

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 4295

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 6, 2022

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 4295.

As amended, this bill, in the case of a change in control, controlling interest, or identity of a hotel, requires the successor hotel employer to offer employment to each eligible hotel service employee, with no reduction of wages or benefits, for a retention period of not less than 90 days. The former hotel employer is required to provide the successor hotel employer with a full list of the identities, wage rates, and classifications of the hotel's service employees, and notify the employees of their rights under the bill.

The successor employer is not allowed to discharge the employees during the retention period, except for a reduction in force in which the employer retains employees on the basis of seniority and experience, and offers to rehire the laid off employees if the positions are subsequently restored. The employer is required, at the end of the retention period, to make a performance evaluation of each retained employee, and offer continued employment if the employee's performance is satisfactory.

The provisions of the bill regarding retention of employees do not apply if there is a collective bargaining agreement that includes terms and conditions for the discharge or laying off of employees.

The bill also requires a hotel operator to provide notification to third-party vendors and guests of any services disruption within 24 hours of becoming aware of the disruption, and, in the case of a substantial disruption, provide guests the right to cancel any agreement for occupancy without penalty.

COMMITTEE AMENDMENTS

The committee amended the bill to:

- (1) remove from the definition of "hotel" in the bill the term "rooming or boarding house";
- (2) change collection of penalties for violations from the Department of Community Affairs to the Division of Consumer Affairs in the Department of Law and Public Safety;
- (3) prohibit a hotel operator from imposing any fee, penalty, or other charge, nor retain any deposit, in the event a guest, prior to

checking in, cancels a reservation, booking, or agreement with the hotel operator for the use or occupancy of a room, if the guest's stay or room is, or could be, substantially affected by a service disruption during the guest's stay or use of a hotel service; and

(4) specify that conditions enumerated in paragraphs (2), (6), and (7) of the definition of "service disruption" shall be presumed to substantially affect a guest's use of a room or utilization of a hotel service.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.