

**SENATE, No. 935**

**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

INTRODUCED JANUARY 31, 2022

**Sponsored by:**  
**Senator SHIRLEY K. TURNER**  
**District 15 (Hunterdon and Mercer)**

**SYNOPSIS**

Establishes standards for expiration of rental housing affordability controls.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning rental housing affordability control periods and  
2 supplementing P.L.1985, c.222 (C.52:27D-301 et seq.).  
3

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

7 1. As used in P.L., c. (C. ) (pending before the Legislature  
8 as this bill):

9 “Administrative agent” means the entity responsible for  
10 administering the affordability controls with respect to specific  
11 restricted units.

12 “Affordability controls” means the requirements set forth in the  
13 Uniform Housing Affordability Controls to ensure that a restricted  
14 rental unit remains affordable to a low-income household or moderate-  
15 income household, as applicable.

16 “Restricted rental unit” means a rental dwelling unit that is subject  
17 to affordability controls.

18 “Uniform Housing Affordability Controls” means the regulations  
19 promulgated by the New Jersey Housing and Mortgage Finance  
20 Agency, or any other regulations promulgated to implement the “Fair  
21 Housing Act,” P.L.1985, c.222 (C.52:27D-301 et seq.).  
22

23 2. a. When the affordability controls of a restricted rental unit  
24 expire, and the household occupying the rental unit continues to earn a  
25 gross annual income of not more than 80 percent of the regional  
26 median income, then the landlord shall not increase rent in a manner  
27 that conflicts with the affordability controls until the household elects  
28 to vacate the rental unit.

29 b. When the affordability controls of a restricted rental unit expire,  
30 and the household occupying the rental unit earns a gross annual  
31 income in excess of 80 percent of the regional median income, then  
32 the landlord may lease the rental unit at fair market rent beginning on  
33 the next scheduled lease renewal or after 60 days, whichever occurs  
34 later.

35 c. No more than 180 days, and no less than 90 days prior to the  
36 expiration of the affordability controls of a restricted rental unit, the  
37 administrative agent shall conduct an income certification for the  
38 household occupying the unit in order to determine the appropriate  
39 course of action regarding rent increases on the unit. As long as the  
40 household occupying the restricted rental unit continues to reside in  
41 the unit, and continues to earn a gross annual income of not more than  
42 80 percent of the regional median income, the administrative agent  
43 shall conduct an additional income certification on an annual or  
44 biennial basis until the household is found to earn a gross annual  
45 income in excess of 80 percent of the regional median income, at  
46 which time the rent restriction may be lifted pursuant to subsection b.  
47 of this section.

b. If upon the expiration of affordability controls, the lease or renewal agreement of the household occupying the rental unit fails to comply with subsection a. of this section, then the landlord shall not increase rent in a manner that conflicts with the affordability controls until the next scheduled lease renewal, except as otherwise provided in subsection a. of section 2 of P.L. 2023-10, c. 10 (C. 20:10) (pending before the Legislature as this bill).

- (1) the date on which the affordability controls will expire;
- (2) the amount of any proposed rent increase; and
- (3) an explanation that if the household occupying the rental unit continues to earn a gross annual income of not more than 80 percent of the regional median income, the rent may not be increased in a manner that conflicts with the affordability controls.

5. This act shall take effect immediately.

Specifically, the bill provides that if upon the expiration of the affordability controls, the household occupying the restricted rental unit continues to earn a gross annual income of not more than 80 percent of the regional median income, then the landlord may not

1 increase rent in a manner that conflicts with the affordability  
2 controls until the household vacates the rental unit. Alternatively, if  
3 at such time the household earns an income in excess of 80 percent  
4 of the regional median income, then the landlord may lease the  
5 rental unit to any tenant at fair market rent beginning on the next  
6 scheduled lease renewal or after 60 days, whichever occurs later.

7 The bill further provides that no more than 180 days, and no less  
8 than 90 days prior to the expiration of the affordability controls of a  
9 restricted rental unit, the administrative agent would be required to  
10 conduct an income certification for the household occupying the  
11 unit in order to determine the appropriate course of action regarding  
12 rent increases on the unit. As long as the household occupying a  
13 restricted rental unit continues to reside in the unit following  
14 affordability control expiration, and continues to earn a gross  
15 annual income of not more than 80 percent of the regional median  
16 income, the administrative agent would be required to conduct an  
17 additional income certification on an annual or biennial basis until  
18 the household is found to earn a gross annual income in excess of  
19 80 percent of the regional median income, at which time the rent  
20 restriction could be lifted.

21 The bill also requires the lease or renewal agreement of a  
22 restricted rental unit to contain a prominently displayed and  
23 highlighted provision that states the date on which the affordability  
24 controls will expire. If the lease or renewal agreement does not  
25 contain this provision, then the landlord may not increase rent in a  
26 manner that conflicts with the affordability controls until the next  
27 scheduled lease renewal.

28 In addition, the bill requires the landlord of a restricted rental  
29 unit to provide the tenant with written notice not less than 120 days  
30 before the scheduled expiration of the affordability controls. The  
31 written notice is required, at a minimum, to include: (1) the date on  
32 which the affordability controls will expire; (2) the amount of any  
33 proposed rent increase; and (3) an explanation that if the household  
34 occupying the rental unit continues to earn a gross annual income of  
35 not more than 80 percent of the regional median income, the rent  
36 may not be increased in a manner that conflicts with the  
37 affordability controls. If the landlord fails to provide this notice,  
38 then following the expiration of the affordability controls, the  
39 landlord may not increase rent in a manner that conflicts with the  
40 affordability controls until the next scheduled lease renewal, or  
41 after 120 days following notification of the expiration of the  
42 affordability controls, whichever occurs later.