

# 40:52-10

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 1999 **CHAPTER:** 241

**NJSA:** 40:52-10 (Rooming & Board Home – licensing fees)

**BILL NO:** A170

**SPONSOR(S):** Kelly and Romano

**DATE INTRODUCED:** Pre-filed

**COMMITTEE:** **ASSEMBLY:** Local Government & Housing

**SENATE:** Community & Urban Affairs; Budget & Appropriations

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:** **ASSEMBLY:** May 24, 1999

**SENATE:** March 22, 1999

**DATE OF APPROVAL:** October 15, 1999

### FOLLOWING ARE ATTACHED IF AVAILABLE:

**FINAL TEXT OF BILL:** 2<sup>nd</sup> Reprint  
(Amendments during passage denoted by superscript numbers)

**SPONSORS STATEMENT:** (Begins on page 5 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** **ASSEMBLY:** [Yes](#)

**SENATE:** [Yes](#) [5-14-98 \(Comm. & Urb.\)](#)  
[Yes](#) [3-18-99 \(Budget & App.\)](#)

**FLOOR AMENDMENT STATEMENTS:** No

**LEGISLATIVE FISCAL ESTIMATE:** [Yes](#) [4-17-98 \(1<sup>st</sup> Reprint\)](#)  
[Yes](#) [5-21-99 \(2<sup>nd</sup> Reprint\)](#)

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** [Yes](#)

### FOLLOWING WERE PRINTED:

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**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** No

P.L.1999, CHAPTER 241, *approved October 15, 1999*

Assembly, No. 170 (*Second Reprint*)

1 AN ACT concerning the licensing of rooming and boarding homes and  
2 amending P.L.1993, c.290 and P.L.1979, c.496.

3

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

6

7 1. Section 2 of P.L.1993, c.290 (C.40:52-10) is amended to read  
8 as follows:

9 2. The governing body of a municipality may, by ordinance, elect  
10 to license rooming and boarding houses located in the municipality in  
11 accordance with the provisions of this act. The governing body of a  
12 municipality that elects to license rooming and boarding houses may  
13 adopt, by ordinance, such regulations as it deems appropriate and  
14 necessary to enforce the provisions of P.L.1993, c.290; except those  
15 regulations shall not be inconsistent with the rules and regulations  
16 promulgated by the commissioner pursuant to P.L.1979, c.496  
17 (C.55:13B-1 et seq.) to which rooming and boarding houses shall  
18 remain subject. If the governing body elects to license such facilities,  
19 the governing body shall so notify the Commissioner of Community  
20 Affairs or his designee. An owner or operator of a rooming or  
21 boarding house licensed by a municipality pursuant to this act shall not  
22 be required to pay an annual licensing fee <sup>2</sup>for that rooming or  
23 boarding house<sup>2</sup> to the Department of Community Affairs pursuant to  
24 the "Rooming and Boarding House Act of 1979," P.L.1979, c.496  
25 (C.55:13B-1 et seq.) <sup>2</sup>**[if such owner or operator does not own any  
26 other rooming or boarding house that is not licensed by a  
27 municipality]**<sup>2</sup>. <sup>1</sup>**[The governing body of a municipality that elects to  
28 license rooming and boarding houses may adopt, by ordinance, such  
29 regulations as it deems appropriate and necessary to enforce the  
30 provisions of P.L.1993, c.290, provided that those regulations shall  
31 not be inconsistent with and shall be at least as restrictive as the rules  
32 and regulations promulgated by the commissioner pursuant to  
33 P.L.1979, c.496 (C.55:13B-1 et seq.), to which all rooming and  
34 boarding houses shall remain subject.]**<sup>1</sup>

35 (cf: P.L.1997, c.344, s.1)

36

37 <sup>1</sup>**[**2. Section 5 of P.L.1993, c.290 (C.40:52-13) is amended to read  
38 as follows:

39 5. It shall be the duty of the licensing authority to receive

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

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Assembly ALH committee amendments adopted January 29, 1998.

<sup>2</sup> Senate SCU committee amendments adopted May 14, 1998.

1 applications made pursuant to section 4 of this act and to conduct such  
2 investigations as may be necessary to establish:

3 a. With respect to the premises for which a license is sought (1)  
4 that they are in compliance with all applicable building, housing, health  
5 and safety codes and regulations; (2) that the location of the premises  
6 will not, in conjunction with the proximity of other rooming and  
7 boarding houses, lead to an excessive concentration of such facilities  
8 in the municipality or a particular section thereof;

9 b. With respect to the owner or owners of the premises: (1) if a  
10 natural person or persons, that he or they are 21 years of age or older,  
11 **【citizens of the United States and residents of the State of New**  
12 **Jersey,】** and never convicted, in this State or elsewhere, of a crime  
13 involving moral turpitude, or of any crime under any law of this State  
14 licensing or regulating a rooming or boarding house, and have never  
15 had a license required pursuant to P.L.1979, c.496 (C.55:13B-1 et al.)  
16 revoked; (2) if a corporation, that all officers and members of the  
17 board of directors, and every stockholder holding 10% or more of the  
18 stock of the corporation, directly or indirectly having a beneficial  
19 interest therein, have the same qualifications as set forth in this  
20 subsection for an applicant who is a natural person;

21 c. With respect to the operator or proposed operator, that he meets  
22 the requirements for licensure by the Department of Community  
23 Affairs; and

24 d. That the owner and operator, either individually or jointly, have  
25 established sufficient guarantee of financial and other responsibility to  
26 assure appropriate relocation of the residents of the rooming or  
27 boarding house to suitable facilities in the event that the license is  
28 subsequently revoked or its renewal denied. The Department of  
29 Community Affairs shall determine, in the case of each type of  
30 rooming and boarding house under its jurisdiction, what constitutes  
31 suitable facilities for this purpose.

32 (cf: P.L.1993, c.290, s.5)**】**<sup>1</sup>

33

34 **【3.】** <sup>2</sup> Section 7 of P.L.1979, c.496 (C.55:13B-7) is amended to  
35 read as follows:

36 7. a. (1) No person shall own or operate a rooming or boarding  
37 house, hold out a building as available for rooming or boarding house  
38 occupancy, or apply for any necessary construction or planning  
39 approvals related to the establishment of a rooming or boarding house  
40 without a valid license to own or operate such a facility, issued by the  
41 commissioner <sup>1</sup>**【unless the facility is licensed by the municipality, if the**  
42 **rooming or boarding house is located in】** and <sup>2</sup>, if appropriate, <sup>2</sup> by <sup>1</sup> a  
43 municipality which has elected to issue such licenses pursuant to  
44 P.L.1993, c.290 (C.40:52-9 et seq.)<sup>1</sup> <sup>2</sup>**【, if the facility is located in**  
45 **such a municipality**<sup>1</sup><sup>2</sup>.

46 (2) No person shall own or operate a rooming or boarding house

1 that offers or advertises or holds itself out as offering personal care  
2 services to residents with special needs, including, but not limited to,  
3 persons with Alzheimer's disease and related disorders or other forms  
4 of dementia, hold out a building as available for rooming or boarding  
5 house occupancy for such residents, or apply for any necessary  
6 construction or planning approvals related to the establishment of a  
7 rooming or boarding house for such residents without a valid license  
8 to own or operate such a facility, issued by the commissioner.

9 (3) Any person found to be in violation of this subsection shall be  
10 liable for a civil penalty of not more than \$5,000.00 for each building  
11 so owned or operated, which penalty shall be payable to the  
12 appropriate licensing entity.

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

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

22 Each application for licensure shall contain such information as the  
23 commissioner may prescribe and, unless the <sup>2</sup>license is to be used  
24 solely <sup>2</sup>person is licensed by a municipality <sup>2</sup>to own or operate a  
25 rooming and boarding house <sup>2</sup>licensed by a municipality <sup>2</sup>pursuant  
26 to P.L.1993, c.290 (C.40:52-9 et seq.), shall be accompanied by a fee  
27 established by the commissioner which shall not be less than <sup>2</sup>[\$75.00]  
28 \$150.00 <sup>2</sup>nor more than <sup>2</sup>[\$150.00] \$300.00 <sup>2</sup>. If, upon receipt of the  
29 fee and a review of the application, the commissioner determines that  
30 the applicant will operate, or provide for the operation of, a rooming  
31 or boarding house in accordance with the provisions of this act, he  
32 shall issue a license to him.

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

36 c. Only one license shall be required to own a rooming or boarding  
37 house, but an endorsement thereto shall be required for each separate  
38 building owned and operated<sup>2, 2</sup> or intended to be operated<sup>2, 2</sup> as a  
39 rooming or boarding house. Each application for licensure or renewal  
40 shall indicate every such building for which an endorsement is  
41 required. If, during the term of a license, an additional endorsement  
42 is required<sup>2, 2</sup> or an existing one is no longer required, an amended  
43 application for licensure shall be submitted.

44 d. A person making application for, or who has been issued, a  
45 license to own or operate a rooming or boarding house who conceals  
46 the fact that the person has been denied a license to own or operate a

1 residential facility, or that the person's license to own or operate a  
2 residential facility has been revoked by a department or agency of state  
3 government in this or any other state is liable for a civil penalty of not  
4 more than \$5,000.00, and any license to own or operate a rooming or  
5 boarding house which has been issued to that person shall be  
6 immediately revoked.

7 (cf: P.L.1997, c.260, s.3)

8

9 <sup>1</sup>**[4.] 3.**<sup>1</sup> Section 9 of P.L.1979, c.496 (C.55:13B-9) is amended  
10 to read as follows:

11 9. The commissioner shall ensure that each rooming or boarding  
12 house whose owner possesses a valid license is inspected and its  
13 records reviewed at least once each year for the purpose of  
14 determining whether the owner or operator is complying with  
15 standards promulgated pursuant to the provisions of this act. If the  
16 commissioner determines, as a result of any such inspection and review  
17 of records, that an owner or operator is in violation of such standards,  
18 he shall serve the owner or operator of the facility with a written  
19 notice thereof, which shall fix a date by which the owner or operator  
20 shall enter into compliance. The commissioner shall not be required  
21 to perform annual inspections of facilities licensed and inspected by a  
22 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but shall  
23 have the authority to oversee and ensure the enforcement of the  
24 "Rooming and Boarding House Act of 1979," P.L.1979, c.496  
25 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant  
26 thereto in those facilities.

27 (cf: P.L.1979, c.496, s.9)

28

29 <sup>1</sup>**[5.] 4.**<sup>1</sup> This act shall take effect immediately.

30

31

32

33

34 Eliminates dual municipal and State licensing fees for rooming and  
35 boarding houses.

# ASSEMBLY, No. 170

## STATE OF NEW JERSEY 208th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 1998 SESSION

**Sponsored by:**

**Assemblyman JOHN V. KELLY**

**District 36 (Bergen, Essex and Passaic)**

**Assemblyman LOUIS A. ROMANO**

**District 33 (Hudson)**

**SYNOPSIS**

Eliminates dual municipal and State licensing fees for rooming and boarding houses.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning the licensing of rooming and boarding homes and  
2 amending P.L.1993, c.290 and P.L.1979, c.496.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. Section 2 of P.L.1993, c.290 (C.40:52-10) is amended to read  
8 as follows:

9 2. The governing body of a municipality may, by ordinance, elect  
10 to license rooming and boarding houses located in the municipality in  
11 accordance with the provisions of this act. If the governing body  
12 elects to license such facilities, the governing body shall so notify the  
13 Commissioner of Community Affairs or his designee. An owner or  
14 operator of a rooming or boarding house licensed by a municipality  
15 pursuant to this act shall not be required to pay an annual licensing fee  
16 to the Department of Community Affairs pursuant to the "Rooming  
17 and Boarding House Act of 1979," P.L.1979, c.496 (C.55:13B-1 et  
18 seq.) if such owner or operator does not own any other rooming or  
19 boarding house that is not licensed by a municipality. The governing  
20 body of a municipality that elects to license rooming and boarding  
21 houses may adopt, by ordinance, such regulations as it deems  
22 appropriate and necessary to enforce the provisions of P.L.1993,  
23 c.290, provided that those regulations shall not be inconsistent with  
24 and shall be at least as restrictive as the rules and regulations  
25 promulgated by the commissioner pursuant to P.L.1979, c.496  
26 (C.55:13B-1 et seq.), to which all rooming and boarding houses shall  
27 remain subject.

28 (cf: P.L.1993, c.290, s.2.)

29

30 2. Section 5 of P.L.1993, c.290 (C.40:52-13) is amended to read  
31 as follows:

32 5. It shall be the duty of the licensing authority to receive  
33 applications made pursuant to section 4 of this act and to conduct such  
34 investigations as may be necessary to establish:

35 a. With respect to the premises for which a license is sought (1)  
36 that they are in compliance with all applicable building, housing, health  
37 and safety codes and regulations; (2) that the location of the premises  
38 will not, in conjunction with the proximity of other rooming and  
39 boarding houses, lead to an excessive concentration of such facilities  
40 in the municipality or a particular section thereof;

41 b. With respect to the owner or owners of the premises: (1) if a  
42 natural person or persons, that he or they are 21 years of age or older,  
43 **[**citizens of the United States and residents of the State of New

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

**Matter underlined thus is new matter.**

1 Jersey,] and never convicted, in this State or elsewhere, of a crime  
2 involving moral turpitude, or of any crime under any law of this State  
3 licensing or regulating a rooming or boarding house, and have never  
4 had a license required pursuant to P.L.1979, c.496 (C.55:13B-1 et al.)  
5 revoked; (2) if a corporation, that all officers and members of the  
6 board of directors, and every stockholder holding 10% or more of the  
7 stock of the corporation, directly or indirectly having a beneficial  
8 interest therein, have the same qualifications as set forth in this  
9 subsection for an applicant who is a natural person;

10 c. With respect to the operator or proposed operator, that he meets  
11 the requirements for licensure by the Department of Community  
12 Affairs; and

13 d. That the owner and operator, either individually or jointly, have  
14 established sufficient guarantee of financial and other responsibility to  
15 assure appropriate relocation of the residents of the rooming or  
16 boarding house to suitable facilities in the event that the license is  
17 subsequently revoked or its renewal denied. The Department of  
18 Community Affairs shall determine, in the case of each type of  
19 rooming and boarding house under its jurisdiction, what constitutes  
20 suitable facilities for this purpose.

21 (cf: P.L.1993, c.290, s.5)

22

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

25 a. No person shall own or operate a rooming or boarding house,  
26 hold out a building as available for rooming or boarding house  
27 occupancy, or apply for any necessary construction or planning  
28 approvals related to the establishment of a rooming or boarding house  
29 without a valid license to own or operate such a facility, issued by the  
30 commissioner unless the facility is licensed by the municipality, if the  
31 rooming or boarding house is located in a municipality which has  
32 elected to issue such licenses pursuant to P.L.1993, c.290 (C.40:52-9  
33 et seq.).

34 Any person found to be in violation of this subsection shall be liable  
35 for a civil penalty of not more than \$5,000.00 for each building so  
36 owned or operated, which penalty shall be payable to the appropriate  
37 licensing entity.

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

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



1 Each application for licensure shall contain such information as the  
2 commissioner may prescribe and unless the license is to be used solely  
3 to own or operate a rooming or boarding house licensed by a  
4 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), shall be  
5 accompanied by a fee established by the commissioner which shall not  
6 be less than \$75.00 nor more than \$150.00. If, upon receipt of the fee  
7 and a review of the application, the commissioner determines that the  
8 applicant will operate, or provide for the operation of, a rooming or  
9 boarding house in accordance with the provisions of this act, he shall  
10 issue a license to him.

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

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

22 d. A person making application for, or who has been issued, a  
23 license to own or operate a rooming or boarding house who conceals  
24 the fact that the person has been denied a license to own or operate a  
25 residential facility, or that the person's license to own or operate a  
26 residential facility has been revoked by a department or agency of state  
27 government in this or any other state is liable for a civil penalty of not  
28 more than \$5,000.00, and any license to own or operate a rooming or  
29 boarding house which has been issued to that person shall be  
30 immediately revoked.

31 (cf: P.L.1988, c.113, s.1)

32

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

35 9. The commissioner shall ensure that each rooming or boarding  
36 house whose owner possesses a valid license is inspected and its  
37 records reviewed at least once each year for the purpose of  
38 determining whether the owner or operator is complying with  
39 standards promulgated pursuant to the provisions of this act. If the  
40 commissioner determines, as a result of any such inspection and review  
41 of records, that an owner or operator is in violation of such standards,  
42 he shall serve the owner or operator of the facility with a written  
43 notice thereof, which shall fix a date by which the owner or operator  
44 shall enter into compliance. The commissioner shall not be required  
45 to perform annual inspections of facilities licensed and inspected by a  
46 municipality pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), but shall

1 have the authority to oversee and ensure the enforcement of the  
2 "Rooming and Boarding House Act of 1979," P.L.1979, c.496  
3 (C.55:13B-1 et seq.), and the rules and regulations adopted pursuant  
4 thereto in those facilities.

5 (cf: P.L.1979, c.496, s.9)

6  
7 5. This act shall take effect immediately.

8  
9  
10 STATEMENT

11  
12 This bill would eliminate the dual fees for licensing of rooming and  
13 boarding houses by the Commissioner of Community Affairs and  
14 municipalities, in those municipalities which have elected, pursuant to  
15 P.L.1993, c.290 (C.40:52-9 et seq.), to license such establishments.

16 Under the bill's provisions, owners of rooming and boarding houses  
17 which are located in municipalities which have elected to license them  
18 shall only be required to obtain a municipal facility license and will not  
19 be required to pay a license fee to the Department of Community  
20 Affairs.

21 The bill also clarifies the rights of a municipality to regulate by  
22 ordinance those rooming and boarding houses it licenses, as long as the  
23 ordinance does not conflict with the regulations of the Department of  
24 Community Affairs governing rooming and boarding houses. All  
25 rooming and boarding houses will remain subject to State regulations,  
26 however, regardless of the licensing entity.

27 The bill also deletes a requirement in the municipal licensing  
28 statutes that rooming and boarding house owners be United States  
29 Citizens and New Jersey residents. State regulations on rooming and  
30 boarding homes have never contained such requirements, and their  
31 inclusion in the municipal licensing statutes raised issues of fairness  
32 and constitutionality.

33 Under the bill, an owner or operator of a rooming or boarding house  
34 will still be required to follow DCA licensing procedures, but if the  
35 facility or facilities will be licensed by a municipality, then the  
36 licensing fee will only be payable to the municipality. In addition, the  
37 commissioner will not be required to perform annual inspections of  
38 those facilities which are municipally licensed.

ASSEMBLY LOCAL GOVERNMENT AND HOUSING  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 170**

with committee amendments

**STATE OF NEW JERSEY**

DATED: JANUARY 29, 1998

The Assembly Local Government and Housing Committee reports favorably Assembly Bill No. 170, with committee amendments.

This bill, as amended, would eliminate the dual fees for licensing of rooming and boarding houses by the Commissioner of Community Affairs and municipalities, in those municipalities which have elected, pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), to license such establishments.

Under the bill's provisions, owners of rooming and boarding houses which are located in municipalities which have elected to license them, will be required to obtain a municipal facility license, as well as an owner's license from the Department of Community Affairs, but will not be required to pay a license fee to the department.

The bill as amended also deletes a requirement in the municipal licensing statutes that rooming and boarding house owners be United States Citizens and New Jersey residents. State regulations on rooming and boarding homes have never contained such requirements, and their inclusion in the municipal licensing statutes raised issues of fairness and constitutionality.

Under the bill, an owner or operator of a rooming or boarding house will still be required to follow DCA licensing procedures, but if the facility or facilities will be licensed by a municipality, then the licensing fee will only be payable to the municipality. In addition, the commissioner will not be required to perform annual inspections of those facilities which are municipally licensed.

The committee amended the bill to clarify that no one may operate or own a rooming and boarding house without obtaining the necessary license from the Department of Community Affairs as well as the municipality, if the rooming and boarding house is located within a municipality which has elected to license such facilities pursuant to P.L.1993, c.290 (C.40:52-9 et seq.).

This bill was pre-filed for introduction in the 1998-1999 legislative session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

# SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

## STATEMENT TO

[First Reprint]

## **ASSEMBLY, No. 170**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MAY 14, 1998

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Assembly Bill No. 170(1R).

This bill, as amended by the committee, would eliminate the dual fees for licensing of rooming and boarding houses by the Commissioner of Community Affairs and municipalities pursuant to P.L.1993, c.290 (C.40:52-9 et seq.).

Under the bill's provisions, owners of rooming and boarding houses which are located in municipalities which have elected to license them, will be required to obtain a municipal facility license, as well as an owner's license from the Department of Community Affairs, but will not be required to pay a license fee to the department.

The bill also deletes a requirement in the municipal licensing statutes that rooming and boarding house owners be United States Citizens and New Jersey residents. State regulations on rooming and boarding homes have never contained such requirements, and their inclusion in the municipal licensing statutes raised issues of fairness and constitutionality.

Under the bill, an owner or operator of a rooming or boarding house would still be required to follow DCA licensing procedures, but if the facility is licensed by a municipality, then the licensing fee would be payable only to the municipality. In addition, the commissioner would not be required to perform annual inspections of those facilities which are municipally licensed.

The committee amended the bill to increase the range within which fees may be charged by DCA for licensure of a rooming or boarding house. Currently, the fee shall not be less than \$75 nor more than \$150. The amendments increase this range from not less than \$150 to not more than \$300.

Other amendments are technical and clarifying in nature.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[Second Reprint]

## ASSEMBLY, No. 170

# STATE OF NEW JERSEY

DATED: MARCH 18, 1999

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 170 (2R).

This bill would eliminate simultaneous liability, under the regulatory regime for rooming and boarding houses, for owner/operator license fees imposed by the State and for facility license fees imposed by a municipality.

The "Rooming and Boarding House Act of 1979" established a general program of licensure, by the N.J. Department of Community Affairs (DCA), of every owner or operator of a rooming or boarding house. Rooming and boarding houses owned or operated by these licensees must meet safety, cleanliness, and other standards established by the Commissioner of DCA, and are subject to annual inspection for compliance with those standards. The commissioner is authorized to establish an annual fee for the license in an amount from \$75 to \$150.

In 1993, legislation was enacted specifically authorizing municipalities to license rooming and boarding houses themselves and to adopt ordinances establishing regulations to govern those facilities, provided that such regulations are not inconsistent with those promulgated by the Commissioner of DCA under the 1979 law. A municipality that elects to license rooming and boarding houses is authorized to collect a fee of up to \$200 for the initial issuance or any annual renewal of such a license.

Under the bill, an owner or operator of a rooming or boarding house would continue to be required to follow DCA licensing procedures, but if the facility is licensed by a municipality, then the owner or operator would be exempt from paying the ordinary fee for the DCA license and would be liable only for payment of the municipal licensing fee. The bill provides that the commissioner would not be required to perform annual inspections of those facilities that are municipally licensed.

In addition, the bill raises the lower and upper bounds of the range of the fees that may be charged by DCA for licensure of a rooming or boarding house. As noted above, the current range for the fee is from \$75 to \$150; under the bill, this range would be from \$150 to \$300.

**FISCAL IMPACT**

The Department of Community Affairs has advised the Office of Legislative Services (OLS) informally that currently, eight municipalities license rooming and boarding houses at the local level. Those eight municipalities collectively license 190 rooming and boarding houses. The total fee charged by DCA for such a license cannot, by regulation, exceed \$150.00. Therefore, DCA estimates that its loss under this bill will not exceed \$28,500. However, DCA notes that it will not incur inspection costs on these properties, so the actual fiscal impact of this bill on the department will likely be reduced.

[Corrected Copy]

**LEGISLATIVE FISCAL ESTIMATE**

[First Reprint]

**ASSEMBLY, No. 170**

**STATE OF NEW JERSEY**

**208th LEGISLATURE**

DATED: APRIL 17, 1998

Assembly Bill No. 170 (1R) of 1998 eliminates the dual fees for licensing of rooming and boarding houses by the Commissioner of Community Affairs in those municipalities that have elected, pursuant to P.L.1993, c.290 (C.40:52-9 et seq.), to license such establishments. Under the bill, owners of rooming and boarding houses located in municipalities which have elected to license them will only be required to obtain and pay a fee for a municipal facility license. These owners will also be required to register with the DCA, but will no longer be required to pay an owner's licensing fee to the department. The bill also specifies that the commissioner will not be required to perform annual inspections of those facilities which are municipally licensed.

The Department of Community Affairs (DCA) has advised the Office of Legislative Services (OLS) informally that currently, eight municipalities license rooming and boarding houses on the local level. Those municipalities are: Elizabeth, Netcong, Neptune, Lakewood, Merchantville, Weehawken, Rutherford and Keansburg. Those eight municipalities collectively license 190 rooming and boarding houses. The total fee charged by the DCA for such a license cannot, by regulation, exceed \$150.00. Therefore, the DCA estimates its loss under this bill will not exceed \$28,500. However, DCA notes that it will not incur inspection costs on these properties, so the actual fiscal impact of this bill on the department will likely be reduced.

The OLS has obtained no information that would indicate a fiscal impact that is different than that determined by the DCA.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

## **ASSEMBLY, No. 170**

# **STATE OF NEW JERSEY**

## **208th LEGISLATURE**

DATED: MAY 21, 1999

Assembly Bill No. 170 (2R) of 1998 would eliminate the dual fees charged for licensing of rooming and boarding houses by the Commissioner of Community Affairs and municipalities pursuant to P.L.1993, c.290 (C.40:52-9 et seq.).

Under the bill's provisions, owners of rooming and boarding houses which are located in municipalities which have elected to license them, will be required to obtain a municipal facility license, as well as an owner's license from the Department of Community Affairs, but will not be required to pay a license fee to the department. An owner or operator of a rooming or boarding house would still be required to follow DCA licensing procedures, but if the facility is licensed by a municipality, then the licensing fee would be payable only to the municipality. In addition, the commissioner would not be required to perform annual inspections of those facilities which are municipally licensed. The bill also increases the range within which fees may be charged by DCA for licensure of a rooming or boarding house. Currently, the fee shall not be less than \$75 nor more than \$150. The bill increases this range from not less than \$150 to not more than \$300.

The Department of Community Affairs (DCA) has advised the Office of Legislative Services (OLS), that as of early January, 1999 eleven municipalities license rooming and boarding houses on the local level. Those municipalities are: Camden, Elizabeth, Lakewood, Keansburg, Merchantville, Neptune, Netcong, Rutherford, Weehawken, Stillwater and Belmar. Those eleven municipalities collectively license 167 rooming and boarding houses. If the DCA increases to \$300 the fee charged for such a license, the maximum amount of the DCA's loss under the bill, due to no longer collecting a license fee on these units, would be \$50,100. However, the DCA notes that it will not incur inspection costs on these properties, so the actual fiscal impact of this bill on the department will likely be reduced.



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

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

*Office of the Governor*  
**NEWS RELEASE**

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RELEASE: October 15, 1999

Governor Christie Whitman today signed the following legislation:

**A-1447**, sponsored by Assembly Speaker Jack Collins, requires legislative counsel to provide prime sponsors of legislation with advice of legal defects at the same time the counsel provides a written response to a request for a confidential written opinion on a bill.

**A-170**, sponsored by Assembly Members John Kelly (R-Bergen/Essex/Passaic) and Louis Romano (D-Hudson), eliminates the dual-licensing requirement for rooming and boarding houses and it increases the fee that may be charged by the Department of Community Affairs to license rooming and boarding houses.

**A-1670**, sponsored by Assemblywomen Marion Crecco (R-Essex/Passaic) and Charlotte Vandervalk (R-Bergen) and Senator Diane Allen (R- Burlington/Camden), establishes the neighborhood-Based Child Care Incentive Demonstration Program. This program expands the availability of safe, affordable child care to low and middle income families by encouraging the use of volunteer networks in the delivery of neighborhood-based child care services. The demonstration program, administered by the Department of Human Services, will operate in five counties, two of which will be in municipalities targeted by the Governor's Urban Coordinating Council.

**A-2023**, sponsored by Assembly Members Arline Friscia (D-Middlesex) and Reed Gusciora (D-Mercer), requires public employers to promptly pay amounts due certain employee annuity programs to ensure there is no loss of interest earnings . This bill would ensure that amounts payable by an employer on behalf of an employee be transmitted on, and credited as of, the fifth day after the employee is paid for that pay period.

**A-3025**, sponsored by Assemblymen Jerry Green (D- Middlesex/Somerset/Union) and John Kelly (R-Bergen/Essex/Passaic) and Senators Andrew Ciesla (R-Monmouth/Ocean) and John Matheussen (R-Camden/Gloucester), makes various changes to the "Map Filing Law." The bill eliminates the requirement that outside tract line monuments be installed by the developer prior to filing a map and it requires the developer to post a guarantee, to ensure that that developer eventually installs the outbound monuments.

**A-307**, sponsored by Assemblywoman Nia Gill (D-Essex) and LeRoy J. Jones, Jr. (D-Essex), allows senior citizens with personal lines of insurance to designate third parties to receive insurance cancellation and nonrenewal notices. Envelopes including such information must be labeled clearly "Important Insurance Policy Information; Open Immediately."

**A-2636**, sponsored by Assembly Members Anthony Impreveduto (D- Bergen/Hudson) and Joseph R. Malone III (R- Burlington/Monmouth/Ocean), eliminates prohibition against a school official action on certain matters. The bill specifically defines "personal involvement" and provides that no school official can act in his official capacity in any matter where he or a member of his immediate family has a personal involvement that is or creates some benefit to the official or his family member.

**A-2050**, sponsored by Assembly Members Nicholas Felice (R-Bergen/Passaic) and Carol Murphy (R- Essex/Morris/Passaic) and Senator Peter Inverso (R-Mercer/Middlesex), clarifies sales and use tax imposition upon prepaid telephone calling cards. The bill requires that sellers collect sales tax for the value of the card and remit it to the state.

**A-2255**, sponsored by Assemblymen Christopher "Kip" Bateman (R- Morris/Somerset) and Neil Cohen (D-Union) and Senator Peter Inverso (R-Mercer/Middlesex), makes certain changes in the "New Jersey Licensed Lenders Act." The bill changes the definition of "principal amount" as applied to secondary mortgage loans. The bill prohibits including the amount of discount points in the amount to be financed. In addition, the bill increases the cap on the application fee for sales finance companies from \$300 to \$500.

**A-2302**, sponsored by Assemblymen Nicholas Asselta (R-Cape May/Atlantic/Cumberland) and Jack Gibson (R-Cape May/Atlantic/Cumberland) and Senators James Cafiero (R-Cape May/ Atlantic/Cumberland) and John Matheussen (R-Camden/Gloucester), provides immunities and other benefits to personnel who participate in search and rescue teams. The bill also ensures that members of search and rescue teams accrue their employment benefits while working with the teams.

**A-2393**, sponsored by Assemblymen Christopher "Kip" Bateman (R- Morris/Somerset) and Neil Cohen (D-Union) and Senator Walter Kavanaugh (R-Morris/Somerset), simplifies certain banking procedures to conform the state's laws to federal ones.

**A-2469**, sponsored by Assembly Speaker Jack Collins (R-Salem/Cumberland/Gloucester) and Assemblyman Neil Cohen (D-Union), makes permanent the \$5 instant rebate program for purchases of trigger locks that the Governor introduced as part of her anti- school violence initiatives.

**A-2806**, sponsored by Assemblymen Alan Augustine (R-Middlesex/Morris/Somerset/Union) and Christopher "Kip" Bateman (R- Morris/Somerset) and Senator Walter Kavanaugh (R-Morris/ Somerset), provides standards for retention of records of certain financial institutions. The bill will assist regulators in their supervisory role as well as prevent fraud against financial institutions.

**A-3040**, sponsored by Assemblymen Paul DiGaetano (R-Bergen/Essex/Passaic) and Neil Cohen (D- Union), clarifies the tenant rebate provisions of the NJ SAVER and Homestead Rebate Act. The clarification ensures that benefits provided to tenants who are 65 years of age or older, or who are eligible to claim a deduction as a blind or disabled taxpayer, are equal to the benefits provided to other eligible tenants.

**A-722**, sponsored by Assembly Members Paul Kramer (R-Mercer/Middlesex) and Barbara Wright (R-Mercer/Middlesex), establishes a regulatory scheme for certain private facilities under contract with

the Department of Corrections. The bill enhances communications between halfway houses and municipal officials and residents and supplements the criteria used to determine whether an inmate is eligible for a halfway house. Primarily, the bill establishes: community relations advisory boards, a procedure for notifying local law enforcement officials of an inmates transfer to their community, supplements the department's regulations regarding the procedure for reporting an escape and codifies and supplements the department's regulations that set forth criteria used to determine whether an inmate is eligible for a halfway house.