

ASSEMBLY HEALTH COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4336

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 15, 2022

The Assembly Health Committee reports favorably and with committee amendments Assembly Bill No. 4336.

As amended, the bill prohibits a person who leases or rents the land or a building to an owner or operator of a nursing home for use therefor from increasing or entering into any agreement to increase the lease or rent payments applicable to the nursing home by more than four percent annually.

A person may be exempt from the provisions of the bill if the person files a petition in the Superior Court, in the Office of the Special Civil Part Clerk in the county where the rental or leased premises are located, and the court finds good cause for the increase based on the factors related to the land or building. These factors include: (1) heating; (2) utilities; (3) maintenance or janitorial services or materials; (4) real estate taxes; (5) property insurances; (6) reasonable improvements to the land or building; (7) reasonable services or amenities not previously provided; (8) depreciation; (9) repairs and replacements; (10) a commensurate increase, if any, in the overall Consumer Price Index for New York-Northeastern New; (11) a decrease in funds received by any agency of the federal government or pursuant to any act or enactment of the federal government; (12) whether the nursing home owner or operator consents to the increase; (13) any actions taken to mitigate the increase; and (14) any other factor deemed appropriate by the court.

The bill provides that a person who leases or rents the land on which or building in which a nursing home operates may file a petition in the Superior Court alleging violation of the provisions of this bill. A person who violates the provisions of the bill will be subject to a penalty equal to two and one-half times the monthly lease or rent payments for each violation. The payment of such penalties will be deposited into a fund to be used to offset the cost to the courts of administering the provisions of the bill.

Under the bill, “nursing home” means the same as the term is defined in section 1 of P.L.1975, c.397 (C.26:2H-29). Under that statute, “nursing home” means a health care facility licensed by the Department of Health to provide professional nursing care on a daily basis and includes intermediate care facilities.

Under the bill, “person” means the same as the term is defined in R.S.1:1-2. That statute defines a “person” to include corporations, companies, associations, societies, firms, partnerships and joint stock companies as well as individuals, unless restricted by the context to an individual as distinguished from a corporate entity or specifically restricted to one or some of the above enumerated synonyms and, when used to designate the owner of property which may be the subject of an offense, includes this State, the United States, any other State of the United States as defined infra and any foreign country or government lawfully owning or possessing property within this State.

COMMITTEE AMENDMENTS:

The committee amendments makes technical changes involving numbering and usage.