

[First Reprint]

ASSEMBLY, No. 3997

STATE OF NEW JERSEY

222nd LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2026 SESSION

Sponsored by:

Assemblywoman KATIE BRENNAN

District 32 (Hudson)

Assemblywoman YVONNE LOPEZ

District 19 (Middlesex)

Assemblyman STERLEY S. STANLEY

District 18 (Middlesex)

Co-Sponsored by:

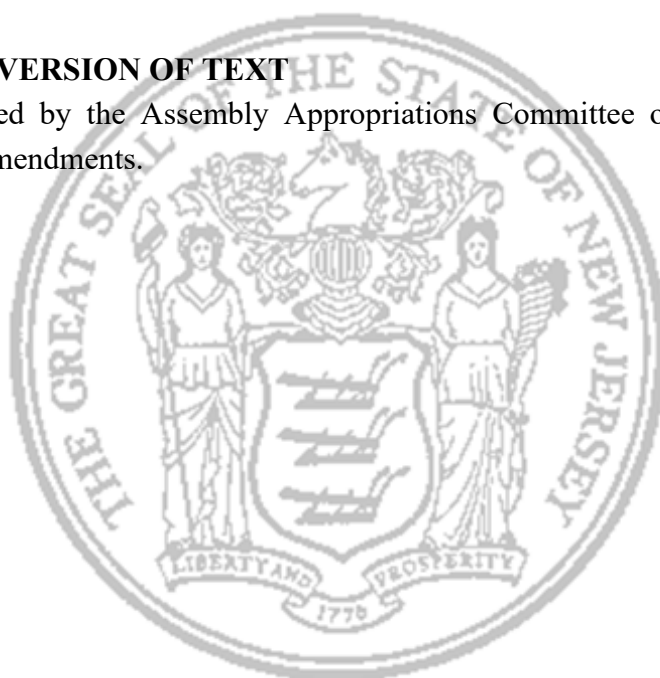
Assemblywoman Reynolds-Jackson

SYNOPSIS

Prohibits class action waivers in residential rental agreements for claims arising from violations of rent control laws.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on October 22, 2026, with amendments.



(Sponsorship Updated As Of: 5/18/2026)

1 AN ACT prohibiting class action waivers in residential rental
 2 agreements for claims arising from violations of rent control
 3 laws and supplementing Title 56 of the Revised Statutes.

4
 5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 6 *of New Jersey:*

7
 8 1. Any provision in a residential rental agreement that purports
 9 to waive, limit, or restrict a tenant's right to participate as a class
 10 representative or class member in any class action suit arising from
 11 violations of any rent control law shall be deemed void and
 12 unenforceable. This prohibition shall apply regardless of when the
 13 class action waiver was executed, and regardless of whether it
 14 appears in an initial lease, or a subsequent addendum. In addition
 15 to the penalty established pursuant to subsection b. of section 3 of
 16 P.L. , c. (C.) (pending before the Legislature as this bill),
 17 the inclusion of such class action waiver in a rental agreement shall
 18 be prima facie evidence of a violation of the New Jersey consumer
 19 fraud act, P.L.1960, c.39 (C.56:8-1 et seq.).

20
 21 2. A tenant may not waive the rights established by
 22 P.L. , c. (pending before the Legislature as this bill). Any
 23 purported waiver of rights established pursuant to
 24 P.L. , c. (pending before the Legislature as this bill) shall be
 25 void and unenforceable.

26
 27 3. a. A tenant who is subjected to a class action waiver, as
 28 prohibited by P.L. , c. (C.) (pending before the Legislature as
 29 this bill), is entitled to remedies as the prevailing party, including, but
 30 not limited to, a declaratory judgment finding the waiver void and
 31 unenforceable; an injunction prohibiting enforcement of the waiver;
 32 actual damages; and a reasonable attorney's fees. P.L. , c. (C.)
 33 (pending before the Legislature as this bill) shall not be construed to
 34 limit any other remedies available under State or federal law,
 35 including, but not limited to, P.L.1970, c.210 (C.2A:42-10.10 et seq.),
 36 commonly referred to as the Reprisal Law.

37 b. A landlord who violates a provision of P.L. , c. (C.)
 38 (pending before the Legislature as this bill) shall be liable to a penalty
 39 of \$1,000 per affected dwelling unit.

40 ¹c. In addition to the penalties set forth in this subsection b. of this
 41 section, a landlord who violates the provisions of P.L. , c. (C.)
 42 (pending before the Legislature as this bill) may, at the discretion of
 43 the tenant, additionally be subject to a civil penalty of \$2,500 to be
 44 recovered by the tenant from the landlord for each day that the

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:

¹Assembly AAP committee amendments adopted October 22, 2026.

1 landlord continues to violate the provisions of P.L. , c. (C.)
2 (pending before the Legislature as this bill) after receiving notification
3 of a violation, in addition to a reasonable attorney's fee and expenses,
4 court costs, expenses for expert witnesses, and other expenses incurred
5 in proving a violation of P.L. , c. (C.) (pending before the
6 Legislature as this bill).¹

7
8 ¹4. Nothing in P.L. , c. (C.) (pending before the
9 Legislature as this bill) shall be construed to invalidate or otherwise
10 affect any arbitration agreement or class action waiver to the extent
11 enforcement is required by the Federal Arbitration Act, 9 U.S.C. s.1 et
12 seq.¹

13
14 ¹**[4.] 5.**¹ This act shall take effect immediately and shall be
15 applicable to any residential rental agreement in effect on or after
16 the effective date of this act, including a claim arising from a rent
17 control violation that occurred before this effective date.