

## CHAPTER 193

AN ACT concerning the rental of residential property, designated the “Good Neighbor Act,” and amending P.L.1993, c.127.

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

1. This act shall be known and may be cited as the “Good Neighbor Act.”
2. Section 4 of P.L.1993, c.127 (C.40:48-2.12q) is amended to read as follows:

C.40:48-2.12q Provisions of ordinance on rentals.

4. An ordinance adopted under authority of this section shall provide:

a. If in any twenty-four-month period a specified number, which shall not be less than two, of complaints, on separate occasions, of conduct upon or in proximity to any rental premises, and attributable to the acts or incitements of any of the tenants of those premises, have been substantiated by prosecution and conviction in any court of competent jurisdiction as a violation of any provision of Title 2C of the New Jersey Statutes or any municipal ordinance governing disorderly conduct, the municipal governing body or any officer or employee of the municipality designated by the governing body for the purpose, may institute proceedings to require the landlord of those premises to post a bond against the consequences of future incidents of the same character.

b. (1) In the event a tenant is convicted of any of the conduct described in subsection a. of this section, the governing body, or the officer or employee designated pursuant to subsection a. of this section, shall cause notice advising that the conduct specified has occurred to be served on the landlord, in person or by registered mail, at the address appearing on the tax records of the municipality.

(2) The governing body or person designated pursuant to subsection a. of this section shall cause to be served upon the landlord, in person or by registered mail to the address appearing on the tax records of the municipality, notice advising of the institution of such proceedings, together with particulars of the substantiated complaints upon which those proceedings are based, and of the time and place at which a hearing will be held in the matter, which shall be in the municipal building, municipal court or other public place within the municipality, and which shall be no sooner than 30 days from the date upon which the notice is served or mailed.

c. At the hearing convened pursuant to subsection b. of this section, the hearing officer shall give full hearing to both the complaint of the municipality and to any evidence in contradiction or mitigation that the landlord, if present or represented and offering such evidence, may present. The hearing officer may consider, to the extent deemed relevant by the hearing officer, prior complaints about the residents of the property, even if those complaints did not result in a conviction. At the conclusion of the hearing the hearing officer shall determine whether the landlord shall be required to post a bond in accordance with the terms of the ordinance.

d. Any bond required to be posted shall be in accordance with the judgment of the hearing officer, in light of the nature and extent of the offenses indicated in the substantiated complaints upon which the proceedings are based, to be adequate in the case of subsequent offenses to make reparation for (1) damages likely to be caused to public or private property and damages consequent upon disruption of affected residents' rights of fair use and quiet possession of their premises, (2) securing the payment of fines and penalties likely to be levied for such offenses, and (3) compensating the municipality for the costs of repressing

and prosecuting such incidents of disorderly behavior; but no such bond shall be in an amount less than \$500 or more than \$5,000. The municipality may enforce the bond thus required by action in the Superior Court, and shall be entitled to an injunction prohibiting the landlord from making or renewing any lease of the affected premises for residential purposes until that bond or equivalent security, in satisfactory form and amount, has been deposited with the municipality.

e. A bond or other security deposited in compliance with subsection d. of this section shall remain in force for a period specified pursuant to the ordinance, which shall be not less than two or more than four years. Upon the lapse of the specified period the landlord shall be entitled to the discharge thereof, unless prior thereto further proceedings leading to a forfeiture or partial forfeiture of the bond or other security shall have been had under section 5 of P.L.1993, c.127 (C.40:48-2.12r), in which case the security shall be renewed, in an amount and for a period that shall be specified by the hearing officer.

3. This act shall take effect immediately.

Approved January 17, 2012.