

40:48-2.12q

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2011 **CHAPTER:** 193

NJSA: 40:48-2.12q (Modifies provision of municipal ordinance requiring bond or other security from landlord)

BILL NO: S2422

SPONSOR(S) Turner and others

DATE INTRODUCED: November 22, 2010

COMMITTEE: **ASSEMBLY:** Community and Urban Affairs
SENATE: Housing and Local Government

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** January 9, 2012

SENATE: January 9, 2012

DATE OF APPROVAL: January 17, 2012

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (First reprint enacted)

S2422

SPONSOR'S STATEMENT: (Begins on page 3 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

(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: No

LEGISLATIVE FISCAL NOTE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

P.L.2011, CHAPTER 193, *approved January 17, 2012*
Senate, No. 2422 (*First Reprint*)

1 AN ACT concerning the rental of residential property, designated
2 the “Good Neighbor Act,” and amending P.L.1993, c.127.

3

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

6

7 1. This act shall be known and may be cited as the “Good
8 Neighbor Act.”

9

10 2. Section 4 of P.L.1993, c.127 (C.40:48-2.12q) is amended to
11 read as follows:

12 4. An ordinance adopted under authority of this section shall
13 provide:

14 a. **[If in any twelve-month period a specified number, which**
15 **shall not be less than two, of complaints, on separate occasions, of**
16 **disorderly, indecent, tumultuous or riotous]** ¹**[If a municipality**
17 **receives a complaint of]** If in any twenty-four-month period a
18 specified number, which shall not be less than two, of complaints,
19 on separate occasions, of¹ conduct upon or in proximity to any
20 rental premises, and attributable to the acts or incitements of any of
21 the tenants of those premises, have been substantiated by
22 prosecution and conviction in any court of competent jurisdiction as
23 a violation of any provision of Title 2C of the New Jersey Statutes
24 or any municipal ordinance governing disorderly conduct, the
25 municipal governing body or any officer or employee of the
26 municipality designated by the governing body for the purpose, may
27 institute proceedings to require the landlord of those premises to
28 post a bond against the consequences of future incidents of the same
29 character.

30 b. (1) In the event a tenant is convicted of any of the conduct
31 described in subsection a. of this section, the governing body, or the
32 officer or employee designated pursuant to subsection a. of this
33 section, shall cause notice advising that the conduct specified has
34 occurred to be served on the landlord, in person or by registered
35 mail, at the address appearing on the tax records of the
36 municipality.

37 (2) The governing body or person designated pursuant to
38 subsection a. of this section shall cause to be served upon the

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 amendments adopted in accordance with Governor's recommendations January 9, 2012.**

1 landlord, in person or by registered mail to the address appearing on
2 the tax records of the municipality, notice advising of the institution
3 of such proceedings, together with particulars of the substantiated
4 complaints upon which those proceedings are based, and of the time
5 and place at which a hearing will be held in the matter, which shall
6 be in the municipal building, municipal court or other public place
7 within the municipality, and which shall be no sooner than 30 days
8 from the date upon which the notice is served or mailed.

9 c. At the hearing convened pursuant to subsection b. of this
10 section, the hearing officer shall give full hearing to both the
11 complaint of the municipality and to any evidence in contradiction
12 or mitigation that the landlord, if present or represented and
13 offering such evidence, may present. The hearing officer ¹**[shall**
14 **consider relevant prior complaints presented by the municipality]**
15 may consider, to the extent deemed relevant by the hearing officer,
16 prior complaints¹ about the residents of the property, even if those
17 complaints did not result in a conviction. At the conclusion of the
18 hearing the hearing officer shall determine whether the landlord
19 shall be required to post a bond in accordance with the terms of the
20 ordinance.

21 d. Any bond required to be posted shall be in accordance with
22 the judgment of the hearing officer, in light of the nature and extent
23 of the offenses indicated in the substantiated complaints upon which
24 the proceedings are based, to be adequate in the case of subsequent
25 offenses to make reparation for (1) damages likely to be caused to
26 public or private property and damages consequent upon disruption
27 of affected residents' rights of fair use and quiet possession of their
28 premises, (2) securing the payment of fines and penalties likely to
29 be levied for such offenses, and (3) compensating the municipality
30 for the costs of repressing and prosecuting such incidents of
31 disorderly behavior; but no such bond shall be in an amount less
32 than \$500 or more than \$5,000. The municipality may enforce the
33 bond thus required by action in the Superior Court, and shall be
34 entitled to an injunction prohibiting the landlord from making or
35 renewing any lease of the affected premises for residential purposes
36 until that bond or equivalent security, in satisfactory form and
37 amount, has been deposited with the municipality.

38 e. A bond or other security deposited in compliance with
39 subsection d. of this section shall remain in force for a period
40 specified pursuant to the ordinance, which shall be not less than two
41 or more than four years. Upon the lapse of the specified period the
42 landlord shall be entitled to the discharge thereof, unless prior
43 thereto further proceedings leading to a forfeiture or partial
44 forfeiture of the bond or other security shall have been had under
45 section 5 of P.L.1993, c.127 (C.40:48-2.12r), in which case the
46 security shall be renewed, in an amount and for a period that shall
47 be specified by the hearing officer.

48 (cf: P.L.2009, c.170, s.4)

1 3. This act shall take effect immediately.

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6 Modifies provisions of municipal ordinance requiring bond or
7 other security from landlord.

SENATE, No. 2422

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED NOVEMBER 22, 2010

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Mercer)

Senator NICHOLAS J. SACCO

District 32 (Bergen and Hudson)

SYNOPSIS

Modifies provisions of municipal ordinance requiring bond or other security from landlord.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/28/2011)

1 AN ACT concerning the rental of residential property, designated
2 the "Good Neighbor Act," and amending P.L.1993, c.127.

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

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12 4. An ordinance adopted under authority of this section shall
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14 a. **[If in any twelve-month period a specified number, which**
15 **shall not be less than two, of complaints, on separate occasions, of**
16 **disorderly, indecent, tumultuous or riotous]** If a municipality
17 receives a complaint of conduct upon or in proximity to any rental
18 premises, and attributable to the acts or incitements of any of the
19 tenants of those premises, have been substantiated by prosecution
20 and conviction in any court of competent jurisdiction as a violation
21 of any provision of Title 2C of the New Jersey Statutes or any
22 municipal ordinance governing disorderly conduct, the municipal
23 governing body or any officer or employee of the municipality
24 designated by the governing body for the purpose, may institute
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26 against the consequences of future incidents of the same character.

27 b. (1) In the event a tenant is convicted of any of the conduct
28 described in subsection a. of this section, the governing body, or the
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38 of such proceedings, together with particulars of the substantiated
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40 and place at which a hearing will be held in the matter, which shall
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2 or mitigation that the landlord, if present or represented and
3 offering such evidence, may present. The hearing officer shall
4 consider relevant prior complaints presented by the municipality
5 about the residents of the property, even if those complaints did not
6 result in a conviction. At the conclusion of the hearing the hearing
7 officer shall determine whether the landlord shall be required to
8 post a bond in accordance with the terms of the ordinance.

9 d. Any bond required to be posted shall be in accordance with
10 the judgment of the hearing officer, in light of the nature and extent
11 of the offenses indicated in the substantiated complaints upon which
12 the proceedings are based, to be adequate in the case of subsequent
13 offenses to make reparation for (1) damages likely to be caused to
14 public or private property and damages consequent upon disruption
15 of affected residents' rights of fair use and quiet possession of their
16 premises, (2) securing the payment of fines and penalties likely to
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35 be specified by the hearing officer.

36 (cf: P.L.2009, c.170, s.4)

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38 3. This act shall take effect immediately.

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STATEMENT

42

43 This bill would provide that a municipality may require a
44 landlord to post bond, or other equivalent security, to compensate a
45 person or entity for future losses incurred as the result of an act
46 leading to a conviction for any violation of Title 2C of the New
47 Jersey Statutes or a violation of a municipal ordinance governing
48 disorderly conduct. Current law permits the municipality to require

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1 a bond payment only if there have been repeated complaints against
2 a tenant over a 12-month period.

3 The bill also requires the hearing officer to consider other
4 relevant occasions where complaints have been received about
5 criminal or disorderly conduct occurring at the property, even if
6 those complaints involved prior tenants and did not result in a
7 conviction. This bill would provide municipalities with an
8 additional tool with which to compel landlords to control tenants
9 who are a threat to the health and safety of the other members of the
10 community, as well as provide those landlords with an incentive to
11 remove disruptive tenants from their rental units.

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 2422

STATE OF NEW JERSEY

DATED: JUNE 13, 2011

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 2422.

This bill would provide that a municipality may require a landlord who is the owner of a rental unit of four units or less to post bond, or other equivalent security, to compensate a person or entity for future losses incurred as the result of an act leading to a conviction for any violation of Title 2C of the New Jersey Statutes or any violation of a municipal ordinance governing disorderly conduct. Current law permits the municipality to require a bond payment only if there have been repeated complaints against a tenant over a 12-month period.

The bill also requires the hearing officer to consider other relevant occasions where complaints have been received about criminal or disorderly conduct occurring at the property, even if those complaints involved prior tenants and did not result in a conviction.

ASSEMBLY HOUSING AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO

SENATE, No. 2422

STATE OF NEW JERSEY

DATED: DECEMBER 8, 2011

The Assembly Housing and Local Government Committee reports favorably Senate Bill No. 2422.

This bill provides that a municipality may require a landlord who is the owner of a rental unit of four units or less to post bond, or other equivalent security, to compensate a person or entity for future losses incurred as the result of an act leading to a conviction for any violation of Title 2C of the New Jersey Statutes or any violation of a municipal ordinance governing disorderly conduct. Current law permits the municipality to require a bond payment only if there have been repeated complaints against a tenant over a 12-month period.

The bill also requires the hearing officer to consider other relevant occasions where complaints have been received about criminal or disorderly conduct occurring at the property, even if those complaints involved prior tenants and did not result in a conviction.

SENATE BILL NO. 2422

To the Senate:

I am returning this legislation without my approval because, in an effort to encourage landlords to monitor and control the occupants of rental premises, it threatens to punish landlords for the potentially unforeseeable and isolated conduct of their tenants. Accordingly, pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 2422 with my recommendations for reconsideration.

Current law authorizes a municipality to force a landlord to post a bond against the future conduct of his or her tenants, in the event that the residents of a rental premises have been convicted of disorderly conduct two or more times in a twelve-month period. This legislation would lower that threshold to a single criminal conviction for any offense. Additionally, this bill requires that any previous complaints against renters must also be considered in determining whether to impose a bond requirement.

While I do not object to expanding this law's threshold to include any criminal conviction, I am concerned with the portion of this legislation that lowers the threshold to a single incidence. The current law's requirement of two or more convictions ensures that it only applies to renters and rental premises that create habitual problems in the community. However, I do believe that the requirement for multiple convictions to occur within a twelve-month period is too high of a standard, in that it may allow for certain premises that do create habitual issues to fail to trigger this law. As such, I am returning this legislation with a recommendation that it will

apply to any premises where there are two or more convictions for disorderly conduct or any other criminal offense, within a twenty-four month period. Additionally, I am returning this bill with the recommendation that it be amended so that the hearing officer may, but is not required to, consider past complaints against the residents of rental premises, when determining whether to impose a bond requirement.

Accordingly, I herewith return Senate Bill No. 2422 and recommend that it be amended as follows:

Page 2, Section 2, Lines 16-17:

Delete "If a municipality receives a complaint of" and insert "If in any twenty-four-month period a specified number, which shall not be less than two, of complaints, on separate occasions, of"

Page 3, Section 2, Lines 3-4:

Delete "shall consider relevant prior complaints presented by the municipality" and insert "may consider, to the extent deemed relevant by the hearing officer, prior complaints"

Respectfully,

/s/ Chris Christie

Governor

[seal]

Attest:

/s/ Kevin M. O'Dowd

Deputy Chief Counsel to the Governor