

# ASSEMBLY, No. 1497

## STATE OF NEW JERSEY 220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

**Sponsored by:**

**Assemblywoman ANGELA V. MCKNIGHT**

**District 31 (Hudson)**

**Assemblywoman NANCY F. MUNOZ**

**District 21 (Morris, Somerset and Union)**

**Assemblyman RALPH R. CAPUTO**

**District 28 (Essex)**

**Assemblywoman ANNETTE CHAPARRO**

**District 33 (Hudson)**

**Co-Sponsored by:**

**Assemblyman McKeon, Assemblywomen Timberlake, Speight and Jaffer**

**SYNOPSIS**

Establishes the “Safe Sanitary Subsidized Rental Housing Bill of Rights.”

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 11/20/2023)**

1 AN ACT establishing the “Safe Sanitary Subsidized Rental Housing  
2 Bill of Rights” and amending and supplementing various parts of  
3 the statutory law.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. (New section) This act may be known and may be cited as  
9 the “Safe Sanitary Subsidized Rental Housing Bill of Rights.”  
10

11 2. (New section) a. Too many residents of the State of New  
12 Jersey are currently residing in publicly subsidized, substandard  
13 rental housing, which fails to meet minimum standards of safety  
14 and sanitation;

15 b. Landlords who receive taxpayer money by way of rental  
16 subsidies should be held accountable and should be required to  
17 provide safe and sanitary housing accommodations;

18 c. Existing laws concerning registration of landlords who  
19 receive rental subsidies are too lax and allow absentee landlords to  
20 skirt responsibilities to their rental housing units and tenants,  
21 creating a dangerous environment for tenants, as well as the other  
22 members of the communities in which the rental housing units are  
23 located; and

24 d. In order to ensure that landlords who maintain deficient and  
25 dangerous rental housing do not benefit from taxpayer funds, it is  
26 appropriate for New Jersey to place additional requirements on  
27 landlords who receive rental subsidies to ensure compliance with  
28 State housing code regulations.  
29

30 3. (New section) a. As used in this section:

31 “Rental subsidy” means funds paid to a landlord pursuant to  
32 federal project-based or tenant-based Section 8 rental assistance or  
33 paid as a rental assistance grant pursuant to section 1 of P.L.2004,  
34 c.140 (C.52:27D-287.1).

35 “Significant violation” means lack of heat, running water, or  
36 adequate sewage disposal facilities; infestation of rats, mice,  
37 roaches, termites, and other vermin; structural deficiency; and any  
38 other conditions that an inspector deems a threat to the health or  
39 safety of the tenants.

40 b. In any action before the court in which a residential tenant  
41 asserts a warranty of habitability violation by the landlord, the court  
42 shall determine whether the landlord receives a rental subsidy. If  
43 the landlord receives a rental subsidy, the court shall notify the  
44 Department of Community Affairs of the assertion within two  
45 business days.

**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 c. Upon notice to the department pursuant to subsection b. of  
2 this section, the Bureau of Housing Inspection shall inspect the  
3 property within 10 days. A hearing to determine violation of the  
4 warranty of habitability shall not be set by the court prior to the  
5 completion of the inspection by the bureau. The fee for an  
6 inspection conducted pursuant to this section shall be established by  
7 the Commissioner of Community Affairs. If a significant violation  
8 of the State housing code, established by the commissioner under  
9 P.L.1967, c.76 (C.55:13A-1 et seq.) is found, the landlord shall pay  
10 the fee. If a significant violation is not found, the tenant shall pay  
11 the fee.

12 d. If, based upon the results of the inspection conducted  
13 pursuant to subsection c. of this section, it is determined by the  
14 court that failure to pay rent was due to a violation of the warranty  
15 of habitability of the premises, the court shall direct the deposit of  
16 the tenant portion of the rental payments with a court-appointed  
17 administrator for use in remedying defective conditions, in  
18 accordance with the provisions of P.L.1971, c.221 (C.2A:42-  
19 85 et seq.). The State or housing authority, as the case may be, shall  
20 have discretion to withhold any portion of the rental subsidy until a  
21 reinspection by the bureau determines every significant violation  
22 has been remedied. The State or housing authority shall be  
23 authorized to use any withheld rental subsidy to remedy significant  
24 violations of the premises.

25  
26 4. (New section) No judgment of possession shall be entered  
27 for any premises covered by section 2 of P.L.1974, c.49, (C.2A:18-  
28 61.1), for which a landlord receives a rental subsidy, unless the  
29 landlord has been registered, pursuant to section 2 of P.L.1974, c.50  
30 (C.46:8-28), for at least 90 days.

31 For the purposes of this section, "rental subsidy" means funds  
32 paid to a landlord pursuant to federal project-based or tenant-based  
33 Section 8 rental assistance or paid as a rental assistance grant  
34 pursuant to section 1 of P.L.2004, c.140 (C.52:27D-287.1).

35  
36 5. Section 2 of P.L.1974, c.50 (C.46:8-28) is amended to read  
37 as follows:

38 2. Every landlord shall, within 30 days following the effective  
39 date of this act, or at the time of the creation of the first tenancy in  
40 any newly constructed or reconstructed building, file with the clerk  
41 of the municipality, or with such other municipal official as is  
42 designated by the clerk, in which the residential property is situated,  
43 in the case of a one-dwelling unit rental or a two-dwelling unit non-  
44 owner occupied premises, or with the Bureau of Housing Inspection  
45 in the Department of Community Affairs in the case of a multiple  
46 dwelling as defined in section 3 of the "Hotel and Multiple  
47 Dwelling Law" (C.55:13A-3), a certificate of registration on forms

- 1 prescribed by the Commissioner of Community Affairs, which  
2 shall contain the following information:
- 3 a. The name and address of the record owner or owners of the  
4 premises and the record owner or owners of the rental business if  
5 not the same persons. In the case of a partnership the names of all  
6 general partners shall be provided;
- 7 b. If the record owner is a corporation, the name and address of  
8 the registered agent and corporate officers of said corporation;
- 9 c. If the address of any record owner is not located in the  
10 county in which the premises are located, the name and address of  
11 a person who resides in the county in which the premises are  
12 located and is authorized to accept notices from a tenant and to  
13 issue receipts therefor and to accept service of process on behalf of  
14 the record owner;
- 15 d. The name and address of the managing agent of the  
16 premises, if any;
- 17 e. The name and address, including the dwelling unit,  
18 apartment or room number of the superintendent, janitor, custodian  
19 or other individual employed by the record owner or managing  
20 agent to provide regular maintenance service, if any;
- 21 f. The name, address and telephone number of an individual  
22 representative of the record owner or managing agent who may be  
23 reached or contacted at any time in the event of an emergency  
24 affecting the premises or any unit of dwelling space therein,  
25 including such emergencies as the failure of any essential service or  
26 system, and who has the authority to make emergency decisions  
27 concerning the building and any repair thereto or expenditure in  
28 connection therewith and shall, at all times, have access to a current  
29 list of building tenants that shall be made available to emergency  
30 personnel as required in the event of an emergency;
- 31 g. The name and address of every holder of a recorded  
32 mortgage on the premises;
- 33 h. If fuel oil is used to heat the building and the landlord  
34 furnishes the heat in the building, the name and address of the fuel  
35 oil dealer servicing the building and the grade of fuel oil used.
- 36 i. In addition to the requirements set forth in subsections a.  
37 through h. of this section, if the landlord receives a rental subsidy,  
38 the registration also shall include:
- 39 (1) in the case of a record owner that is a corporation, limited  
40 liability company, or other legal or commercial entity, the names  
41 and street addresses of residence of the members, directors, officers,  
42 and registered agents, as applicable; and
- 43 (2) for each person required to be named in the registration:
- 44 (a) two telephone numbers, including at least one cell phone  
45 number;
- 46 (b) a street address of residence; and
- 47 (c) an active email address;

1       j. A landlord who accepts rental subsidies may not be granted  
2 State funding, or a tax abatement or exemption, for rehabilitation of  
3 a premises unless the landlord has been registered pursuant to this  
4 section for at least 90 days;

5       k. For the purposes of this section, "rental subsidy" means  
6 funds paid to a landlord pursuant to federal project-based or tenant-  
7 based Section 8 rental assistance or paid as a rental assistance grant  
8 pursuant to section 1 of P.L.2004, c.140 (C.52:27D-287.1).  
9 (cf: P.L.2003, c.56, s.2)

10  
11       6. Section 4 of P.L.1981, c.442 (C.46:8-28.2) is amended to  
12 read as follows:

13       4. Every landlord required to file a certificate of registration as  
14 described in section 2 of P.L.1974, c.50 (C.46:8-28) shall :

15       a. file an amended certificate of registration within 20 days  
16 after any change in the information required to be included thereon.  
17 No fee shall be required for the filing of an amendment except  
18 where the ownership of the premises is changed.

19       b. in the case of a landlord who receives a rental subsidy,  
20 annually certify, by November 1, that the certificate of registration  
21 is accurate and contains current information. For the purposes of  
22 this subsection, "rental subsidy" means funds paid to a landlord  
23 pursuant to federal project-based or tenant-based Section 8 rental  
24 assistance or paid as a rental assistance grant pursuant to section 1  
25 of P.L.2004, c.140 (C.52:27D-287.1).  
26 (cf: PL.1981, c.442, s. 4.)

27  
28       7. Section 9 of P.L.1974, c.50 (C.46:8-35) is amended to read  
29 as follows:

30       9. **【Any】** a. A landlord who **【shall violate】** violates any  
31 provision of this act shall be liable to a penalty of not more than  
32 **【\$500.00】** \$500 for each offense **【**, recoverable by a summary  
33 proceeding under "the penalty enforcement law" (N.J.S.2A:58-1 et  
34 seq.)**】** , except that a landlord who receives a rental subsidy shall be  
35 liable to a penalty of not less than \$100 or more than \$2,500, for a  
36 violation of section 4 of P.L.1981, c.442 (C.46:8-28.2).

37       b. The penalties set forth in subsection a. of this section shall be  
38 collected in a civil action by a summary proceeding under the  
39 "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-  
40 10 et seq.). The Superior Court, Law Division, Special Civil Part in  
41 the county or the municipal court of the municipality in which the  
42 premises are located shall have jurisdiction to enforce **【said】** the  
43 penalty.

44       The Attorney General, the municipality in which the premises  
45 are located, or any other person may institute the proceeding; where  
46 the municipality or any other person other than the Attorney  
47 General institutes the proceeding, a recovered penalty should be

1 remitted by the court to the municipality in which the premises  
2 subject to the proceeding are located.

3 c. For the purposes of this section, “rental subsidy” means  
4 funds paid to a landlord pursuant to federal project-based or tenant-  
5 based Section 8 rental assistance or paid as a rental assistance grant  
6 pursuant to section 1 of P.L.2004, c.140 (C.52:27D-287.1).  
7 (cf: P.L.1991, c.91, s.458)

8  
9 8. (New section) The following information shall be posted in  
10 every common area of any multiple dwelling that contains units for  
11 which a landlord receives rental subsidies and shall be contained in  
12 a printed notice, conspicuously set forth in prominent boldface type,  
13 in every lease offered to a tenant in a multiple dwelling:

14 a. Instructions on how to file a tenant complaint with the  
15 Department of Community Affairs, Bureau of Housing Inspection;  
16 and

17 b. Instructions on how to access and use the 2-1-1 telephone  
18 system, which provides information and referrals to health, human,  
19 and social service organizations, including information concerning  
20 housing resources.

21  
22 9. (New section) a. If a landlord who receives a rental subsidy  
23 enters any information into a shared database concerning eviction  
24 proceedings brought against a residential tenant for non-payment of  
25 rent, the landlord shall include the following information, which  
26 shall be permanently attached to the tenant’s record in the database:

27 (1) whether a finding was made on the record, in accordance  
28 with the provisions of section 3 of P.L. , c. (C. ) (pending  
29 before the Legislature as this bill), that the non-payment of rent was  
30 due to a significant violation of the warranty of habitability of the  
31 premises; and

32 (2) the disposition of the proceedings.

33 b. A landlord or an owner of the shared database who violates  
34 the provisions of section a. of this section shall be liable to a  
35 penalty of \$500 for each offense, which shall be collected in a civil  
36 action by a summary proceeding under the "Penalty Enforcement  
37 Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

38 c. For the purposes of this section, “rental subsidy” means  
39 funds paid to a landlord pursuant to federal project-based or tenant-  
40 based Section 8 rental assistance or paid as a rental assistance grant  
41 pursuant to section 1 of P.L.2004, c.140 (C.52:27D-287.1).

42  
43 10. (New section) a. As used in this section:

44 “Significant violation” means lack of heat, running water, or  
45 adequate sewage disposal facilities; infestation of rats, mice,  
46 roaches, termites, and other vermin; structural deficiency; and any  
47 other conditions that an inspector deems a threat to the health or  
48 safety of the tenant; and

1       “Rental subsidy means funds paid to a landlord pursuant to  
2 federal project-based or tenant-based Section 8 rental assistance or  
3 paid as a rental assistance grant pursuant to section 1 of P.L.2004,  
4 c.140 (C.52:27D-287.1).

5       b. If it is determined that a significant violation of the State  
6 housing code is found during an inspection conducted by a  
7 municipality or by the Bureau of Housing Inspection, in accordance  
8 with subsection a. of section 14 of P.L. , c. (C. ) (pending  
9 before the Legislature as this bill), of a unit for which the landlord  
10 receives a rental subsidy, and the violation is not repaired within the  
11 timeframe specified by the municipal inspecting authority or  
12 pursuant to subsection c. of section 14 of P.L. , c. (C. )  
13 (pending before the Legislature as this bill), the State or the housing  
14 authority, as the case may be, shall have the discretion to withhold  
15 any portion of the rental subsidy until a reinspection conducted by  
16 the municipal inspecting authority or by the bureau determines  
17 every significant violation has been remedied. The State shall be  
18 authorized to use any withheld rental subsidy to remedy significant  
19 violations of the State housing code located on the premises.  
20

21       11. Section 20 of P.L.1985, c.222 (C.52:27D-320) is amended to  
22 read as follows:

23       20. There is established in the Department of Community  
24 Affairs a separate trust fund, to be used for the exclusive purposes  
25 as provided in this section, and which shall be known as the "New  
26 Jersey Affordable Housing Trust Fund." The fund shall be a non-  
27 lapsing, revolving trust fund, and all monies deposited or received  
28 for purposes of the fund shall be accounted for separately, by source  
29 and amount, and remain in the fund until appropriated for such  
30 purposes. The fund shall be the repository of all State funds  
31 appropriated for affordable housing purposes, including, but not  
32 limited to, the proceeds from the receipts of the additional fee  
33 collected pursuant to paragraph (2) of subsection a. of section 3 of  
34 P.L.1968, c.49 (C.46:15-7), proceeds from available receipts of the  
35 Statewide non-residential development fees collected pursuant to  
36 section 35 of P.L.2008, c.46 (C.40:55D-8.4), monies lapsing or  
37 reverting from municipal development trust funds, or other monies  
38 as may be dedicated, earmarked, or appropriated by the Legislature  
39 for the purposes of the fund. All references in any law, order, rule,  
40 regulation, contract, loan, document, or otherwise, to the  
41 "Neighborhood Preservation Nonlapsing Revolving Fund" shall  
42 mean the "New Jersey Affordable Housing Trust Fund." The  
43 department shall be permitted to utilize annually up to 7.5 percent  
44 of the monies available in the fund for the payment of any  
45 necessary administrative costs related to the administration of the  
46 "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.), or any  
47 costs related to administration of P.L.2008, c.46 (C.52:27D-  
48 329.1 et al.).

1       a. Except as permitted pursuant to subsection g. of this section,  
2 and by section 41 of P.L.2009, c.90 (C.52:27D-320.1), the  
3 commissioner shall award grants or loans from this fund for  
4 housing projects and programs in municipalities whose housing  
5 elements have received substantive certification from the council, in  
6 municipalities receiving State aid pursuant to P.L.1978, c.14  
7 (C.52:27D-178 et seq.), in municipalities subject to a builder's  
8 remedy as defined in section 28 of P.L.1985, c.222 (C.52:27D-328)  
9 or in receiving municipalities in cases where the council has  
10 approved a regional contribution agreement and a project plan  
11 developed by the receiving municipality.

12       Of those monies deposited into the "New Jersey Affordable  
13 Housing Trust Fund" that are derived from municipal development  
14 fee trust funds, or from available collections of Statewide non-  
15 residential development fees, a priority for funding shall be  
16 established for projects in municipalities that have petitioned the  
17 council for substantive certification.

18       Programs and projects in any municipality shall be funded only  
19 after receipt by the commissioner of a written statement in support  
20 of the program or project from the municipal governing body.

21       b. The commissioner shall establish rules and regulations  
22 governing the qualifications of applicants, the application  
23 procedures, and the criteria for awarding grants and loans and the  
24 standards for establishing the amount, terms and conditions of each  
25 grant or loan.

26       c. For any period which the council may approve, the  
27 commissioner may assist affordable housing programs which are  
28 not located in municipalities whose housing elements have been  
29 granted substantive certification or which are not in furtherance of a  
30 regional contribution agreement; provided that the affordable  
31 housing program will meet all or part of a municipal low and  
32 moderate income housing obligation.

33       d. Amounts deposited in the "New Jersey Affordable Housing  
34 Trust Fund" shall be targeted to regions based on the region's  
35 percentage of the State's low and moderate income housing need as  
36 determined by the council. Amounts in the fund shall be applied for  
37 the following purposes in designated neighborhoods:

38       (1) Rehabilitation of substandard housing units occupied or to  
39 be occupied by low and moderate income households;

40       (2) Creation of accessory apartments to be occupied by low and  
41 moderate income households;

42       (3) Conversion of non-residential space to residential purposes;  
43 provided a substantial percentage of the resulting housing units are  
44 to be occupied by low and moderate income households;

45       (4) Acquisition of real property, demolition and removal of  
46 buildings, or construction of new housing that will be occupied by  
47 low and moderate income households, or any combination thereof;



1 (5) Grants of assistance to eligible municipalities for costs of  
2 necessary studies, surveys, plans and permits; engineering,  
3 architectural and other technical services; costs of land acquisition  
4 and any buildings thereon; and costs of site preparation, demolition  
5 and infrastructure development for projects undertaken pursuant to  
6 an approved regional contribution agreement;

7 (6) Assistance to a local housing authority, nonprofit or limited  
8 dividend housing corporation or association or a qualified entity  
9 acting as a receiver under P.L.2003, c.295 (C.2A:42-114 et al.) for  
10 rehabilitation or restoration of housing units which it administers  
11 which: (a) are unusable or in a serious state of disrepair; (b) can be  
12 restored in an economically feasible and sound manner; and (c) can  
13 be retained in a safe, decent and sanitary manner, upon completion  
14 of rehabilitation or restoration; and

15 (7) Other housing programs for low and moderate income  
16 housing, including, without limitation,

17 (a) infrastructure projects directly facilitating the construction of  
18 low and moderate income housing not to exceed a reasonable  
19 percentage of the construction costs of the low and moderate  
20 income housing to be provided and

21 (b) alteration of dwelling units occupied or to be occupied by  
22 households of low or moderate income and the common areas of the  
23 premises in which they are located in order to make them accessible  
24 to handicapped persons.

25 e. Any grant or loan agreement entered into pursuant to this  
26 section shall incorporate contractual guarantees and procedures by  
27 which the division will ensure that any unit of housing provided for  
28 low and moderate income households shall continue to be occupied  
29 by low and moderate income households for at least 20 years  
30 following the award of the loan or grant, except that the division  
31 may approve a guarantee for a period of less than 20 years where  
32 necessary to ensure project feasibility.

33 f. Notwithstanding the provisions of any other law, rule or  
34 regulation to the contrary, in making grants or loans under this  
35 section, the department shall not require that tenants be certified as  
36 low or moderate income or that contractual guarantees or deed  
37 restrictions be in place to ensure continued low and moderate  
38 income occupancy as a condition of providing housing assistance  
39 from any program administered by the department, when that  
40 assistance is provided for a project of moderate rehabilitation if the  
41 project (1) contains 30 or fewer rental units and (2) is located in a  
42 census tract in which the median household income is 60 percent or  
43 less of the median income for the housing region in which the  
44 census tract is located, as determined for a three person household  
45 by the council in accordance with the latest federal decennial  
46 census. A list of eligible census tracts shall be maintained by the  
47 department and shall be adjusted upon publication of median  
48 income figures by census tract after each federal decennial census.

1 g. In addition to other grants or loans awarded pursuant to this  
2 section, and without regard to any limitations on such grants or  
3 loans for any other purposes herein imposed, the commissioner  
4 shall annually allocate such amounts as may be necessary in the  
5 commissioner's discretion, and in accordance with section 3 of  
6 P.L.2004, c.140 (C.52:27D-287.3), to fund rental assistance grants  
7 under the program created pursuant to P.L.2004, c.140 (C.52:27D-  
8 287.1 et al.). Such rental assistance grants shall be deemed  
9 necessary and authorized pursuant to P.L.1985, c.222 (C.52:27D-  
10 301 et al.), in order to meet the housing needs of certain low income  
11 households who may not be eligible to occupy other housing  
12 produced pursuant to P.L.1985, c.222 (C.52:27D-301 et al.).

13 h. The department and the State Treasurer shall submit the  
14 "New Jersey Affordable Housing Trust Fund" for an audit annually  
15 by the State Auditor or State Comptroller, at the discretion of the  
16 Treasurer. In addition, the department shall prepare an annual  
17 report for each fiscal year, and submit it by November 30th of each  
18 year to the Governor and the Legislature, and the Joint Committee  
19 on Housing Affordability, or its successor, and post the information  
20 to its web site, of all activity of the fund, including details of the  
21 grants and loans by number of units, number and income ranges of  
22 recipients of grants or loans, location of the housing renovated or  
23 constructed using monies from the fund, the number of units upon  
24 which affordability controls were placed, and the length of those  
25 controls. The report also shall include details pertaining to those  
26 monies allocated from the fund for use by the State rental assistance  
27 program pursuant to section 3 of P.L.2004, c.140 (C.52:27D-287.3)  
28 and subsection g. of this section.

29 i. The commissioner may award or grant the amount of any  
30 appropriation deposited in the "New Jersey Affordable Housing  
31 Trust Fund" pursuant to section 41 of P.L.2009, c.90 (C.52:27D-  
32 320.1) to municipalities pursuant to the provisions of section 39 of  
33 P.L.2009, c.90 (C.40:55D-8.8).

34 j. Notwithstanding any provision of law or any other provision  
35 of this section to the contrary, the commissioner shall prioritize the  
36 award or grant of amounts available from the "New Jersey  
37 Affordable Housing Trust Fund" to each municipality that has been  
38 granted substantive certification or the equivalent by a court of  
39 competent jurisdiction, and has included in the housing element of  
40 the municipality's master plan a provision encouraging the  
41 rehabilitation of substandard dwelling units and the dedication of  
42 those dwelling units for rental as low income housing by deed  
43 restriction for a period of at least 20 years. The commissioner shall  
44 award or grant amounts of up to \$15,000 per unit for each unit so  
45 dedicated representing no more than ten percent of a municipality's  
46 overall fair share obligation. In the event applications in any year  
47 exceed the amount of funds allocated to and available for this

1 purpose, the commissioner shall prioritize the award or grant funds  
2 as follows:

3 (1) target the award or grant of funds to housing regions based  
4 on the percentage of the State's low and moderate income housing  
5 need in each region; and

6 (2) target the award or grant of funds to property owners that  
7 have a demonstrated history of, or pledge to accept in the future,  
8 amounts paid under the federal Housing Choice Voucher (Section  
9 8) Program, amounts paid as rental assistance grants under section 1  
10 of P.L.2004, c.140 (C.52:27D-287.1), or both.

11 (cf: P.L.2013, c.253, s.49)

12

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

28

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

31 13. (a) **【Each】** Except as provided in section 14 of  
32 P.L. , c. (C. ) (pending before the Legislature as this bill),  
33 multiple dwelling and each hotel shall be inspected at least once in  
34 every five years for the purpose of determining the extent to which  
35 each hotel or multiple dwelling complies with the provisions of  
36 P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations promulgated  
37 hereunder.

38 (b) Within 90 days of the most recent inspection, the owner of  
39 each hotel shall file with the commissioner, upon forms provided by  
40 the commissioner, an application for a certificate of inspection.  
41 Said application shall include such information as the commissioner  
42 shall prescribe to enforce the provisions of this law. Said  
43 application shall be accompanied by a fee as follows: \$15 per unit  
44 of dwelling space for the first 20 units of dwelling space in any  
45 building or project, \$12 per unit of dwelling space for the 21st  
46 through 100th unit in any building or project, \$8 per unit of  
47 dwelling space for the 101st through 250th unit in any building or  
48 project, and \$5 per unit of dwelling space for all units over 250 in

1 any building or project, except that in the case of hotels open and  
2 operating less than six months in each year the fee shall be one-half  
3 that which would otherwise be required. A certificate of inspection  
4 and the fees therefor shall not be required more often than once  
5 every five years.

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

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

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

35 The commissioner may waive the inspection fee for any unit  
36 upon a finding that the unit has been thoroughly inspected within  
37 the previous 12-month period under a municipal ordinance  
38 requiring inspection upon change of occupancy in accordance with  
39 the maintenance standards established by the commissioner under  
40 P.L.1967, c.76 (C.55:13A-1 et seq.), and has received a municipal  
41 certificate of occupancy as a result of that inspection.

42 A multiple dwelling subject to the provisions of section 14 of  
43 P.L. , c. (C. ) (pending before the Legislature as this bill) and  
44 which is located in a municipality that does not have a municipal  
45 ordinance requiring inspection upon change of occupancy shall be  
46 inspected by the Bureau of Housing Inspection upon change of  
47 occupancy. A landlord of a multiple dwelling subject to such  
48 inspection by the bureau shall provide the bureau with notice of the

1 pending change of occupancy of a unit as soon as is practicable, so  
2 that the bureau may inspect the premises prior to a new tenant  
3 occupying the unit. The fee for an inspection upon change of  
4 occupancy shall be established by the commissioner.

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

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

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

35 The commissioner may by rule establish standards for self-  
36 inspection by condominium associations exercising control over  
37 buildings of not more than three stories, constructed after 1976, and  
38 certified by the local enforcing agency having jurisdiction as being  
39 in compliance with the Uniform Fire Code promulgated pursuant to  
40 P.L.1983, c.383 (C.52:27D-192 et seq.), in which at least 80 percent  
41 of the dwelling units are occupied by the unit owners. The  
42 commissioner shall issue a certificate of acceptance, which shall be  
43 in lieu of a certificate of inspection, upon acceptance of any such  
44 self-inspection and upon payment of a fee of \$25.

45 (d) If the commissioner determines, as a result of the most  
46 recent inspection of any hotel or multiple dwelling as required by  
47 subsection (a) of this section, that any hotel or multiple dwelling  
48 does not comply with the provisions of P.L.1967, c.76 (C.55:13A-1

1 et seq.) and regulations promulgated thereunder, then the  
2 commissioner shall issue to the owner thereof a written notice  
3 stating the manner in which any such hotel or multiple dwelling  
4 does not comply with P.L.1967, c.76 (C.55:13A-1 et seq.) or  
5 regulations promulgated thereunder. Said notice shall fix such date,  
6 not less than 60 days nor more than 180 days, on or before which  
7 any such hotel or multiple dwelling must comply with the  
8 provisions of P.L.1967, c.76 (C.55:13A-1 et seq.) and regulations  
9 promulgated thereunder. If any such hotel or multiple dwelling is  
10 made to comply with the provisions of P.L.1967, c.76 (C.55:13A-1  
11 et seq.) and regulations promulgated thereunder on or before the  
12 date fixed in said notice, then the commissioner shall issue to the  
13 owner thereof a certificate of inspection as described in subsection  
14 (c) of this section. If any such hotel or multiple dwelling is not  
15 made to comply with the provisions of P.L.1967, c.76 (C.55:13A-1  
16 et seq.) and regulations promulgated thereunder on or before the  
17 date fixed in said notice, then the commissioner shall not issue to  
18 the owner thereof a certificate of inspection as described in  
19 subsection (c) of this section, and shall enforce the provisions of  
20 P.L.1967, c.76 (C.55:13A-1 et seq.) against the owner thereof.

21 (e) The commissioner shall annually review the cost of  
22 implementing and enforcing P.L.1967, c.76 (C.55:13A-1 et seq.),  
23 including the cost to municipalities of carrying out inspections  
24 pursuant to section 21 of P.L.1967, c.76 (C.55:13A-21), and shall  
25 establish by rule, not more frequently than once every three years,  
26 such fees as may be necessary to cover the costs of such  
27 implementation and enforcement; provided, however, that any  
28 increase or decrease shall be applied as a uniform percentage to  
29 each category of fee established herein, and provided, further, that  
30 the percentage amount of any increase shall not exceed the  
31 percentage increase in salaries paid to State employees since the  
32 then current fee schedule was established. The commissioner shall  
33 provide by rule to owners the option of paying inspection fees in  
34 installments in the form of an annual fee. The commissioner shall  
35 annually prepare and file with the presiding officers of the Senate  
36 and General Assembly and the legislative committees having  
37 jurisdiction in housing matters a report setting forth the amounts of  
38 fees and penalties received by the Bureau of Housing Inspection,  
39 the cost to the bureau of enforcing this act, and information  
40 concerning the productivity of the bureau. Copies of the report  
41 shall also be submitted to the Office of Administrative Law for  
42 publication in the New Jersey Register. If in any State fiscal year  
43 the fee revenue received by the bureau exceeds the cost of  
44 enforcement of P.L.1967, c.76 (C.55:13A-1 et seq.), the excess  
45 revenue shall be distributed pro rata to persons who paid inspection  
46 fees during that fiscal year. Such distribution shall be made within  
47 three months after the end of the fiscal year.

1 (f) Except as otherwise provided in section 2 of P.L.1991, c.179  
2 (C.55:13A-26.1), the fees established by or pursuant to the  
3 provisions of this section are dedicated to meeting the costs of  
4 implementing and enforcing P.L.1967, c.76 (C.55:13A-1 et seq.)  
5 and shall not be used for any other purpose. All receipts in excess  
6 of \$2,200,000 are hereby appropriated for the purposes of P.L.1967,  
7 c.76 (C.55:13A-1 et seq.).  
8 (cf: P.L.2013, c.253, s.56)

9  
10 14. (New section) a. As used in this act:

11 "Rental subsidy" means funds paid to a landlord pursuant to  
12 federal project-based or tenant-based Section 8 rental assistance or  
13 paid as a rental assistance grant pursuant to section 1 of P.L.2004,  
14 c.140 (C.52:27D-287.1).

15 "Significant violation" means lack of heat, running water, or  
16 adequate sewage disposal facilities; infestation of rats, mice,  
17 roaches, termites, and other vermin; structural deficiency; and any  
18 other conditions that an inspector deems a threat to the health or  
19 safety of the tenants.

20 b. Notwithstanding the provisions set forth in section 13 of  
21 P.L.1967, c.76 (C.55:13A-13), the Commissioner of Community  
22 Affairs shall establish a rental inspection and reinspection program  
23 for multiple dwelling units for which a landlord receives a rental  
24 subsidy. Pursuant to this section, a multiple dwelling unit shall be  
25 inspected:

26 (1) at least once every five years, except as set forth is subsection  
27 d. and g. of this section;

28 (2) within 10 days of complaint filed by a tenant, alleging one or  
29 more significant violations upon the premises, unless the complaint  
30 alleges a violation that is life threatening to tenants, in which case  
31 the Bureau of Housing Inspection shall inspect within 24 hours of  
32 the complaint being filed; and

33 (3) within 10 days of receipt of notice of a change of occupancy,  
34 pursuant to section 13 of P.L.1967, c.76 (C.55:13A-13).

35 c. A multiple dwelling unit found to have any significant  
36 violations during an inspection conducted pursuant to subsection b.  
37 of this section shall be reinspected by the bureau in accordance with  
38 the following schedule, until every significant violation has been  
39 remedied:

40 (1) within 24 hours, if the significant violation is deemed to be  
41 life threatening to tenants;

42 (2) within 30 days, for a significant violation of the State housing  
43 code, established by the commissioner under P.L.1967, c.76  
44 (C.55:13A-1 et seq.); and

45 (3) not less than 180 days or more than 365 days following the  
46 last reinspection conducted pursuant to paragraphs (1) and (2) of  
47 this subsection, during which no significant violations were found.

1 d. If a significant violation is found following an inspection  
2 conducted pursuant to paragraphs (1) and (2) of subsection b. of this  
3 section or following a reinspection conducted pursuant to  
4 subsection c. of this section, the commissioner shall:

5 (1) notify, if applicable, the public housing authority that  
6 operates the multiple dwelling within 48 hours of the inspection or  
7 reinspection;

8 (2) notify the mayor and the council of the municipality in which  
9 the multiple dwelling is located, which notification shall take the  
10 form of an electronic report that includes a summary of the  
11 significant violations found at each multiple dwelling, with detailed  
12 information available upon request. In the case of a significant  
13 violation determined to be life threatening to tenants, the mayor and  
14 council shall be notified within 48 hours. For all other significant  
15 violations, the notification shall take place within five business  
16 days; and

17 (3) in the case of a multiple dwelling that participates in federal  
18 section 8 housing, notify the Department of Housing and Urban  
19 Development New Jersey field officer of the complaint and  
20 violation.

21 e. The commissioner shall urge the United States Department  
22 of Housing and Urban Development to provide notification to the  
23 bureau of the results of any inspection conducted in accordance  
24 with federal regulations if significant violations were found.

25 f. The commissioner shall establish a scoring method to be  
26 conducted annually of multiple dwellings that have units inspected  
27 pursuant to subsection b. of this section, which shall include, but  
28 not be limited to the following criteria:

29 (1) the number of significant violations found during any  
30 inspection conducted by the bureau;

31 (2) the number of reinspections conducted pursuant subsection  
32 b. of this section;

33 (3) the number of administrative citations and special  
34 assessments issued by the municipality in which the multiple  
35 dwelling is located;

36 (4) the number of letters of intent to condemn a property for lack  
37 of maintenance;

38 (5) the results of any inspection conducted by the United States  
39 Department of Housing and Urban Development, if that information  
40 has been provided to the commissioner; and

41 (6) in the case of a multiple dwelling that has been scored in the  
42 lowest performing 20 percent of multiple dwellings Statewide, in  
43 accordance with subsection g. of this section, whether the multiple  
44 dwelling has passed the four most recent consecutive inspections  
45 conducted on the schedule set forth in paragraph (2) of subsection  
46 g. of this section.

47 g. Utilizing the scoring method developed pursuant to  
48 subsection f. of this section and any other criteria set forth in



1 regulations promulgated by the commissioner, the commissioner  
2 shall annually determine the highest performing 20 percent and  
3 lowest performing 20 percent of multiple dwellings Statewide.  
4 There shall be a presumption that a multiple dwelling that has  
5 passed inspections, in the manner set forth in paragraph (6) of  
6 subsection f. of this section, shall not be scored by the  
7 commissioner in the lowest performing 20 percent.

8 (1) A multiple dwelling scored in the highest performing 20  
9 percent, and which has not received a significant violation in either  
10 of the prior two five-year inspection cycles, may be inspected once  
11 every eight years, and the inspection fee may be paid at that time.  
12 The bureau may conduct random spot checks, or inspections based  
13 upon tenant complaints in accordance with subsection b. of this  
14 section, at any time during the eight years between full inspections,  
15 and if any significant violations are found, or if any significant  
16 violations are found during an inspection conducted by a  
17 municipality, the multiple dwelling will lose its designation and will  
18 be subject to the inspection schedule set forth in subsection a. and  
19 the reinspection schedule set forth in subsection b. of this section;  
20 and

21 (2) A multiple dwelling scored in the lowest performing 20  
22 percent shall be inspected at least once every six months. If the  
23 multiple dwelling passes two consecutive biannual inspections  
24 without any significant violations found, the multiple dwelling shall  
25 be inspected once every two years. A multiple dwelling so  
26 designated shall remain on this inspection schedule until such time  
27 as the commissioner determines that the multiple dwelling is no  
28 longer in the lowest performing 20 percent. Following designation  
29 outside of the lowest performing 20 percent, a multiple dwelling  
30 shall be inspected in accordance with paragraph (1) of subsection b.  
31 of this section.

32 h. A landlord subject to paying a reinspection fee pursuant to  
33 subsection c. of this section shall undergo at least 10 hours of  
34 training in municipal code requirements, and any cost associated  
35 with this training shall be paid by the landlord.  
36

37 15. (New section) a. Notwithstanding any law or regulation to  
38 the contrary, if an applicant for an award, grant, or other  
39 disbursement of public funding opportunities related to  
40 development of real property or other economic development is a  
41 current or former owner of a multiple dwelling determined by the  
42 Commissioner of Community Affairs, pursuant to subsection g. of  
43 section 14 of P.L. , c. (C. ) (pending before the Legislature as  
44 this bill), to be in the lowest performing 20 percent of multiple  
45 dwellings Statewide, the applicant shall disclose this information to  
46 the awarding authority, and the awarding authority shall take such  
47 disclosure into consideration during the application process.

1 b. If an awarding authority awards, grants, or otherwise  
2 disburses public funding opportunities to an applicant who makes a  
3 disclosure pursuant to subsection a. of this section, the awarding  
4 authority shall notify the commissioner.

5 c. The commissioner shall annually report to the Legislature,  
6 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), any  
7 notifications received pursuant to subsection b. of this section, and  
8 with recommendations concerning any changes to statutory law  
9 concerning restrictions or prohibitions on award of funds.

10  
11 16. (New section) a. The Commissioner of Community Affairs  
12 shall establish, in consultation with the New Jersey State League of  
13 Municipalities, a program to assist municipalities in making  
14 inspection records of inspections conducted pursuant to section 14  
15 of P.L. , c. (C. ) (pending before the legislation as this bill) and  
16 landlord information records for any landlord who receives a rental  
17 subsidy available to the public on the Internet, funded by fees paid  
18 by landlords.

19 b. For the purposes of this section, “rental subsidy” means  
20 funds paid to a landlord pursuant to federal project-based or tenant-  
21 based Section 8 rental assistance or paid as a rental assistance grant  
22 pursuant to section 1 of P.L.2004, c.140 (C.52:27D-287.1).

23  
24 17. This act shall take effect on the first day of the seventh  
25 month next following enactment, except that the Commissioner of  
26 Community Affairs may take any anticipatory action in advance as  
27 shall be necessary for the implementation of this act.

28  
29  
30 STATEMENT

31  
32 Too many residents of the State of New Jersey are currently  
33 residing in publicly subsidized rental housing units that fail to meet  
34 minimum standards of safety and sanitation. Landlords who receive  
35 taxpayer money by way of rental subsidies should be held  
36 accountable and should be required to provide safe and sanitary  
37 housing accommodations.

38 Accordingly, this bill implements various changes to State rental  
39 housing laws for landlords who receive rental housing subsidies, in  
40 the areas of landlord registration requirements, inspection of  
41 multiple dwellings, warranty of habitability, and distribution of  
42 certain information.

43  
44 Rental Subsidy

45 The bill defines a “rental subsidy” as funds paid to a landlord  
46 pursuant to federal project-based or tenant-based section 8 rental  
47 assistance or paid as a rental assistance grant pursuant to section 1  
48 of P.L.2004, c.140 (C.52:27D-287.1).

1 Landlord Registration

2 Current law requires landlords to register with the municipality  
3 in which the rental premises is located, or with the Department of  
4 Community Affairs (DCA), depending on circumstances. Under the  
5 bill, a landlord who receives rental subsidies is required to include  
6 the following additional information in a landlord registration:

7 (1) in the case of a record owner that is a corporation, limited  
8 liability company, or other legal or commercial entity, the names  
9 and street addresses of residence of the members, directors, officers,  
10 and registered agents, as applicable; and

11 (2) for each person required to be named in the registration –  
12 two telephone numbers, including at least one cell phone number; a  
13 street address of residence; and an active email address.

14 The bill also specifies that in order to be granted a judgment of  
15 possession of a rental premises, or to receive any public funds for  
16 rehabilitation of a rental premises, a landlord is required to have  
17 been registered for at least 90 days.

18 Landlords are currently required to file an amended registration  
19 within 20 days of any change of information included in the  
20 registration. Violation of this provision results in a civil penalty of  
21 up to \$500. Under the bill, a landlord who receives a rental subsidy  
22 and who fails to comply with the amended registration requirements  
23 will be liable to a civil penalty of not less than \$100 or more than  
24 \$2,500. Additionally, the bill requires every landlord who receives a  
25 rental subsidy to certify annually by November 1 that the  
26 registration is accurate and contains current information. Failure to  
27 annually certify will also result in a civil penalty of \$100 to \$2,500.

28

29 Rehabilitation for affordable housing units

30 The bill provides that a municipality may satisfy up to 10 percent  
31 of its obligation to provide a fair share of the region's present and  
32 prospective need for affordable housing by establishing a program  
33 encouraging the rehabilitation of substandard dwelling units and the  
34 dedication of rehabilitated units for rental as low income housing  
35 for periods of up to twenty years.

36 Under the bill, the Commissioner of DCA will award or grant  
37 funds available from the "New Jersey Affordable Housing Trust  
38 Fund" in amounts of up to \$15,000 per unit for this purpose. The  
39 commissioner is required to: (1) target the award or grant of funds  
40 to housing regions based on the percentage of the State's low and  
41 moderate income housing need in each region; and (2) target the  
42 award or grant of funds to property owners that have a  
43 demonstrated history of, or pledge to accept in the future, rental  
44 subsidies.

45

46 Inspection and Scoring of Multiple Dwellings

47 The bill requires the Commissioner of Community Affairs to  
48 establish a rental inspection and reinspection program for multiple

1 dwellings that contain units for which a rental subsidy is received.  
2 Under the provisions of the bill, a multiple dwelling will be  
3 inspected:

- 4 (1) at least once every five years;
- 5 (2) within 10 days of receipt of notice of a change of occupancy  
6 for a multiple dwelling located in a municipality that does not  
7 provide for a change of occupancy inspection through ordinance.
- 8 (3) within 10 days of complaint filed by a tenant, alleging one or  
9 more significant violations upon the premises, unless the complaint  
10 alleges a violation that is life threatening to tenants, in which case  
11 the bureau is required to inspect within 24 hours of the complaint  
12 being filed.

13 The bill further provides that a multiple dwelling found to have  
14 any significant violations will be reinspected according to the  
15 following schedule, until every significant violation has been  
16 remedied:

- 17 (1) within 24 hours, if the significant violation is deemed to be  
18 life threatening to tenants;
- 19 (2) within 30 days;
- 20 (3) for any other significant violation, within 60 days; and
- 21 (4) though a follow up inspection, six months to one year after  
22 the reinspection producing a satisfactory result.

23 Pursuant to the bill, the commissioner will establish a scoring  
24 method to be conducted annually, which will include, but not be  
25 limited to the following criteria:

- 26 (1) the number of violations found during any inspection  
27 conducted by the Bureau of Housing Inspection (BHI);
- 28 (2) the number of significant violations;
- 29 (3) the number of administrative citations and special  
30 assessments issued by the municipality in which the multiple  
31 dwelling is located;
- 32 (4) the number of letters of intent to condemn a property for lack  
33 of maintenance;
- 34 (5) the results of any inspection conducted in the prior year by  
35 the United States Department of Housing and Urban Development,  
36 if that information has been provided to the commissioner; and
- 37 (6) whether the multiple dwelling has been scored in the lowest  
38 performing 20 percent in the past, and whether it has successfully  
39 passed four consecutive inspections since the designation.

40 The fees associated with inspections and reinspections will be  
41 paid by the landlord according to a fee schedule established by the  
42 commissioner. Additionally, a landlord whose premises was found  
43 to have a significant violation will be required to attend 10 hours of  
44 training and will bear any expense incurred by the training.

45 If a significant violation is found following an inspection, the  
46 commissioner is required to:

1 (1) notify, if applicable, the public housing authority that  
2 operates the multiple dwelling within 48 hours of the inspection or  
3 reinspection;

4 (2) notify the mayor and the council of the municipality in which  
5 the multiple dwelling is located, within 48 hours if a significant  
6 violation is life threatening, or within five business days for all  
7 other significant violations; and

8 (3) in the case of a multiple dwelling that participates in federal  
9 section 8 housing, notify the Department of Housing and Urban  
10 Development (HUD) New Jersey field officer of the complaint and  
11 violation. The bill also requires the commissioner to urge HUD to  
12 report inspection violations discovered pursuant to federal  
13 regulation to DCA.

14 Utilizing the scoring method set forth in the bill, the  
15 commissioner is required to annually determine:

16 (1) the highest performing 20 percent of multiple dwellings  
17 Statewide. If a multiple dwelling achieves this designation, and has  
18 not received a significant violation in either of the prior two five-  
19 year inspection cycles, the multiple dwelling may be inspected once  
20 every eight years. BHI may conduct random spot checks or  
21 inspections based upon tenant complaints at any time during the  
22 eight years between full inspections. If any significant violations  
23 are found by BHI, or if any significant violations are found during  
24 an inspection conducted by a municipality, the multiple dwelling  
25 will lose its designation and will be subject to the inspection  
26 schedule set forth in this bill for significant violations; and

27 (2) the lowest performing 20 percent of multiple dwellings  
28 Statewide. If a multiple dwelling achieves this designation, it will  
29 be inspected at least once every six months. If the multiple dwelling  
30 passes two consecutive biannual inspections, it will be inspected  
31 once every two years. A multiple dwelling so designated shall  
32 remain on a biannual inspection schedule until such time as the  
33 commissioner determines that the multiple dwelling is no longer in  
34 the lowest performing 20 percent. The dwelling will also be subject  
35 to inspections in response to a tenant complaint and change of  
36 occupancy inspections.

37 The bill provides that if a tenant of a multiple dwelling files a  
38 complaint with BHI, alleging one or more significant violations  
39 upon the premises, BHI is required to inspect the property within 10  
40 days of the complaint being filed, unless the complaint alleges a  
41 violation life threatening to tenants, in which case BHI is required  
42 to inspect within 24 hours of the complaint being filed.

43 The bill also provides that if a multiple dwelling is located in a  
44 municipality that does not require change of occupancy inspections  
45 by ordinance, BHI will conduct change of occupancy inspections.

46 The bill defines a "significant violation" as a lack of heat,  
47 running water, or adequate sewage disposal facilities, infestation of  
48 rats, mice, roaches, termites, and other vermin, structural

1 deficiency, and any other conditions that an inspector deems a  
2 threat to the health or safety of the tenants.

3

4 Warranty of Habitability

5 The bill provides that any in action before the court in which a  
6 tenant asserts a warrant of habitability violation by a landlord who  
7 accepts a rental subsidy, the court is required to notify DCA within  
8 two business days. Upon notice to DCA, BHI is required to inspect  
9 the property within 10 days. A hearing to determine violation of the  
10 warranty of habitability may not be set by the court prior to the  
11 completion of the inspection by the bureau.

12 If it is determined by the court that failure to pay rent was due to  
13 a significant violation of the warranty of habitability of the  
14 premises, the court will direct the deposit of the tenant portion of  
15 rental payments with a court-appointed administrator for use in  
16 remedying the defective condition. The State or public housing  
17 authority, as the case may be, will retain the discretion to withhold  
18 any portion of the rental subsidy until a reinspection by BHI  
19 determines every significant violation has been remedied.

20

21 Information made available to tenants

22 The bill provides that every landlord is required to post in every  
23 common area of a tenant-occupied multiple dwelling and include in  
24 a printed notice in the lease:

- 25 (1) instructions on how to file a tenant complaint with BHI; and  
26 (2) instructions on how to access and use the 2-1-1 telephone  
27 system, which provides information and referrals to health, human,  
28 and social service organizations, including information concerning  
29 housing resources.

30

31 Restrictions on State and local funding

32 The bill further provides that prior to the award of public funding  
33 opportunities, including tax credit financing, related to development  
34 of real property or other economic development, the awarding  
35 authority is to consider whether the applicant is an owner of a  
36 multiple dwelling determined to be in the lowest performing 20  
37 percent of multiple dwellings Statewide. If the public funding is  
38 awarded to such an owner, the awarding authority is required to  
39 notify DCA and the commissioner is required to submit an annual  
40 report to the Legislature of these awards and with recommendations  
41 about any suggested limitations or prohibitions related to public  
42 funding.