

ASSEMBLY, No. 1048

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblywoman MILA M. JASEY

District 27 (Essex and Morris)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

SYNOPSIS

Provides for increase in relocation assistance amounts based on increase of CPI.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning relocation assistance, and amending and
2 supplementing P.L.1971, c.362.

3

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

6

7 1. Section 4 of P.L.1971, c.362 (C.20:4-4) is amended to read
8 as follows.

9 4. a. If a taking agency acquires real property for public use, it
10 shall make fair and reasonable relocation payments to displaced
11 persons and businesses as required by **[this act]** P.L.1971, c.362
12 (C.20:4-1 et seq.), for:

13 (1) actual reasonable expenses in moving himself, his family,
14 business, farm operation, or other personal property;

15 (2) actual direct losses of tangible personal property as a result
16 of moving or discontinuing a business or farm operation, but not to
17 exceed an amount equal to the reasonable expenses that would have
18 been required to relocate such property, as determined by the taking
19 agency; and

20 (3) actual reasonable expenses in searching for a replacement
21 business or farm.

22 b. Any displaced person eligible for payments under subsection
23 a. of this section who is displaced from a dwelling and who elects to
24 accept the payments authorized by this subsection in lieu of the
25 payments authorized by subsection a. of this section may receive a
26 moving expense allowance as set forth in paragraph (1) of this
27 subsection, and dislocation allowance as set forth in (2) of this
28 subsection, determined according to a schedule established by the
29 taking agency.

30 (1) The moving expense allowance shall not exceed:

31 (a) following the enactment of P.L. , c. (C.) (pending
32 before the Legislature as this bill), \$450;

33 (b) beginning on the first day of the 12th month next following
34 enactment of P.L. , c. (C.) (pending before the Legislature
35 as this bill), \$675;

36 (c) beginning on the first day of the 24th month next following
37 enactment of P.L. , c. (C.) (pending before the Legislature
38 as this bill), \$900;

39 (d) beginning on the first day of the 36th month next following
40 enactment of P.L. , c. (C.) (pending before the Legislature
41 as this bill), \$1,125;

42 (e) beginning on the first day of the 48th month next following
43 enactment of P.L. , c. (C.) (pending before the Legislature
44 as this bill), \$1,350; and

45 (f) beginning on the first day of the 60th month next following

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 enactment of P.L. , c. (C.) (pending before the Legislature
2 as this bill), and each 12-month period thereafter, the amounts
3 adjusted annually in accordance with section 4 of P.L. ,
4 c. (C.) (pending before the Legislature as this bill).
5 (2) The dislocation allowance shall not exceed:
6 (a) following the enactment of P.L. , c. (C.) (pending
7 before the Legislature as this bill), \$300;
8 (b) beginning on the first day of the 12th month next following
9 enactment of P.L. , c. (C.) (pending before the Legislature
10 as this bill), \$450;
11 (c) beginning on the first day of the 24th month next following
12 enactment of P.L. , c. (C.) (pending before the Legislature
13 as this bill), \$600;
14 (d) beginning on the first day of the 36th month next following
15 enactment of P.L. , c. (C.) (pending before the Legislature
16 as this bill), \$750;
17 (e) beginning on the first day of the 48th month next following
18 enactment of P.L. , c. (C.) (pending before the Legislature
19 as this bill), \$900; and
20 (f) beginning on the first day of the 60th month next following
21 enactment of P.L. , c. (C.) (pending before the Legislature
22 as this bill), and each 12-month period thereafter, the amounts
23 adjusted annually in accordance with section 4 of P.L. ,
24 c. (C.) (pending before the Legislature as this bill).
25 c. Any displaced person eligible for payments under subsection
26 a. of this section who is displaced from his place of business or
27 from his farm operation and who elects to accept the payment
28 authorized by this subsection in lieu of the payment authorized by
29 subsection a. of this section, may receive a fixed payment in an
30 amount equal to the average annual net earnings of the business or
31 farm operation, except that such payment shall not be less than
32 **[\$2,500.00]** the amounts set forth in paragraph (1) of this
33 subsection, nor more than **[\$10,000.00]** the amounts set forth in
34 paragraph (2) of this subsection. In the case of a business no
35 payment shall be made under this subsection unless the taking
36 agency is satisfied that the business (1) cannot be relocated without
37 a substantial loss of its existing patronage, and (2) is not a part of a
38 commercial enterprise having at least one other establishment not
39 being acquired by the taking agency, which is engaged in the same
40 or similar business. For purposes of this subsection, the term
41 "average annual net earnings," means 1/2 of any net earnings of the
42 business or farm operation, before Federal, State, and local income
43 taxes, during the 2 taxable years immediately preceding the taxable
44 year in which such business or farm operation moves from the real
45 property acquired for such project, or during such other period as
46 such agency determines to be more equitable for establishing such
47 earnings, and includes any compensation paid by the business or
48 farm operation to the owner, his spouse, or his dependents during

1 such period.

2 (1) The fixed payment authorized by this subsection shall not be
 3 less than:

4 (a) following the enactment of P.L. , c. (C.) (pending
 5 before the Legislature as this bill), \$3,750;

6 (b) beginning on the first day of the 12th month next following
 7 enactment of P.L. , c. (C.) (pending before the Legislature
 8 as this bill), \$5,625;

9 (c) beginning on the first day of the 24th month next following
 10 enactment of P.L. , c. (C.) (pending before the Legislature
 11 as this bill), \$7,500;

12 (d) beginning on the first day of the 36th month next following
 13 enactment of P.L. , c. (C.) (pending before the Legislature
 14 as this bill), \$9,375;

15 (e) beginning on the first day of the 48th month next following
 16 enactment of P.L. , c. (C.) (pending before the Legislature
 17 as this bill), \$11,250; and

18 (f) beginning on the first day of the 60th month next following
 19 enactment of P.L. , c. (C.) (pending before the Legislature
 20 as this bill), and each 12-month period thereafter, the amounts
 21 adjusted annually in accordance with section 4 of P.L. ,
 22 c. (C.) (pending before the Legislature as this bill).

23 (2) The fixed payment authorized by this subsection shall not
 24 exceed:

25 (a) following the enactment of P.L. , c. (C.) (pending
 26 before the Legislature as this bill), \$15,000;

27 (b) beginning on the first day of the 12th month next following
 28 enactment of P.L. , c. (C.) (pending before the Legislature
 29 as this bill), \$22,500;

30 (c) beginning on the first day of the 24th month next following
 31 enactment of P.L. , c. (C.) (pending before the Legislature
 32 as this bill), \$30,000;

33 (d) beginning on the first day of the 36th month next following
 34 enactment of P.L. , c. (C.) (pending before the Legislature
 35 as this bill), \$37,500;

36 (e) beginning on the first day of the 48th month next following
 37 enactment of P.L. , c. (C.) (pending before the Legislature
 38 as this bill), \$45,000; and

39 (f) beginning on the first day of the 60th month next following
 40 enactment of P.L. , c. (C.) (pending before the Legislature
 41 as this bill), and each 12-month period thereafter, the amounts
 42 adjusted annually in accordance with section 4 of P.L. ,
 43 c. (C.) (pending before the Legislature as this bill).

44 (cf: P.L.1971, c.362, s.4)

45
 46 2. Section 5 of P.L.1971, c.362 (C.20:4-5) is amended to read
 47 as follows:

48 5. a. In addition to payments otherwise authorized by [this

1 act] P.L.1971, c.362 (C.20:4-1 et seq.), the taking agency shall
2 make an additional payment not in excess of **[\$15,000.00]** the
3 amounts set forth in subsection c. of this section to any displaced
4 person who is displaced from a dwelling actually owned and
5 occupied by such displaced person for not less than 180 days prior
6 to the initiation of negotiations for the acquisition of the property.
7 Such additional payment shall include the following elements:

8 (1) The amount, if any, which when added to the acquisition
9 cost of the dwelling acquired, equals the reasonable cost of a
10 comparable replacement dwelling which is a decent, safe, and
11 sanitary dwelling adequate to accommodate such displaced person,
12 reasonably accessible to public services and places of employment
13 and available on the private market. All determinations required to
14 carry out this subparagraph shall be determined by regulations
15 issued pursuant to section 10 of **[this act] P.L.1971, c.362 (C.20:4-**
16 **10)**.

17 (2) The amount, if any, which will compensate such displaced
18 person for any increased interest costs which such person is
19 required to pay for financing the acquisition of any such
20 comparable replacement dwelling. Such amount shall be paid only
21 if the dwelling acquired was encumbered by a bona fide mortgage
22 which was a valid lien on such dwelling for not less than 180 days
23 prior to the initiation of negotiations for the acquisition of such
24 dwelling. Such amount shall be equal to the excess in the
25 aggregate interest and other debt service costs of that amount of the
26 principal of the mortgage on the replacement dwelling which is
27 equal to the unpaid balance of the mortgage on the acquired
28 dwelling, over the remainder term of the mortgage on the acquired
29 dwelling, reduced to discounted present value. The discount rate
30 shall be determined by regulations issued pursuant to section 10 of
31 **[this act] P.L.1971, c.362 (C.20:4-10)**.

32 (3) Reasonable expenses incurred by such displaced person for
33 evidence of title, recording fees, and other closing costs incident to
34 the purchase of the replacement dwelling, but not including prepaid
35 expenses.

36 (4) Penalty costs for prepayment of any mortgage entered into in
37 good faith encumbering such real property if such mortgage is on
38 record or has been filed record as provided by law on the date of
39 approval by taking agency of the location of such project.

40 (5) The pro rata portion of real property taxes payable during
41 the calendar year in which the property was acquired which are
42 allocable to the period of the year subsequent to the date of vesting
43 of title in the taking agency, or the effective date of the possession
44 of such real property by the taking agency, whichever is earlier.

45 b. The additional payment authorized by this section shall be
46 made only to such a displaced person who purchases and occupies a
47 replacement dwelling which is decent, safe, and sanitary not later
48 than the end of the one year period beginning on the date on which

1 he receives final payment of all costs of the acquired dwelling, or
 2 on the date on which he moves from the acquired dwelling,
 3 whichever is the later date.

4 c. The additional payment authorized by this section shall not
 5 exceed:

6 (1) following the enactment of P.L. , c. (C.) (pending
 7 before the Legislature as this bill), \$22,500;

8 (2) beginning on the first day of the 12th month next following
 9 enactment of P.L. , c. (C.) (pending before the Legislature
 10 as this bill), \$33,750;

11 (3) beginning on the first day of the 24th month next following
 12 enactment of P.L. , c. (C.) (pending before the Legislature
 13 as this bill), \$45,000;

14 (4) beginning on the first day of the 36th month next following
 15 enactment of P.L. , c. (C.) (pending before the Legislature
 16 as this bill), \$56,250;

17 (5) beginning on the first day of the 48th month next following
 18 enactment of P.L. , c. (C.) (pending before the Legislature
 19 as this bill), \$67,500; and

20 (6) beginning on the first day of the 60th month next following
 21 enactment of P.L. , c. (C.) (pending before the Legislature
 22 as this bill), and each 12-month period thereafter, the amounts
 23 adjusted annually in accordance with section 4 of P.L. ,
 24 c. (C.) (pending before the Legislature as this bill).

25 (cf: P.L.1971, c.362, s.5)

26
 27 3. Section 6 of P.L.1971, c.362 (C.20:4-6) is amended to read
 28 as follows:

29 6. In addition to amounts otherwise authorized by **[this act]**
 30 P.L.1971, c.362 (C.20:4-1 et seq.), a taking agency shall make a
 31 payment to or for any displaced person displaced from any dwelling
 32 not eligible to receive a payment under section 5 of P.L.1971, c.362
 33 (C.20:4-5) which dwelling was actually and lawfully occupied by
 34 such displaced person for not less than 90 days prior to the
 35 initiation of negotiations for acquisition of such dwelling. Such
 36 payment shall be either:

37 a. the amount necessary to enable such displaced person to
 38 lease or rent for a period not to exceed 4 years, a decent, safe, and
 39 sanitary dwelling of standards adequate to accommodate such
 40 person in areas not generally less desirable in regard to public
 41 utilities and public and commercial facilities, and reasonably
 42 accessible to his place of employment, but not to exceed
 43 **[\$4,000.00]** the amounts set forth in this subsection.

44 The payment authorized by this subsection shall not exceed:

45 (1) following the enactment of P.L. , c. (C.) (pending
 46 before the Legislature as this bill), \$6,000;

47 (2) beginning on the first day of the 12th month next following
 48 enactment of P.L. , c. (C.) (pending before the Legislature

1 as this bill), \$9,000;
2 (3) beginning on the first day of the 24th month next following
3 enactment of P.L. , c. (C.) (pending before the Legislature
4 as this bill), \$12,000;
5 (4) beginning on the first day of the 36th month next following
6 enactment of P.L. , c. (C.) (pending before the Legislature
7 as this bill), \$15,000;
8 (5) beginning on the first day of the 48th month next following
9 enactment of P.L. , c. (C.) (pending before the Legislature
10 as this bill), \$18,000; and
11 (6) beginning on the first day of the 60th month next following
12 enactment of P.L. , c. (C.) (pending before the Legislature
13 as this bill), and each 12-month period thereafter, the amounts
14 adjusted annually in accordance with section 4 of P.L. ,
15 c. (C.) (pending before the Legislature as this bill); or
16 b. the amount necessary to enable such person to make a down
17 payment (including incidental expenses described in [section 5 a.
18 (3)] paragraph (3) of subsection a. of section 5 of P.L.1971, c.362
19 (C.20:4-5) on the purchase of a decent, safe, and sanitary dwelling
20 of standards adequate to accommodate such persons in areas not
21 generally less desirable in regard to public utilities and public and
22 commercial facilities, but not to exceed [\$4,000.00 the first
23 \$2,000.00 of which is to] the amounts set forth in paragraph (1) of
24 this subsection, except that of the payment, the amount set forth in
25 paragraph (2) of this subsection shall be paid without contribution
26 from the displaced person, but thereafter such payments will only
27 be made on a matching dollar-for-dollar basis with the displaced
28 person.
29 (1) The payment authorized by this subsection shall not exceed:
30 (a) following the enactment of P.L. , c. (C.) (pending
31 before the Legislature as this bill), \$6,000;
32 (b) beginning on the first day of the 12th month next following
33 enactment of P.L. , c. (C.) (pending before the Legislature
34 as this bill), \$9,000;
35 (c) beginning on the first day of the 24th month next following
36 enactment of P.L. , c. (C.) (pending before the Legislature
37 as this bill), \$12,000;
38 (d) beginning on the first day of the 36th month next following
39 enactment of P.L. , c. (C.) (pending before the Legislature
40 as this bill), \$15,000;
41 (e) beginning on the first day of the 48th month next following
42 enactment of P.L. , c. (C.) (pending before the Legislature
43 as this bill), \$18,000; and
44 (f) beginning on the first day of the 60th month next following
45 enactment of P.L. , c. (C.) (pending before the Legislature
46 as this bill), and each 12-month period thereafter, the amounts
47 adjusted annually in accordance with section 4 of P.L. ,
48 c. (C.) (pending before the Legislature as this bill).

(cf: P.L.1971, c.362, s.6)

5. This act shall take effective immediately.

Specifically, the bill would increase the maximum payments permitted under the “Relocation Assistance Act,” P.L.1971, c.362 (C.20:4-1 et seq.) by specified amounts over the four-year period

1 following enactment. The bill further provides that after the four-
2 year phase-in period, the maximum authorized payments of
3 relocation assistance would be annually adjusted according to the
4 U.S. City Average of the Consumer Price Index for All Urban
5 Consumers (CPI-U), published by the United States Department of
6 Labor, Bureau of Labor Statistics.