

# NEW JERSEY'S ROOMING AND BOARDING HOUSE ACT: ITS EFFECTS AND EFFECTIVENESS

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The Rooming and Boarding House Act of 1979<sup>1</sup> became effective August 27, 1980. The purpose of the Act was to remedy abuses to the predominantly elderly, disabled, and poor population of New Jersey's boarding homes.<sup>2</sup> It was designed to provide a more comprehensive and unified approach to regulating the large number of boarding homes that for years had gone unmonitored, and to promote the health, safety, and welfare of vulnerable inhabitants of these homes.<sup>3</sup>

This article will examine the operation of the Rooming and Boarding House Act and the effects it has had on ameliorating abuses within the boarding home industry. By way of introduction, the policy of deinstitutionalization for the treatment of the mentally ill will be discussed.<sup>4</sup> This policy of returning mentally disabled persons to their communities has established a large clientele dependent upon boarding homes, and has simultaneously engendered problems unique to the boarding home industry.<sup>5</sup> Additionally, the article will present the law as it existed prior to passage of the Rooming and Boarding House Act, highlighting problems raised by the absence of effective legislation.<sup>6</sup>

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<sup>1</sup> N.J. STAT. ANN. §§ 55:13B-1 to -21 (West Cum. Supp. 1981-1982).

<sup>2</sup> See SENATE INSTITUTIONS, HEALTH AND WELFARE COMMITTEE STATEMENT TO N.J. SENATE, No. 3111, WITH SENATE COMMITTEE AMENDMENTS 2 (Apr. 23, 1979).

<sup>3</sup> Generally, the term boarding house refers to any residence in which persons are provided room and board. Individual supervision or the supervision of personal care may be included. See discussion at notes 67-69 *infra* and accompanying text.

<sup>4</sup> See discussion at notes 7-17 *infra* and accompanying text. "Deinstitutionalization" refers to the federal and state program of returning mental patients capable of a sustained separation from custodial confinement to society.

<sup>5</sup> See discussion at notes 18-20 *infra* and accompanying text.

<sup>6</sup> See discussion at notes 25-28 *infra* and accompanying text.

## DEINSTITUTIONALIZATION

State concern over the quality of care and treatment for the mentally ill can be traced to the mid-nineteenth century when the New Jersey Legislature authorized funds for the construction of Trenton State Hospital, the first public institution for the mentally ill.<sup>7</sup> Formerly, individuals were held in jails, almshouses, and private cellars and attics.<sup>8</sup> The building of institutions was deemed to be a progressive means of fulfilling a state responsibility for the mentally ill.<sup>9</sup>

As time passed, however, New Jersey filled mental hospitals as fast as they could be built. The public expected the State to assume responsibility for all insane individuals, not merely those who could be cured. The State could not decide whether custody or treatment was more important, however, and instead concentrated on both, giving minimal treatment while providing unsatisfactory and expensive custodial care. Public institutions often became the final stop for many mentally ill individuals who could not function independently and whose families did not want the responsibility of their care.<sup>10</sup>

As public institutions filled beyond capacity, patient abuses flourished,<sup>11</sup> and the goals of institutionalization lay unrealized. During the early 1900's new treatments were developed, including drug and shock therapies, visits by patients to their homes, and community mental hygiene clinics, which provided an alternative to institutionalizing the less severely mentally ill.<sup>12</sup> The first major legislative enactment involving community-based treatment was the National Mental Health Act of 1946,<sup>13</sup> which authorized grants for community mental health services as well as mental health research and manpower training programs. In 1957 the federal effort was augmented in New Jersey by the Community Mental Health Services Act.<sup>14</sup>

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<sup>7</sup> JOINT MENTAL HEALTH SUBCOMMITTEE OF THE N.J. SENATE AND ASSEMBLY INSTITUTIONS, HEALTH AND WELFARE COMMITTEES, FINAL REPORT TO THE LEGISLATURE 5 (Nov. 1975) [hereinafter cited as FINAL REPORT]. Presently there are four public institutions for the care and treatment of the mentally ill: Greystone Park State Hospital, Trenton State Hospital, Marlboro State Hospital, and Ancora State Hospital.

<sup>8</sup> *Id.* at 8.

<sup>9</sup> *Id.* at 5-6.

<sup>10</sup> *Id.* at 9.

<sup>11</sup> *Id.*

<sup>12</sup> *Id.* at 11.

<sup>13</sup> 42 U.S.C. § 2011 (1976). The focus of this legislation was on staffing outpatient clinics so that patients with lesser problems could be released from institutions and continue to receive health care in the community.

<sup>14</sup> N.J. STAT. ANN. § 30:9A-1 to -11 (West 1981).

Shortly after these legislative developments the federal government embarked on an expansive program designed to promote community-based treatment and to upgrade the quality of care rendered in public institutions. The Community Mental Health Centers Construction Act of 1963<sup>15</sup> became the cornerstone of the federal government's involvement in deinstitutionalization, and the community mental health center evolved as the primary mode of providing psychiatric care to the deinstitutionalized.<sup>16</sup> While the focus on treating mental disability shifted to community-based treatment, major developments were also occurring in the medical field. The use of psychotropic drugs, for instance, made release to community-based treatment programs more feasible for many patients.<sup>17</sup>

Although deinstitutionalization was designed as a humane, progressive concept in treating the mentally disabled, it has not yet proven to be successful. One of the major reasons for its lack of success has been the absence of adequate support services in the community. To enable individuals who have long been institutionalized to assimilate into and function within the community, a support system of necessary social, medical, and psychological services is required. These services include vocational rehabilitation, homemaker services, training in daily living skills, visiting nurse services, advocacy services, psychiatric therapy, and medical services. Additionally, the growth of adequate boarding homes has not kept pace with the trend to release mental patients. Between 1964 and 1977, the population in New

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<sup>15</sup> 42 U.S.C. § 268 (1976). The major objectives of this program were to develop a coordinated system of providing community mental health services and to decrease the population in state mental health hospitals.

<sup>16</sup> See REPORT TO THE CONGRESS BY THE COMPTROLLER GENERAL OF THE UNITED STATES, RETURNING THE MENTALLY DISABLED TO THE COMMUNITY: GOVERNMENT NEEDS TO DO MORE 67-80 (Jan. 7, 1977) [hereinafter cited as RETURNING THE MENTALLY DISABLED TO THE COMMUNITY].

<sup>17</sup> See *id.* at 2. Theoretically, it is also cost beneficial to the state to place and maintain individuals in the community where much of the cost burden shifts from the State, which assumes all mental hospital costs, to federally-supported assistance programs. In New Jersey, however, this has not been a significant factor in deinstitutionalization because the State has poured large sums of money into the institutions in attempts to maintain accreditation. See REPORT AND RECOMMENDATIONS OF THE HEALTH COMMISSIONER'S ADVISORY COMMITTEE ON SHELTERED BOARDING HOMES 30 (Feb. 1978).

As recently as 1974 a subcommittee of the state legislature examined the conditions at a state mental hospital and was appalled by the "neglect, apathy, brutality, indifference, weak or absent leadership and perhaps most frightening of all, [the] lack of recognition of mental patients as human beings." FINAL REPORT, *supra* note 7, at 32. The subcommittee report concluded that the quality of care and treatment could be upgraded through the use of smaller, community-based treatment programs. *Id.* at 30-31.

Jersey state psychiatric hospitals decreased from 13,610 to 4,111.<sup>18</sup> Conversely, state boarding homes became inundated with released mental patients. According to one survey, four out of five persons living in New Jersey boarding homes are former mental patients.<sup>19</sup> While the policy of deinstitutionalization has emptied psychiatric institutions, it has "dumped" generally indigent and dependent individuals into communities with inadequate housing resources and supportive services.<sup>20</sup>

Prior to passage of the Rooming and Boarding House Act, there were an estimated 1,800 facilities in New Jersey housing approximately 40,000 individuals.<sup>21</sup> Despite having to approximate industry statistics because of the haphazard manner of regulatory control, it was clearly evident that the boarding house clientele was composed principally of the elderly or disabled poor. Inhabitants are frequently entitled to supplemental security income benefits.<sup>22</sup> The supplemental security income program was established by the federal government in 1974 to provide monthly income and medicaid benefits to indigent aged, blind, or disabled individuals.<sup>23</sup> It was estimated that of the approximately 9,000 residents in licensed boarding homes, some 5,000 were supplemental security income recipients, while approximately 25,000 of the 30,000 residents in unlicensed homes were also receiving this benefit.<sup>24</sup> Moreover, many boarding home residents maintain only minimal contact with families, friends, and the community in general. The hardship of poverty is compounded by an isolated existence.

A recent study of the boarding home industry by the State Commission of Investigation disclosed an insensitivity on the part of owners and operators to the most basic personal needs of the occupants.<sup>25</sup> Inadequate food, unkempt, overcrowded surroundings, and physical as well as emotional indignities were commonplace in the lives of

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<sup>18</sup> REPORT AND RECOMMENDATIONS OF THE STATE OF NEW JERSEY COMMISSION OF INVESTIGATION ON ABUSES AND IRREGULARITIES IN NEW JERSEY'S BOARDING HOME INDUSTRY 3-B (Nov. 1978) [hereinafter cited as REPORT AND RECOMMENDATIONS].

<sup>19</sup> REPORT OF THE CABINET TASK FORCE ON BOARDING HOMES 21 (May 24, 1978) [hereinafter cited as Task Force].

<sup>20</sup> There should be no doubt that humane treatment and decent care in the mental health field is a public concern. See, e.g., *Rouse v. Cameron*, 373 F.2d 451 (D.C. Cir. 1966); *Wyatt v. Stickney*, 344 F. Supp. 373 (N.D. Ala. 1972); *State v. Krol*, 68 N.J. 236, 344 A.2d 289 (1975).

<sup>21</sup> REPORT AND RECOMMENDATIONS, *supra* note 18, at 1.

<sup>22</sup> 42 U.S.C. §§ 1381-1385 (1976).

<sup>23</sup> *Id.* § 1381.

<sup>24</sup> TASK FORCE, *supra* note 19, at 6.

<sup>25</sup> See REPORT AND RECOMMENDATIONS, *supra* note 18.

many boarding home residents.<sup>26</sup> Some of the abuses discovered consisted of operators taking residents' supplemental security income checks for their own use, charging extravagant personal expenses, and making disproportionately large profits while serving substandard food.<sup>27</sup> Additionally, business and resident records were often inadequately kept or not kept at all, and many boarding home operators were not trained for their positions or acted first for their personal interests.<sup>28</sup>

Prior to the Rooming and Boarding House Act the state scheme for licensing and inspecting boarding homes was disjointed and non-comprehensive. No single state agency was totally responsible for overseeing the boarding home industry. Under the prior law, three types of boarding homes were recognized: (1) licensed sheltered boarding homes, also known as boarding homes for sheltered care; (2) unlicensed homes housing three or more residents, also known as single room occupancies; and (3) unlicensed family care homes housing less than three residents.<sup>29</sup>

Licensed sheltered boarding homes were authorized by the Department of Health pursuant to the Health Care Facilities Planning Act.<sup>30</sup> These homes housed a minimum of four residents, at least one of whom was receiving continuous supervision and personal care<sup>31</sup>

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<sup>26</sup> *Id.* at 9.

<sup>27</sup> *Id.* at 5.

<sup>28</sup> *Id.* at 4-5. Another problem identified by the State Commission of Investigation concerned the operation of both licensed and unlicensed boarding homes. At the time of the investigation, occupants in a licensed home who were eligible for supplemental security income benefits were entitled to receive at least 308 dollars per month, while a social security income recipient in an unlicensed home could receive only about 200 dollars per month. On the basis of this difference, licensed operators would admit more residents to their homes than they were capable of handling and then transfer the overflow to unlicensed satellite homes without advising the Social Security Administration. The owner would then collect the higher SSI rate for room and board and, ostensibly, supervision and personal services while the individual was residing in an unlicensed, unregulated facility that provided no supervision or services to the resident. *Id.* at 3. See also TASK FORCE, *supra* note 19, at 6. This type of transfer from a licensed to an unlicensed facility did not violate any boarding house regulations in existence at that time. Therefore, with the scarcity of accurate records and a census of residents, this abuse could go virtually undetected.

<sup>29</sup> See TASK FORCE, *supra* note 19, at 4-5.

<sup>30</sup> N.J. STAT. ANN. § 26:24-1 to -52 (West Cum. Supp. 1981-1982). These homes, now called residential health care facilities, are still licensed under the same statute and regulations existing prior to the Rooming and Boarding House Act.

<sup>31</sup> The Manual of Standards for Boarding Homes for Sheltered Care, which contains the regulations governing licensed sheltered boarding homes, requires a staff person to be on the premises at all times. Where the home has 24 or more beds, a staff person must be awake at all times. In addition, there must be sufficient staff to provide a minimum of one hour of supervision per day per resident. N.J. ADMIN. CODE § 8:43-4.6 (Supp. 1980).

which must include assistance with personal hygiene,<sup>32</sup> care in emergencies or during temporary illness,<sup>33</sup> the preservation of dignity and individual rights,<sup>34</sup> nutritious food,<sup>35</sup> adequate living and sleeping accommodations,<sup>36</sup> and personal laundry services.<sup>37</sup> The licensed sheltered boarding homes were also charged with the responsibility of supervising the resident's self-administration of medication.<sup>38</sup>

Unlicensed boarding homes housing three or more residents before the new law were subject to a nominal registration fee and inspection by the State Department of Community Affairs pursuant to the Hotel and Multiple Dwellings Law.<sup>39</sup> These homes comprised the major portion of the boarding house industry and provided only room and board, though some did not provide meals.<sup>40</sup> Unlicensed boarding homes were not permitted to provide personal services to residents and were subject to the Department of Health's jurisdiction. A cease and desist order could be issued if such services were provided.<sup>41</sup>

The final category of boarding homes was comprised of unlicensed family care homes which housed less than three individuals. These homes were only subject to regulation by the locality in which they were situated and regulation of these homes varied from locality to locality. Basic room and board was usually provided.<sup>42</sup>

The Department of Health inspected licensed boarding homes in accordance with the Manual of Standards for Sheltered Care.<sup>43</sup> In addition to examining once a year to ensure that the requirements pertaining to personal supervision and personal care were adhered to,<sup>44</sup> an inspection would also require compliance with building and fire safety regulations.<sup>45</sup> The jurisdiction of the Department of Health, however, applied only to those homes which were licensed under the Health Care Facilities Planning Act<sup>46</sup> as boarding homes for sheltered care, or those unlicensed homes which appeared to be pro-

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<sup>32</sup> *Id.* § 8:43-5.1.

<sup>33</sup> *Id.* § 8:43-5.4.

<sup>34</sup> *Id.* § 8:43-4.3.

<sup>35</sup> *Id.* § 8:43-4.10.

<sup>36</sup> *Id.* § 8:43-4.11.

<sup>37</sup> *Id.* § 8:43-4.12.

<sup>38</sup> *Id.* § 8:43-4.7 to -4.8.

<sup>39</sup> N.J. STAT. ANN. § 55:13A-12 (West Cum. Supp. 1981-1982).

<sup>40</sup> See TASK FORCE, *supra* note 19, at 5.

<sup>41</sup> See *id.* at 26.

<sup>42</sup> See REPORTS AND RECOMMENDATIONS, *supra* note 18, at 12.

<sup>43</sup> N.J. ADMIN. CODE § 8:43-1.1 to -7.1 (Supp. 1976). These regulations remain in effect.

<sup>44</sup> See notes 31-37 *supra* and accompanying text.

<sup>45</sup> N.J. ADMIN. CODE § 8:43-2.1 to -3.23 (Supp. 1976).

<sup>46</sup> N.J. STAT. ANN. § 26:2H-1 to -52 (West Cum. Supp. 1981-1982).

viding personal services or supervision.<sup>47</sup> By contrast, inspections of unlicensed boarding homes housing three or more residents were conducted by the Department of Community Affairs<sup>48</sup> at intervals of once every three years for homes with ten or more residents, and once every five years for homes with less than ten residents.<sup>49</sup> In practice, these inspections were normally performed by municipalities which contracted with the Department of Community Affairs<sup>50</sup> and principally concerned structural conditions, not the provision of services to the residents.<sup>51</sup> Because the vast number of unlicensed facilities went essentially unregulated, the majority of problems afflicting the boarding house industry were generated there.

The relatively few unlicensed family care homes which housed less than three individuals were inspected by municipalities under a mercantile license or through the local health department. In the former instance, the facility was inspected to verify whether it met certain structural standards.<sup>52</sup> In the latter instance, the facility was inspected primarily to see whether it met certain sanitation codes.<sup>53</sup>

Various other state agencies were involved, and remain involved, to different extents with New Jersey's boarding homes. The Office of the Ombudsman for the Institutionalized Elderly investigates complaints which adversely affect the health, safety, welfare, or civil rights of residents who are sixty years of age or older.<sup>54</sup> The Division of Mental Health and Hospitals in the Department of Human Services is responsible for ensuring that mental health care is administered

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<sup>47</sup> See REPORTS AND RECOMMENDATIONS, *supra* note 18, at 69, 198. Although paradoxical, the Department of Health did not have jurisdiction over unlicensed homes which were not providing supervision to residents who required it. Jurisdiction over unlicensed homes could only be obtained if care were provided. In that instance, a cease and desist order could be issued and the facility would then have the option of appealing the determination or removing the residents receiving care. It was often difficult for the Department of Health to prove its case in the appeal process because of recanting residents or physicians' letters which would indicate that personal services were no longer required. See TASK FORCE, *supra* note 19, at 26.

<sup>48</sup> N.J. STAT. ANN. § 55:13A-1 (West Cum. Supp. 1981-1982).

<sup>49</sup> *Id.* § 55:13A-13.

<sup>50</sup> TASK FORCE, *supra* note 19, at 8.

<sup>51</sup> REPORT AND RECOMMENDATIONS, *supra* note 18, at 2. As stated by the State of New Jersey Commission of Investigation on Abuses and Irregularities in New Jersey's Boarding Home Industry, "these inspections are mandated by a law that is not designed to provide guidelines for social services, they concentrate only on structural factors relative to public health or safety. Thus, such inspections ignore the overall adverse social climate in which many boarders find themselves." *Id.*

<sup>52</sup> See *id.* at 12-13.

<sup>53</sup> *Id.*

<sup>54</sup> N.J. STAT. ANN. § 52:27G-8 (West Cum. Supp. 1981-1982).

where required.<sup>55</sup> The Division monitors the services of the community mental health centers, and through the Bureau of Transitional Services, established in 1976, the Division is responsible for the placement of discharged psychiatric hospital residents into boarding and nursing homes, as well as for securing financial assistance for them when necessary.<sup>56</sup> Additionally, the Division's Bureau of Housing Policy and Development monitors all community housing facilities into which the Division places clients.<sup>57</sup>

County welfare agencies also become involved in the investigation of boarding house abuses. Although they fall under the jurisdiction of the Division of Youth and Family Services in the Department of Human Services, the county welfare agencies operate autonomously. Thus, the local agencies determine where they will place their focus. The drawback to this approach has been that some county agencies are more dynamic than others in dealing with the abuses of boarding house residents. Prior to the advent of the federally funded supplemental security income program, county welfare agencies served the dual role of providing income maintenance to the aged, blind, and disabled, and of providing social services to this element of the population, many of whom resided in boarding homes. Recipients were contacted periodically by county welfare workers to ascertain their living arrangements and assess other possible needs.<sup>58</sup> When the supplemental security income program came into existence, the income maintenance aspect of the county welfare agencies was removed and there was no longer a personal contact mandate. Agency action then occurred only in response to specific requests for services. Given the less outspoken nature of the boarding house population, many boarding house residents were no longer provided with services that could enhance their existence. In anticipation of the role that county welfare agencies were to provide under the Rooming and Boarding House Act, regulations were adopted in 1979 to expand agency services to boarding home residents.<sup>59</sup> Most significantly, this included

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<sup>55</sup> N.J. ADMIN. CODE § 10:37-1.1 to -12.13 (Supp. 1980).

<sup>56</sup> See *id.* § 10:37-6.1 to -7.8.

<sup>57</sup> For a discussion of the interdepartmental roles after the Act's passage see text beginning at note 63 *infra*.

<sup>58</sup> County welfare workers often encountered problems when attempting to enter boarding homes. Owners were not required to provide access to the workers. Consequently, when investigating complaints the worker might need to elicit the support of other state agencies to gain access for an investigation.

<sup>59</sup> N.J. ADMIN. CODE § 10:123-2.1 (Supp. 1979).



the responsibility for coordinating complaints concerning the residents of rooming and boarding houses.<sup>60</sup>

Prior to the enactment of the Rooming and Boarding House Act, there was little enforcement of any regulations.<sup>61</sup> When a facility was found to be in non-compliance, and compliance could not be achieved through informal means, the Department of Health had a variety of enforcement actions available. These included fines, license suspension, license revocation, or receivership. Of these resources, no receivership actions were instituted and no fines were levied before January of 1977.<sup>62</sup> Additionally, a problem existed when the Department successfully revoked a facility's license because it was not uncommon for the same operation to continue as an unlicensed home under the jurisdiction of the municipality or the Department of Community Affairs. Sometimes the same residents remained after obtaining physicians' certificates indicating that they were not in need of personal services. Given the lack of licensing requirements and the sporadic and ineffective inspections, meaningful enforcement was not possible.

#### THE ROOMING AND BOARDING HOUSE ACT<sup>63</sup>

Two sets of interests are balanced in the Rooming and Boarding House Act. To protect and enhance the lives of the population inhabiting boarding homes, a more comprehensive licensing scheme was established. Also, to induce owners and operators of facilities to remain in business, an effort was made to provide incentives such as additional capital funding.<sup>64</sup> The Act was developed as an omnibus

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<sup>60</sup> *Id.* § 10:123-2.1(b).

<sup>61</sup> See REPORT AND RECOMMENDATIONS, *supra* note 18, at 198.

<sup>62</sup> *Id.* After that date, fines had been levied reluctantly because they ultimately are paid for by the residents in diminished care and service.

<sup>63</sup> In 1977, the Health Commissioner's Advisory Committee on Sheltered Boarding Homes began meeting for the purpose of reviewing all aspects of sheltered care boarding homes. Subsequently, Governor Byrne established a cabinet task force to review the work of the committee and make recommendations concerning its findings. During this time a number of boarding homes in the state experienced fires which resulted in fatalities, and public attention was brought to the conditions that existed in these facilities. Shortly thereafter, the State Commission of Investigations began holding public hearings focusing on the status of the boarding home industry, especially the abuses befalling the residents. These studies, in addition to the work of the Department of the Public Advocate and the legislature's Nursing Home Study Commission, all contributed in promulgating the Act.

<sup>64</sup> See SENATE INSTITUTIONS, HEALTH AND WELFARE COMMITTEE STATEMENT TO SENATE, No. 3111, WITH SENATE COMMITTEE AMENDMENTS 2-3 (Apr. 23, 1979).

piece of legislation. Its provisions are found throughout various sections of the New Jersey statutes,<sup>65</sup> and the overall purpose is to promote decent care for those citizens who inhabit boarding facilities. The Act provides for a cooperative, interdepartmental approach between the Departments of Human Services, Health, and Community Affairs, with the Department of Human Services assuming the lead role.<sup>66</sup>

The pervasive licensing scheme initiated under the Act is a principal change from prior law. Now, all rooming houses, boarding houses, and residential health care facilities must be licensed to operate.<sup>67</sup> While the licensed sheltered care boarding house has been redefined as a residential health care facility, it remains subject to the same licensing requirements.<sup>68</sup> More significantly, the formerly unlicensed houses are now under the licensing jurisdiction of the Department of Community Affairs.<sup>69</sup>

### *Department of Health*

The functions of the State Department of Health, as they pertain to the boarding home industry, essentially have not changed with the passage of the Rooming and Boarding House Act, though there is now the requirement of coordination with other state agencies.<sup>70</sup> The Department of Health is charged with the responsibility of regulating and licensing residential health care facilities.<sup>71</sup> It is the only one of

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<sup>65</sup> N.J. STAT. ANN. §§ 26:2H-1 to -21, 30:1A-1 to -3 30:11A-1 to -13, 44:7-85 to -93, 55:13B-1 to -21 (West Cum. Supp. 1981-1982).

<sup>66</sup> *See id.* § 30:1-A2. The Commissioner of Human Services must convene quarterly policy coordinating meetings between each of the commissioners and representatives of other state and local agencies. In addition, the law provides that the Commissioners of Health and Community Affairs shall solicit recommendations from each other and from the Commissioner of Human Services on the preparation of standards and regulations for the respective facilities under the jurisdiction of each department. *See id.*

<sup>67</sup> *Id.* § 55:13B-7.

<sup>68</sup> *Id.* § 30:11A-1.

<sup>69</sup> *See id.* § 55:13B-7. Under the new Act a boarding house is defined as a building containing two or more units of dwelling space intended for single room occupancy and in which personal or financial services are provided to the residents. *Id.* § 55:13B-3.a. A rooming house is defined as a boarding house which does not provide personal or financial services. *Id.* § 55:13B-3.h.

<sup>70</sup> *See* note 66 *supra* and accompanying text.

<sup>71</sup> N.J. STAT. ANN. § 30:11A-3 (West Cum. Supp. 1981-1982). The Department of Health is mandated to adopt regulations deemed necessary to guarantee that:

persons living in such facilities are afforded the opportunity to live with as much independence, autonomy and interaction with the surrounding community as they

the three departments which has not promulgated new regulations under the Act. Reliance will still be placed on the Manual of Standards for Sheltered Care Boarding Homes.<sup>72</sup> Similarly, the provisions concerning inspections<sup>73</sup> and violations<sup>74</sup> remain intact. However, the Act has added a provision prohibiting owners from retaliating against residents who voice complaints to agencies or who seek to enforce their legal rights.<sup>75</sup> The major changes resulting from the passage of the Act have affected the Department of Human Services and the Department of Community Affairs.

### *Department of Human Services*

Aside from the policy coordinating role for which the Department of Human Services is responsible, the department, through its Division of Youth and Family Services and the County Welfare agencies, plays an expanded and essential role in assisting the residents of all boarding facilities. In addition, the Act ensures that supplemental security income recipients residing in rooming houses, boarding houses, and residential health care facilities receive a monthly personal needs allowance of at least twenty-five dollars.<sup>76</sup> This is the

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are capable of; such persons are afforded minimum standard of sanitation, house-keeping, heat, light, air, food, lodging, care, service and fire safety which also preserve and promote a homelike atmosphere appropriate to such facilities; such persons are not deprived of any constitutional, civil or legal right solely by reason of their living in such facilities; and that employees of public and private agencies have reasonable access to such facilities and other citizens have reasonable access upon receiving the consent of the resident to be visited by them.

*Id.*

<sup>72</sup> Dr. Solomon Goldberg, Director of Certification, Licensing and Standards for the Division of Health Facilities Evaluation, suggested that if new, more stringent regulations were passed, some owners of residential health care facilities could not afford to bring their homes into compliance. By not passing new regulations, the Department avoided closing down some facilities and thereby leaving residents with a difficult prospect of relocating.

<sup>73</sup> See *id.* § 30:11A-9.

<sup>74</sup> See *id.* § 30:11A-10.

<sup>75</sup> See *id.* § 30:11A-10d. A similar provision appears in the main section of the Act, providing protection for rooming house and boarding house residents.

<sup>76</sup> *Id.* § 44:7-87H. Then Commissioner Klein enacted an emergency regulation providing for a \$40 per month personal needs allowance to residents of boarding houses and residential health care facilities. The regulation was challenged in *New Jersey Assoc. of Health Care Facilities v. Klein*, 182 N.J. Super. 252, 440 A.2d 476 (App. Div. 1981). While the case was still pending Commissioner Carden promulgated a new personal needs allowance regulation which took effect on November 2, 1981. N.J. ADMIN. CODE § 10:123-3.1 (Supp. 1979). This regulation provides for \$44 monthly for SSI recipients in boarding houses as well as SSI and General Public Assistance recipients in residential health care facilities. In addition, under their general rule-making authority, the Commissioners of Health and Community Affairs have issued PNA regulations. See *id.* §§ 5:27-11.6, 8:43-4.1(a)3.

first time that a requirement of a monthly allowance for residents' needs has become law. Though the Commissioner had previously required through agency directive that residents receive this allowance, without the full force of law behind it such directive was often ignored.

The Act provides that county welfare agencies<sup>77</sup> shall investigate reports of abuse<sup>78</sup> and report suspected violations for appropriate remedial action;<sup>79</sup> supply residents with social service information<sup>80</sup> and assess the quality of services being received through regularly scheduled outreach visits;<sup>81</sup> and coordinate the services of all other agency providers.<sup>82</sup> Other assistance which the county welfare agencies may supply, subject to availability and with the resident's consent, are companionship services, recreational services, referral for legal services, and transportation.<sup>83</sup> In order to meet these responsibilities, county welfare personnel are entitled to access to all facilities.<sup>84</sup>

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<sup>77</sup> The extended role of the county welfare agencies is distinctly set forth in the new Act. Section 44:7-93 of the New Jersey Statutes Annotated reads in pertinent part:

b. County welfare boards shall provide services to eligible residents of residential health care facilities, rooming houses and boarding houses which shall include, but not be limited to, the following:

(1) Investigation and evaluation of reports of abuse or exploitation, as defined in section 36 hereunder, or of threats of such abuse or exploitation of eligible residents, at the direction of the Commissioner of Human Services;

(2) Visits to all such facilities having eligible residents, at regularly scheduled intervals to assess the needs of such residents, determine whether they are receiving needed services and appropriate levels of care, and to provide such services where appropriate;

(3) Provision of information to eligible residents concerning social service, welfare, mental health, home health and medical assistance programs available to them; referrals of eligible residents to State, county and local agencies and organizations for any such services which county welfare boards cannot provide; and follow up to such referrals to determine whether such services are being provided;

(4) Reporting of any suspected violations of the provisions of this act and of any complaints received concerning services and conditions in such facilities to the commissioner and to appropriate State and local agencies for remedial action; and

(5) Provision of information to eligible residents whose continued residence in such facilities may be injurious or dangerous to their health concerning alternative housing and living arrangements available to them.

N.J. STAT. ANN. § 44:7-93 (West Cum. Supp. 1981-1982).

<sup>78</sup> *Id.* § 44:7-93b(1).

<sup>79</sup> *Id.* at § 44:7-93b(4).

<sup>80</sup> *Id.* at § 44:7-93b(3).

<sup>81</sup> *Id.* at § 44:7-93b(2).

<sup>82</sup> *Id.* at § 44:7-93b.

<sup>83</sup> See N.J. ADMIN. CODE § 10:123-2.4(a)5 (Supp. 1980).

<sup>84</sup> N.J. STAT. ANN. § 44:7-93c (West Cum. Supp. 1981-1982).

The Act establishes certain specified obligations of the Commissioner of the Department of Human Services as well.<sup>85</sup> These duties include: maintaining a statewide central registry of all complaints concerning incidents of abuse or other violations of the Act;<sup>86</sup> providing owners and operators of facilities with training programs to assist them in responding appropriately to resident's needs;<sup>87</sup> and promulgating any regulations necessary to carry out the responsibilities of the department.<sup>88</sup>

A major focus of the Act is evident from these mandated services and responsibilities. Greater accountability, greater knowledge of rights and responsibilities, an increased awareness of violators and violations, and the enhanced provision of services to relieve residents' needs were all designed to alleviate the abuses in the industry which had existed for so many years.

#### *Department of Community Affairs*

By far the agency most affected by the passage of the Rooming and Boarding House Act has been the Department of Community Affairs. This agency has responsibility for licensing and inspecting the largest number of boarding houses—facilities that had heretofore gone virtually unmonitored and wherein abuses flourished.

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<sup>85</sup> *Id.* § 44:7-93d. Equally important are the responsibilities which the Commissioner is assigned to delegate:

- (a) Identify those residential health care facilities, rooming houses and boarding houses in which substantial numbers of persons reside who are in need of mental health or mental retardation services;
- (b) Receive referrals and be responsible for the provision of mental health or mental retardation services, or both;
- (c) Report any apparent violation of this act to the appropriate State and local officials and authorities;
- (d) Coordinate their efforts with county welfare boards, charitable institutions, the State Division of Mental Health and Hospitals, Mental Retardation and Youth and Family Services, and other State and local entities and service providers.
- (e) Periodically monitor and evaluate services provided to eligible residents by county welfare boards and community agencies serving the mentally ill and the mentally retarded.
- (f) Issue a report to the Legislature's Standing Reference Committees on Institutions, Health and Welfare concerning the implementation of this section, 1 year following the effective date of this act.

*Id.* § 44:7-93d(4).

<sup>86</sup> *Id.* § 44:7-93d(2).

<sup>87</sup> *Id.* § 44:7-93d(3).

<sup>88</sup> *Id.* § 44:7-93d(1).

The Act empowers the Commissioner of Community Affairs to promulgate regulations<sup>89</sup> and establish safety, security, service, living, and record-keeping standards for rooming and boarding houses;<sup>90</sup> suspend, or revoke licenses;<sup>91</sup> inspect any rooming and boarding house without prior notice;<sup>92</sup> review facility records;<sup>93</sup> establish standards for the construction and conversion of facilities;<sup>94</sup> issue subpoenas compelling attendance and the provision of documents at hearings;<sup>95</sup> and enforce the provisions of the Act through administrative and judicial proceedings.<sup>96</sup> In addition, the Act directs the Commissioner to establish standards ensuring that all rooming and boarding houses are operated and constructed in a manner that will "protect the health, safety and welfare of its residents and at the same time preserve and promote a homelike atmosphere."<sup>97</sup>

Inspections are required once per year<sup>98</sup> and substantial fines may be levied for violations.<sup>99</sup> When the department discovers a

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<sup>89</sup> *Id.* § 55:13B-4a.

<sup>90</sup> *Id.* § 55:13B-4b.

<sup>91</sup> *Id.* § 55:13B-4c.

<sup>92</sup> *Id.* § 55:13B-4d.

<sup>93</sup> *Id.*

<sup>94</sup> *Id.* § 55:13B-4e.

<sup>95</sup> *Id.* § 55:13B-4g.

<sup>96</sup> *Id.* § 55:13B-4f.

<sup>97</sup> *Id.* § 55:13B-6. These standards shall at least provide for:

- a. Safety from fire;
- b. Safety from structural, mechanical, plumbing and electrical deficiencies;
- c. Adequate light and ventilation;
- d. Physical security;
- e. Protection from harassment, fraud and eviction without due cause;
- f. Clean and reasonably comfortable surroundings;
- g. Adequate personal and financial services rendered in boarding houses;
- h. Disclosure of owner identification information;
- i. Maintenance of orderly and sufficient financial and occupancy records;
- j. Referral of residents, by the operator, to social service and health agencies for needed services;
- k. Assurance that no constitutional, civil or legal right will be denied solely by reason of residence in a rooming or boarding house;
- l. Reasonable access for employees of public and private agencies, and reasonable access for other citizens upon receiving the consent of the resident to be visited by them; and
- m. Opportunity for each resident to live with as much independence, autonomy and interaction with the surrounding community as he is capable of.

*Id.*

<sup>98</sup> *Id.* § 55:13B-9.

<sup>99</sup> *Id.* § 55:13B-10. Penalties may be assessed of between \$50 and \$5,000 for each and every violation of the Act or non-compliance with notices, rulings and orders of the Commissioner. Each day of non-compliance may result in an assessed penalty. *Id.*

violation of the Act which constitutes an imminent health or safety hazard, it may issue either a notice to vacate the premises or a notice to abate the hazard.<sup>100</sup> If the owner of a facility denies the existence of a violation, he may apply for a reconsideration hearing with the Commissioner or for an order to show cause.<sup>101</sup> If the owner fails to terminate a violation after receiving notice to do so by a specific date, however, the Commissioner may order the owner to submit a monthly accounting of the facility's revenues,<sup>102</sup> or institute a receivership action in the superior court.<sup>103</sup> Thus, under the new Act the Commissioner has a wide variety of enforcement measures at his disposal.

Pursuant to his rulemaking authority, the Commissioner has defined which residents may be housed in rooming and boarding houses<sup>104</sup> and has established separate categories of licensure for the facilities.<sup>105</sup> The resident of a rooming or boarding house must be able to walk with or without the use of assistive devices, be physician-certified as being free of communicable diseases, and not require nursing care or the supervision of the self-administration of medication or any other service which the facility does not provide.<sup>106</sup> In the event that a resident's status changes, the owner or operator must notify the county welfare agency so that a transfer to a more suitable facility can be hastened.<sup>107</sup> A three-tier licensing scheme has also been developed for rooming and boarding houses.<sup>108</sup>

The protection afforded boarding house residents was also significantly enhanced by the application of the state landlord-tenant evic-

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<sup>100</sup> *Id.* § 55:13B-11a.

<sup>101</sup> *Id.*

<sup>102</sup> *Id.* at § 55:13B-11b(1).

<sup>103</sup> *Id.* § 55:13B-11b(2).

<sup>104</sup> N.J. ADMIN. CODE § 5:27-3.5(a) (Supp. 1980). Except for the supervision of medication, the same requirements exist for residential health care facility residents.

<sup>105</sup> See N.J. STAT. ANN. § 55:13B-7b (West Cum. Supp. 1981-1982).

<sup>106</sup> N.J. ADMIN. CODE § 5:27-3.5(a) (Supp. 1980).

<sup>107</sup> *Id.* § 5:27-3.5(b).

<sup>108</sup> *Id.* § 5:27-1.6(b). Class A licenses are valid only for rooming houses; class B licenses pertain to rooming or boarding houses wherein financial and personal services are not rendered; and class C licenses are valid for all rooming and boarding houses. For example, the licensing structure permits a class C licensee to provide merely a room if he chooses, but the class A licensee would be violating the law if he provided any more than a lodging for his residents. *Id.*

The regulations set forth what constitutes personal and financial services. Personal needs include assistance in dressing, assistance in bathing and personal hygiene, transportation to medical and dental offices as required and the monitoring of self-administration of medication. *Id.* § 5:27-10.1 to -10.5. Financial services include check cashing, holding of personal funds, and assistance in purchasing goods and services. *Id.* § 5:27-11.1 to -11.6.

tion statute<sup>109</sup> to rooming and boarding houses.<sup>110</sup> Residents may now be evicted only for good cause as defined in the statute.<sup>111</sup> The more relevant causes for eviction in the boarding house setting would be non-payment of rent and disorderly conduct which destroys the peace and quiet of other residents. The statute provides that only through the use of the judicial process can the eviction be effectuated. Self-help evictions are prohibited.<sup>112</sup> In addition, there is a jurisdictional requirement that the licensee provide notice to the county welfare agency at least three days before commencing the action.<sup>113</sup>

One of the central problems which aided in creating a climate for abuse prior to the Act was the inadequate manner in which records were kept by owners. The Department of Community Affairs regulations now provide for a much tighter system of record-keeping.<sup>114</sup> The owner must maintain a file on each resident which contains, among other things, the resident's name, last prior address, name of the person or agency referring the resident to the facility, name of the resident's personal physician, the date the resident commenced occupancy, and any complaints concerning the resident.<sup>115</sup> In addition, the file must contain a physician's certification as to the resident's overall state of health, the medication required by the resident, a copy of the occupancy agreement, the resident's acknowledgment that he has received a copy of the house rules, and a record of all property entrusted to the owner by the resident.<sup>116</sup> The file shall not be made available without the resident's consent to any person except representatives of the county welfare agency, the Bureau of Rooming and Boarding House Standards,<sup>117</sup> or other public agencies which have "reasonable cause" to obtain access.<sup>118</sup> The resident file must be retained for five years after the residency ceases.<sup>119</sup>

The regulations further provide that financial records must be kept by the owner.<sup>120</sup> These records must be orderly, complete, and

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<sup>109</sup> N.J. STAT. ANN. § 2A:18-61.1 to -61.20 (West Cum. Supp. 1981-1982).

<sup>110</sup> N.J. ADMIN. CODE § 5:27-3.3(c) (Supp. 1980).

<sup>111</sup> N.J. STAT. ANN. § 2A:18-61.1 (West Cum. Supp. 1981-1982).

<sup>112</sup> See *id.* § 2A:18-61.2.

<sup>113</sup> N.J. ADMIN. CODE § 5:27-3.4(c) (Supp. 1980).

<sup>114</sup> See *id.* § 5:27-8.1.

<sup>115</sup> *Id.* § 5:27-8.1(a).

<sup>116</sup> *Id.* § 5:27-8.1(6).

<sup>117</sup> This is the division of the Department of Community Affairs which has the responsibility for licensing, inspecting and enforcing provisions of the Act concerning rooming and boarding houses.

<sup>118</sup> N.J. ADMIN. CODE § 5:27-8.1(c) (Supp. 1980).

<sup>119</sup> *Id.* § 5:27-8.4.

<sup>120</sup> *Id.* § 5:27-8.2.



explicit. They must specify all payments received by the owners, as well as all expenses paid and the profits retained.<sup>121</sup> They must be retained for five years and be available to the Bureau of Rooming and Boarding House Standards upon request.<sup>122</sup>

As a supplement to the Rooming and Boarding House Act, the legislature passed a Boarding Facility's Bill of Rights.<sup>123</sup> This statute sets forth fifteen rights which every resident of rooming houses, boarding houses, and residential health care facilities shall have.<sup>124</sup> It provides that upon admission to any facility, the owner shall supply the resident with a copy of the rights listed in the Act.<sup>125</sup> The law also provides for a private right of action for a resident whose rights have been violated. If the resident prevails in this action, he is entitled to recovery of attorneys' fees and costs.<sup>126</sup>

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<sup>121</sup> *Id.*

<sup>122</sup> *Id.* § 5:27-8.4.

<sup>123</sup> N.J. STAT. ANN. § 55:13B-18 to -21 (West Cum. Supp. 1981-1982).

<sup>124</sup> *Id.* § 55:13B-19. The statute reads:

Every resident of a boarding facility shall have the right:

- a. To manage his own financial affairs;
- b. To wear his own clothing;
- c. To determine his own dress, hair style, or other personal effects according to individual preference;
- d. To retain and use his personal property in his immediate living quarters, so as to maintain individuality and personal dignity, except where the boarding facility can demonstrate that such would be unsafe, impractical to do so, infringes upon the rights of others and that mere convenience is not the facility's motive to restrict this right;
- e. To receive and send unopened correspondence;
- f. To unaccompanied access to a telephone at a reasonable hour and to a private phone at the resident's expense;
- g. To privacy;
- h. To retain the services of his own personal physician at his own expense or under a health care plan and to confidentiality and privacy concerning his medical condition and treatment;
- i. To unrestricted communication, including personal visitation with any person of his choice, at any reasonable hour;
- j. To make contacts with the community and to achieve the highest level of independence, autonomy, and interaction with the community of which he is capable;
- k. To present grievances on behalf of himself or others to the operator, State governmental agencies or other persons without threat of reprisal in any form or manner whatsoever;
- l. To a safe and decent living environment and considerate and respectful care that recognizes the dignity and individuality of the resident;
- m. To practice the religion of his or her choice, or to abstain from religious practice; and
- n. To not be deprived of any constitutional, civil or legal right solely by reason of residence in a boarding facility.

*Id.*

<sup>125</sup> *Id.* § 55:13B-20.

<sup>126</sup> *Id.* § 55:13B-21.

## POST-ACT EFFECTS

The Department of Health presently has jurisdiction over 192 residential health care facilities, plus 56 other homes that have a residential component.<sup>127</sup> The number of licensed homes under this department's jurisdiction has remained constant since the problems in the industry were made public.<sup>128</sup> The Department of Community Affairs has licensed 170 facilities on a permanent basis and 705 temporarily.<sup>129</sup> It is aware of over 1,400 homes falling within their jurisdiction, however, and estimates that possibly twice as many are in existence throughout the state.<sup>130</sup> Determining the existence of homes involves much work. The Department of Human Services' Division on Public Welfare, county welfare agencies, and local officials have all assisted in attempting to determine the existence of unlicensed boarding homes in New Jersey, but a large number of boarding homes remain unlicensed.<sup>131</sup>

The Department of Community Affairs has a staff of eleven physical evaluators and fourteen social evaluators. It is their function to visit all homes about which complaints have been received, those homes to which applications for licensing have been sent,<sup>132</sup> and licensed homes. Inspections are conducted at least annually, although homes about which complaints have been made and those that have been found to be in non-compliance with the regulations are visited more often.<sup>133</sup> Department of Health inspections, mandated by law to occur annually, are usually performed twice a year.<sup>134</sup> Nevertheless, where complaints have been received or where past practice indicates non-compliance, inspections occur with greater frequency.<sup>135</sup> When an initial temporary license is issued, inspections are made monthly until the full license is issued.<sup>136</sup>

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<sup>127</sup> Interview with Dr. Solomon Goldberg, Director of Certification, Licensing and Standards for the Division of Health Facilities Evaluation, in Trenton (Jan. 6, 1982) [hereinafter cited as Goldberg interview].

<sup>128</sup> *Id.*

<sup>129</sup> The different levels of licensing is discussed at notes 105-08 *infra* and accompanying text.

<sup>130</sup> Interview with Bonnie Watson Carter, Bureau Chief, Bureau of Rooming and Boarding House Standards, in Trenton (Jan. 21, 1982) [hereinafter cited as Carter interview].

<sup>131</sup> *Id.*

<sup>132</sup> The Department of Community Affairs sent out approximately 7,600 applications to facilities which were suspected of being under their jurisdiction. *Id.*

<sup>133</sup> *Id.*

<sup>134</sup> Goldberg interview, *supra* note 127.

<sup>135</sup> *Id.*

<sup>136</sup> *Id.*

The licensing systems utilized by the two agencies differ somewhat,<sup>137</sup> but in each instance the requirement of licensure has tightened state control over the industry. In order to make the Act effective in resolving problems in the industry, and to ensure that the health and safety of the residents are preserved, sanctions must be utilized to enforce the provisions of the Act and the various regulations.

The Department of Health had previously utilized penalty assessment only sparingly.<sup>138</sup> This has changed dramatically. In situations where imminent peril does not exist and non-compliance is noted through inspections, the licensee is provided a statement of deficiencies and a time frame in which to correct them. If, upon reinspection, compliance is not achieved, the licensee is notified of the potential for being fined. If the licensee then does not comply within the seven-day period provided for compliance, the Department issues an order to show cause why fines should not be imposed. In almost every instance, the facility appeals this order to the Office of Administrative Law.<sup>139</sup> In the event an appeal is not sought, the assessment is recoverable through a summary civil proceeding pursuant to the Penalty Enforcement Law.<sup>140</sup>

Penalty assessment has been utilized for a variety of violations including structural violations, operating a residential health care facility without a license, and health and sanitation violations.<sup>141</sup>

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<sup>137</sup> The Department of Health will issue either a six-month temporary license or a permanent license. A provisional license had been utilized in the past when the facility was downgraded because of non-compliance with the law. This practice has ceased. When an application is made for licensure, a temporary license is uniformly issued. The owner receives a statement of deficiencies which must be corrected, and after six months receives either further probation or a full license. The Department never seeks closure of the home for non-compliance after the probation period. The philosophy of the Department is one of helping the owner achieve compliance. *Id.*

The Department of Community Affairs, on the other hand, issues licenses for rooming and boarding houses on an annual basis. After the initial application, the Department makes a police check on the potential licensee and checks with the county welfare agency and the Ombudsman to determine if any complaints have been generated by any agencies about this owner. If the home is found to be in compliance with the physical and social requirements in the regulations, a full license is issued. If not, a temporary license is issued and the owner is informed as to the deficiencies and period of time in which to correct the problems. If the owner persists in not complying, the Department makes arrangements to have the facility closed down. Carter interview, *supra* note 130.

<sup>138</sup> See note 62 *supra* and accompanying text.

<sup>139</sup> Goldberg interview, *supra* note 127.

<sup>140</sup> N.J. STAT. ANN. § 2A:58-1 (West 1952).

<sup>141</sup> Interview with Angelina Massei, Coordinator of Licensing and Certification, Division of Health Facilities Evaluation, in Trenton, N.J. (Jan. 6, 1982) [hereinafter Massei interview].

According to Department of Health records, sixteen homes have been assessed penalties ranging in amounts from \$5,250 to \$538,044. Hearings are in process in the Office of Administrative Law regarding eight of these homes. In two instances, a settlement was reached wherein the owner agreed to divest himself of ownership and the penalty assessment was reduced.<sup>142</sup> In four cases, either temporary or permanent licenses to operate a residential health care facility were revoked, and in two other cases homes were closed and the residents were relocated to other facilities.<sup>143</sup> Finally, one home that was assessed a fine for operating a residential health care facility without a license was closed by the Department of Community Affairs at a subsequent time.<sup>144</sup> These records indicate that the Department is utilizing its enforcement powers with more frequency. Although the Department often settles the matter for a small portion of the assessed penalty, the greater level of enforcement evinces a desire to demonstrate to owners that massive fines and possibly closure, can and will be sought for non-compliance.

The Department of Community Affairs utilizes its fining powers like a "hammer," as well. Within the first year of the Act's existence, eighteen penalty enforcement actions were instituted when a facility refused to come into compliance with the regulations.<sup>145</sup> The Department's most forceful means of enforcement has been through closure actions. Closure has been utilized when a facility is operating without a license or when a license has been denied, not for the situation in which a temporary or permanent license has been granted. In the latter situations license suspension is the appropriate relief. Twenty facilities have been closed by the Department of Community Affairs since the passage of the Act. This has involved the relocation of over 300 individuals.<sup>146</sup> Although receivership has been mentioned as an alternative to closure there are some evident drawbacks. There are not enough state funds available to run the homes in place of the owner. In addition, once the areas of non-compliance are alleviated, the owner resumes operation of the facility. There is an obvious problem in permitting a recalcitrant owner to assume responsibility for run-

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<sup>142</sup> Unlike before the Act, when the Department of Health now revokes a license and the facility desires to remain in operation, the facility must apply for a license from the Department of Community Affairs.

<sup>143</sup> Massei interview, *supra* note 141.

<sup>144</sup> *Id.*

<sup>145</sup> Carter interview, *supra* note 130.

<sup>146</sup> *Id.*

ning the facility. However, there are problems as well in displacing and relocating residents after closure.<sup>147</sup>

### CONCLUSION

The Rooming and Boarding House Act was designed to correct problems and abuses that existed in the boarding house industry while ensuring that residents' needs would be met. It was not designed to be a panacea for all the social ills befalling the indigent, vulnerable, dependent, often elderly, friendless and family-less population which inhabits the boarding facilities through this state.

The official policy of deinstitutionalization, which has been in existence for some fifteen to twenty-five years, has succeeded in emptying the state's mental hospitals of individuals who, ostensibly, should lead more normal lifestyles in the community. A large percentage of these individuals ended up in boarding homes without necessary assistance in reshaping their lives and without being provided the

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<sup>147</sup> A problem that has developed with relocating individuals from the facilities that are closed is the lack of coordination between the various agencies effecting the relocation. For example, there have been problems between the Department of Community Affairs staff and county welfare staff in assuming the lead role in relocating residents from a given facility. Presently, it appears that the Department of Community Affairs will assume the lead role even though county welfare staff people are more intimately familiar with residents in the facilities and could provide greater assistance in alleviating the effects of transfer trauma on these individuals.

Other problems concerning coordination of agencies have been voiced by agency representatives. Most of these individuals feel that such jurisdictional problems can be resolved by formal agreements or contracts between the agencies setting forth the roles, responsibilities, and duties of each agency in resolving particular actions. Interview with Larry Hatton, Boarding Home Coordinator, Division of Youth and Family Services, in Trenton (Jan. 21, 1982); interview with Fred Hebler, Director of Health Facilities Inspection Services, Division of Health Facilities Evaluation, in Trenton (Jan. 6, 1982). This is not to say, of course, that cooperation between agencies does not exist. A number of counties have remediation teams and intergovernmental task forces wherein agency representatives discuss and resolve issues and problems in the industry and take appropriate action to resolve them. Some remediation teams provide education and training to each other and the community to ensure that residents' needs are met.

In addition, the extensive reporting system established by the Act has created a greater awareness among the various responsible agencies for reporting abuse, safety and sanitary violations, and appropriate actions taken by the agency in response to these violations. For example, the Department of Health notifies county welfare, the Ombudsman, and Department of Community Affairs when it institutes any type of enforcement action against a facility. The Department of Community Affairs relies on the central registry system to report abuses and violations and will report complaints of abuse and failure to provide personal needs allowance to the county welfare agency for investigation. In the county welfare agency, each boarding home unit determines which agencies will receive which type of complaint. The county welfare agency, pursuant to regulation, is required to keep a central file of complaints as well.

It appears, therefore, that all relevant agencies are not lacking in information concerning problems and actions taken to resolve them. Indeed, there is an enhanced awareness and team spirit involved in correcting problems in the boarding home industry.

services they needed to exist with independence and self-respect in the community. Much has changed in this regard. An increased awareness, understanding, and provision of these services has helped.

A major positive step has been the passage of the Rooming and Boarding House Act. The Act's provisions and the regulations that were passed setting standards for licensing, safety, sanitation, food, services to residents, reporting of abuses and coordination of activities of the relevant agencies helped to shore up a weak system of resolving problems in the industry. The Act has created a more coordinated and comprehensive approach to serving the needs of the residents of boarding facilities.

Much has been documented regarding the abuses and fiscal exploitation of boarding home residents. The mere passage of the Act did not suddenly alleviate these problems. Certain unscrupulous, greedy and uncaring owners and operators still exist. Passage of the Act was the first step in dealing with these people and the problems they create. Continued inspections, utilization of forceful sanctions, a greater public awareness of the existence of poorly run homes, and increased accountability should result in further inroads being made to "clean up" the industry. A coordinated effort by residents, owners, public and private agencies and the community itself is required.