

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 129

STATE OF NEW JERSEY

DATED: JUNE 21, 2010

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 129.

This bill would allow municipalities to adopt ordinances authorizing the issuance of summonses upon certain landlords and tenants alleged to have violated occupancy requirements resulting in overcrowding. The bill would allow for the imposition of fines upon a culpable landlord or tenant of up to \$2,500 for a first violation, \$5,000 for a second violation, and \$10,000 for each subsequent violation. These fines would be in addition to any other fines or penalties authorized by law. The bill would require that a hearing be held before any fines could be imposed. The bill would not be applicable to seasonal rentals or to buildings with more than four residential rental units.

The bill would also clarify existing law by distinguishing between illegal occupancies resulting in overcrowding that are caused by landlords and those that are caused by tenants, specifying that landlords are not obligated to pay tenant relocation costs when the tenant's own conduct is the primary cause for the overcrowding. This is consonant with the holdings in Haddock v. Dept. of Community Development, City of Passaic, 217 N.J.Super. 592 (App. Div. 1987) and M.C.Associates v. Shah, 226 N.J.Super. 173 (App. Div. 1988).

The bill would also give landlords the right to an expedited eviction when a tenant's conduct was the primary cause of overcrowding in excess of the occupancy allowed under the lease or State law.

The bill also establishes new standards to be utilized in determining whether a tenant has been the primary cause of overcrowding or illegal occupancy. The bill provides that in order for the conduct of the tenants to be deemed the primary cause for the illegal occupancy or overcrowding, it must be established (1) that the tenant signed a lease or was provided a written copy of the rental policy in which the number of intended occupants was specified, (2) that the number of allowed occupants was within the standards established by the applicable code requirements, or rental policy if a number was specified in the lease, and (3) that any additional occupants in excess of the number of occupants specified became residents of the rental unit without the expressed consent of the owner-

landlord.

This bill was pre-filed for introduction in the 2010-2011 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.