

[First Reprint]

**SENATE, No. 1493**

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**STATE OF NEW JERSEY**  
**218th LEGISLATURE**

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INTRODUCED FEBRUARY 1, 2018

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**SYNOPSIS**

Prohibits landlords from requiring residential tenants to pay rent and other related charges through electronic funds transfer; requires landlords to provide receipts for cash payments.

**CURRENT VERSION OF TEXT**

As reported by the Senate Community and Urban Affairs Committee on March 25, 2019, with amendments.

**(Sponsorship Updated As Of: 12/17/2019)**

1 AN ACT prohibiting landlords from requiring residential tenants to  
 2 remit rent and certain other payments through electronic funds  
 3 transfer, requiring landlords to provide receipts for cash  
 4 payments, and amending and supplementing P.L.1975, c.310.

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

8  
 9 1. Section 2 of P.L.1975, c.310 (C.46:8-44) is amended to read  
 10 as follows:

11 2. As used in this act:

12 a. "Landlord" means any person who rents or leases or offers to  
 13 rent or lease, for a term of at least **[1]** one month, dwelling units,  
 14 except dwelling units in rental premises containing not more than  
 15 two such units, or in owner-occupied premises of not more than  
 16 three dwelling units, or in hotels, motels or other guest houses  
 17 serving transient or seasonal guests.

18 b. "Department" means the Department of Community Affairs.

19 c. "Commissioner" means the Commissioner **[of the**  
 20 **Department]** of Community Affairs.

21 d. "Electronic funds transfer" means a transfer of funds, other  
 22 than a transaction originated by check, draft, or similar paper  
 23 instrument, that is initiated through an electronic terminal,  
 24 telephone, computer, or magnetic tape for the purpose of ordering,  
 25 instructing, or authorizing a financial institution to debit or credit a  
 26 consumer's account, including, but not limited to, through the use  
 27 of an automated clearinghouse (ACH) system.

28 (cf: P.L.1975, c.310, s.2)

29

30 2. (New section) No landlord shall require a tenant or  
 31 prospective tenant to remit any amount due to the landlord pursuant  
 32 to a residential lease, renewal, or extension agreement by means of  
 33 electronic funds transfer, including but not limited to an electronic  
 34 funds transfer system that automatically transfers funds on a  
 35 regular, periodic, and recurring basis. A landlord who violates this  
 36 section shall be subject to the penalty provisions of section 5 of  
 37 P.L.1975, c.310 (C.46:8-47).

38

39 3. (New section) a. A landlord shall provide a <sup>1</sup>**[written]**<sup>1</sup>  
 40 receipt <sup>1</sup>, either printed or emailed,<sup>1</sup> to a tenant for each cash  
 41 payment made to the landlord for any amount due to the landlord  
 42 pursuant to a residential lease, renewal, or extension agreement.  
 43 The receipt shall <sup>1</sup>**[include the following:**

44 (1) the name and address of the landlord;

**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

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SCU committee amendments adopted March 25, 2019.

- 1       (2) the name and title of the agent of the landlord, if the cash  
2 payment is made to an agent;
- 3       (3) the name and address of the tenant;
- 4       (4) the date and amount of the cash payment;
- 5       (5) a description of what the cash payment covers; and
- 6       (6) the signature of the landlord or the agent of the landlord, as  
7 applicable】 accurately indicate the amount of the payment, the  
8 purpose of the payment, when the payment was received, the  
9 printed or typed names of both the landlord and tenant, and who  
10 accepted the payment<sup>1</sup> .
- 11       b. A landlord who violates this section shall be subject to the  
12 penalty provisions of section 5 of P.L.1975, c.310 (C.46:8-47),  
13 except that the penalty shall be \$100 more for a second violation by  
14 a landlord within a five-year period, and the penalty shall be \$200  
15 more for each subsequent violation by a landlord within a five-year  
16 period.
- 17       c. It shall be a valid defense in any action or proceeding  
18 against a tenant to recover possession of real property for the  
19 nonpayment of rent that the landlord violated this section with  
20 respect to the months in which the violation or violations occurred.
- 21
- 22       4. This act shall take effect immediately, and sections 2 and 3  
23 shall be applicable to a lease, renewal, or extension agreement  
24 executed on or after the date of enactment of this act.