

46: 8-21.1

LEGISLATIVE HISTORY CHECKLIST

(Landlord - Tenant--Security deposit return--emergency displacement)

WJSA 46:8-21.1

LAWS OF 1979

CHAPTER 115

Bill No. A1127

Sponsor(s) Baer and Schwartz

Date Introduced April 20, 1978

Committee: Assembly Commerce, Industry and Professions

Senate Labor, Industry and Professions

Amended during passage Yes ~~xxx~~ Assembly Committee Substitute enacted. Amendments during passage denoted by asterisks

Date of Passage: Assembly Sept. 25, 1978

Senate May 24, 1979

Date of approval June 28, 1979

Following statements are attached if available:

Sponsor statement Yes ~~xxx~~

Committee Statement: Assembly Yes ~~xxx~~ 5-3-78 & 6-15-78

Senate Yes ~~xxx~~

Fiscal Note ~~Yes~~ No

Veto message ~~Yes~~ No

Message on signing Yes ~~xxx~~

Following were printed:

Reports ~~Yes~~ No

Hearings ~~Yes~~ No

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[OFFICIAL COPY REPRINT]
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 1127

STATE OF NEW JERSEY

ADOPTED JUNE 19, 1978

AN ACT concerning tenants displaced by fire, flood, condemnation or evacuation and amending "An act concerning security deposits and to amend and supplement '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,' approved January 8, 1968 (P. L. 1967, c. 265)," approved June 21, 1971 (P. L. 1971, c. 223).

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

1 1. Section 3 of P. L. 1971, c. 223 (C. 46:8-21.1) is amended to
2 read as follows:

3 3. Within 30 days after the expiration of the term of the tenant's
4 lease or licensee's agreement, the owner or lessee shall return by
5 personal delivery, registered or certified mail the sum so deposited
6 plus the tenant's portion of the interest earned thereon, less any
7 charges expended in accordance with the terms of a contract, lease,
8 or agreement. **[Any]** *The interest and any* such deductions shall
9 be itemized and the tenant or licensee notified thereof by *personal*
10 *delivery*, registered or certified mail.

11 *Within 5 business days after a. the tenant is caused to be dis-*
12 *placed by fire, flood, condemnation, or evacuation, and b. an*
13 *authorized public official posts the premises with a notice prohibit-*
14 *ing occupancy, or c. any ***[relocation officer designated under sec-***
15 *tion 5 of P. L. 1967, c. 79 (C. 52:31B-5) or building inspector where*
16 *no such designation has been made]* *building inspector, in consul-*
17 *tation with a relocation officer where applicable*, has certified*
18 ****[the]** *within 48 hours that* displacement is expected to continue*
19 *longer than 7 days and has so notified the owner or lessee in writing,*
20 *the owner or lessee shall have available and return to the tenant*
21 *or the tenant's designated agent upon his demand the sum so*
22 *deposited plus the tenant's portion of the interest earned thereon;*

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

23 *less any charges expended in accordance with the terms of the*
23A *contract, lease or agreement and less any rent due and owing at the*
23B *time of displacement.*

24 *Such net sum shall continue to be available to be returned upon*
25 *demand during normal business hours for a period of 30 days at*
26 *a location in the same municipality in which the subject leased*
27 *property is located and shall be accompanied by an itemized state-*
28 *ment of the interest and any deductions. The owner or lessee may,*
29 *by mutual agreement with the municipal clerk, have the municipal*
30 *clerk of the municipality in which the subject leased property is*
31 *located return said net sum in the same manner. Within 3 business*
32 *days after receiving notification of the displacement, the owner or*
33 *lessee shall provide written notice to a displaced tenant by personal*
34 *delivery or mail to the tenant's last known address. Such notice*
35 *shall include, but not be limited to, the location at which and the*
36 *hours and days during which said net sum shall be available to him.*
37 *The owner or lessee shall provide a duplicate notice in the same*
38 *manner to the relocation officer. Where a relocation officer has not*
39 *been designated, the duplicate notice shall be provided to the*
40 *municipal clerk. When the last known address of the tenant is that*
41 *from which he was displaced and the mailbox of that address is*
42 *not accessible during normal business hours, the owner or lessee*
43 *shall also post such notice at each exterior public entrance of the*
44 *property from which the tenant was displaced. Any such net sum*
45 *not demanded by and returned to the tenant or the tenant's desig-*
46 *nated agent within the period of 30 days shall be redeposited by*
47 *the owner or lessee in an appropriate interest bearing account in*
48 *the same banking institution or savings and loan association from*
49 *which it was withdrawn.*

50 *In the event that said displaced tenant resumes occupancy of the*
51 *premises, said tenant shall redeliver to the owner or lessee one-*
52 *third of the security deposit immediately, one-third in 30 days and*
53 *one-third 60 days from the date of reoccupancy. Upon the failure*
54 *of said tenant to make such payments of the security deposit, the*
55 *owner or lessee may institute legal action for possession of the*
56 *premises in the same manner that is authorized for nonpayment*
57 *of rent.*

58 *In any action by a tenant or licensee for the return of moneys*
59 *due under this section, the court upon finding for the tenant or*
60 *licensee shall award recovery of double the amount of said moneys,*
61 *together with full costs of any action and, in the court's discretion,*
62 *reasonable attorneys' fees.*

1 2. This act shall take effect immediately.

ASSEMBLY, No. 1127

STATE OF NEW JERSEY

INTRODUCED APRIL 20, 1978

By Assemblymen BAER and SCHWARTZ

Referred to Committee on Commerce, Industry and Professions

AN ACT concerning tenants displaced by fire, flood, condemnation or evacuation and amending "An act concerning security deposits and to amend and supplement '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,' approved January 8, 1968 (P. L. 1967, c. 265)," approved June 21, 1977 (P. L. 1971, c. 223).

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2 read as follows:

3 3. Within 30 days after the expiration of the term of the tenant's
4 lease or licensee's agreement, the owner or lessee shall return by
5 personal delivery, registered or certified mail the sum so deposited
6 plus the tenant's portion of the interest earned thereon, less any
7 charges expended in accordance with the terms of a contract, lease,
8 or agreement.

9 *Within 72 hours after the tenant is caused to be displaced by fire,*
10 *flood, condemnation, or evacuation, and any relocation officer desig-*
11 *nated under section 5 of P. L. 1967, c. 79 (C. 52:31B-5) or building*
12 *inspector where no such designation has been made, has certified*
13 *the displacement is expected to continue longer than 7 days, the*
14 *owner or lessee shall return to the tenant or the tenant's desig-*
15 *nated agent by personal delivery, registered or certified mail the*
16 *sum so deposited plus the tenant's portion of the interest earned*
17 *thereon, less any charges expended in accordance with the terms*
18 *of the contract, lease or agreement. Any such deductions shall be*
19 *itemized and the tenant or licensee notified thereof by registered*
20 *or certified mail. In any action by a tenant or licensee for the re-*
21 *turn of moneys due under this section, the court upon finding for*

22 the tenant or licensee shall award recovery of double the amount
23 of said moneys, together with full costs of any action and, in the
24 court's discretion, reasonable attorneys' fees.

1 2. This act shall take effect immediately.

STATEMENT

Tenants displaced in an emergency frequently face severe economic hardship which makes their relocation more difficult. The purpose of this bill is to require that tenants displaced in an emergency have their security deposit returned on an expedited basis so it will be available to them to help meet relocation expenses.

ASSEMBLY COMMERCE, INDUSTRY AND PROFESSIONS
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1127

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MAY 3, 1978

This bill provides that if a tenant is displaced by fire, flood, condemnation or evacuation and a relocation officer certifies such displacement will last longer than 7 days from the time of initial displacement, the landlord must return to the tenant within 72 hours of the certification his security deposit plus interest less agreed to expenses.

The committee amended the bill to clarify that the relocation officer must notify the landlord of the certification of the tenant's displacement. The committee's second amendment provides that the tenant, upon resuming occupancy of the apartment after the displacement, has 60 days to redeliver the security deposit to the landlord and that he will be subject to legal action, as if he had not paid his original security deposit, if he fails to do so.

ASSEMBLY COMMERCE, INDUSTRY AND PROFESSIONS
COMMITTEE

STATEMENT TO
ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 1127

[THIRD OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: JUNE 15, 1978

This Assembly Committee Substitute for Assembly Bill No. 1127 (3rd OCR) provides that if a tenant is displaced by fire, flood, condemnation or evacuation and either an authorized public official posts the premises with a notice prohibiting occupancy or a relocation officer certifies such displacement will last longer than 7 days from the time of initial displacement, the landlord must make available to the tenant his security deposit plus interest less agreed to expenses and rent owed.

Within 3 business days after receiving notification of the displacement, the landlord must notify the tenant where he may pick up his security deposit. It must be available during normal business hours for a period of 30 days. If the security deposit is not demanded by the tenant within that time period, the landlord must redeposit it in the same financial institution from which it was withdrawn.

Upon resuming occupancy of the apartment, the tenant is required to redeliver one-third of the security deposit immediately, one-third in 30 days and one-third in 60 days. If he does not do so, he may be subject to eviction.

SENATE LABOR, INDUSTRY AND
PROFESSIONS COMMITTEE

STATEMENT TO
ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 1127

with Senate committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 26, 1979

The statement of the Assembly Commerce, Industry and Professions Committee adequately explains the provisions of the bill.

The Senate Labor, Industry and Professions Committee amended the bill to make the building inspector, rather than the relocation officer, the person primarily responsible for certifying, within 48 hours, that the displacement is expected to continue longer than 7 days.

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FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

JUNE 28, 1979

PAT SWEENEY

Governor Brendan Byrne today signed A-1127, sponsored by Assemblyman Byron M. Baer (D-Bergen), which will assure the prompt return of security deposits to tenants forced to vacate their residents because of fire, blood, condemnation or evacuation.

The bill applies if a tenant is displaced for more than seven days as certified by the local building inspector, or if an authorized public official posts a notice prohibiting occupancy.

Under terms of the legislation, a landlord must notify a displaced tenant where the security deposit can be picked up three business days after the tenant is forced to leave. The security money must include interest accrued, but can be reduced by rent owed the landlord by the tenant.

"The basis for the bill lies in the belief that a tenant who is abruptly displaced badly needs the money which is being held as a security deposit," explained the Governor. "Present law is silent on the return of the deposit in this situation," he added.

"The hardship a tenant endures when forced to leave his or her residence for any reason listed in my bill should not be made more severe by delay in obtaining the security deposit," added Assemblyman Baer. "Unfortunately, this is often the case, and the tenant becomes a double loser. My legislation, however, will rectify this unfair situation."

Baer noted that the landlord is also protected under this bill by the provision that requires the tenant to repay the security within 60 days of resuming occupancy or be subject to eviction.

David Baslow, President of the New Jersey Tenants Association, added, "Once again, Governor Byrne has displayed his concern for tenants in New Jersey, and by continuing in his commitment has kept New Jersey tenants the best protected rent payers in the country."

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Given Rent Withholding

N.J. - Landlord & Tenant

By DAVE BLADICK
Staff Writer

The legislature has given final approval to a bill that its supporters claim could halt the deterioration of many New Jersey cities into slum areas.

The Cahill administration sponsored bill authorizes the courts to appoint administrators who would use rent payments to eliminate housing violations.

The state Supreme Court last year handed down a decision allowing tenants to withhold rent for properties which are in violation of housing and health codes.

However, the administration maintains that the rights and responsibilities of tenants and landlords now must be decided by the courts in each case.

Supervise Improvements

Under the proposed legislation, the rent administrators would supervise improvements and maintain custody of the rents.

The landlord would be protected in that tenants could not invoke the law if violations were the result of his malicious or unusual use of property.

The legislation sets up a mechanism where the tenant is required to give the landlord notice of violations and a reasonable time to make repairs.

Municipalities are also required to maintain a central registry of landlords so tenants can serve notice.

Approves Two More

The legislature yesterday also approved two other bills from Cahill's landlord-tenant package.

These bills eliminate the landlord's prerogative of locking out a tenant and removing his property for non-payment of rent without court sanction.

Earlier this year, the legislature passed a measure requiring landlords to pay interest on security deposits. The landlord would be allowed to keep one percent of the interest to cover administrative costs. This bill also limits the size of the deposit to the equivalent of 1 1/2 months worth of rental payments.