

R.S. 46:8-19 thru 26

December 2, 1971

LEGISLATIVE HISTORY OF R.S.46:8-19 through 26  
(Security deposits - leases)

COPY NO. 1  
*for notes, see page 2*

Previous bills

- 1965 - A256 - Died in committee
- A487 - Died in committee
- A492 - Died in committee
  
- 1966 - A267 - Died in committee
- A359 - Passed Assembly, amended; died in Senate  
Committee
- S334 - Passed Senate; died in Assembly Committee
- S339 - Died in committee
  
- 1967 - A448 - Died in committee
- S212 - Died in committee
- S264 - Died in committee

(None of the above bills had statements)

The bill which became law was:

- L1967 - Chap.265 - A409
- Jan.23 - Introduced by Tanzman and others.
- Feb.6 - Passed in Assembly under emergency resolution, amended.
- May 8 - Passed in Senate.
- Jan.8 - Approved, chap.265.
- No statement.
- Amended during passage (copy enclosed of original bill and amendments).

Clippings located on 1967 law (copy enclosed)

Milch, Alexander. "State law urged to safeguard apartment deposit funds" Newark Evening News, February 6, 1966.

Cedrone, Connie "Assembly votes curbs on use of rent deposit" Star Ledger, February 7, 1967.

No hearings or reports on this 1967 legislation were located.

Bills introduced prior to 1968 and 1971 amendments

- 1968 - A388 - Died in committee
- A559 - Passed in Assembly; died in Senate Committee.
- A587 - Died in committee.
  
- 1969 - A267 - Died in committee.
- A294 - Passed in Assembly; died in Senate Committee.
- A295 - Died in committee.
- A311 - Died in committee.
- A1056 - Died in committee.

- 1970 - A72 - Died in committee.
- A99 - Passed in Assembly; died in Senate Committee.
- A227 - Died in committee.
- Al234 - Died in committee.
- Al257 - Died in committee.

The bills which became laws were:

- L.1968 - chap.46 - A362
  - Feb.13 - Introduced by Vreeland and others.
  - Apr.22 - Passed in Assembly.
  - May 13 - Passed in Senate
  - May 22 - Approved, chapter 46.
  - Not amended during passage.

AND

- L.1971 - chap.223 - S904.
  - Sept.17 - Introduced by Kay and others.
  - Sept.21 - Passed in Senate.
  - Apr. 29 - Passed in Assembly, amended.
  - May 3 - Assembly amendment passed in Senate.
  - June 21 - Approved, chapter 223, 1971.
  - No statement on the bill.
  - Amended during passage (copy enclosed of original bill and amendment).

*S904 approved by Mortgage Bankers Assn. (clipping enclosed)*  
S904 was approved by the New Jersey Association of Realtor Boards (see attached photostat from New Jersey Realtor.)  
*13 N.J. Realtor 3 July, 1971*  
Hearings and reports

The New Jersey Landlord-Tenant Relationship Study Commission was created by Assembly Concurrent Resolution 28 of 1969. This commission issued the following reports:

- 974.90 New Jersey. Landlord-Tenant Relationship Study
- H842 Commission.
- 1969 Public hearing before New Jersey Relationship Study Commission, Trenton, 1970.

Note: The interim report indicated 5 public hearings were held ~~\_\_\_\_\_~~  
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- 974.90 New Jersey. Landlord-Tenant Relationship Study
- H842 Commission
- 1970 Interim report [West New York, New Jersey]
- 1970.

ASR 11 - 1970  
Name changed to: New Jersey State Rental Housing Study  
Commission. Additional reports may be  
published.

Newspaper clippings

Numerous clippings are located at Vertical File--N.J.--  
Landlord-Tenant. The clippings listed below are a small  
selection(copies enclosed)

Hladick, Dave

"Final okay given rent withholding"  
Trenton Evening Times May 11, 1971

Young, Randy

"Tenant protection bills introduced in the Assembly"  
Newark Star Ledger March 12, 1971

Coleman, Chester L.

"Bills favored for tenant relief"  
Newark Evening News Jan. 28, 1971

Bishop, Gordon

"Tenant leader: Cahill backs three key bills"  
Newark Star Ledger Jan.28, 1971

"Putting the heat on landlords"

Newark Star Ledger May 7, 1971

"Rent bill nears vote in Senate"

Trenton Evening Times May 7, 1971

Coleman, Chester

"Tenants claim backing"  
May 2, 1971

Culnan, Dennis M.

"Cahill pledges support to tenants' rights bills"  
Curier Post Jan. 29, 1971

"Tenants backed on heating repair"

Newark Star Ledger May 4, 1971

Baglivo, Angelo

"Rent holdout passes"  
Newark Evening News May 11, 1971

"Tenant lockout gains"

Newark Evening News May 9, 1971

ASSEMBLY, No. 409

STATE OF NEW JERSEY

INTRODUCED JANUARY 23, 1967

By Assemblymen TANZMAN, BRIGIANI, WILENTZ and POLICASTRO

Referred to Committee on Business Affairs

AN ACT concerning leasehold estates in relation to deposits to secure performance of leases, and supplementing chapter 8 of Title 46 of the Revised Statutes.

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

1 1. Whenever money or other form of security shall be deposited or  
2 advanced on a contract, lease or license agreement for the use or rental of  
3 real property as security for performance of the contract, lease or agree-  
4 ment or to be applied to payments upon such contract, lease or agreement  
5 when due, such money or other form of security, until repaid or so applied,  
6 shall continue to be the property of the person making such deposit or advance  
7 and shall be held in trust by the person with whom such deposit or advance  
8 shall be made for the use in accordance with the terms of the contract, lease,  
9 or agreement and shall not be mingled with the personal property or become  
10 an asset of the person receiving the same. The person receiving money so de-  
11 posited or advanced shall deposit such money in a banking institution or  
12 Savings and Loan Association in this State insured by an agency of the  
13 Federal Government in an account and shall thereupon notify in writing each  
14 of the persons making such security deposit or advance, giving the name  
15 and address of the banking institution in which the deposit of security money  
16 is made, and the amount of such deposit.

17 All of the money so deposited or advanced may be deposited by the per-  
18 son receiving the same in one account as long as he complies with all the  
19 other requirements of this act.

1 2. Any person, whether the owner or lessee of the property leased, who  
2 or which has or hereafter shall have received from a tenant or licensee a  
3 sum of money as a deposit or advance of rental as security for the full

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

4 performance by such tenant or licensee of the terms of his contract, lease or  
5 license agreement, or who or which has or shall have received the same from  
6 a former owner or lessee, shall, upon conveying such property or assigning  
7 his or its lease to another, or upon the conveyance of such property to  
8 another person by a court in an action to foreclose a mortgage thereon, at  
9 the time of the delivery of the deed or instrument or assignment, or within  
10 5 days thereafter, or in the event of the insolvency or bankruptcy of the  
11 person receiving said deposit, within 5 days after the making and entry of  
12 an order of the court discharging the receiver or trustee, deal with the  
13 security deposit in one of the 3 following ways:

14 (a) Turn over to his or its grantee or assignee, or to the purchaser at  
15 the foreclosure sale the sum so deposited, and notify the tenant or licensee  
16 by registered or certified mail of such turning over and the name and address  
17 of such grantee, assignee or purchaser.

18 (b) Return the sum so deposited to such tenant or licensee, less any  
19 charges expended in accordance with the terms of a contract, lease, or agree-  
20 ment or to his appointee or designee duly authorized in writing by such  
20A tenant to receive the same.

21 (c) Retain the sum so deposited and notify the tenant or licensee by  
22 registered or certified mail of such conveyance or assignment and the name  
23 and address of the grantee, assignee, or purchaser at the foreclosure sale,  
24 as the case may be, and of the fact that he or it, as such former landlord,  
25 has retained the sum so deposited.

1 3. Any owner or lessee turning over to his or its grantee, assignee, or  
2 to a purchaser of the leased premises at a foreclosure sale the amount of  
3 such security deposit is hereby relieved of and from liability to the tenant or  
4 licensee for the repayment thereof; and the transferee of such security  
5 deposit is hereby made responsible for the return thereof to the tenant or  
6 licensee, in accordance with the terms of the contract, lease, or agreement  
7 unless he or it shall thereafter and before the expiration of the term of the  
8 tenant's lease or licensee's agreement, transfer such security deposit to an-  
9 other, pursuant to section 2 hereof and give the requisite notice in connection  
10 therewith as provided thereby.

1 4. Any trust arising under the provisions of this act shall be enforceable  
2 by a civil action in a court of competent jurisdiction and that court shall  
3 have jurisdiction to make any appropriate order or judgment both pendente  
4 lite and final to fully effectuate the purposes of this act.

1 5. In the event of the insolvency or bankruptcy of the person receiving  
2 the said moneys, the claim of the person who paid the said moneys shall  
3 constitute a statutory trust with respect to any moneys so received and not

4 previously expended in accordance with the terms of the contract, lease or  
5 agreement.

1 6. Any provision of such a contract, lease or agreement whereby a  
2 person who so deposits or advances money waives any provision of this act  
3 is absolutely void.

1 7. Any person party to said contract, lease or agreement, or any agent of  
2 said person, or any officer of a corporation receiving said moneys, who, with  
3 knowledge that such moneys constitute trust funds, unlawfully diverts or  
4 consents to an unlawful diversion of such moneys shall be a disorderly  
5 person and subject to a fine of not less than \$200.00 or by imprisonment for  
6 not more than 30 days, or both.

1 8. This act shall take effect January 1, 1968.

ASSEMBLY AMENDMENTS TO  
**ASSEMBLY, No. 409**

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**STATE OF NEW JERSEY**

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ADOPTED FEBRUARY 6, 1967

Amend page 3, section 7, line 6, after line 6, insert the following new section to read as follows:

“8. The provisions of this act shall apply only to owners of rental property consisting of more than 4 rental units.”.

Amend page 3, section 8, line 1, delete “8.”, and insert in lieu thereof “9.”.

CHAPTER 265 LAWS OF N. J. 1967  
APPROVED 1-8-68  
[OFFICIAL COPY REPRINT]

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1 1. Whenever money or other form of security shall be deposited or  
2 advanced on a contract, lease or license agreement for the use or rental of  
3 real property as security for performance of the contract, lease or agree-  
4 ment or to be applied to payments upon such contract, lease or agreement  
5 when due, such money or other form of security, until repaid or so applied,  
6 shall continue to be the property of the person making such deposit or ad-  
7 vance and shall be held in trust by the person with whom such deposit or ad-  
8 vance shall be made for the use in accordance with the terms of the contract,  
9 lease, or agreement and shall not be mingled with the personal property or  
10 become an asset of the person receiving the same. The person receiving  
11 money so deposited or advanced shall deposit such money in a banking in-  
12 stitution or Savings and Loan Association in this State insured by an agency  
13 of the Federal Government in an account and shall thereupon notify in writ-  
14 ing each of the persons making such security deposit or advance, giving the  
15 name and address of the banking institution in which the deposit of security  
16 money is made, and the amount of such deposit.

17 All of the money so deposited or advanced may be deposited by the per-  
18 son receiving the same in one account as long as he complies with all the  
19 other requirements of this act.

1 2. Any person, whether the owner or lessee of the property leased, who  
2 or which has or hereafter shall have received from a tenant or licensee a  
3 sum of money as a deposit or advance of rental as security for the full

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

4 performance by such tenant or licensee of the terms of his contract, lease or  
5 license agreement, or who or which has or shall have received the same from  
6 a former owner or lessee, shall, upon conveying such property or assigning  
7 his or its lease to another, or upon the conveyance of such property to  
8 another person by a court in an action to foreclose a mortgage thereon, at  
9 the time of the delivery of the deed or instrument or assignment, or within  
10 5 days thereafter, or in the event of the insolvency or bankruptcy of the  
11 person receiving said deposit, within 5 days after the making and entry of  
12 an order of the court discharging the receiver or trustee, deal with the  
13 security deposit in one of the 3 following ways:

14 (a) Turn over to his or its grantee or assignee, or to the purchaser at  
15 the foreclosure sale the sum so deposited, and notify the tenant or licensee  
16 by registered or certified mail of such turning over and the name and address  
17 of such grantee, assignee or purchaser.

18 (b) Return the sum so deposited to such tenant or licensee, less any  
19 charges expended in accordance with the terms of a contract, lease, or agree-  
20 ment or to his appointee or designee duly authorized in writing by such  
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21 (c) Retain the sum so deposited and notify the tenant or licensee by  
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5 deposit is hereby made responsible for the return thereof to the tenant or  
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7 unless he or it shall thereafter and before the expiration of the term of the  
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5 person and subject to a fine of not less than \$200.00 or by imprisonment for  
6 not more than 30 days, or both.

1 \*8. *The provisions of this act shall apply only to owners of rental prop-*  
2 *erty consisting of more than 4 rental units.\**

1 \***[8.]**\* \*9.\* This act shall take effect January 1, 1968.