

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1430

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 25, 2024

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 1430.

As amended, this bill would require expanded use of affordable housing voucher program funding for the purpose of homeownership expense assistance.

The bill would require the Department of Community Affairs (DCA) to reserve a portion of the funding provided for the State Rental Assistance Program (SRAP) to establish and administer a program comparable to the federal section 8 Housing Choice Voucher Homeownership Program. The federal section 8 Housing Choice Voucher Homeownership Program allows program participants, who would otherwise apply a voucher towards rent payments, to instead apply the voucher towards down payment assistance or principal and interest on mortgage debt, insurance, taxes, utilities, and other homeownership expenses.

The bill would also require SRAP to reserve a portion of the funds available to it to establish and administer a program comparable to the federal Section 8 Housing Choice Voucher Family Self-Sufficiency Program, to help families achieve economic independence and reduce dependence on welfare assistance and rental subsidies, as well as to establish and administer a Home Repair Emergency Assistance Fund, to assist families with costs of necessary home repairs and other homeownership expenses over the course of their participation.

The bill would require local housing authorities in the State that administer funding through the federal section 8 Housing Choice Voucher Program to also implement the Housing Choice Voucher Homeownership Program. Currently, local housing authorities are permitted, but not required, to implement this program.

The bill would take effect on the first day of the sixth month following enactment in order to provide DCA and housing authorities time to prepare to implement the bill's requirements.

This bill was prefiled for introduction in the 2024-2025 session pending technical review. As amended and reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amended the bill to: (1) provide that a homeownership voucher provided pursuant to the bill may be used for a single down payment assistance grant or monthly homeownership assistance; (2) require that a portion of funds available to SRAP is reserved to establish and administer a program comparable to the federal Section 8 Housing Choice Voucher Family Self-Sufficiency Program; and (3) require that a portion of funds available to SRAP is reserved to establish and administer a Home Repair Emergency Assistance Fund.