

**SENATE, No. 2953**

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**STATE OF NEW JERSEY**

**221st LEGISLATURE**

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INTRODUCED MARCH 11, 2024

**Sponsored by:**  
**Senator PAUL D. MORIARTY**  
**District 4 (Atlantic, Camden and Gloucester)**

**SYNOPSIS**

Establishes limit on rent increase for certain dwelling sites for modular or manufactured homes.

**CURRENT VERSION OF TEXT**

As introduced.



1    **AN ACT** concerning rent increases for certain dwelling sites for  
2       modular or manufactured homes and supplementing chapter 27D  
3       of Title 52 of the Revised Statutes.

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

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

10       "Commissioner" means Commissioner of Community Affairs.

11       "Covered dwelling site" means a parcel of land within a  
12       manufactured home park that is leased to the owner of a modular or  
13       manufactured home for living and dwelling purposes for tenancy on  
14       the site.

15       "Landlord" means a person or entity who owns or manages a  
16       manufactured home park, and who rents, leases, or charges a lot fee,  
17       or offers to rent, lease, or charge a lot fee, for a term of at least one  
18       month, a covered dwelling site.

19       "Manufactured home park" means a parcel of land, or two or  
20       more contiguous parcels of land, designed and improved such that  
21       the land contains two or more sites, each of which is equipped for  
22       the placement of modular or manufactured homes, and which sites  
23       are under common ownership and control, other than as a  
24       cooperative, for the purpose of leasing each site to the owner of a  
25       modular or manufactured home for installation thereon, and where  
26       the owner provides services, which may include, but shall not be  
27       limited to:

28       (1) Construction and maintenance of streets;

29       (2) Lighting of streets and other common areas;

30       (3) Garbage removal;

31       (4) Snow removal; and

32       (5) Provision for the drainage of surface water from home sites  
33       and common areas.

34       "Modular or manufactured home" means a building constructed  
35       and intended for use as a dwelling unit that is primarily made or  
36       assembled in manufacturing facilities off the building site, for the  
37       installation or final assembly on the building site. "Modular or  
38       manufactured home" includes, but is not limited to: modular  
39       housing that is factory-built single-family and multifamily housing,  
40       including closed wall panelized housing, and other modular  
41       residential buildings. "Modular or manufactured home" also  
42       includes, but is not limited to, a pre-manufactured home and a  
43       mobile home.

44       "Rent" means the amount currently payable by the tenant to the  
45       landlord pursuant to a lease or other agreement, without regard to  
46       any modification thereof by any authorized board or agency, or any  
47       court. "Rent" shall include lot fees, including license fees, charged

1 by a landlord to a tenant, in addition to tax surcharge costs passed  
2 on to the tenant, and any other special expenses.

3 "Tenancy" means the lawful occupation of a covered dwelling  
4 site, and which includes a lease or sublease, oral or written.

5 "Tenant" means a person who leases, rents, or pays a lot fee for a  
6 covered dwelling site.

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8 2. a. Except as provided in subsections c. and g. of this section,  
9 a landlord shall not, over the course of a 12-month period, increase  
10 the rent on a covered dwelling site by more than two percent over  
11 the rent charged during the prior 12-month period.

12 b. A tenant of a covered dwelling site shall not enter into a  
13 sublease that results in a rental rate for the covered dwelling site  
14 that exceeds the allowable rate authorized by subsection a. of this  
15 section. Nothing in this subsection shall be construed to authorize a  
16 tenant to sublet or assign the tenant's interest where otherwise  
17 prohibited.

18 c. A landlord may, notwithstanding subsection a. of this section,  
19 establish the initial rate for a new tenancy in which no tenant from  
20 the prior tenancy remains in lawful possession of the covered  
21 dwelling site. Subsection a. of this section shall only apply to  
22 subsequent increases after that initial rate has been established with  
23 respect to the new tenancy.

24 d. Except as allowed following a petition to the commissioner  
25 pursuant to subsection g. of this section, if the landlord of a covered  
26 dwelling site requests or accepts an increase in rent exceeding the  
27 amount permitted pursuant to subsection a. of this section, the  
28 applicable rent for the duration of the present lease or agreement  
29 term, or subsequent lease or agreement term if the present term is  
30 month-to-month, shall be the rent for the rental term preceding the  
31 rent increase in violation of this section.

32 e. This section shall function in addition to, and not in place of,  
33 the existing prohibition on unconscionable rent increases pursuant  
34 to subsection f. of section 2 of P.L.1974, c.49 (C.2A:18-61.1). A  
35 tenant may assert a violation of this section as a defense to an  
36 eviction action as an unconscionable rent increase.

37 f. (1) A tenant shall have the right to petition a court of  
38 competent jurisdiction to terminate a lease or agreement containing  
39 a provision in violation of P.L. , c. (C. ) (pending before the  
40 Legislature as this bill), and shall be permitted to recover  
41 reasonable attorney's fees or expenses.

42 (2) A landlord who violates P.L. , c. (C. ) (pending  
43 before the Legislature as this bill) shall also, at the discretion of the  
44 tenant, be subject to a separate cause of action by the tenant in the  
45 Superior Court, Law Division, Special Civil Part in the county in  
46 which the covered dwelling site is located. A tenant may recover  
47 \$500 from the landlord for a first offense, and \$1,000 from the

1 landlord for a second and any subsequent offense, in addition to  
2 reasonable attorney's fees or expenses.

3 (3) A landlord shall be subject to the penalties set forth in this  
4 subsection for each violation against each tenant, which may be  
5 brought pursuant to paragraph (2) of this subsection at the tenant's  
6 discretion.

7 g. (1) A landlord may petition the Commissioner of Community  
8 Affairs to request approval to increase the rent on a covered  
9 dwelling site by demonstrating that the present rental income and  
10 additional charges from the manufactured home park on which the  
11 landlord seeks relief, are insufficient to cover the costs of tax  
12 increases, assessments, or maintenance to the manufactured home  
13 park. The commissioner may, after a hearing, grant the landlord a  
14 rent increase sufficient to meet the landlord's requirements or needs  
15 after consideration of the proofs presented, the physical condition of  
16 the manufactured home park, the landlord's profitability with and  
17 without the proposed rent increase, the arguments presented by  
18 affected tenants, and the relative bargaining position of the parties.

19 (2) A landlord that seeks to file, or files, a petition pursuant to  
20 paragraph (1) of this section, shall:

21 (a) prior to filing the petition, post notice of the petition setting  
22 forth the basis for the petition in a conspicuous place in and about  
23 the manufactured home park;

24 (b) prior to filing the petition, serve each affected tenant  
25 personally, or by certified mail, with the petition to be filed with the  
26 commissioner;

27 (c) notify each affected tenant personally, or by certified mail,  
28 of the hearing date set by the commissioner, and

29 (d) post notice of the hearing in a conspicuous place in the  
30 manufactured home park for at least 10 days prior to the date set for  
31 the hearing.

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33 3. The commissioner shall, in accordance with the  
34 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
35 seq.), adopt rules and regulations as necessary to implement the  
36 provisions of P.L. , c. (C. ) (pending before the Legislature  
37 as this bill).

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39 4. This act shall take effect on the first day of the third month  
40 next following the date of enactment, except that the commissioner  
41 may take anticipatory action necessary to implement the provisions  
42 of P.L. , c. (C. ) (pending before the Legislature as this  
43 bill). This act shall apply to tenancies commencing on or after the  
44 effective date of P.L. , c. (C. ) (pending before the  
45 Legislature as this bill).

## STATEMENT

This bill would limit the amount a landlord may increase the rent on a tenant of a dwelling site within a manufactured home park, upon which the tenant is permitted to install a modular or manufactured home, as defined in the bill.

The bill prohibits a landlord, as defined in the bill, of a covered dwelling site, from increasing the rent over the course of a 12-month period by more than two percent. The bill defines the term "covered dwelling site" to mean a parcel of land within a manufactured home park that is leased to the owner of a modular or manufactured home for living and dwelling purposes. Under the bill, "rent" includes lot fees, including license fees, charged by a landlord to a tenant, in addition to tax surcharge costs passed on to the tenant, and any other special expenses.

The bill provides, with limited exceptions, that if the landlord increases the rent in excess of the bill's limitation, the applicable rent for the duration of the present lease term, or subsequent lease term if the present term is month-to-month, is to be the rent for the year or term preceding the violation. The bill's limitations would function in addition to the existing prohibition on unconscionable rent increases pursuant the Anti-Eviction Act, P.L.1974, c.49 (C.2A:18-61.1 et seq.), and would permit a tenant to assert the violation as a defense to an eviction as an unconscionable rent increase.

A violation of the bill would:

(1) permit a tenant to petition the court to terminate a lease or agreement in violation of the bill, and to recover reasonable attorney's fees or expenses; and

(2) subject a landlord to a private cause of action, brought at the discretion of the tenant, who would be permitted to recover \$500 for a first offense by the landlord, and \$1,000 for a second and any subsequent offense by the landlord, in addition to reasonable attorney's fees or expenses.

A landlord would be subject to the penalties set forth in the bill for each violation against each tenant, brought at the tenant's discretion.

The bill permits a landlord to petition the Commissioner of Community Affairs (commissioner) to request approval to increase the rent on a covered dwelling site by demonstrating that the present rental income and additional charges from the manufactured home park are insufficient to cover the costs of tax increases, assessments, or maintenance to the manufactured home park. The bill permits the commissioner, after a hearing, to grant the landlord a rent increase sufficient to meet the landlord's requirements or needs, after consideration of: the proofs presented, the physical condition of the manufactured home park, the landlord's profitability with and without the proposed rent increase, the

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- 1 arguments presented by affected tenants, and the relative bargaining  
2 position of the parties. The bill requires a landlord petitioning the  
3 commissioner for a rent increase to:
- 4     ▪ prior to filing the petition, post notice of the petition setting  
5       forth its basis in a conspicuous place in and about the  
6       manufactured home park;
  - 7     ▪ prior to filing the petition, serve each affected tenant  
8       personally, or by certified mail, with the petition to be filed  
9       with the commissioner;
  - 10    ▪ notify each affected tenant personally, or by certified mail,  
11      of the hearing date set by the commissioner, and
  - 12    ▪ post notice of the hearing in a conspicuous place in the  
13      manufactured home park for at least 10 days prior to the date  
14      of the hearing.
- 15     The bill would take effect on the first day of the third month  
16     following the date of enactment, and be applicable to tenancies  
17     commencing on or after the effective date of the bill. The  
18     commissioner would be permitted to take anticipatory action  
19     necessary to effectuate the provisions of the bill.