ASSEMBLY, No. 1742

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
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SYNOPSIS

Clarifies and expands landlord registration procedures; creates certain rights for tenants; makes certain changes concerning tenant notifications, inspections, and maintenance in multiple dwellings; permits percentage of affordable housing obligation to be satisfied by certain rehabilitation projects.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT establishing the "Landlord Registration and Tenant Protection Act" and amending, supplementing, and repealing various parts of the statutory law.

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

1. Section 1 of P.L.1974, c.50 (C.46:8-27) is amended to read as follows:

1. **[**The term "landlord," as used in this act, shall mean the person or persons who own or purport to own, or exercise control of any building or project in which there is rented or offered for rent housing space for living or dwelling purposes under either a written or oral lease, provided that this definition shall not include owner-occupied two unit premises. This definition shall include but not be limited to any multiple dwelling subject to the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.).

Whenever: the owner of an apartment in a horizontal property regime as defined in P.L.1963, c.168 (C.46:8A-1 et seq.), a unit owner of a unit in a condominium as defined in P.L.1969, c.257 (C.46:8B-1 et seq.), an owner of a unit in a fee simple community as defined in section 1 of P.L.1989, c.299 (C.40:67-23.2) or an owner in a cooperative entity as defined in section 3 of P.L.1987, c.381 (C.46:8D-3) leases an apartment or unit to a tenant, that owner shall be deemed the landlord for the purposes of filing the certificate of registration as required by section 2 of P.L.1974, c.50 (C.46:8-28). Nothing in P.L.1974, c.50 shall be construed as requiring a council of co-owners of a horizontal property regime, a condominium association, an association managing the common or shared elements or interests in a fee simple community or a cooperative association to comply with the certificate of registration requirement unless the council or association is the owner or lessor of the apartment or unit. Nothing in P.L.1974, c.50 shall be construed to require a cooperative corporation to comply with the certificate of registration requirement unless the corporation leases a unit to a person other than a proprietary shareholder of the cooperative. The foregoing provisions notwithstanding, the council, association or cooperative corporation having jurisdiction over a "multiple dwelling," as defined in section 3 of P.L.1967, c.76 (C.55:13A-3), shall comply with the registration requirements of section 12 of P.L.1967, c.76 (C.55:13A-12) with respect to the multiple dwelling as a whole. The term "project" as used in this act shall mean a group of buildings which are or are represented to be under common or substantially common ownership and which stand on a single parcel of land or parcels of land which are contiguous

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 <u>thus</u> is new matter.

and which group of buildings is named, designated or advertised as a common entity. The contiguity of such parcels shall not be adversely affected by public rights-of-way incidental to such buildings.】 As used in P.L.1974, c.50 (C.46:8-27 et seq.):

"Common ownership association" means an association managing the common or shared elements or interests of owners, including, but not limited to: a council of co-owners of a horizontal property regime, as defined in section 2 of P.L.1963, c.168 (C.46:8A-2 et seq.); an association of condominiums, as defined in section 3 of P.L.1969, c.257 (C.46:8B-3 an association managing the common or shared elements or interests in a fee simple community, as defined in section 1 of P.L.1989, c.299 (C.40:67-23.2); or an association of a cooperative, as defined in section 3 of P.L.1987, c.381 (C.46:8D-3).

"Landlord" means an owner of a building or project, or a unit thereof, in which there are residential rental premises, including, but not limited to: a multiple dwelling; an apartment in a horizontal property regime as defined in section 2 of P.L.1963, c.168 (C.46:8A-1 et seq.); an owner of a dwelling unit in a condominium as defined in P.L.1969, c.257 (C.46:8B-1 et seq.); a dwelling unit in a fee simple community as defined in section 1 of P.L.1989, c.299 (40:67-23.2); a cooperative association as defined in section 3 of P.L.1987, c.381 (C.46:8D-3); or any other planned real estate development of a kind now existing or yet to be developed, but the term shall not include a cooperative corporation unless the corporation rents a dwelling unit to a person other than a proprietary shareholder of the cooperative. Nothing in P.L.1974, c.50 (C.46:8-27 et seq.) shall be construed as creating an exemption to the registration requirements of section 12 of P.L.1967, c.76 (C.55:13A-12) with respect to any multiple dwelling as a whole.

"Mailing address" means the street address, and if applicable, the dwelling unit or room number, of the home or actual place of business of the person or entity being registered. A post office box may be included in addition to, but not in lieu of, a street address.

"Multiple dwelling" shall have the same definition as set forth in subsection (k) of section 3 of P.L.1967, c.76 (C.55:13A-3).

"Owner" means the person who holds record title to a building, project, or dwelling unit.

"Owner-occupied" means personally and lawfully occupied as the primary residence of the owner or a member of the owner's household if the owner has temporarily taken lodging elsewhere.

"Primary residence" means the residence where the owner resides a majority of the time.

"Project" means a group of buildings under common or substantially common ownership that stand on a single parcel or more than one contiguous parcel of land, and is named, designated or advertised as a common entity. The contiguity of such parcels

shall not be adversely affected by public rights-of-way incidental to such buildings.

"Temporarily" means for a period lasting no more than 90 days when the owner either already maintains a primary residence or intends to establish a primary residence and does so within 90 days after taking lodging elsewhere.

"Unit of dwelling space" or "dwelling unit" means a room or rooms, floor or floors of rooms, suite, or apartment, whether furnished or unfurnished, occupied or intended or designed to be occupied for sleeping or dwelling purposes by one person, including but not limited to the owner, or by one household, including but not limited to the household of the owner.

(cf: P.L.2003, c.56, s.1)

2. Section 2 of P.L.1974, c.50 (C.46:8-28) is amended to read as follows:

2. Every landlord shall **[**, within 30 days following the effective date of this act, or at the time of the creation of the first tenancy in any newly constructed or reconstructed building, **]** file a certificate of registration on the form prescribed by the Commissioner of Community Affairs, within seven days of becoming a landlord of a rental premises. The certificate of registration shall be filed with the clerk of the municipality, or **[**with such other municipal official as is designated by the clerk**]** the clerk's designee, in which the residential property is situated, in the case of a one-dwelling unit rental or a two-dwelling unit non-owner occupied premises, or with the Bureau of Housing Inspection in the Department of Community Affairs in the case of a multiple dwelling **[**as defined in section 3 of P.L.1976 the "Hotel and Multiple Dwelling Law" (C.55:13A-3), a certificate of registration on forms prescribed by the Commissioner of Community Affairs, which**]** . The certificate of registration shall contain the following information:

a. The name **[**and**]** , mailing address **[**of the record owner or owners of the premises and the record owner or owners of the rental business if not the same persons. In the case of a partnership the names of all general partners shall be provided**]** , e-mail address, and telephone number of each owner of the rental premises and the rental business, if not the same persons;

b. If the **[**record**]** owner **[**is a corporation, the name and address of the registered agent and corporate officers of said corporation**]** of the rental premises or the rental business is:

(1) a general partnership or a limited liability partnership, the name and mailing address of the managing partner or agent who has the authority to act on behalf of the partnership;

(2) a corporation, the names and mailing addresses of the registered agent and corporate officers of the corporation; or

(3) a limited liability company, the names and mailing addresses of the managing members of the limited liability company;

c. If [the address of any record owner is not located in the county in which the premises are located, the name and address of a person who resides in the county in which the premises are located and is authorized to accept notices from a tenant and to issue receipts therefor and to accept service of process on behalf of the record owner] an owner is not located in the county in which the rental premises are located, the name, mailing address, e-mail address, and telephone number of a person who resides in the county in which the rental premises are located and is authorized to accept notices from a tenant and to issue receipts therefor, and to accept service of process on behalf of the owner;

d. The name [and] , mailing address [of the managing agent of the premises, if any] , e-mail address, and telephone number of the property manager or managing agent of the rental premises, if any;

e. The name [and] , mailing address, including the [dwelling unit, apartment or room number of the superintendent, janitor, custodian or other individual employed by the record owner or managing agent to provide regular maintenance service, if any] unit number, email address, and telephone number of the superintendent, janitor, custodian, or other individual employed by the owner or managing agent to provide regular maintenance service at the rental premises, if any;

f. The name, mailing address [and telephone number of a representative of the record owner or managing agent who may be reached or contacted at any time in the event of an emergency affecting the premises or any unit of dwelling space therein, including such emergencies as the failure of any essential service or system, and who has the authority to make emergency decisions concerning the building and any repair thereto or expenditure in connection therewith and shall, at all times, have access to a current list of building tenants that shall be made available to emergency personnel as required in the event of an emergency] , e-mail address, and telephone number of an individual who: (1) has the authority to make emergency decisions concerning repairs or expenditures related to repairs to the rental premises; (2) may be reached at any time in the event of any emergency affecting the rental premises or any unit therein; and (3) shall, at all times, have access to a current list of tenants residing in the rental premises that shall be made available to emergency personnel as required in the event of an emergency;

g. The name and mailing address of the mortgage service provider, and every holder of a recorded mortgage on the rental premises , if known ;

h. If fuel oil is [used to heat the building and] provided by the landlord [furnishes the] to heat [in] the building, the name [and] ,

mailing address , and telephone number of the fuel oil dealer servicing the building and the grade of fuel oil used ; and

i. The date of preparation of the certificate of registration.

(cf: P.L.2003, c.56, s.2)

3. Section 3 of P.L.1981, c.442 (C.46:8-28.1) is amended to read as follows:

3. ⟦In the case of a filing under section 2 of P.L.1974, c.50 (C.46:8-28) with the municipal clerk, or with such other municipal official as is designated by the clerk, the clerk or designated official shall index and file the certificate and make it reasonably available for public inspection.

In the case of a filing with the Bureau of Housing Inspection shall be accompanied by the filing fee required pursuant to section 12 of P.L.1967, c.76 (C.55:13A-12). The bureau shall review the certificate and, if it is found to be in conformity with this law and any regulations promulgated hereunder, validate the certificate and issue a validated copy to the landlord and a validated copy to the clerk of the municipality in which the building or project is located. The clerk shall index the validated certificates, or forward them to the designated official for indexing, and the certificates shall be made available as with the certificates required of one and two dwelling unit nonowner occupied premises⟧ a. All certificates of registration filed with the Bureau of Housing Inspection shall be reviewed, and if determined to be in compliance with the certificate of registration requirements set forth in P.L.1974, c.50 (C.46:8-27 et seq.) and any regulation promulgated thereunder, validated by the bureau. The bureau then shall issue a copy of the validated certificate of registration to the record owner, or the person who filed the original, if different than the record owner, and to the clerk of the municipality in which the building or project is located.

b. All certificates of registration filed with the clerk of a municipality and all validated certificates of registration issued to the clerk by the bureau shall be indexed and recorded by the clerk and made reasonably available for public inspection. The clerk may disclose to any person making inquiry whether a validated certificate of registration has been filed for any designated property.

(cf: P.L.2001, c.264, s.2)

4. Section 4 of P.L.1981, c.442 (C.46:8-28.2) is amended to read as follows:

4. Every landlord required to file a certificate of registration as described in section 2 of P.L.1974, c.50 (C.46:8-28) shall file an amended certificate of registration within ⟦20⟧ 10 business days after any change in the information required to be included thereon. ⟦No⟧ A fee shall not be required for the filing of an amendment except where the ownership of the premises is changed. The

amended certificate of registration shall contain the date of its preparation.
(cf: P.L.1981, c.442, s.4)

5. Section 8 of P.L.1981, c.442 (C.46:8-28.3) is amended to read as follows:

8. [Nothing herein shall require a] A landlord who has [heretofore] complied with [all] the provisions of P.L.1974, c.50 (C.46:8-27 et seq.) or the "Hotel and Multiple Dwelling Law" (P.L.1967, c.76, C. 55:13A-1 et seq.), or both, [applicable to any building or project to register the building or project again pursuant to this amendatory and supplementary act. Whenever, after the effective date of this amendatory and supplementary act, any owner or landlord shall be required to file an amended certificate of registration pursuant to the provisions of this amendatory and supplementary act, the "Hotel and Multiple Dwelling Law," or P.L.1974, c. 50, then that filing shall be in accordance with this amendatory and supplementary act] shall not be required to register the building or project again pursuant to P.L. , c. (C.) (pending before the Legislature as this bill). On and after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), a landlord who is required to file an amended certificate of registration shall do so in accordance with the provisions set forth in section 4 of P.L.1981, c.442 (C.46:8-28.2).
(cf: P.L.1981, c.442, s.8)

6. Section 3 of P.L.1974, c.50 (C.46:8-29) is amended to read as follows:

3. [Within 30 days following the effective date hereof, and at the time] a. Unless a tenancy is governed by a written lease that includes or attaches, in a prominent manner, the information that is required by section 2 of P.L.1974, c.50 (C.46:8-28) to be contained in the certificate of registration, within seven days of the creation of a new tenancy, [every] a landlord shall provide each [occupant or] tenant [in his building or project] with a copy of the certificate of registration required by section 2 of [this act] P.L.1974, c.50 (C.46:8-28). [If]

b. In the case of an amended certificate [is] filed in accordance with section 4 of P.L.1981, c.442 (C.46:8-28.2), the landlord shall furnish each [occupant or] tenant with a copy of the amended certificate within seven days after the amended certificate is filed with the municipal clerk, or with such other municipal official as is designated by the clerk, in the case of a tenant occupied one family dwelling or a non-owner occupied two family dwelling and within seven days of receipt of a validated certificate from the Bureau of Housing Inspection in the case of a [building or project] multiple

dwelling subject to the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.).

c. (1) In the case of a tenant-occupied one family dwelling or a non-owner occupied two family dwelling, a landlord shall post a copy of the current filed or validated certificate of registration in one or more locations at the rental premises so that the statement is prominent and accessible to all tenants and public officials.

(2) In the case of a tenant-occupied multiple dwelling, a landlord shall post in a least one conspicuous area, where the information is most likely to be viewed by tenants, and on the Internet website of any management company that manages a tenant-occupied multiple dwelling:

(a) emergency contact instructions and the name, mailing address, email address, and telephone number of the individual who may be reached or contacted at any time in the event of an emergency affecting the rental premises or any unit of dwelling space, in accordance with the landlord registration requirements set forth in subsection f. of section 2 of P.L.1974, c.50 (C.46:8-28); and

(b) instructions on how to access the comprehensive social services information toll-free telephone hotline service, established pursuant to section 1 of P.L.1991, c.524 (C.30:1-1.1).

d. The following information shall be contained in a printed notice, conspicuously set forth in prominent boldface type, in every lease offered to a tenant in a multiple dwelling:

(1) the Internet website address of the management company that manages the multiple dwelling, if any; and

(2) instructions on how to access the comprehensive social services information toll-free telephone hotline service, established pursuant to section 1 of P.L.1991, c.524 (C.30:1-1.1).

e. The information provided to tenants in accordance with subsection a., b., c., and d. of this section shall be made available in English and Spanish.

(cf: P.L.2001, c.264, s.3)

7. Section 5 of P.L.1974, c.50 (C.46:8-31) is amended to read as follows:

5. a. In any action in the Superior Court, Law Division, Special Civil Part or municipal court by an occupant or tenant or to recover penalties against a landlord who has not complied with **[**this act**]** P.L.1974, c.50 (C.46:8-27 et seq.) and who cannot be served within the county or municipality, the summons and complaint may be served by certified and regular mail upon the record owner at the last address listed in the tax records of either the municipality or county , or, if the owner has not changed since the last certificate of registration filing or validation, at the mailing address listed in the most current or validated certification of registration. If the owner is a limited liability company or a corporation, the summons and complaint may be served by certified

and regular mail upon the company or corporation's registered agent. Service [of such summons and complaint by certified and regular mail shall be effective to bring] in accordance with this section shall be deemed proper service on the landlord [before the Superior Court, Law Division, Special Civil Part or municipal court] even if [it were] the landlord is not served within the county or municipality in which the court issuing the summons is located.
(cf: P.L.1991, c.91, s.455)

8. Section 6 of P.L.1974, c.50 (C.46:8-32) is amended to read as follows:

6. [Service] If service of process, as provided in section 5 P.L.1974, c.50 (46:8-31), cannot be made, service of process on the clerk of the Superior Court, Law Division, Special Civil Part or municipal court having jurisdiction over the municipality in which the property is located shall be deemed service on the landlord upon submission to the court of the following:

a. [A certification of the tenant stating that he] The tenant's certification that the tenant does not know the landlord's whereabouts after having made a diligent effort, satisfactory to the court, to determine the same; and

b. Proof of failure of service by certified mail as provided in section 5 [of this act] of P.L.1974, c.50 (46:8-31).
(cf: P.L.1991, c.91, s.456)

9. Section 7 of P.L.1974, c.50 (C.46:8-33) is amended to read as follows:

7. [In any action for possession instituted by a landlord who has failed to comply with the provisions of this act, no judgment for possession shall be entered until there has been compliance. The court shall continue such case for up to 90 days and if there has not been compliance within such period, the action shall be dismissed] A judgment of possession shall not be entered in favor of a landlord who has failed to comply with sections 2 and 3 of P.L.1974, c.50 (C.46:8-28 et seq.). The court shall defer the entry of a judgment for possession for up to 60 days, at which time the action shall be dismissed unless the landlord submits to the court proof of the certificate of registration and service thereof on the tenant, within 30 days.
(cf: P.L.1974, c.50, s.7)

10. Section 9 of P.L.1974, c.50 (C.46:8-35) is amended to read as follows:

9. [Any] A landlord who [shall violate] violates any provision of P.L.1974, c.50 (C.46:8-27 et seq.) or sections 3, 4, and 8 of P.L.1981, c.442 (C.46:8-28.1 through C.46-8-28.3) shall be liable [to] for a penalty of not more than [$500.00 for each] $100 for a

first offense, $500 for a second offense, and $1,000 for a third or subsequent offense, recoverable by a summary proceeding under ["the penalty enforcement law" (N.J.S.2A:58-1 et seq.)] the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court, Law Division, Special Civil Part in the county or the municipal court of the municipality in which the premises are located shall have jurisdiction to enforce [said] the penalty.

The Attorney General, the municipality in which the premises are located, or any other person may institute the proceeding; where the municipality or any other person other than the Attorney General institutes the proceeding, a recovered penalty should be remitted by the court to the municipality in which the premises subject to the proceeding are located.

(cf: P.L.1991, c.91, s.458)

11. Section 13 of P.L.1967, c.76 (C.55:13A-13) is amended to read as follows:

13. (a) Each multiple dwelling and each hotel shall be inspected [at least once in every five years] for the purpose of determining the extent to which each hotel or multiple dwelling complies with the provisions of P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations promulgated hereunder. The commissioner shall establish by regulation the frequency of inspections, which shall be conducted as follows:

(1) Each hotel shall be inspected at least once every five years; and

(2) Each multiple dwelling shall be tiered based upon the number of reinspections required to correct the violations that were served upon the owner in the initial inspection. The commissioner shall determine the highest performing 20 percent and lowest performing 20 percent of multiple dwellings Statewide and shall require that inspections be conducted as follows:

(a) a multiple dwelling scored in the lowest performing 20 percent, as determined by the commissioner, shall be placed in the highest tier and shall next be inspected in seven years, and the inspection fee shall be due at that time;

(b) a multiple dwelling scored in the highest performing 20 percent, as determined by the commissioner, shall be placed in the lowest tier and shall next be inspected in two years, and the inspection fee shall be due at that time; and

(c) all other multiple dwellings shall be placed in the middle tier and shall next be inspected in five years, and the inspection fee shall be due at that time.

(b) Within 90 days of the most recent inspection, the owner of each hotel shall file with the commissioner, upon forms provided by the commissioner, an application for a certificate of inspection. [Said] The application shall include such information as the

commissioner shall prescribe to enforce the provisions of this law. [Said] The application shall be accompanied by a fee as follows: $15 per unit of dwelling space for the first 20 units of dwelling space in any building or project, $12 per unit of dwelling space for the 21st through 100th unit in any building or project, $8 per unit of dwelling space for the 101st through 250th unit in any building or project, and $5 per unit of dwelling space for all units over 250 in any building or project, except that in the case of hotels open and operating less than six months in each year the fee shall be one-half that which would otherwise be required. A certificate of inspection and the fees therefor shall [not] be required [more often than once every five years] based upon the frequency of inspections as determined in accordance with subsection a. of this section.

Additionally, there shall be reinspection fees for hotels in the amount of $10 for each dwelling unit reinspected.

Within 90 days of the most recent inspection of any multiple dwelling occupied or intended to be occupied by three or more persons living independently of each other, the owner of each such multiple dwelling shall file with the commissioner, upon forms provided by the commissioner, an application for a certificate of inspection. Said application shall include such information as the commissioner shall prescribe to enforce the provisions of this law. Said application shall be accompanied by a fee of $33 per unit of dwelling space for the first 7 units in any building or project, $21 per unit of dwelling space for the 8th through the 24th unit in any building or project, $18 per unit for the 25th through the 48th unit in any building or project, and $12 per unit of dwelling space for all units of dwelling space over 48 in any building or project, provided that the maximum total fee for owner-occupied three-unit multiple dwellings shall be limited to $65 for owners having a household income that is less than 80 percent of the median income for households of similar size in the county in which the multiple dwelling is located, and the maximum total fee for owner-occupied four-unit multiple dwellings shall be limited to $80 for owners having a household income that is less than 80 percent of the median income for households of similar size in the county in which the multiple dwelling is located. A certificate of inspection and the fees therefor shall not be required more often than once every five years

Additionally, there shall be reinspection fees for multiple dwellings in the amount of $40 for each dwelling unit reinspected, but only after the first reinspection.

The commissioner may waive the inspection fee for any unit upon a finding that the unit has been thoroughly inspected within the previous 12-month period under a municipal ordinance requiring inspection upon change of occupancy in accordance with the maintenance standards established by the commissioner under

P.L.1967, c.76 (C.55:13A-1 et seq.), and has received a municipal certificate of occupancy as a result of that inspection.

A multiple dwelling which is located in a municipality that does not have a municipal ordinance requiring inspection upon change of occupancy may be inspected by the Bureau of Housing Inspection upon change of occupancy, at the request of the municipality. If the commissioner adopts a change of occupancy inspection program in a municipality, following the municipality's request, a landlord of a multiple dwelling subject to such inspection by the bureau shall provide the bureau with at least seven days' notice of the pending change of occupancy of a unit and the bureau shall inspect the premises witin seven days of receiving such notice. The fee for an inspection upon change of occupancy shall not exceed the fee established for the inspection of multiple dwellings established pursuant to subsection (e) of this section.

If the commissioner finds that (1) a building has been thoroughly inspected prior to resale since the most recent inspection in accordance with this section, (2) the inspection prior to resale was conducted by the municipality in accordance with the maintenance standards established by the commissioner under P.L.1967, c.76 (C.55:13A-1 et seq.), and (3) a municipal certificate of occupancy was issued as a result of that inspection, the commissioner may accept the inspection done prior to resale in lieu of a current inspection under this section. If the commissioner accepts an inspection prior to resale in lieu of a current inspection, no fee shall be charged for any inspection done by the commissioner within five years after the date of the inspection so accepted.

(c) If the commissioner determines, as a result of the most recent inspection of any hotel or multiple dwelling as required by subsection (a) of this section, that any hotel or multiple dwelling complies with the provisions of P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations promulgated hereunder, then the commissioner shall issue to the owner thereof, upon receipt of the application and fee as required by subsection (b) of this section, a certificate of inspection. Any owner to whom a certificate of inspection is issued shall keep said certificate posted in a conspicuous location in the hotel or multiple dwelling to which the certificate applies. The certificate of inspection shall be in such form as may be prescribed by the commissioner.

The commissioner may, upon finding a consistent pattern of compliance with the maintenance standards established under P.L.1967, c.76 (C.55:13A-1 et seq.) in at least 20 percent of the units in a building or project, issue a certificate of inspection for the building or project, in which case the inspection fee shall be charged on the basis of the number of units inspected.

The commissioner may by rule establish standards for self-inspection by condominium associations exercising control over buildings of not more than three stories, constructed after 1976, and

certified by the local enforcing agency having jurisdiction as being in compliance with the Uniform Fire Code promulgated pursuant to P.L.1983, c.383 (C.52:27D-192 et seq.), in which at least 80 percent of the dwelling units are occupied by the unit owners. The commissioner shall issue a certificate of acceptance, which shall be in lieu of a certificate of inspection, upon acceptance of any such self-inspection and upon payment of a fee of $25.

(d) If the commissioner determines, as a result of the most recent inspection of any hotel or multiple dwelling as required by subsection (a) of this section, that any hotel or multiple dwelling does not comply with the provisions of P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations promulgated thereunder, then the commissioner shall issue to the owner thereof a written notice stating the manner in which any such hotel or multiple dwelling does not comply with P.L.1967, c.76 (C.55:13A-1 et seq.) or regulations promulgated thereunder. Said notice shall fix such date, not less than 60 days nor more than 180 days, on or before which any such hotel or multiple dwelling must comply with the provisions of P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations promulgated thereunder. If any such hotel or multiple dwelling is made to comply with the provisions of P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations promulgated thereunder on or before the date fixed in said notice, then the commissioner shall issue to the owner thereof a certificate of inspection as described in subsection (c) of this section. If any such hotel or multiple dwelling is not made to comply with the provisions of P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations promulgated thereunder on or before the date fixed in said notice, then the commissioner shall not issue to the owner thereof a certificate of inspection as described in subsection (c) of this section, and shall enforce the provisions of P.L.1967, c.76 (C.55:13A-1 et seq.) against the owner thereof.

(e) The commissioner shall annually review the cost of implementing and enforcing P.L.1967, c.76 (C.55:13A-1 et seq.), including the cost to municipalities of carrying out inspections pursuant to section 21 of P.L.1967, c.76 (C.55:13A-21), and shall establish by rule, not more frequently than once every three years, such fees as may be necessary to cover the costs of such implementation and enforcement; provided, however, that any increase or decrease shall be applied as a uniform percentage to each category of fee established herein, and provided, further, that the percentage amount of any increase shall not exceed the percentage increase in salaries paid to State employees since the then current fee schedule was established. The commissioner shall provide by rule to owners the option of paying inspection fees in installments in the form of an annual fee. The commissioner shall annually prepare and file with the presiding officers of the Senate and General Assembly and the legislative committees having jurisdiction in housing matters a report setting forth the amounts of

fees and penalties received by the Bureau of Housing Inspection, the cost to the bureau of enforcing this act, and information concerning the productivity of the bureau. Copies of the report shall also be submitted to the Office of Administrative Law for publication in the New Jersey Register. If in any State fiscal year the fee revenue received by the bureau exceeds the cost of enforcement of P.L.1967, c.76 (C.55:13A-1 et seq.), the excess revenue shall be distributed pro rata to persons who paid inspection fees during that fiscal year. Such distribution shall be made within three months after the end of the fiscal year.

(f) Except as otherwise provided in section 2 of P.L.1991, c.179 (C.55:13A-26.1), the fees established by or pursuant to the provisions of this section are dedicated to meeting the costs of implementing and enforcing P.L.1967, c.76 (C.55:13A-1 et seq.) and shall not be used for any other purpose. All receipts in excess of $2,200,000 are hereby appropriated for the purposes of P.L.1967, c.76 (C.55:13A-1 et seq.).

(cf: P.L.2013, c.253, s.56)

12. Section 16 of P.L.1967, c.76 (C.55:13A-16) is amended to read as follows:

16. (a) If the commissioner shall discover any violation of the provisions of this act or any rules and regulations promulgated thereunder upon any inspection of any hotel or multiple dwelling, then the commissioner shall issue and cause to be served on the owner thereof a written order requiring said owner to terminate, or cause to be terminated, any such violation. Such written order shall state the nature of any such violation and a reasonable specified time within which any such violation must be terminated. Such written order shall also require and direct the owner to whom it is issued to take, or cause to be taken, such affirmative action as may be necessary to correct any such violation.

(b) The commissioner may petition the Superior Court of this State for mandatory injunctive relief enforcing any order issued by the commissioner pursuant to subsection (a) of this section. In any such proceeding the Superior Court may proceed in a summary manner or otherwise, and shall have power to grant such temporary relief or restraining order as it may deem just and proper, and to make and enter a decree enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part any order issued by the commissioner pursuant to subsection (a) of this section.

(c) If a significant violation is discovered upon an inspection or reinspection:

(1) the commissioner shall serve written notice upon the owner within 48 hours of completing the inspection that identifies a significant violation; and

(2) the written notice shall identify all such violations and the time period that the owner shall be afforded to correct the violations.

(d) If an application for a hearing is filed pursuant to section 18 of P.L.1967, c.76 (C.55:13A-18) for a significant violation as provided in subsection (c) of this section, the hearing shall be held within no more than 30 days and a final decision shall be rendered by the commissioner within 60 days from the date of the hearing.

(e) For the purposes of this section, "significant violation" means conditions that are a threat to the health or safety of the tenants, which remain unaddressed, including but not limited to: failure to provide heat, running water, or adequate sewage disposal facilities; structural deficiency; or an infestation of rats, mice, roaches, termites, or other vermin.

(cf: P.L.1967, c.76, s.16)

13. (New section) The information to be provided to tenants, as set forth in subsection c. of section 3 of P.L.1974, c.50 (C.46:8-29) shall be posted in each multiple dwelling in the manner provided in that subsection.

14. (New section) a. Each multiple dwelling shall be adequately staffed to meet the maintenance requirements established by the commissioner under P.L.1967, c.76 (C.55:13A-1 et seq.). A multiple dwelling that meets the following staffing levels, either through employees or contractors, shall be deemed by the commissioner to be in compliance with this section:

(1) 70 to 100 units - One full-time maintenance worker or other full-time equivalent;

(2) 101 to 150 units - Two full-time maintenance workers or other full-time equivalent;

(3) 151 to 225 units - Three full-time maintenance workers or other full-time equivalent;

(4) 226 to 325 units - Four full-time maintenance workers or other full-time equivalent;

(5) 326 or more units – Four full-time maintenance workers or other full-time equivalent, with one additional full-time maintenance worker or other full-time equivalent for each additional 100 units above 325 units.

b. The owner of a multiple-dwelling of nine or more units who does not reside on the property either shall provide a superintendent who lives within a two-block radius of the property, or provide emergency services in the following manner:

(1) The owner shall provide tenants with the ability to submit emergency maintenance requests to management on a 24-hour basis;

(2) Maintenance staff or contractors shall be available to respond to emergency maintenance requests as soon as is reasonably practicable given the nature of the request;

(3) Maintenance staff or contractors shall be capable of arriving at the property within 15 minutes of being dispatched; and

(4) Nonemergency requests given outside of normal business hours shall be responded to in accordance with the property's standard maintenance practices.

c. The owner of a multiple-dwelling shall provide the following minimum maintenance services:

(1) Setting out and returning waste disposal receptacles, including storing away receptacles on days when there is no waste pickup;

(2) Providing regular daily care for all common areas, including the removal of garbage, litter, or other accumulations;

(3) Attending to sidewalks, pedestrian walkways, parking areas, and driveways;

(4) Operating the equipment designed to provide heat; and

(5) Any other routine operational and maintenance service required of the owner pursuant to the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.).

15. (New section) If a tenant successfully defends against eviction by asserting a breach of the implied warranty of habitability, the court shall make such a finding on the record and mark the case as "Dismissed for Reasons Concerning Habitability" in any record disclosed to the public.

16. (New section) Notwithstanding any provision of law, rule, or regulation to the contrary, a municipality may satisfy up to ten percent of its obligation to provide a fair share of the region's present and prospective need for affordable housing by establishing a program encouraging the rehabilitation of substandard dwelling units and the dedication of rehabilitated units for rental as low income housing for periods of at least 30 years. A municipality may accept funds from any source, including a municipal affordable housing trust fund, the "New Jersey Affordable Housing Trust Fund," established pursuant to section 20 of P.L.1985, c.222 (C.52:27D-320), any other State entity, and the federal government, for the purpose of awarding or granting payments to property owners as incentives for the rehabilitation of substandard dwelling units and the dedication of those units for rental as low income housing for periods of at least 30 years.

17. The following sections are repealed:

Section 4 of P.L 1974, c.50 (C.46:8-30); and

Section 1 of P.L.1974, c.48 (C.46:8-38).

18. This act shall take effect on first day of the seventh month next following the date of enactment, except that the Commissioner of Community Affairs may take any anticipatory action in advance as shall be necessary for the implementation of this act.

STATEMENT

This bill establishes the "Landlord Registration and Tenant Protection Act," which (1) creates a streamlined and expanded landlord registration process; (2) establishes certain protections for tenants; and (3) makes certain changes concerning inspections and maintenance. This bill also permits municipalities to satisfy up to ten percent of their affordable housing obligations by establishing a program encouraging the rehabilitation of substandard dwelling units and the dedication of rehabilitated units for rental as low income housing.

Landlord Registration

Current law provides that all landlords of rental premises are required to be registered either with the Department of Community Affairs (DCA), the municipality in which the rental premises is located, or both, depending on circumstances. The bill makes several changes to current registration procedures, including:

- Requiring landlords to: (1) provide tenants with a copy of the landlord registration; and (2) display the registration certificate in a common area of the rental premises for view by tenants and by relevant public officials.

- Expanding and clarifying the information landlords are to provide for purposes of registration, in order to better identify individuals responsible for rental premises. The expansion includes, but is not limited to the provision of: (1) email addresses; (2) mailing addresses that include a street address, not just a post office box; (3) in the case of business entities, such as a limited liability company, the personal information of certain people with authority over the property; (4) for out-of-county owners, the name and contact information for a person who resides in the county and is authorized to issue receipts and accept notices and service of process; and (5) the names and contact information of any party who regularly provides maintenance to the rental.

- Requiring that certificates of registration be filed within seven days of the creation of a tenancy, and that amended certificates of registration be filed within 10 days of a change in information.

- Changing the penalty for landlords who do not comply with registration requirements. Under current law, the penalty is $500 for each offense. Under the bill, the penalty for a first offense would be

$100; a second offense would be $500; and a third or subsequent offense would be $1,000.

Inspections

Current law provides that multiple dwellings are to be inspected at least once every five years by the Bureau of Housing Inspection (BHI) in DCA. The bill provides for a tiered system of inspection as follows:

- Multiple dwellings that score in the top 20 percent would be inspected every seven years;

- Multiple dwellings that core in the bottom 20 percent would be inspected every two years; and

- Multiple dwellings scoring in the middle 60 percent would be inspected every five years.

Under the bill, if a significant violation is found following an inspection or reinspection of a multiple dwelling, the Commissioner of Community Affairs is required to serve written notice upon the owner within 48 hours of completing an inspection that identifies a significant violation. The notice is required to identify every violation and provide time a period that the owner is afforded to correct the violations.

The bill defines "significant violation" to mean conditions that are a threat to the health or safety of the tenants, which remain unaddressed, including but not limited to: failure to provide heat, running water, or adequate sewage disposal facilities; structural deficiency; or an infestation of rats, mice, roaches, termites, or other vermin.

The bill further provides that if an application for a hearing is filed pursuant to section 18 of P.L.1967, c.76 (C.55:13A-18) for a significant violation, the hearing has to be held within no more than 30 days and a final decision has to be rendered by the commissioner within 60 days from the date of the hearing.

In addition to inspection of multiple dwellings, the bill also provides that DCA may establish a program of change-of-occupancy inspections, to be conducted by BHI in municipalities which do not provide for the inspections by ordinance, and which request DCA to conduct the inspections.

Maintenance

The bill provides that multiple dwellings are to be adequately staffed to meet the maintenance requirements established by the commissioner. The bill specifies that the following maintenance staffing levels are to be deemed in compliance:

- 70 to 100 units - One full-time maintenance worker or other full time equivalent;

- 101 to 150 units - Two full-time maintenance workers or other full time equivalent;

- 151 to 225 units - Three full-time maintenance workers or other full time equivalent
- 226 to 325 units - Four full-time maintenance workers or other full time equivalent;
- 326 or more units - One additional full-time maintenance worker or other full-time equivalent for each additional 100 units above 325 units.

The bill also provides that owners of multiple dwellings are required to provide tenants with access to emergency maintenance response and certain minimum maintenance services.

Miscellaneous Provisions

Under the bill, if a tenant successfully defends against eviction by asserting a breach of the implied warranty of habitability, the court shall make such a finding on the record and mark the case as “Dismissed for Reasons Concerning Habitability” in any record disclosed to the public.

Additionally, the bill permits a municipality to satisfy up to ten percent of its affordable housing obligation by establishing a program encouraging the rehabilitation of substandard dwelling units and the dedication of rehabilitated units for rental as low income housing for periods of at least 30 years. Under the bill, a municipality could accept funds from any source, including a municipal affordable housing trust fund, the "New Jersey Affordable Housing Trust Fund," established pursuant to section 20 of P.L.1985, c.222 (C.52:27D-320), any other State entity, and the federal government, for the purpose of awarding or granting payments to property owners as incentives for the rehabilitation of substandard dwelling units.

Finally, the bill repeals sections of law which would become obviated by enactment of the bill, as the requirements contained in those sections would be consolidated into other sections of law as provided in the bill.