

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4228

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 26, 2020

The Assembly Appropriations Committee reports favorably Assembly Bill 4228, with committee amendments.

As amended, this bill would prohibit eviction as a remedy for nonpayment or habitually late payment of rent due during certain months surrounding the COVID-19 pandemic, unless a court finds that the tenant had the ability to pay and failed to pay.

Under the bill, in a landlord-tenant action seeking a judgment for possession on the sole basis of nonpayment or habitually late payment of rent during the covered period, all rent due but not paid would be amortized over the length of the rental agreement period or six months, whichever is greater, upon the tenant's consent. If the amortized rent due is not timely paid or is not paid in full by the end of the rental agreement or six-month period, whichever is later, the landlord may request issuance of a warrant of removal upon the filing of a certification of breach with the court in accordance with the court rules.

The bill defines the "covered period" as the period during which the Public Health Emergency and State of Emergency declared by the Governor in Executive Order 103, March 9, 2020 are in effect and concluding two months after the conclusion of the State of Emergency or Public Health Emergency, whichever is later.

The bill would exclude from the provisions of the bill all commercial rental properties and those owner-occupied residential rental properties with four or less dwelling units.

COMMITTEE AMENDMENTS:

The committee amendments:

- Eliminate municipal discretion to adopt an anti-eviction ordinance and instead make the bill's eviction provisions applicable Statewide;
- Provide that a tenant may be evicted if a court finds, by clear and convincing evidence, that the tenant had the ability to pay;
- Establish an amortized payment of rent schedule;
- Modify the definition of "covered period" as the period during which the Public Health Emergency and State of Emergency declared by the Governor in Executive Order 103, March 9,

2020 are in effect and concluding two months after the conclusion of the State of Emergency or Public Health Emergency, whichever is later;

- Exclude all commercial rental properties and those owner-occupied residential rental properties with four or less dwelling units; and
- Prohibit eviction for habitually late payment of rent due during certain months surrounding the COVID-19 pandemic.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.