

40:48-2.12n

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2009 **CHAPTER:** 170

NJSA: 40:48-2-12n (Permits municipalities to adopt ordinances requiring bond from landlords in certain circumstances)

BILL NO: S869 (Substituted for A3056)

SPONSOR(S) Turner and Others

DATE INTRODUCED: January 28, 2008

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

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** December 7, 2009
 SENATE: December 10, 2009

DATE OF APPROVAL: January 11, 2010

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (First reprint enacted)

S869

SPONSOR'S STATEMENT:	(Begins on page 5 of original 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

A3056

SPONSOR'S STATEMENT:	(Begins on page 5 of original bill)	Yes
COMMITTEE STATEMENT:	ASSEMBLY:	Yes
	SENATE:	No
FLOOR AMENDMENT STATEMENT:	No	
LEGISLATIVE FISCAL NOTE:	No	

(continued)

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

LAW/RWH

[First Reprint]

SENATE, No. 869

STATE OF NEW JERSEY
213th LEGISLATURE

INTRODUCED JANUARY 28, 2008

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Mercer)

Senator NICHOLAS J. SACCO

District 32 (Bergen and Hudson)

Assemblyman JOHN S. WISNIEWSKI

District 19 (Middlesex)

Assemblyman VINCENT PRIETO

District 32 (Bergen and Hudson)

Assemblyman REED GUSCIORA

District 15 (Mercer)

Co-Sponsored by:

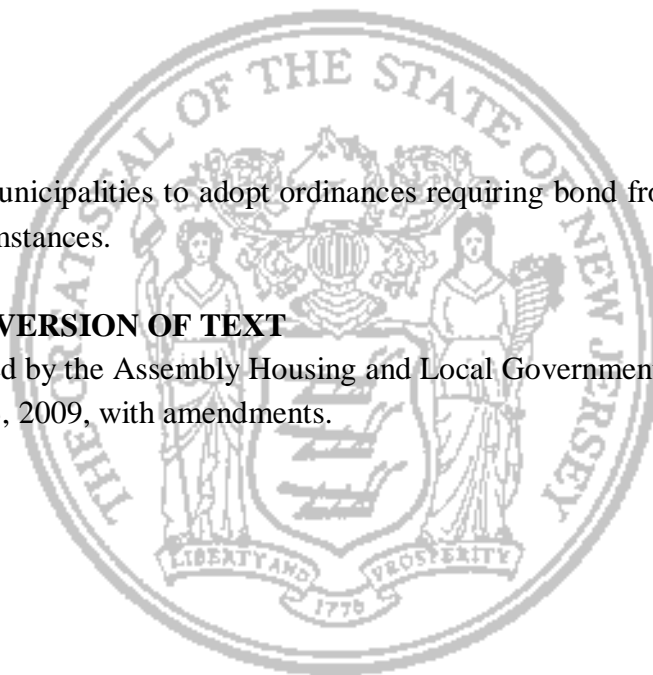
Senator S.Kean, Assemblyman Conaway and Assemblywoman Jasey

SYNOPSIS

Permits municipalities to adopt ordinances requiring bond from landlords in certain circumstances.

CURRENT VERSION OF TEXT

As reported by the Assembly Housing and Local Government Committee on November 23, 2009, with amendments.



(Sponsorship Updated As Of: 12/8/2009)

1 AN ACT concerning the rental of residential property and amending
2 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. Section 1 of P.L.1993, c.127 (C.40:48-2.12n) is amended to
8 read as follows:

9 1. The Legislature finds, determines and declares:

10 a. Many of the **[shore resort communities]** municipalities in this
11 State, and the residents thereof, have experienced disturbances,
12 damage and public expense resulting from carelessly granted and
13 inadequately supervised **[seasonal]** rentals to irresponsible
14 **[vacationers]** tenants by inept or indifferent landlords.

15 b. To preserve the peace and tranquility of those communities
16 **[for their permanent residents, and to maintain their viability as**
17 vacation spots not only for citizens of this State but also for persons
18 and families from far and near whom the beauties and pleasures of
19 the New Jersey shore and other New Jersey communities have
20 historically attracted,] it is necessary and desirable that those
21 communities have adequate means to curb and discourage those
22 occasional excesses arising from irresponsible **[seasonal]** rentals.

23 c. Accordingly, it is the purpose of this legislation to enable
24 **[such communities]** municipal governing bodies to take effective
25 action to assure that excesses, when they occur, shall not be
26 repeated, and that landlords **[offering seasonal rentals]** be held to
27 sufficient standards of responsibility.

28 (cf: P.L.1993, c.127, s.1)

29

30 2. Section 2 of P.L.1993, c.127 (C.40:48-2.12o) is amended to
31 read as follows:

32 2. As used in this act:

33 "Hearing officer" means a person designated pursuant to
34 subsection b. of section 3 of **[this act]** P.L.1993, c.127 (C.40:48-
35 2.12p) to hear and determine proceedings under **[this act]**
36 P.L.1993, c.127 (C.40:48-2.12n et seq.).

37 "Landlord" means the person or persons who own or purport to
38 own **[any]** a building in which there is rented or offered for rent
39 housing space for living or dwelling under either a written or oral
40 lease[, including but not limited to any building subject to the
41 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
42 seq.), and owner-occupied two-unit premises] which building
43 contains no more than four dwelling units. In the case of a mobile

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 AHO committee amendments adopted November 23, 2009.

1 home park, "landlord" shall mean the owner of an individual
2 dwelling unit within the mobile home park.

3 ["Seasonal rental" means any rental of residential
4 accommodations for a term of less than one year and including any
5 part of the period extending from May 15 to September 15.]

6 "Substantiated complaint" means a complaint which may form
7 the basis for proceedings in accordance with subsection a. of
8 section 4 of [this act] P.L.1993, c.127 (C.40:48-2.12q).

9 (cf: P.L.1993, c.127, s.2)

10

11 3. Section 3 of P.L.1993, c.127 (C.40:48-2.12p) is amended to
12 read as follows:

13 3. a. [Any] The governing body of any municipality [in a
14 county of the fifth or sixth class] may enact an ordinance holding
15 landlords [of seasonal rentals] to standards of responsibility in the
16 selection of tenants and supervision of the rental premises, requiring
17 that under certain circumstances, as hereinafter in [this act]
18 P.L.1993, c.127 (C.40:48-2.12n et seq.) described, such landlords
19 may be required to post adequate bond against the consequences of
20 disorderly behavior of their tenants, and in the case of subsequent
21 violations forfeit such bond, in whole or part, in compensation for
22 the consequences of such behavior.

23 b. To assure impartiality in the administration of such an
24 ordinance, the municipal governing body shall make provision for
25 the hearings and decisions held and made thereunder to be
26 conducted and decided by a licensed attorney of this State who shall
27 not be an owner or lessee of any real property within the
28 municipality, nor hold any interest in the assets of or profits arising
29 from the ownership or lease of such property.

30 (cf: P.L.1993, c.127, s.3)

31

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

34 4. An ordinance adopted under authority of this section shall
35 provide:

36 a. If in any twelve-month period a specified number, which
37 shall not be less than two, of complaints, on separate occasions, of
38 disorderly, indecent, tumultuous or riotous conduct upon or in
39 proximity to any [seasonal] rental premises, and attributable to the
40 acts or incitements of any of the tenants of those premises, have
41 been substantiated by prosecution and conviction in any court of
42 competent jurisdiction, the municipal governing body or any officer
43 or employee of the municipality designated by the governing body
44 for the purpose, may institute proceedings to require the landlord of
45 those premises to post a bond against the consequences of future
46 incidents of the same character.

1 b. '(1) In the event a tenant is convicted of any of the conduct
2 described in subsection a. of this section, the governing body, or the
3 officer or employee designated pursuant to subsection a. of this
4 section, shall cause notice advising that the conduct specified has
5 occurred to be served on the landlord, in person or by registered
6 mail, at the address appearing on the tax records of the
7 municipality.

8 (2)' The governing body or person designated pursuant to
9 subsection a. of this section shall cause to be served upon the
10 landlord, in person or by registered mail to the address appearing on
11 the tax records of the municipality, notice advising of the institution
12 of such proceedings, together with particulars of the substantiated
13 complaints upon which those proceedings are based, and of the time
14 and place at which a hearing will be held in the matter, which shall
15 be in the municipal building, municipal court or other public place
16 within the municipality, and which shall be no sooner than 30 days
17 from the date upon which the notice is served or mailed.

18 c. At the hearing convened pursuant to subsection b. of this
19 section, the hearing officer shall give full hearing to both the
20 complaint of the municipality and to any evidence in contradiction
21 or mitigation that the landlord, if present or represented and
22 offering such evidence, may present. At the conclusion of the
23 hearing the hearing officer shall determine whether the landlord
24 shall be required to post a bond in accordance with the terms of the
25 ordinance.

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

43 e. A bond or other security deposited in compliance with
44 subsection d. of this section shall remain in force for a period
45 specified pursuant to the ordinance, which shall be not less than two
46 or more than four years. Upon the lapse of the specified period the
47 landlord shall be entitled to the discharge thereof, unless prior
48 thereto further proceedings leading to a forfeiture or partial of the

1 bond or other security shall have been had under section 5 of [this
2 act] P.L.1993, c.127 (C.40:48-2.12r), in which case the security
3 shall be renewed, in an amount and for a period that shall be
4 specified by the hearing officer.
5 (cf: P.L.2001, c.71, s.1)

6
7 '5. Section 5 of P.L.1993, c.127 (C.40:48-2.12r) is amended to
8 read as follows:

9 5. a. If during the period for which a landlord is required to give
10 security pursuant to section 4 of this act a substantiated complaint is
11 recorded against the property in question, the governing body or its
12 designee may institute proceedings against the landlord for the
13 forfeiture or partial forfeiture of the security, for an extension as
14 provided in subsection e. of section 4 of this act, of the period for
15 which such security is required, or for an increase in the amount of
16 security required, or for any or all of those purposes.

17 b. Any forfeiture or partial forfeiture of security shall be
18 determined by the hearing officer solely in accordance with the
19 amount deemed necessary to provide for the compensatory purposes
20 set forth in subsection d. of section 4 of this act. Any decision by
21 the hearing officer to increase the amount or extend the period of
22 the required security shall be determined in light of the same factors
23 set forth in subsection d. of subsection 4 of this act, and shall be
24 taken only to the extent that the nature of the substantiated
25 complaint or complaints out of which proceedings arise under this
26 section indicates the appropriateness of such change in order to
27 carry out the purposes of this act effectually. The decision of the
28 hearing officer in such circumstances shall be enforceable in the
29 same manner as provided in subsection d. of section 4 of this act.

30 c. A landlord may recover from a tenant any amounts of security
31 actually forfeited as described in subsection b. of this section.¹
32 (cf: 1993,c.127, s.5)

33
34 '5.] 6.¹ This act shall take effect immediately.

SENATE, No. 869

STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED JANUARY 28, 2008

Sponsored by:

Senator SHIRLEY K. TURNER

District 15 (Mercer)

Senator NICHOLAS J. SACCO

District 32 (Bergen and Hudson)

Co-Sponsored by:

Senator S.Kean

SYNOPSIS

Permits municipalities to adopt ordinances requiring bond from landlords in certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/25/2008)

1 AN ACT concerning the rental of residential property and amending
2 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. Section 1 of P.L.1993, c.127 (C.40:48-2.12n) is amended to
8 read as follows:

9 1. The Legislature finds, determines and declares:

10 a. Many of the **[shore resort communities]** municipalities in this
11 State, and the residents thereof, have experienced disturbances,
12 damage and public expense resulting from carelessly granted and
13 inadequately supervised **[seasonal]** rentals to irresponsible
14 **[vacationers]** tenants by inept or indifferent landlords.

15 b. To preserve the peace and tranquility of those communities
16 **[for their permanent residents, and to maintain their viability as**
17 vacation spots not only for citizens of this State but also for persons
18 and families from far and near whom the beauties and pleasures of
19 the New Jersey shore and other New Jersey communities have
20 historically attracted,] it is necessary and desirable that those
21 communities have adequate means to curb and discourage those
22 occasional excesses arising from irresponsible **[seasonal]** rentals.

23 c. Accordingly, it is the purpose of this legislation to enable
24 **[such communities]** municipal governing bodies to take effective
25 action to assure that excesses, when they occur, shall not be
26 repeated, and that landlords **[offering seasonal rentals]** be held to
27 sufficient standards of responsibility.

28 (cf: P.L.1993, c.127, s.1)

29

30 2. Section 2 of P.L.1993, c.127 (C.40:48-2.12o) is amended to
31 read as follows:

32 2. As used in this act:

33 "Hearing officer" means a person designated pursuant to
34 subsection b. of section 3 of **[this act]** P.L.1993, c.127 (C.40:48-
35 2.12p) to hear and determine proceedings under **[this act]**
36 P.L.1993, c.127 (C.40:48-2.12n et seq.).

37 "Landlord" means the person or persons who own or purport to
38 own **[any]** a building in which there is rented or offered for rent
39 housing space for living or dwelling under either a written or oral
40 lease[, including but not limited to any building subject to the
41 "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et
42 seq.), and owner-occupied two-unit premises] which building
43 contains no more than four dwelling units. In the case of a mobile
44 home park, "landlord" shall mean the owner of an individual

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.

1 dwelling unit within the mobile home park.

2 ["Seasonal rental" means any rental of residential
3 accommodations for a term of less than one year and including any
4 part of the period extending from May 15 to September 15.]

5 "Substantiated complaint" means a complaint which may form
6 the basis for proceedings in accordance with subsection a. of
7 section 4 of [this act] P.L.1993, c.127 (C.40:48-2.12q).

8 (cf: P.L.1993, c.127, s.2)

9

10 3. Section 3 of P.L.1993, c.127 (C.40:48-2.12p) is amended to
11 read as follows:

12 3. a. [Any] The governing body of any municipality [in a
13 county of the fifth or sixth class] may enact an ordinance holding
14 landlords [of seasonal rentals] to standards of responsibility in the
15 selection of tenants and supervision of the rental premises, requiring
16 that under certain circumstances, as hereinafter in [this act]
17 P.L.1993, c.127 (C.40:48-2.12n et seq.) described, such landlords
18 may be required to post adequate bond against the consequences of
19 disorderly behavior of their tenants, and in the case of subsequent
20 violations forfeit such bond, in whole or part, in compensation for
21 the consequences of such behavior.

22 b. To assure impartiality in the administration of such an
23 ordinance, the municipal governing body shall make provision for
24 the hearings and decisions held and made thereunder to be
25 conducted and decided by a licensed attorney of this State who shall
26 not be an owner or lessee of any real property within the
27 municipality, nor hold any interest in the assets of or profits arising
28 from the ownership or lease of such property.

29 (cf: P.L.1993, c.127, s.3)

30

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

33 4. An ordinance adopted under authority of this section shall
34 provide:

35 a. If in any twelve-month period a specified number, which shall
36 not be less than two, of complaints, on separate occasions, of
37 disorderly, indecent, tumultuous or riotous conduct upon or in
38 proximity to any [seasonal] rental premises, and attributable to the
39 acts or incitements of any of the tenants of those premises, have
40 been substantiated by prosecution and conviction in any court of
41 competent jurisdiction, the municipal governing body or any officer
42 or employee of the municipality designated by the governing body
43 for the purpose, may institute proceedings to require the landlord of
44 those premises to post a bond against the consequences of future
45 incidents of the same character.

46 b. The governing body or person designated pursuant to
47 subsection a. of this section shall cause to be served upon the

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. At the conclusion of the
14 hearing the hearing officer shall determine whether the landlord
15 shall be required to post a bond in accordance with the terms of the
16 ordinance.

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

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

44 (cf: P.L.2001, c.71, s.1)

45
46 5. This act shall take effect immediately.

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STATEMENT

This bill would authorize all municipalities to adopt ordinances allowing for the imposition of a bond or other security upon landlords of tenants residing in structures containing four or fewer dwelling units, if those tenants have been repeatedly convicted for disorderly, indecent, tumultuous or riotous conduct. The bond or security could be used to compensate for any future damage or expense the municipality or its residents may suffer from repetitions of such conduct by those tenants. Current law authorizes only municipalities located in counties of the fifth and sixth class (those bordering the New Jersey shore) to adopt such ordinances.

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 869

STATE OF NEW JERSEY

DATED: JUNE 5, 2008

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 869.

This bill would authorize all municipalities to adopt ordinances allowing for the imposition of a bond or other security upon landlords of tenants residing in structures containing four or fewer dwelling units, if those tenants have been repeatedly convicted for disorderly, indecent, tumultuous or riotous conduct. The bond or security could be used to compensate for any future damage or expense the municipality or its residents may suffer from repetitions of such conduct by those tenants. Current law authorizes only municipalities located in counties of the fifth and sixth class (those bordering the New Jersey shore) to adopt such ordinances.

ASSEMBLY HOUSING AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO

SENATE, No. 869

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 23, 2009

The Assembly Housing and Local Government Committee reports favorably and with committee amendments Senate Bill No.869.

This bill would authorize all municipalities to adopt ordinances allowing for the imposition of a bond or other security upon landlords of tenants residing in structures containing four or fewer dwelling units, if those tenants have been repeatedly convicted for disorderly, indecent, tumultuous or riotous conduct. The municipality would be required to notify the landlord of a tenant's first conviction for such conduct. The bond or security could be used to compensate for any future damage or expense the municipality or its residents may suffer from repetitions of such conduct by those tenants. A landlord may recover from the tenant any amount of the security actually forfeited by the landlord in the event that that the landlord is required to make reparations pursuant to the ordinance for the tenant's conduct. Current law authorizes only municipalities located in counties of the fifth and sixth class (those bordering the New Jersey shore) to adopt such ordinances.

THE COMMITTEE AMENDED THE BILL TO:

- 1) Provide that a municipality shall notify the landlord of a tenant's first conviction for disorderly, indecent, tumultuous or riotous conduct.
- 2) Provide that a landlord may recover from the tenant any amount of the security actually forfeited by the landlord in the event that that the landlord is required to make reparations pursuant to the ordinance for the tenant's conduct.

ASSEMBLY, No. 3056

STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED JUNE 19, 2008

Sponsored by:

Assemblyman JOHN S. WISNIEWSKI

District 19 (Middlesex)

Assemblyman VINCENT PRIETO

District 32 (Bergen and Hudson)

Assemblyman REED GUSCIORA

District 15 (Mercer)

Co-Sponsored by:

Assemblyman Conaway and Assemblywoman Jasey

SYNOPSIS

Permits municipalities to adopt ordinances requiring bond from landlords in certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/24/2009)

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12 damage and public expense resulting from carelessly granted and
13 inadequately supervised **[seasonal]** rentals to irresponsible
14 **[vacationers]** tenants by inept or indifferent landlords.

15 b. To preserve the peace and tranquility of those communities
16 **[for their permanent residents, and to maintain their viability as**
17 **vacation spots not only for citizens of this State but also for persons**
18 **and families from far and near whom the beauties and pleasures of**
19 **the New Jersey shore and other New Jersey communities have**
20 **historically attracted,]** it is necessary and desirable that those
21 communities have adequate means to curb and discourage those
22 occasional excesses arising from irresponsible **[seasonal]** rentals.

23 c. Accordingly, it is the purpose of this legislation to enable
24 **[such communities]** municipal governing bodies to take effective
25 action to assure that excesses, when they occur, shall not be
26 repeated, and that landlords **[offering seasonal rentals]** be held to
27 sufficient standards of responsibility.

28 (cf: P.L.1993, c.127, s.1)

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39 housing space for living or dwelling under either a written or oral
40 lease**[, including but not limited to any building subject to the**
41 **"Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et**
42 **seq.), and owner-occupied two-unit premises]** which building
43 contains no more than four dwelling units. In the case of a mobile

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2 dwelling unit within the mobile home park.

3 ["Seasonal rental" means any rental of residential
4 accommodations for a term of less than one year and including any
5 part of the period extending from May 15 to September 15.]

6 "Substantiated complaint" means a complaint which may form
7 the basis for proceedings in accordance with subsection a. of
8 section 4 of [this act] P.L.1993, c.127 (C.40:48-2.12q).

9 (cf: P.L.1993, c.127, s.2)

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18 P.L.1993, c.127 (C.40:48-2.12n et seq.) described, such landlords
19 may be required to post adequate bond against the consequences of
20 disorderly behavior of their tenants, and in the case of subsequent
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22 the consequences of such behavior.

23 b. To assure impartiality in the administration of such an
24 ordinance, the municipal governing body shall make provision for
25 the hearings and decisions held and made thereunder to be
26 conducted and decided by a licensed attorney of this State who shall
27 not be an owner or lessee of any real property within the
28 municipality, nor hold any interest in the assets of or profits arising
29 from the ownership or lease of such property.

30 (cf: P.L.1993, c.127, s.3)

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38 disorderly, indecent, tumultuous or riotous conduct upon or in
39 proximity to any [seasonal] rental premises, and attributable to the
40 acts or incitements of any of the tenants of those premises, have
41 been substantiated by prosecution and conviction in any court of
42 competent jurisdiction, the municipal governing body or any officer
43 or employee of the municipality designated by the governing body
44 for the purpose, may institute proceedings to require the landlord of
45 those premises to post a bond against the consequences of future
46 incidents of the same character.

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

11 c. At the hearing convened pursuant to subsection b. of this
12 section, the hearing officer shall give full hearing to both the
13 complaint of the municipality and to any evidence in contradiction
14 or mitigation that the landlord, if present or represented and
15 offering such evidence, may present. At the conclusion of the
16 hearing the hearing officer shall determine whether the landlord
17 shall be required to post a bond in accordance with the terms of the
18 ordinance.

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

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

46 (cf: P.L.2001, c.71, s.1)

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48 5. This act shall take effect immediately.

STATEMENT

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This bill would authorize all municipalities to adopt ordinances allowing for the imposition of a bond or other security upon landlords of tenants residing in structures containing four or fewer dwelling units, if those tenants have been repeatedly convicted for disorderly, indecent, tumultuous or riotous conduct. The bond or security could be used to compensate for any future damage or expense the municipality or its residents may suffer from repetitions of such conduct by those tenants. Current law authorizes only municipalities located in counties of the fifth and sixth class (those bordering the New Jersey shore) to adopt such ordinances.

ASSEMBLY HOUSING AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 3056

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 23, 2009

The Assembly Housing and Local Government Committee reports favorably and with committee amendments Assembly Bill No.3056.

This bill would authorize all municipalities to adopt ordinances allowing for the imposition of a bond or other security upon landlords of tenants residing in structures containing four or fewer dwelling units, if those tenants have been repeatedly convicted for disorderly, indecent, tumultuous or riotous conduct. The municipality would be required to notify the landlord of a tenant's first conviction for such conduct. The bond or security could be used to compensate for any future damage or expense the municipality or its residents may suffer from repetitions of such conduct by those tenants. A landlord may recover from the tenant any amount of the security actually forfeited by the landlord in the event that that the landlord is required to make reparations pursuant to the ordinance for the tenant's conduct. Current law authorizes only municipalities located in counties of the fifth and sixth class (those bordering the New Jersey shore) to adopt such ordinances.

THE COMMITTEE AMENDED THE BILL TO:

- 1) Provide that a municipality shall notify the landlord of a tenant's first conviction for disorderly, indecent, tumultuous or riotous conduct.
- 2) Provide that a landlord may recover from the tenant any amount of the security actually forfeited by the landlord in the event that that the landlord is required to make reparations pursuant to the ordinance for the tenant's conduct.