

[First Reprint]

ASSEMBLY, No. 5432

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MARCH 10, 2025

Sponsored by:

Assemblywoman YVONNE LOPEZ

District 19 (Middlesex)

Assemblyman CODY D. MILLER

District 4 (Atlantic, Camden and Gloucester)

Co-Sponsored by:

Assemblywoman Quijano

SYNOPSIS

Establishes standards for determining an unconscionable rent increase; excludes from public access landlord tenant records in certain circumstances.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on May 15, 2025, with amendments.



(Sponsorship Updated As Of: 3/24/2025)

1 AN ACT concerning alleged unconscionable rent increases and
 2 supplementing chapter 18 of Title 2A of the New Jersey Statutes.

3
 4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 5 *of New Jersey:*

6
 7 1. a. ¹**[As used in this section:**

8 “Geographic area” means the area within 10 miles of the
 9 residential property.

10 b.¹ In determining whether a rent increase is unconscionable, the
 11 court shall consider:

12 (1) the amount of the proposed rent increase;

13 (2) the landlord’s expenses and profitability, including, but not
 14 limited to, the consideration of: new ownership or refinancing of the
 15 rental unit; new or preexisting financing on the property;
 16 improvements and maintenance to the rental unit or rental building or
 17 buildings; and changes in expenses related to the property, such as
 18 utilities, provided the utilities are paid for by the landlord, and
 19 insurance rate increases, which are approved by the relevant rate setter
 20 over the previous 12 months;

21 (3) how the existing and proposed rents compare to rents charged
 22 at ¹**[similar]** comparable¹ rental properties in the geographic area ¹,
 23 including the federal Department of Housing and Urban Development
 24 Fair Market Rents and Small Area Market Rents¹;

25 (4) the relative bargaining position of the parties, including but not
 26 limited to, consideration of the availability of rental housing in the
 27 geographic area;

28 (5) based on the judge’s general knowledge, whether the rent
 29 increase would shock the conscience of a reasonable person;

30 (6) the length of time since the last rent increase by the current
 31 owner against the residential tenant, the length of tenancy, and the
 32 length of property ownership; and

33 (7) the condition of the property, including but not limited to,
 34 claims related to the habitability of the premises and outstanding code
 35 violations affecting health and safety, which remain unaddressed
 36 following written notice to the landlord and an opportunity to cure.

37 ¹**[c.]** b.¹ No one factor considered by a court of competent
 38 jurisdiction, pursuant to subsection ¹**[b.]** a.¹ of this section, shall be
 39 the sole factor in the court’s decision concerning whether a rent
 40 increase is unconscionable ¹. The factors enumerated in paragraphs
 41 (1) through (7) of subsection a. of this section shall not be deemed
 42 exhaustive. A court may consider other factors which, on a case-by-
 43 case basis, the court determines to be relevant in determining whether
 44 an increase in rent is unconscionable.¹

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 May 15, 2025.

1 ¹**[d.] c.**¹ The landlord shall bear the burden of proof to
2 demonstrate that a rent increase is not unconscionable.

3 ¹**[e.] d.**¹ Court records concerning an eviction action brought by a
4 residential landlord against a residential tenant pursuant to
5 ¹**[subsection f. of]**¹ section 2 of P.L.1974, c.49 (C.2A:18-61.1),
6 ¹**[where the tenant prevails]** which were adjudicated or otherwise
7 disposed of and for which no judgment for possession has ever been
8 entered, or an eviction action brought by a residential landlord against
9 a residential tenant, pursuant to N.J.S.2A:18-53 et seq. or section 2 of
10 P.L.1974, c.49 (C.2A:18-61.1), in which a judgment for possession
11 was entered seven years ago or longer,¹ shall be excluded from public
12 access ¹**[**, unless the landlord obtains a judgment for possession after a
13 trial¹.

14 ¹**[f.] e.**¹ The provisions of this section shall not apply to a rent
15 increase that is subject to and compliant with a local rent control
16 ordinance or approved variance, or subject to regulation by a local,
17 State, or federal affordable housing program.

18
19 2. This act shall take effect immediately, except that subsection
20 e. of section 1 of P.L. , c. (C.) (pending before the
21 Legislature as this bill) shall take effect on the first day of the sixth
22 month next following the date of enactment.