties set forth in the bill for each violation against each tenant, brought at the tenant's discretion.

The bill permits a landlord to petition the Commissioner of Community Affairs (commissioner) to request approval to increase the rent on a covered dwelling site by demonstrating that the present rental income and additional charges from the manufactured home park are insufficient to cover the costs of tax increases, assessments, or maintenance to the manufactured home park. The bill permits the commissioner, after a hearing, to grant the landlord a rent increase sufficient to meet the landlord's requirements or needs, after consideration of: the proofs presented, the physical condition of the manufactured home park, the landlord's profitability with and without the proposed rent increase, the arguments presented by affected tenants, and the relative bargaining position of the parties. The bill requires a landlord petitioning the commissioner for a rent increase to:

- prior to filing the petition, post notice of the petition setting forth its basis in a conspicuous place in and about the manufactured home park;
- prior to filing the petition, serve each affected tenant personally, or by certified mail, with the petition to be filed with the commissioner;
- notify each affected tenant personally, or by certified mail, of the hearing date set by the commissioner, and
- post notice of the hearing in a conspicuous place in the manufactured home park for at least 10 days prior to the date of the hearing.

The bill would take effect on the first day of the third month following the date of enactment, and be applicable to tenancies commencing on or after the effective date of the bill. The commissioner would be permitted to take anticipatory action necessary to effectuate the provisions of the bill.

ASSEMBLY COMMERCE, ECONOMIC DEVELOPMENT AND
AGRICULTURE COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 3361

STATE OF NEW JERSEY

DATED: SEPTEMBER 12, 2024

The Assembly Commerce, Economic Development and Agriculture Committee reports favorably Assembly Bill No. 3361 ACS.

This bill would establish a Statewide two percent cap on the amount an owner or operator of a manufactured home park may increase the rent charged to a tenant of a covered dwelling site within the manufactured home park from one year to the next. This limitation would not apply to the initial rental amount an owner or operator of a park may charge to a new tenant of the covered dwelling site. The bill would also prohibit a tenant of a covered dwelling site from subleasing the site by more than two percent over the rent charged during the prior 12-month period.

Under the bill, if a landlord (the owner or operator of a manufactured home park) attempts to increase a tenant's rent in excess of the bill's limitation, the increase would not take effect and the applicable rent for the lease term would be the rent charged prior to the attempted rent increase.

The bill authorizes a tenant to seek termination of a lease or agreement in court, if the lease or agreement contains a provision that violates the bill, and permits a tenant to recover reasonable attorney's fees or expenses. Additionally, the bill authorizes a tenant to bring a private cause of action against a landlord for violating a provision of the bill, and would enable a tenant to recover \$500 from the landlord for a first offense by the landlord, \$1,000 from the landlord for a second and any subsequent offense, in addition to reasonable attorney's fees or expenses. A landlord would be subject to these penalties for each violation against each tenant.

The bill establishes a procedure through which a landlord may seek approval to increase rent above the bill's annual two percent rental increase limitation. Under the bill, a landlord may petition the Commissioner of Community Affairs to approve a rent increase by demonstrating that the present rental income and additional charges from the manufactured home park are insufficient to cover the costs of tax increases, assessments, or maintenance to the manufactured home park. The bill provides that the commissioner is to hold a hearing on

the landlord's request, and after considering specific relevant factors, may grant the landlord a rent increase sufficient to meet the landlord's requirements or needs. A landlord who petitions the commissioner for approval to increase rent above the bill's annual two percent limitation is required to provide notice of the petition by: posting notice of the petition in a conspicuous place in and about the manufactured home park; serving each affected tenant personally or by certified mail; notifying each affected tenant personally, or by certified mail, of the hearing date set by the commissioner; and posting notice of the hearing in a conspicuous place in the manufactured home park for at least 10 days prior to the date set for the hearing.

The bill would take effect on the first day of the third month following the date of enactment, and be applicable to tenancies commencing on or after that date.

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 3361

with Assembly Floor Amendments
(Proposed by Assemblyman Hutchison)

ADOPTED: SEPTEMBER 26, 2024

These floor amendments:

(1) raise the rent increase limit prescribed by the bill from two, to three percent;

(2) provide an exception to the rent increase limit for capital improvements to the property, which require the rent increase, on condition that the landlord petition, and receive approval from, the Commissioner of Community Affairs and submit proof or documentation of the capital improvements to the commissioner, as described in the bill;

(3) require the Commissioner of Community Affairs to schedule a hearing and make a final determination on a petition to increase the rent on a covered dwelling site that exceeds three percent within 90 days;

(4) specify that the bill would: only preempt other laws regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality that result in a higher permitted rent increase over the course of a 12-month period; not preempt laws regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality resulting in a lower permitted rent increase; and

(5) provide a penalty of \$1,000 per violation per unit for a landlord's violation of the rent increase limit set forth in the bill without first receiving approval from the Commissioner of Community Affairs.

STATEMENT TO
[First Reprint]
ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 3361

with Senate Floor Amendments
(Proposed by Senator MORIARTY)

ADOPTED: FEBRUARY 25, 2025

These floor amendments:

(1) define the term "manufactured home" as a structure for which the manufacturer has filed a certification required by the Secretary of the United States Department of Housing and Urban Development and which complies with the standards under the National Manufactured Home Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et seq.);

(2) define the term "industrialized or modular building" as any building of closed construction, including, but not limited to, modular housing that is factory-built single-family and multi-family housing, including closed-wall, panelized housing, as well as other modular, nonresidential buildings;

(3) exclude from the definition of an "industrialized or modular building" any structure subject to the requirements of the National Manufactured Home Construction and Safety Standards Act of 1974;

(4) replace all references to a "modular or manufactured home" with the terms "industrialized or modular buildings," or "manufactured homes";

(5) specify that a landlord may petition the Commissioner of Community Affairs (commissioner) to request approval to increase the rent on a covered dwelling site in excess of three percent;

(6) enumerate certain costs to be included in the landlord's petition for a rent increase, demonstrating that the landlord's present income is insufficient to cover unanticipated increases in the costs of: the abatement of hazardous conditions, taxes, assessments, maintenance to the manufactured home park, utilities, insurance, and management of the manufactured home park;

(7) provide that, in determining whether to grant a landlord's petition to approve a rent increase exceeding three percent, there is to be a rebuttable presumption that the rent increase is reasonable and not unconscionable;

(8) provide that, if the tenant offers evidence sufficient to overcome the rebuttable presumption, the commissioner may, after a hearing, grant the landlord a rent increase sufficient to meet the landlord's requirements or needs after certain considerations;

(9) provide that, if the commissioner fails to act within 90 days of the landlord's submission of a petition, a rent increase on a covered dwelling site is to be deemed approved, provided the rent increase otherwise complies with the provisions of the bill;

(10) specify that the provisions of the bill would not preempt an ordinance, rule, or regulation, or other law regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality (municipal rent control law) that:

- provides a fixed, numerical municipal rent increase limit that is not based upon, in whole or in part, the Consumer Price Index, or other variable criteria;
- was adopted in a municipality that provides and utilizes a rent leveling board or similar municipal agency charged with regulating rents; and
- provides a rent increase limit on a covered dwelling site that is less than or equal to three percent over the course of a 12-month period, regardless of exceptions permitted in the municipal law, including but not limited to, whether a determination, made by a rent leveling board or similar municipal agency authorizes an exemption from the limit provided by the municipal rent control law, resulting in a rent increase on a covered dwelling site that is greater than three percent over the course of a 12-month period, provided the exceptions are not based upon the Consumer Price Index, or other variable criteria; and

(11) specify that the provisions of the bill would preempt a municipal rent control law that:

- provides a rent increase limit on a covered dwelling site that is greater than three percent over the course of a 12-month period;
- does not provide a fixed, numerical municipal rent increase limit, and instead is based upon, in whole or in part, the Consumer Price Index, or other variable criteria; or
- was adopted in a municipality that does not provide or utilize a rent leveling board or similar municipal agency charged with regulating rents;

(12) provide that if a municipal rent control law is preempted pursuant to the bill due to the failure of the municipality, in which such a municipal rent control law was adopted, to provide or utilize a rent leveling board or similar municipal agency charged with regulating rents, the bill would not preempt the fixed, numerical municipal rent increase limit provided in the municipal rent control law, but would otherwise preempt the municipal rent control law; and

(13) make technical corrections to the bill.

SENATE, No. 2953

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 11, 2024

Sponsored by:

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator JOSEPH P. CRYAN

District 20 (Union)

Co-Sponsored by:

Senator Henry

SYNOPSIS

Establishes limit on rent increase for certain dwelling sites for modular or manufactured homes.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/28/2024)

1 AN ACT concerning rent increases for certain dwelling sites for
2 modular or manufactured homes and supplementing chapter 27D
3 of Title 52 of the Revised Statutes.

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

7
8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 "Commissioner" means Commissioner of Community Affairs.

11 "Covered dwelling site" means a parcel of land within a
12 manufactured home park that is leased to the owner of a modular or
13 manufactured home for living and dwelling purposes for tenancy on
14 the site.

15 "Landlord" means a person or entity who owns or manages a
16 manufactured home park, and who rents, leases, or charges a lot fee,
17 or offers to rent, lease, or charge a lot fee, for a term of at least one
18 month, a covered dwelling site.

19 "Manufactured home park" means a parcel of land, or two or
20 more contiguous parcels of land, designed and improved such that
21 the land contains two or more sites, each of which is equipped for
22 the placement of modular or manufactured homes, and which sites
23 are under common ownership and control, other than as a
24 cooperative, for the purpose of leasing each site to the owner of a
25 modular or manufactured home for installation thereon, and where
26 the owner provides services, which may include, but shall not be
27 limited to:

- 28 (1) Construction and maintenance of streets;
29 (2) Lighting of streets and other common areas;
30 (3) Garbage removal;
31 (4) Snow removal; and
32 (5) Provision for the drainage of surface water from home sites
33 and common areas.

34 "Modular or manufactured home" means a building constructed
35 and intended for use as a dwelling unit that is primarily made or
36 assembled in manufacturing facilities off the building site, for the
37 installation or final assembly on the building site. "Modular or
38 manufactured home" includes, but is not limited to: modular
39 housing that is factory-built single-family and multifamily housing,
40 including closed wall panelized housing, and other modular
41 residential buildings. "Modular or manufactured home" also
42 includes, but is not limited to, a pre-manufactured home and a
43 mobile home.

44 "Rent" means the amount currently payable by the tenant to the
45 landlord pursuant to a lease or other agreement, without regard to
46 any modification thereof by any authorized board or agency, or any
47 court. "Rent" shall include lot fees, including license fees, charged

1 by a landlord to a tenant, in addition to tax surcharge costs passed
2 on to the tenant, and any other special expenses.

3 "Tenancy" means the lawful occupation of a covered dwelling
4 site, and which includes a lease or sublease, oral or written.

5 "Tenant" means a person who leases, rents, or pays a lot fee for a
6 covered dwelling site.

7

8 2. a. Except as provided in subsections c. and g. of this section,
9 a landlord shall not, over the course of a 12-month period, increase
10 the rent on a covered dwelling site by more than two percent over
11 the rent charged during the prior 12-month period.

12 b. A tenant of a covered dwelling site shall not enter into a
13 sublease that results in a rental rate for the covered dwelling site
14 that exceeds the allowable rate authorized by subsection a. of this
15 section. Nothing in this subsection shall be construed to authorize a
16 tenant to sublet or assign the tenant's interest where otherwise
17 prohibited.

18 c. A landlord may, notwithstanding subsection a. of this section,
19 establish the initial rate for a new tenancy in which no tenant from
20 the prior tenancy remains in lawful possession of the covered
21 dwelling site. Subsection a. of this section shall only apply to
22 subsequent increases after that initial rate has been established with
23 respect to the new tenancy.

24 d. Except as allowed following a petition to the commissioner
25 pursuant to subsection g. of this section, if the landlord of a covered
26 dwelling site requests or accepts an increase in rent exceeding the
27 amount permitted pursuant to subsection a. of this section, the
28 applicable rent for the duration of the present lease or agreement
29 term, or subsequent lease or agreement term if the present term is
30 month-to-month, shall be the rent for the rental term preceding the
31 rent increase in violation of this section.

32 e. This section shall function in addition to, and not in place of,
33 the existing prohibition on unconscionable rent increases pursuant
34 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A
35 tenant may assert a violation of this section as a defense to an
36 eviction action as an unconscionable rent increase.

37 f. (1) A tenant shall have the right to petition a court of
38 competent jurisdiction to terminate a lease or agreement containing
39 a provision in violation of P.L. , c. (C.) (pending before the
40 Legislature as this bill), and shall be permitted to recover
41 reasonable attorney's fees or expenses.

42 (2) A landlord who violates P.L. , c. (C.) (pending
43 before the Legislature as this bill) shall also, at the discretion of the
44 tenant, be subject to a separate cause of action by the tenant in the
45 Superior Court, Law Division, Special Civil Part in the county in
46 which the covered dwelling site is located. A tenant may recover
47 \$500 from the landlord for a first offense, and \$1,000 from the

1 landlord for a second and any subsequent offense, in addition to
2 reasonable attorney's fees or expenses.

3 (3) A landlord shall be subject to the penalties set forth in this
4 subsection for each violation against each tenant, which may be
5 brought pursuant to paragraph (2) of this subsection at the tenant's
6 discretion.

7 g. (1) A landlord may petition the Commissioner of Community
8 Affairs to request approval to increase the rent on a covered
9 dwelling site by demonstrating that the present rental income and
10 additional charges from the manufactured home park on which the
11 landlord seeks relief, are insufficient to cover the costs of tax
12 increases, assessments, or maintenance to the manufactured home
13 park. The commissioner may, after a hearing, grant the landlord a
14 rent increase sufficient to meet the landlord's requirements or needs
15 after consideration of the proofs presented, the physical condition of
16 the manufactured home park, the landlord's profitability with and
17 without the proposed rent increase, the arguments presented by
18 affected tenants, and the relative bargaining position of the parties.

19 (2) A landlord that seeks to file, or files, a petition pursuant to
20 paragraph (1) of this section, shall:

21 (a) prior to filing the petition, post notice of the petition setting
22 forth the basis for the petition in a conspicuous place in and about
23 the manufactured home park;

24 (b) prior to filing the petition, serve each affected tenant
25 personally, or by certified mail, with the petition to be filed with the
26 commissioner;

27 (c) notify each affected tenant personally, or by certified mail,
28 of the hearing date set by the commissioner, and

29 (d) post notice of the hearing in a conspicuous place in the
30 manufactured home park for at least 10 days prior to the date set for
31 the hearing.

32

33 3. The commissioner shall, in accordance with the
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
35 seq.), adopt rules and regulations as necessary to implement the
36 provisions of P.L. , c. (C.) (pending before the Legislature
37 as this bill).

38

39 4. This act shall take effect on the first day of the third month
40 next following the date of enactment, except that the commissioner
41 may take anticipatory action necessary to implement the provisions
42 of P.L. , c. (C.) (pending before the Legislature as this
43 bill). This act shall apply to tenancies commencing on or after the
44 effective date of P.L. , c. (C.) (pending before the
45 Legislature as this bill).

STATEMENT

This bill would limit the amount a landlord may increase the rent on a tenant of a dwelling site within a manufactured home park, upon which the tenant is permitted to install a modular or manufactured home, as defined in the bill.

The bill prohibits a landlord, as defined in the bill, of a covered dwelling site, from increasing the rent over the course of a 12-month period by more than two percent. The bill defines the term "covered dwelling site" to mean a parcel of land within a manufactured home park that is leased to the owner of a modular or manufactured home for living and dwelling purposes. Under the bill, "rent" includes lot fees, including license fees, charged by a landlord to a tenant, in addition to tax surcharge costs passed on to the tenant, and any other special expenses.

The bill provides, with limited exceptions, that if the landlord increases the rent in excess of the bill's limitation, the applicable rent for the duration of the present lease term, or subsequent lease term if the present term is month-to-month, is to be the rent for the year or term preceding the violation. The bill's limitations would function in addition to the existing prohibition on unconscionable rent increases pursuant the Anti-Eviction Act, P.L.1974, c.49 (C.2A:18-61.1 et seq.), and would permit a tenant to assert the violation as a defense to an eviction as an unconscionable rent increase.

A violation of the bill would:

(1) permit a tenant to petition the court to terminate a lease or agreement in violation of the bill, and to recover reasonable attorney's fees or expenses; and

(2) subject a landlord to a private cause of action, brought at the discretion of the tenant, who would be permitted to recover \$500 for a first offense by the landlord, and \$1,000 for a second and any subsequent offense by the landlord, in addition to reasonable attorney's fees or expenses.

A landlord would be subject to the penalties set forth in the bill for each violation against each tenant, brought at the tenant's discretion.

The bill permits a landlord to petition the Commissioner of Community Affairs (commissioner) to request approval to increase the rent on a covered dwelling site by demonstrating that the present rental income and additional charges from the manufactured home park are insufficient to cover the costs of tax increases, assessments, or maintenance to the manufactured home park. The bill permits the commissioner, after a hearing, to grant the landlord a rent increase sufficient to meet the landlord's requirements or needs, after consideration of: the proofs presented, the physical condition of the manufactured home park, the landlord's profitability with and without the proposed rent increase, the

- 1 arguments presented by affected tenants, and the relative bargaining
2 position of the parties. The bill requires a landlord petitioning the
3 commissioner for a rent increase to:
- 4 ▪ prior to filing the petition, post notice of the petition setting
5 forth its basis in a conspicuous place in and about the
6 manufactured home park;
 - 7 ▪ prior to filing the petition, serve each affected tenant
8 personally, or by certified mail, with the petition to be filed
9 with the commissioner;
 - 10 ▪ notify each affected tenant personally, or by certified mail,
11 of the hearing date set by the commissioner, and
 - 12 ▪ post notice of the hearing in a conspicuous place in the
13 manufactured home park for at least 10 days prior to the date
14 of the hearing.
- 15 The bill would take effect on the first day of the third month
16 following the date of enactment, and be applicable to tenancies
17 commencing on or after the effective date of the bill. The
18 commissioner would be permitted to take anticipatory action
19 necessary to effectuate the provisions of the bill.

[First Reprint]

SENATE, No. 2953

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 11, 2024

Sponsored by:

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator JOSEPH P. CRYAN

District 20 (Union)

Co-Sponsored by:

Senator Henry

SYNOPSIS

Establishes limit on rent increase for certain dwelling sites for modular or industrialized buildings or manufactured homes.

CURRENT VERSION OF TEXT

As reported by the Senate State Government, Wagering, Tourism & Historic Preservation Committee on October 24, 2024, with amendments.



(Sponsorship Updated As Of: 6/28/2024)

1 AN ACT concerning rent increases for certain dwelling sites for
 2 modular ¹or industrialized buildings¹ or manufactured homes and
 3 supplementing chapter 27D of Title 52 of the Revised Statutes.

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

7
 8 1. As used in P.L. , c. (C.) (pending before the Legislature
 9 as this bill):

10 "Commissioner" means Commissioner of Community Affairs.

11 "Covered dwelling site" means a parcel of land within a
 12 manufactured home park that is leased to the owner of a modular ¹or
 13 industrialized building,¹ or ¹a¹ manufactured home for living and
 14 dwelling purposes for tenancy on the site.

15 ¹"Industrialized or modular building" means any building of closed
 16 construction, including, but not limited to, modular housing that is
 17 factory-built single-family and multi-family housing, including closed-
 18 wall, panelized housing, as well as other modular, nonresidential
 19 buildings. "Industrialized or modular building" shall not include any
 20 structure subject to the requirements of the National Manufactured
 21 Home Construction and Safety Standards Act of 1974 (42. U.S.C.
 22 s.5401 et seq.).¹

23 "Landlord" means a person or entity who owns or manages a
 24 manufactured home park, and who rents, leases, or charges a lot fee, or
 25 offers to rent, lease, or charge a lot fee, for a term of at least one
 26 month, a covered dwelling site.

27 ¹"Manufactured home" means a structure for which the
 28 manufacturer has filed a certification required by the Secretary of the
 29 United States Department of Housing and Urban Development
 30 pursuant to 42 U.S.C. s.5415 and which complies with the federal
 31 standards established pursuant to the National Manufactured Home
 32 Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et
 33 seq.).¹

34 "Manufactured home park" means a parcel of land, or two or more
 35 contiguous parcels of land, designed and improved such that the land
 36 contains two or more sites, each of which is equipped for the
 37 placement of modular ¹or industrialized buildings¹ or manufactured
 38 homes, and which sites are under common ownership and control,
 39 other than as a cooperative, for the purpose of leasing each site to the
 40 owner of a modular ¹or industrialized building¹ or ¹a¹ manufactured
 41 home for installation thereon, and where the owner provides services,
 42 which may include, but shall not be limited to:

- 43 (1) Construction and maintenance of streets;
 44 (2) Lighting of streets and other common areas;
 45 (3) Garbage removal;

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 SSG committee amendments adopted October 24, 2024.

1 (4) Snow removal; and

2 (5) Provision for the drainage of surface water from home sites
3 and common areas.

4 ¹["Modular or manufactured home" means a building constructed
5 and intended for use as a dwelling unit that is primarily made or
6 assembled in manufacturing facilities off the building site, for the
7 installation or final assembly on the building site. "Modular or
8 manufactured home" includes, but is not limited to: modular housing
9 that is factory-built single-family and multifamily housing, including
10 closed wall panelized housing, and other modular residential buildings.
11 "Modular or manufactured home" also includes, but is not limited to, a
12 pre-manufactured home and a mobile home.]¹

13 "Rent" means the amount currently payable by the tenant to the
14 landlord pursuant to a lease or other agreement, without regard to any
15 modification thereof by any authorized board or agency, or any court.
16 "Rent" shall include lot fees, including license fees, charged by a
17 landlord to a tenant, in addition to tax surcharge costs passed on to the
18 tenant, and any other special expenses.

19 "Tenancy" means the lawful occupation of a covered dwelling site,
20 and which includes a lease or sublease, oral or written.

21 "Tenant" means a person who leases, rents, or pays a lot fee for a
22 covered dwelling site.

23

24 2. a. Except as provided in subsections c. and g. of this section, a
25 landlord shall not, over the course of a 12-month period, increase the
26 rent on a covered dwelling site by more than ¹[two] three¹ percent
27 over the rent charged during the prior 12-month period.

28 b. A tenant of a covered dwelling site shall not enter into a
29 sublease that results in a rental rate for the covered dwelling site that
30 exceeds the allowable rate authorized by subsection a. of this section.
31 Nothing in this subsection shall be construed to authorize a tenant to
32 sublet or assign the tenant's interest where otherwise prohibited.

33 c. A landlord may, notwithstanding subsection a. of this section,
34 establish the initial rate for a new tenancy in which no tenant from the
35 prior tenancy remains in lawful possession of the covered dwelling
36 site. Subsection a. of this section shall only apply to subsequent
37 increases after that initial rate has been established with respect to the
38 new tenancy.

39 d. Except as allowed following a petition to the commissioner
40 pursuant to subsection g. of this section, if the landlord of a covered
41 dwelling site requests or accepts an increase in rent exceeding the
42 amount permitted pursuant to subsection a. of this section ¹[,] :

43 (1)¹ the applicable rent for the duration of the present lease or
44 agreement term, or subsequent lease or agreement term if the present
45 term is month-to-month, shall be the rent for the rental term preceding
46 the rent increase in violation of this section ¹; and

(2) the landlord shall be liable for a penalty of \$1,000 per violation per unit. The penalty shall be collected and enforced by summary proceedings pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court, Law Division, Special Civil Part in the county in which the residential rental property is located shall have jurisdiction over the proceedings described pursuant to this paragraph. Process shall be in the nature of a summons or warrant, and shall issue upon the complaint of the Commissioner of Community Affairs or the Attorney General¹.

e. This section shall function in addition to, and not in place of, the existing prohibition on unconscionable rent increases pursuant to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A tenant may assert a violation of this section as a defense to an eviction action as an unconscionable rent increase.

f. (1) A tenant shall have the right to petition a court of competent jurisdiction to terminate a lease or agreement containing a provision in violation of P.L. , c. (C.) (pending before the Legislature as this bill), and shall be permitted to recover reasonable attorney's fees or expenses.

(2) A landlord who violates P.L. , c. (C.) (pending before the Legislature as this bill) shall also, at the discretion of the tenant, be subject to a separate cause of action by the tenant in the Superior Court, Law Division, Special Civil Part in the county in which the covered dwelling site is located. A tenant may recover \$500 from the landlord for a first offense, and \$1,000 from the landlord for a second and any subsequent offense, in addition to reasonable attorney's fees or expenses.

(3) A landlord shall be subject to the penalties set forth in this subsection for each violation against each tenant, which may be brought pursuant to paragraph (2) of this subsection at the tenant's discretion.

g. (1) ¹(a)¹ A landlord may petition the Commissioner of Community Affairs to request approval to increase the rent on a covered dwelling site ¹:

¹(i)¹ by demonstrating that the present rental income and additional charges from the manufactured home park on which the landlord seeks relief, are insufficient to cover the costs of tax increases, assessments, or maintenance to the manufactured home park ¹; or

¹(ii) by submitting proof or documentation of capital improvements to the property, which require the increase in rent¹.

¹(b)¹ The commissioner may, after a hearing, grant the landlord a rent increase sufficient to meet the landlord's requirements or needs after consideration of ¹, for approval sought pursuant to sub-subparagraph (ii) of subparagraph (a) of this paragraph,¹ the proofs ¹or documentation¹ presented, ¹or, for approval sought pursuant to sub-subparagraph (i) of subparagraph (a) of this paragraph, the proofs presented,¹ the physical condition of the manufactured home park, the

1 landlord's profitability with and without the proposed rent increase,
2 the arguments presented by affected tenants, and the relative
3 bargaining position of the parties ¹. The commissioner shall schedule
4 a hearing and make a final determination on a petition pursuant to this
5 paragraph within 90 days of the petition's submission to the
6 commissioner¹.

7 (2) A landlord that seeks to file, or files, a petition pursuant to
8 paragraph (1) of this section, shall:

9 (a) prior to filing the petition, post notice of the petition setting
10 forth the basis for the petition in a conspicuous place in and about the
11 manufactured home park;

12 (b) prior to filing the petition, serve each affected tenant
13 personally, or by certified mail, with the petition to be filed with the
14 commissioner;

15 (c) notify each affected tenant personally, or by certified mail, of
16 the hearing date set by the commissioner ¹**[.]**; ¹ and

17 (d) post notice of the hearing in a conspicuous place in the
18 manufactured home park for at least 10 days prior to the date set for
19 the hearing.

20
21 ¹**3.** The provisions of P.L. , c. (C.) (pending before the
22 Legislature as this bill) shall not preempt an ordinance, rule, or
23 regulation, or other law regarding rent control, rent leveling, or rent
24 stabilization adopted by the governing body of a municipality that
25 would result in a rent increase on a covered dwelling unit that is less
26 than or equal to three percent over the course of a 12-month period.
27 The provisions of P.L. , c. (C.) (pending before the
28 Legislature as this bill) shall preempt an ordinance, rule, regulation, or
29 other law regarding rent control, rent leveling, or rent stabilization
30 adopted by the governing body of a municipality that would otherwise
31 allow for a higher permitted rent increase on a covered dwelling unit
32 over the course of a 12-month period.¹

33
34 ¹**[3.] 4.**¹ The commissioner shall, in accordance with the
35 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
36 seq.), adopt rules and regulations as necessary to implement the
37 provisions of P.L. , c. (C.) (pending before the Legislature
38 as this bill).

39
40 ¹**[4.] 5.**¹ This act shall take effect on the first day of the third
41 month next following the date of enactment, except that the
42 commissioner may take anticipatory action necessary to implement
43 the provisions of P.L. , c. (C.) (pending before the
44 Legislature as this bill). This act shall apply to tenancies
45 commencing on or after the effective date of P.L. , c. (C.)
46 (pending before the Legislature as this bill).

SENATE SUBSTITUTE FOR
SENATE, No. 2953

STATE OF NEW JERSEY

221st LEGISLATURE

ADOPTED JANUARY 30, 2025

Sponsored by:

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator JOSEPH P. CRYAN

District 20 (Union)

Co-Sponsored by:

Senator Henry

SYNOPSIS

Establishes limit on rent increase for certain dwelling sites for modular or industrialized buildings or manufactured homes.

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate.



1 **AN ACT** concerning rent increases for certain dwelling sites for
2 modular or industrialized buildings or manufactured homes and
3 supplementing chapter 27D of Title 52 of the Revised Statutes.

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

7
8 1. As used in P.L. , c. (C.) (pending before the Legislature
9 as this bill):

10 "Commissioner" means Commissioner of Community Affairs.

11 "Covered dwelling site" means a parcel of land within a
12 manufactured home park that is leased to the owner of a modular or
13 industrialized building, or a manufactured home for living and
14 dwelling purposes for tenancy on the site.

15 "Industrialized or modular building" means any building of closed
16 construction, including, but not limited to, modular housing that is
17 factory-built single-family and multi-family housing, including closed-
18 wall, panelized housing, as well as other modular, nonresidential
19 buildings. "Industrialized or modular building" shall not include any
20 structure subject to the requirements of the National Manufactured
21 Home Construction and Safety Standards Act of 1974 (42. U.S.C.
22 s.5401 et seq.).

23 "Landlord" means a person or entity who owns or manages a
24 manufactured home park, and who rents, leases, or charges a lot fee, or
25 offers to rent, lease, or charge a lot fee, for a term of at least one
26 month, a covered dwelling site.

27 "Manufactured home" means a structure for which the
28 manufacturer has filed a certification required by the Secretary of the
29 United States Department of Housing and Urban Development
30 pursuant to 42 U.S.C. s.5415 and which complies with the federal
31 standards established pursuant to the National Manufactured Home
32 Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et
33 seq.).

34 "Manufactured home park" means a parcel of land, or two or more
35 contiguous parcels of land, designed and improved such that the land
36 contains two or more sites, each of which is equipped for the
37 placement of modular or industrialized buildings or manufactured
38 homes, and which sites are under common ownership and control,
39 other than as a cooperative, for the purpose of leasing each site to the
40 owner of a modular or industrialized building or a manufactured home
41 for installation thereon, and where the owner provides services, which
42 may include, but shall not be limited to:

- 43 (1) Construction and maintenance of streets;
44 (2) Lighting of streets and other common areas;
45 (3) Garbage removal;
46 (4) Snow removal; and
47 (5) Provision for the drainage of surface water from home sites
48 and common areas.

1 "Rent" means the amount currently payable by the tenant to the
2 landlord pursuant to a lease or other agreement, without regard to any
3 modification thereof by any authorized board or agency, or any court.
4 "Rent" shall include lot fees, including license fees, charged by a
5 landlord to a tenant, in addition to tax surcharge costs passed on to the
6 tenant, and any other special expenses.

7 "Tenancy" means the lawful occupation of a covered dwelling site,
8 and which includes a lease or sublease, oral or written.

9 "Tenant" means a person who leases, rents, or pays a lot fee for a
10 covered dwelling site.

11

12 2. a. Except as provided in subsections c. and g. of this section,
13 a landlord shall not, over the course of a 12-month period, increase
14 the rent on a covered dwelling site by more than three percent over
15 the rent charged during the prior 12-month period.

16 b. A tenant of a covered dwelling site shall not enter into a
17 sublease that results in a rental rate for the covered dwelling site
18 that exceeds the allowable rate authorized by subsection a. of this
19 section. Nothing in this subsection shall be construed to authorize a
20 tenant to sublet or assign the tenant's interest where otherwise
21 prohibited.

22 c. A landlord may, notwithstanding subsection a. of this section,
23 establish the initial rate for a new tenancy in which no tenant from
24 the prior tenancy remains in lawful possession of the covered
25 dwelling site. Subsection a. of this section shall only apply to
26 subsequent increases after that initial rate has been established with
27 respect to the new tenancy.

28 d. Except as allowed following a petition to the commissioner
29 pursuant to subsection g. of this section, if the landlord of a covered
30 dwelling site requests or accepts an increase in rent exceeding the
31 amount permitted pursuant to subsection a. of this section:

32 (1) the applicable rent for the duration of the present lease or
33 agreement term, or subsequent lease or agreement term if the
34 present term is month-to-month, shall be the rent for the rental term
35 preceding the rent increase in violation of this section; and

36 (2) the landlord shall be liable for a penalty of \$1,000 per
37 violation per unit. The penalty shall be collected and enforced by
38 summary proceedings pursuant to the "Penalty Enforcement Law of
39 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court,
40 Law Division, Special Civil Part in the county in which the
41 residential rental property is located shall have jurisdiction over the
42 proceedings described pursuant to this paragraph. Process shall be
43 in the nature of a summons or warrant, and shall issue upon the
44 complaint of the Commissioner of Community Affairs or the
45 Attorney General.

46 e. This section shall function in addition to, and not in place of,
47 the existing prohibition on unconscionable rent increases pursuant
48 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A

1 tenant may assert a violation of this section as a defense to an
2 eviction action as an unconscionable rent increase.

3 f. (1) A tenant shall have the right to petition a court of
4 competent jurisdiction to terminate a lease or agreement containing
5 a provision in violation of P.L. , c. (C.) (pending before the
6 Legislature as this bill), and shall be permitted to recover
7 reasonable attorney's fees or expenses.

8 (2) A landlord who violates P.L. , c. (C.) (pending
9 before the Legislature as this bill) shall also, at the discretion of the
10 tenant, be subject to a separate cause of action by the tenant in the
11 Superior Court, Law Division, Special Civil Part in the county in
12 which the covered dwelling site is located. A tenant may recover
13 \$500 from the landlord for a first offense, and \$1,000 from the
14 landlord for a second and any subsequent offense, in addition to
15 reasonable attorney's fees or expenses.

16 (3) A landlord shall be subject to the penalties set forth in this
17 subsection for each violation against each tenant, which may be
18 brought pursuant to paragraph (2) of this subsection at the tenant's
19 discretion.

20 g. (1) (a) A landlord may petition the commissioner to request
21 approval to increase the rent, in an amount specified by the
22 landlord, on a covered dwelling site in excess of three percent:

23 (i) by demonstrating that the present rental income and
24 additional charges from the manufactured home park on which the
25 landlord seeks relief, are insufficient to cover unanticipated
26 increases in the costs of: the abatement of hazardous conditions,
27 taxes, assessments, maintenance to the manufactured home park,
28 utilities, insurance, and management of the manufactured home
29 park; or

30 (ii) by submitting proof or documentation of capital
31 improvements to the property, which require the increase in rent.

32 (b) In determining whether to grant a landlord's petition
33 pursuant to this subsection, there shall be a rebuttable presumption
34 that the rent increase is reasonable and not unconscionable. If the
35 tenant offers evidence sufficient to overcome the rebuttable
36 presumption, the commissioner may, after a hearing, grant the
37 landlord a rent increase sufficient to meet the landlord's
38 requirements or needs after consideration of either the proofs or
39 documentation presented, for approval of a petition submitted
40 pursuant to sub-subparagraph (ii) of subparagraph (a) of this
41 paragraph, or the proofs presented, the physical condition of the
42 manufactured home park, the landlord's profitability with and
43 without the proposed rent increase, the arguments presented by
44 affected tenants, and the relative bargaining position of the parties,
45 for approval of a petition seeking relief pursuant to sub-
46 subparagraph (i) of subparagraph (a) of this paragraph. The
47 commissioner shall schedule a hearing and make a final
48 determination on a petition pursuant to this paragraph within 90

1 days after the landlord submits the petition to the commissioner. If
2 the commissioner fails to act within 90 days after the landlord
3 submits the petition, the rent increase on a covered dwelling site
4 shall be deemed approved, provided the rent increase otherwise
5 complies with the provisions of this subsection.

6 (2) A landlord that seeks to file, or files, a petition pursuant to
7 paragraph (1) of this section, shall:

8 (a) prior to filing the petition, post notice of the petition setting
9 forth the basis for the petition in a conspicuous place in and about
10 the manufactured home park;

11 (b) prior to filing the petition, serve each affected tenant
12 personally, or by certified mail, with the petition to be filed with the
13 commissioner;

14 (c) notify each affected tenant personally, or by certified mail,
15 of the hearing date set by the commissioner; and

16 (d) post notice of the hearing in a conspicuous place in the
17 manufactured home park for at least 10 days prior to the date set for
18 the hearing.

19
20 3. The provisions of P.L. , c. (C.) (pending before the
21 Legislature as this bill) shall not preempt an ordinance, rule, or
22 regulation, or other law regarding rent control, rent leveling, or rent
23 stabilization adopted by the governing body of a municipality that
24 would result in a rent increase on a covered dwelling unit that is less
25 than or equal to three percent over the course of a 12-month period.
26 The provisions of P.L. , c. (C.) (pending before the
27 Legislature as this bill) shall preempt an ordinance, rule, regulation, or
28 other law regarding rent control, rent leveling, or rent stabilization
29 adopted by the governing body of a municipality that would otherwise
30 allow for a higher permitted rent increase on a covered dwelling unit
31 over the course of a 12-month period.

32
33 4. The commissioner shall, in accordance with the
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
35 seq.), adopt rules and regulations as necessary to implement the
36 provisions of P.L. , c. (C.) (pending before the Legislature
37 as this bill).

38
39 5. This act shall take effect on the first day of the third month
40 next following the date of enactment, except that the commissioner
41 may take anticipatory action necessary to implement the provisions
42 of P.L. , c. (C.) (pending before the Legislature as this
43 bill). This act shall apply to tenancies commencing on or after the
44 effective date of P.L. , c. (C.) (pending before the
45 Legislature as this bill).

STATEMENT

This floor substitute limits the amount a landlord may increase the rent on a tenant of a dwelling site within a manufactured home park, upon which the tenant is permitted to install a modular or industrialized building, or manufactured home, as defined in the bill.

The bill prohibits a landlord, as defined in the bill, of a covered dwelling site, from increasing the rent over the course of a 12-month period by more than three percent. The bill defines the term "covered dwelling site" to mean a parcel of land within a manufactured home park that is leased to the owner of a modular or industrialized building, or manufactured home for living and dwelling purposes. Under the bill, "rent" includes lot fees, including license fees, charged by a landlord to a tenant, in addition to tax surcharge costs passed on to the tenant, and any other special expenses.

The bill provides, with limited exceptions, that if the landlord increases the rent in excess of the bill's limitation: (1) the applicable rent for the duration of the present lease term, or subsequent lease term if the present term is month-to-month, is to be the rent for the year or term preceding the violation; and (2) the landlord would be liable for a penalty of \$1,000 per violation per unit, upon the complaint of the Commissioner of Community Affairs or the Attorney General. The bill's limitations would function in addition to the existing prohibition on unconscionable rent increases pursuant the Anti-Eviction Act, P.L.1974, c.49 (C.2A:18-61.1 et seq.), and would permit a tenant to assert the violation as a defense to an eviction as an unconscionable rent increase.

A violation of the bill would:

(1) permit a tenant to petition the court to terminate a lease or agreement in violation of the bill, and to recover reasonable attorney's fees or expenses; and

(2) subject a landlord to a private cause of action, brought at the discretion of the tenant, who would be permitted to recover \$500 for a first offense by the landlord, and \$1,000 for a second and any subsequent offense by the landlord, in addition to reasonable attorney's fees or expenses. A landlord would be subject to the penalties set forth in the bill for each violation against each tenant, brought at the tenant's discretion.

The bill permits a landlord to petition the Commissioner of Community Affairs (commissioner) to request approval to increase the rent, in an amount specified by the landlord, on a covered dwelling site in excess of three percent, through procedures as specified in the bill. In determining whether to grant a landlord's petition, there is to be a rebuttable presumption that the rent increase is reasonable and not unconscionable. If the tenant offers evidence sufficient to overcome the rebuttable presumption, the bill permits the commissioner, after a hearing and consideration as specified in the bill, to grant the landlord a rent increase sufficient to meet the landlord's

1 requirements or needs. The bill requires a landlord petitioning the
2 commissioner for a rent increase to:

3 (1) prior to filing the petition, post notice of the petition setting
4 forth its basis in a conspicuous place in and about the manufactured
5 home park;

6 (2) prior to filing the petition, serve each affected tenant
7 personally, or by certified mail, with the petition to be filed with the
8 commissioner;

9 (3) notify each affected tenant personally, or by certified mail,
10 of the hearing date set by the commissioner; and

11 (4) post notice of the hearing in a conspicuous place in the
12 manufactured home park for at least 10 days prior to the date of the
13 hearing.

14 The bill would: only preempt other laws regarding rent control, rent
15 leveling, or rent stabilization adopted by the governing body of a
16 municipality that result in a higher permitted rent increase over the
17 course of a 12-month period, and not preempt laws regarding rent
18 control, rent leveling, or rent stabilization adopted by the governing
19 body of a municipality resulting in a rent increase that is less than or
20 equal to three percent. The bill would take effect on the first day of
21 the third month following the date of enactment, and be applicable to
22 tenancies commencing on or after the effective date of the bill. The
23 commissioner would be permitted to take anticipatory action necessary
24 to effectuate the provisions of the bill.

[First Reprint]

SENATE SUBSTITUTE FOR
SENATE, No. 2953

STATE OF NEW JERSEY
221st LEGISLATURE

ADOPTED JANUARY 30, 2025

Sponsored by:

Senator PAUL D. MORIARTY

District 4 (Atlantic, Camden and Gloucester)

Senator JOSEPH P. CRYAN

District 20 (Union)

Co-Sponsored by:

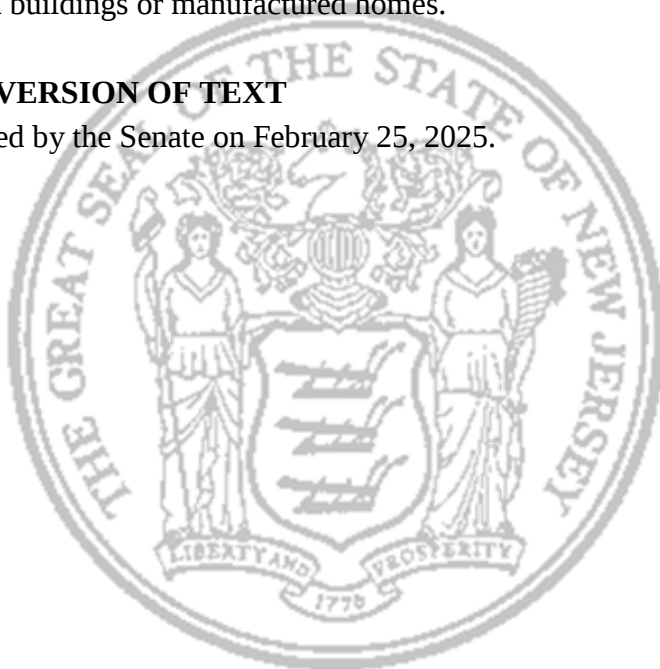
Senators Henry and Timberlake

SYNOPSIS

Establishes limit on rent increase for certain dwelling sites for modular or industrialized buildings or manufactured homes.

CURRENT VERSION OF TEXT

As amended by the Senate on February 25, 2025.



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

1 **AN ACT** concerning rent increases for certain dwelling sites for
2 modular or industrialized buildings or manufactured homes and
3 supplementing chapter 27D of Title 52 of the Revised Statutes.

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

7
8 1. As used in P.L. , c. (C.) (pending before the Legislature
9 as this bill):

10 "Commissioner" means Commissioner of Community Affairs.

11 "Covered dwelling site" means a parcel of land within a
12 manufactured home park that is leased to the owner of a modular or
13 industrialized building, or a manufactured home for living and
14 dwelling purposes for tenancy on the site.

15 "Industrialized or modular building" means any building of closed
16 construction, including, but not limited to, modular housing that is
17 factory-built single-family and multi-family housing, including closed-
18 wall, panelized housing, as well as other modular, nonresidential
19 buildings. "Industrialized or modular building" shall not include any
20 structure subject to the requirements of the National Manufactured
21 Home Construction and Safety Standards Act of 1974 (42. U.S.C.
22 s.5401 et seq.).

23 "Landlord" means a person or entity who owns or manages a
24 manufactured home park, and who rents, leases, or charges a lot fee, or
25 offers to rent, lease, or charge a lot fee, for a term of at least one
26 month, a covered dwelling site.

27 "Manufactured home" means a structure for which the
28 manufacturer has filed a certification required by the Secretary of the
29 United States Department of Housing and Urban Development
30 pursuant to 42 U.S.C. s.5415 and which complies with the federal
31 standards established pursuant to the National Manufactured Home
32 Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et
33 seq.).

34 "Manufactured home park" means a parcel of land, or two or more
35 contiguous parcels of land, designed and improved such that the land
36 contains two or more sites, each of which is equipped for the
37 placement of modular or industrialized buildings or manufactured
38 homes, and which sites are under common ownership and control,
39 other than as a cooperative, for the purpose of leasing each site to the
40 owner of a modular or industrialized building or a manufactured home
41 for installation thereon, and where the owner provides services, which
42 may include, but shall not be limited to:

- 43 (1) Construction and maintenance of streets;
44 (2) Lighting of streets and other common areas;
45 (3) Garbage removal;

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:

¹ Senate floor amendments adopted February 25, 2025.

1 (4) Snow removal; and

2 (5) Provision for the drainage of surface water from home sites
3 and common areas.

4 "Rent" means the amount currently payable by the tenant to the
5 landlord pursuant to a lease or other agreement, without regard to any
6 modification thereof by any authorized board or agency, or any court.

7 "Rent" shall include lot fees, including license fees, charged by a
8 landlord to a tenant, in addition to tax surcharge costs passed on to the
9 tenant, and any other special expenses.

10 "Tenancy" means the lawful occupation of a covered dwelling site,
11 and which includes a lease or sublease, oral or written.

12 "Tenant" means a person who leases, rents, or pays a lot fee for a
13 covered dwelling site.

14

15 2. a. Except as provided in subsections c. and g. of this section, a
16 landlord shall not, over the course of a 12-month period, increase the
17 rent on a covered dwelling site by more than three percent over the
18 rent charged during the prior 12-month period.

19 b. A tenant of a covered dwelling site shall not enter into a
20 sublease that results in a rental rate for the covered dwelling site that
21 exceeds the allowable rate authorized by subsection a. of this section.
22 Nothing in this subsection shall be construed to authorize a tenant to
23 sublet or assign the tenant's interest where otherwise prohibited.

24 c. A landlord may, notwithstanding subsection a. of this section,
25 establish the initial rate for a new tenancy in which no tenant from the
26 prior tenancy remains in lawful possession of the covered dwelling
27 site. Subsection a. of this section shall only apply to subsequent
28 increases after that initial rate has been established with respect to the
29 new tenancy.

30 d. Except as allowed following a petition to the commissioner
31 pursuant to subsection g. of this section, if the landlord of a covered
32 dwelling site requests or accepts an increase in rent exceeding the
33 amount permitted pursuant to subsection a. of this section:

34 (1) the applicable rent for the duration of the present lease or
35 agreement term, or subsequent lease or agreement term if the present
36 term is month-to-month, shall be the rent for the rental term preceding
37 the rent increase in violation of this section; and

38 (2) the landlord shall be liable for a penalty of \$1,000 per violation
39 per unit. The penalty shall be collected and enforced by summary
40 proceedings pursuant to the "Penalty Enforcement Law of 1999,"
41 P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court, Law
42 Division, Special Civil Part in the county in which the residential
43 rental property is located shall have jurisdiction over the proceedings
44 described pursuant to this paragraph. Process shall be in the nature of
45 a summons or warrant, and shall issue upon the complaint of the
46 Commissioner of Community Affairs or the Attorney General.

47 e. This section shall function in addition to, and not in place of,
48 the existing prohibition on unconscionable rent increases pursuant to

1 subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A tenant
2 may assert a violation of this section as a defense to an eviction action
3 as an unconscionable rent increase.

4 f. (1) A tenant shall have the right to petition a court of competent
5 jurisdiction to terminate a lease or agreement containing a provision in
6 violation of P.L. , c. (C.) (pending before the Legislature as
7 this bill), and shall be permitted to recover reasonable attorney's fees
8 or expenses.

9 (2) A landlord who violates P.L. , c. (C.) (pending before
10 the Legislature as this bill) shall also, at the discretion of the tenant, be
11 subject to a separate cause of action by the tenant in the Superior
12 Court, Law Division, Special Civil Part in the county in which the
13 covered dwelling site is located. A tenant may recover \$500 from the
14 landlord for a first offense, and \$1,000 from the landlord for a second
15 and any subsequent offense, in addition to reasonable attorney's fees
16 or expenses.

17 (3) A landlord shall be subject to the penalties set forth in this
18 subsection for each violation against each tenant, which may be
19 brought pursuant to paragraph (2) of this subsection at the tenant's
20 discretion.

21 g. (1) (a) A landlord may petition the commissioner to request
22 approval to increase the rent, in an amount specified by the landlord,
23 on a covered dwelling site in excess of three percent:

24 (i) by demonstrating that the present rental income and additional
25 charges from the manufactured home park on which the landlord seeks
26 relief, are insufficient to cover unanticipated increases in the costs of:
27 the abatement of hazardous conditions, taxes, assessments,
28 maintenance to the manufactured home park, utilities, insurance, and
29 management of the manufactured home park; or

30 (ii) by submitting proof or documentation of capital improvements
31 to the property, which require the increase in rent.

32 (b) In determining whether to grant a landlord's petition pursuant
33 to this subsection, there shall be a rebuttable presumption that the rent
34 increase is reasonable and not unconscionable. If the tenant offers
35 evidence sufficient to overcome the rebuttable presumption, the
36 commissioner may, after a hearing, grant the landlord a rent increase
37 sufficient to meet the landlord's requirements or needs after
38 consideration of either the proofs or documentation presented, for
39 approval of a petition submitted pursuant to sub-subparagraph (ii) of
40 subparagraph (a) of this paragraph, or the proofs presented, the
41 physical condition of the manufactured home park, the landlord's
42 profitability with and without the proposed rent increase, the
43 arguments presented by affected tenants, and the relative bargaining
44 position of the parties, for approval of a petition seeking relief
45 pursuant to sub-subparagraph (i) of subparagraph (a) of this paragraph.
46 The commissioner shall schedule a hearing and make a final
47 determination on a petition pursuant to this paragraph within 90 days
48 after the landlord submits the petition to the commissioner. If the

1 commissioner fails to act within 90 days after the landlord submits the
2 petition, the rent increase on a covered dwelling site shall be deemed
3 approved, provided the rent increase otherwise complies with the
4 provisions of this subsection.

5 (2) A landlord that seeks to file, or files, a petition pursuant to
6 paragraph (1) of this ¹~~section~~ subsection¹, shall:

7 (a) prior to filing the petition, post notice of the petition setting
8 forth the basis for the petition in a conspicuous place in and about the
9 manufactured home park;

10 (b) prior to filing the petition, serve each affected tenant
11 personally, or by certified mail, with the petition to be filed with the
12 commissioner;

13 (c) notify each affected tenant personally, or by certified mail, of
14 the hearing date set by the commissioner; and

15 (d) post notice of the hearing in a conspicuous place in the
16 manufactured home park for at least 10 days prior to the date set for
17 the hearing.

18
19 3. ¹~~a.~~¹ The provisions of P.L. , c. (C.) (pending before
20 the Legislature as this bill) shall not preempt an ordinance, rule, or
21 regulation, or other law regarding rent control, rent leveling, or rent
22 stabilization adopted by the governing body of a municipality that
23 ¹~~would result in~~ :

24 (1) provides a fixed, numerical municipal rent increase limit that is
25 not based upon, in whole or in part, the Consumer Price Index, or other
26 variable criteria;

27 (2) was adopted in a municipality that provides and utilizes a rent
28 leveling board or similar municipal agency charged with regulating
29 rents; and

30 (3) provides¹ a rent increase ¹limit¹ on a covered dwelling ¹~~unit~~¹
31 site¹ that is less than or equal to three percent over the course of a 12-
32 month period ¹, regardless of whether:

33 (a) a determination, made by a rent leveling board or similar
34 municipal agency charged with regulating rents, authorizes an
35 exemption from the municipal rent increase limit, resulting in a rent
36 increase on a covered dwelling site that is greater than three percent
37 over the course of a 12-month period; or

38 (b) the municipal rent increase limit permits one or more
39 exceptions, which are not based upon, in whole or in part, the
40 Consumer Price Index or other variable criteria¹.

41 ¹~~The~~ ¹~~b.~~ Except as provided in subsection a. of this section, the¹
42 provisions of P.L. , c. (C.) (pending before the Legislature as
43 this bill) shall preempt an ordinance, rule, regulation, or other law
44 regarding rent control, rent leveling, or rent stabilization adopted by
45 the governing body of a municipality that ¹~~would otherwise allow~~
46 ~~for~~ :

- 1 (1) provides¹ a ¹["higher permitted"]¹ rent increase ¹limit¹ on a
2 covered dwelling ¹["unit"] site that is greater than three percent¹ over
3 the course of a 12-month period ¹;
- 4 (2) does not provide a fixed, numerical municipal rent increase
5 limit, and instead is based upon, in whole or in part, the Consumer
6 Price Index, or other variable criteria; or
- 7 (3) was adopted in a municipality that does not provide or utilize a
8 rent leveling board or similar municipal agency charged with
9 regulating rents¹.
- 10 ¹c. If an ordinance, rule, regulation, or other law regarding rent
11 control, rent leveling, or rent stabilization adopted by the governing
12 body of a municipality is preempted pursuant to subsection b. of this
13 section due to the failure of the municipality, in which such a
14 municipal law was adopted, to provide or utilize a rent leveling board
15 or similar municipal agency charged with regulating rents pursuant to
16 paragraph (3) of subsection b. of this section, P.L. , c. (C.)
17 (pending before the Legislature as this bill) shall not preempt the fixed,
18 numerical municipal rent increase limit provided in the ordinance,
19 rule, regulation, or other law regarding rent control, rent leveling, or
20 rent stabilization, but shall otherwise preempt such a municipal law.¹
- 21
- 22 4. The commissioner shall, in accordance with the
23 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
24 seq.), adopt rules and regulations as necessary to implement the
25 provisions of P.L. , c. (C.) (pending before the Legislature
26 as this bill).
- 27
- 28 5. This act shall take effect on the first day of the third month
29 next following the date of enactment, except that the commissioner
30 may take anticipatory action necessary to implement the provisions
31 of P.L. , c. (C.) (pending before the Legislature as this
32 bill). This act shall apply to tenancies commencing on or after the
33 effective date of P.L. , c. (C.) (pending before the
34 Legislature as this bill).

SENATE STATE GOVERNMENT, WAGERING, TOURISM &
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO
SENATE, No. 2953

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 28, 2024

The Senate State Government, Wagering, Tourism & Historic Preservation Committee reports favorably, with committee amendments, Senate Bill No. 2953.

This bill limits the amount a landlord may increase the rent on a tenant of a dwelling site within a manufactured home park, upon which the tenant is permitted to install a modular or industrialized building, or manufactured home, as defined in the bill.

The bill prohibits a landlord, as defined in the bill, of a covered dwelling site, from increasing the rent over the course of a 12-month period by more than three percent. The bill defines the term "covered dwelling site" to mean a parcel of land within a manufactured home park that is leased to the owner of a modular or industrialized building, or manufactured home for living and dwelling purposes. Under the bill, "rent" includes lot fees, including license fees, charged by a landlord to a tenant, in addition to tax surcharge costs passed on to the tenant, and any other special expenses.

The bill provides, with limited exceptions, that if the landlord increases the rent in excess of the bill's limitation: (1) the applicable rent for the duration of the present lease term, or subsequent lease term if the present term is month-to-month, is to be the rent for the year or term preceding the violation; and (2) the landlord would be liable for a penalty of \$1,000 per violation per unit, upon the complaint of the Commissioner of Community Affairs or the Attorney General. The bill's limitations would function in addition to the existing prohibition on unconscionable rent increases pursuant the Anti-Eviction Act, P.L.1974, c.49 (C.2A:18-61.1 et seq.), and would permit a tenant to assert the violation as a defense to an eviction as an unconscionable rent increase.

A violation of the bill would:

- (1) permit a tenant to petition the court to terminate a lease or agreement in violation of the bill, and to recover reasonable attorney's fees or expenses; and
- (2) subject a landlord to a private cause of action, brought at the discretion of the tenant, who would be permitted to recover \$500 for a

first offense by the landlord, and \$1,000 for a second and any subsequent offense by the landlord, in addition to reasonable attorney's fees or expenses.

A landlord would be subject to the penalties set forth in the bill for each violation against each tenant, brought at the tenant's discretion.

The bill permits a landlord to petition the Commissioner of Community Affairs (commissioner) to request approval to increase the rent on a covered dwelling site by either: demonstrating that the present rental income and additional charges from the manufactured home park are insufficient to cover the costs of tax increases, assessments, or maintenance to the manufactured home park; or by submitting proof or documentation of capital improvements to the property, which require the increase in rent.

The bill permits the commissioner, after a hearing and consideration as specified in the bill, to grant the landlord a rent increase sufficient to meet the landlord's requirements or needs. The bill requires a landlord petitioning the commissioner for a rent increase to:

- prior to filing the petition, post notice of the petition setting forth its basis in a conspicuous place in and about the manufactured home park;
- prior to filing the petition, serve each affected tenant personally, or by certified mail, with the petition to be filed with the commissioner;
- notify each affected tenant personally, or by certified mail, of the hearing date set by the commissioner; and
- post notice of the hearing in a conspicuous place in the manufactured home park for at least 10 days prior to the date of the hearing.

The bill would: only preempt other laws regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality that result in a higher permitted rent increase over the course of a 12-month period, and not preempt laws regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality resulting in a rent increase that is less than or equal to three percent. The bill would take effect on the first day of the third month following the date of enactment, and be applicable to tenancies commencing on or after the effective date of the bill. The commissioner would be permitted to take anticipatory action necessary to effectuate the provisions of the bill.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) define the term "manufactured home" as a structure for which the manufacturer has filed a certification required by the Secretary of the United States Department of Housing and Urban Development and which complies with the standards under the National Manufactured

Home Construction and Safety Standards Act of 1974 (42. U.S.C. s.5401 et seq.).

(2) define the term "industrialized or modular building" as any building of closed construction, including, but not limited to, modular housing that is factory-built single-family and multi-family housing, including closed-wall, panelized housing, as well as other modular, nonresidential buildings.

(3) exclude from the definition of an "industrialized or modular building" any structure subject to the requirements of the National Manufactured Home Construction and Safety Standards Act of 1974.

(4) replace all references to a "modular or manufactured home" with the terms "industrialized or modular buildings," or "manufactured homes."

(5) raise the rent increase limit prescribed by the bill from two percent to three percent;

(6) provide an exception to the rent increase limit for capital improvements to the property, which require the rent increase, on condition that the landlord petition, and receive approval from, the Commissioner of Community Affairs and submit proof or documentation of the capital improvements to the commissioner, as described in the bill;

(7) require the Commissioner of Community Affairs to schedule a hearing and make a final determination on a petition to increase the rent on a covered dwelling site that exceeds three percent within 90 days;

(8) specify that the bill would only preempt other laws regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality that result in a higher permitted rent increase over the course of a 12-month period, not preempt laws regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality resulting in a rent increase that is less than or equal to three percent;

(9) provide a penalty of \$1,000 per violation per unit for a landlord's violation of the rent increase limit set forth in the bill without first receiving approval from the Commissioner of Community Affairs; and

(10) make conforming changes.

STATEMENT TO

SENATE SUBSTITUTE FOR

SENATE, No. 2953

with Senate Floor Amendments
(Proposed by Senator MORIARTY)

ADOPTED: FEBRUARY 25, 2025

These floor amendments modify the applicability of the preemption provision in the bill.

Specifically, the floor amendments provide that the provisions of the bill would not preempt an ordinance, rule, or regulation, or other law regarding rent control, rent leveling, or rent stabilization adopted by the governing body of a municipality (municipal rent control law) that:

(1) provides a fixed, numerical municipal rent increase limit that is not based upon, in whole or in part, the Consumer Price Index, or other variable criteria;

(2) was adopted in a municipality that provides and utilizes a rent leveling board or similar municipal agency charged with regulating rents; and

(3) provides a rent increase limit on a covered dwelling site that is less than or equal to three percent over the course of a 12-month period, regardless of exceptions permitted in the municipal law, including but not limited to, whether a determination, made by a rent leveling board or similar municipal agency authorizes an exemption from the limit provided by the municipal rent control law, resulting in a rent increase on a covered dwelling site that is greater than three percent over the course of a 12-month period, provided the exceptions are not based upon the Consumer Price Index, or other variable criteria.

The floor amendments provide that the provisions of the bill would preempt a municipal rent control law that:

(1) provides a rent increase limit on a covered dwelling site that is greater than three percent over the course of a 12-month period;

(2) does not provide a fixed, numerical municipal rent increase limit, and instead is based upon, in whole or in part, the Consumer Price Index, or other variable criteria; or

(3) was adopted in a municipality that does not provide or utilize a rent leveling board or similar municipal agency charged with regulating rents.

The floor amendments also provide that if a municipal rent control law is preempted pursuant to the bill due to the failure of the municipality, in which such a municipal rent control law was adopted, to provide or utilize a rent leveling board or similar municipal agency charged with regulating rents, the bill would not preempt the fixed, numerical municipal rent increase limit provided in the municipal rent control law, but would otherwise preempt the municipal rent control law. The floor amendments also make a technical correction.

**ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY BILL NO.3361
(Second Reprint)**

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Committee Substitute for Assembly Bill No. 3361 (Second Reprint) with my recommendations for reconsideration.

Assembly Committee Substitute for Assembly Bill No. 3361 (Second Reprint) would establish a Statewide, annual three percent cap on the amount that an owner or operator of a manufactured home park ("landlord") may increase the rent charged to existing tenants who lease land on which a manufactured or modular home ("covered dwelling site") is located. The bill would allow a landlord to petition the Department of Community Affairs ("DCA") to request an approval to exceed the three percent cap to cover the costs of capital improvements to the property or unanticipated cost increases in taxes, assessments, maintenance and management, utilities, insurance, and hazardous-conditions abatement. A landlord seeking to exceed the three percent cap based on unanticipated increases in any of the costs enumerated above would receive a presumption that their requested rental increase is reasonable and not unconscionable, which an affected tenant could rebut by offering evidence sufficient to overcome the presumption pursuant to procedures set forth in the bill.

Significantly, the bill would preempt established local rent control regulations that do not provide a fixed, numerical rent increase limitation that is not based on the Consumer Price Index, or which provide a rent increase limitation greater than the limitation imposed by the bill. Moreover, the bill would preempt local rent control ordinances that otherwise comply with the provisions of the bill if the municipality does not have a rent

leveling board or similar municipal agency charged with regulating rents.

I commend the bill's sponsors' intent to protect tenants of manufactured home parks, many of whom are seniors or have low to moderate incomes, from unanticipated and significant annual rental increases beyond their means that may force them out of their homes. However, I am concerned that the bill, as presented to me, does not properly account for the broader economic realities that are likely to impact a landlord's ability to maintain or reinvest in manufactured home parks, including inflation and rising operating costs, so that they remain an available housing option to residents. I am also concerned that the bill fails to clearly affirm a tenant's right to access the proof or documentation necessary to contest a landlord's petition for a rent increase that exceeds the bill's allowable rate, and goes too far to usurp the role of local rent leveling boards or other municipal agencies responsible for rent regulations in the rent control process for covered dwelling sites.

I am therefore recommending revisions to increase the annual rent increase cap from three percent to three and one-half percent and to require landlords seeking to exceed this cap to present proof or documentation demonstrating need to their tenants. My revisions also clarify that a municipality will maintain jurisdiction over enforcement of the bill's provisions in cases where a local municipal ordinance is not preempted. Lastly, my recommended changes ensure that DCA has adequate time and resources to carry out its new responsibilities under the bill.

Therefore, I herewith return Assembly Committee Substitute for Assembly Bill No. 3361 (Second Reprint) and recommend that it be amended as follows:

Page 6, Section 2, Line 33:

After "three" insert "and one-half"

<u>Page 6, Section 2, Line 46:</u>	After "d." insert "(1)"
<u>Page 7, Section 2, Line 3:</u>	Delete "(1)" and insert "(a)"
<u>Page 7, Section 2, Line 7:</u>	Delete "(2)" and insert "(b)"
<u>Page 7, Section 2, Line 15:</u>	After "General." insert "(2) In municipalities where preemption does not apply pursuant to section 3 of this act, P.L. , c. (C.) (pending before the Legislature as this bill), enforcement of such penalty in subparagraph (b) of paragraph (1) of this subsection shall be pursuant to applicable law, including any ordinances or resolutions adopted pursuant thereto."
<u>Page 7, Section 2, Line 40:</u>	After "three" insert "and one- half"
<u>Page 7, Section 2, Line 41:</u>	After "demonstrating" insert "through proof or documentation"
<u>Page 8, Section 2, Line 3:</u>	Delete ". If the tenant offers" and insert "so long as the landlord first provides the proof or documentation required in subparagraph (a) of this paragraph to the tenant. The"
<u>Page 8, Section 2, Line 4:</u>	Delete in its entirety
<u>Page 8, Section 2, Line 29:</u>	After "commissioner" insert ", along with the proof or documentation required by subparagraph (a) of paragraph (1) of this subsection"
<u>Page 8, Section 3, Line 36:</u>	After "a." insert "(1)"
<u>Page 8, Section 3, Line 39:</u>	After "that" insert "governs covered dwelling sites and that"
<u>Page 8, Section 3, Line 40:</u>	Delete "(1)" and insert "(a)"
<u>Page 8, Section 3, Line 42:</u>	After "criteria;" insert "and"
<u>Page 8, Section 3, Lines 43-45:</u>	Delete in their entirety
<u>Page 8, Section 3, Line 46:</u>	Delete "(3)" and insert "(b)"
<u>Page 8, Section 3, Line 47:</u>	After "three" insert "and one- half"
<u>Page 9, Section 3, Line 1:</u>	Delete "(a)" and insert "(i)"
<u>Page 9, Section 3, Line 4:</u>	After "three" insert "and one- half"
<u>Page 9, Section 3, Line 6:</u>	Delete "(b)" and insert "(ii)"
<u>Page 9, Section 3, Line 8:</u>	After "criteria." insert "(2) Nothing in this act, P.L. , c. (C.) (pending

before the Legislature as this bill), shall be construed to prohibit a municipality from adopting or enforcing an ordinance reflecting, or otherwise consistent with, the provisions of this act. In such cases, the municipality shall maintain jurisdiction for effectuation, implementation, and enforcement, and matters governed pursuant thereto shall not come before the commissioner."

Page 9, Section 3, Line 15: After "three" insert "and one-half"

Page 9, Section 3, Line 15: After "period;" insert "or"

Page 9, Section 3, Line 18: Delete "; or" and insert ". c. A landlord seeking to exceed the allowable rate authorized by subsection a. of section 2 of this act, P.L. , c. (C.) (pending before the Legislature as this bill) in any municipality with a rent leveling board or similar municipal agency charged with regulating rents whose ordinance, rule, regulation, or other law has been preempted pursuant to this section shall seek approval from the board or agency consistent with any requirements and procedures prescribed thereby or by the governing body."

Page 9, Section 3, Lines 19-32: Delete in their entirety

Page 9, Line 33: Insert new section:

"4. There is appropriated from the General Fund to the Department of Community Affairs the amount of \$2,000,000 to effectuate the purposes of this act, subject to the approval of the Director of the Division of Budget and Accounting."

Page 9, Section 4, Line 34: Delete "4." and insert "5."

Page 9, Section 5, Line 40: Delete "5." and insert "6."

Page 9, Section 5, Line 40: Delete "on" and insert "immediately, but sections 1 through 3 shall remain inoperative until"

Page 9, Section 5, Line 40: Delete "third" and insert "eighth"

Page 9, Section 5, Line 42: After "take" insert "any"

[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 - 06/30/2025

TRENTON – Today, Governor Murphy conditionally vetoed the following bill:

ACS for A-3361/SS for S-2953 (Hutchison, Moen, McCann Stamato/Moriarty, Cryan) – CONDITIONAL -

Establishes limit on rent increase for certain dwelling sites for modular or industrialized buildings or manufactured homes

[Copy of Statement](#)

Governor Murphy Takes Action on Legislation

Posted on - 07/1/2025

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

S-3418wGR/A-4556 (Beach, Pennacchio/Lampitt, Greenwald, Katz) - Authorizes certain types of permanent structures, recently constructed or erected on preserved farmland, to be used, in certain cases, for purposes of holding special occasion events thereon

S-1320wGR/A-4390 (Burzichelli, Pou/Stanley, Speight, Atkins) - Requires certain information be included in certain contracts with licensed public adjusters

ACS for A-3361wGR/SS for S-2953 (Hutchison, Moen, McCann Stamato/Moriarty, Cryan) - Establishes limit on rent increase for certain dwelling sites for modular or industrialized buildings or manufactured homes

A-4937/S-3486 (Atkins, Speight, Peterpaul/Gopal, Turner) - Concerns satellite cannabis dispensaries, Cannabis Regulatory Commission membership, and post-employment restrictions on State employees

A-5199/S-4105 (Donlon, Ramirez, Drulis/Gopal, Mukherji) - Requires resident and fellow physicians employed by Rutgers, The State University of New Jersey, who are eligible for coverage in SHBP, to be eligible to enroll and receive health insurance on first day of employment