

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5675

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 28, 2023

The Assembly Budget Committee reports favorably and with committee amendments Assembly Bill No. 5675.

This bill, as amended, establishes a “Boardwalk Preservation Fund” (fund) in the Department of Community Affairs (DCA) for the purpose of providing grants to counties and municipalities for boardwalk construction, maintenance, reconstruction, and repair projects, including construction, maintenance, reconstruction, and repair projects related to ancillary or appurtenant structures.

The DCA is to develop an application process and promulgate criteria for a county or municipality, individually or jointly, to qualify for a grant. This information is to be disseminated to coastal counties and municipalities in a form and manner to be determined by the DCA. The DCA is to accept and review applications submitted by counties and municipalities and determine whether the application has met the criteria established by the DCA to qualify for a grant pursuant to the bill.

The DCA is to approve in advance any projects proposed to be funded with grants and enter into an agreement with the county or municipality, individually or jointly, and as negotiated by the DCA for the expenditure or allocation of grant funds and for reporting on expenditures and project outcomes. The award of grants pursuant to the bill is to be conditioned upon compliance with the provisions of an agreement approved pursuant to the bill, and as determined by the DCA. As part of an agreement, the DCA is to require a county, municipal, or joint contribution or expenditure to the project of not less than five percent of the project cost, provided that a grant applicant that has one of the highest 50 distress scores on the 2020 Municipal Revitalization Index is not to be required to make a contribution or expenditure as a condition of receiving a grant from the fund. The DCA is to award grants based on criteria established by the DCA, and, for applicants required to make a contribution, the criteria is to include a preference for applicants that make a contribution or expenditure of greater than five percent of project costs.

This bill appropriates \$100 million from the “American Rescue Plan Act of 2021,” Pub.L.177-2, for the administration of the

“Boardwalk Preservation Fund” and the award of grant funding pursuant to the bill.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- remove the requirement that the grants be matching, but instead require that, except for certain applicants, a county, municipal, or joint contribution or expenditure to a project be not less than five percent of the project cost;
- allow that a grant applicant that has one of the highest 50 distress scores on the 2020 Municipal Revitalization Index is not to be required to make a contribution or expenditure as a condition of receiving a grant;
- include projects involving ancillary or appurtenant structures;
- remove administration by the Division of Housing and Community Resources; and
- require award criteria include a preference for applicants that provide a contribution or expenditure of greater than five percent of project costs.

FISCAL IMPACT:

This bill has not been certified as requiring a fiscal note.