

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3481

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 23, 2026

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 3481 (1R).

As amended and reported, sections 1 through 3 of the bill revise the Homelessness Prevention Program (program), established pursuant to the "Prevention of Homelessness Act (1984)," (act) P.L.1984, c.180 (C.52:27D-280 et seq.), and codify certain regulations promulgated by the Department of Community Affairs (department) pursuant to the act. Sections 4 and 5 of the bill require a new charge for the filing of an eviction action, and direct the Office of Eviction Prevention in the Department of Community Affairs to use the monies received through this charge for the purposes of eviction prevention services.

Sections 1 through 3 of the bill provide that an applicant is not eligible to receive assistance under the program unless the applicant is homeless or in imminent danger of homelessness as a result of certain eviction actions related to an inability to rent, a mortgage foreclosure, or an inability to pay rent or mortgage payments that is likely to cause imminent foreclosure or an eviction action. The bill also provides certain criteria excluding applicants from eligibility for assistance. The bill requires that assistance to an applicant facing foreclosure as a result of mortgage or property tax arrearages is to be in the form of a loan to be secured by a recorded mortgage. The bill specifies criteria for a mortgage loan and requires that the total amount of any program loan is not to exceed an amount equal to 600 percent of the monthly applicable "payment standard" for the family size. If an applicant is found eligible for assistance, but does not receive assistance due to a lack of program funds, the bill: (1) requires that first consideration is to be given to those applicants most vulnerable in the event of homelessness; and (2) provides certain priorities for receiving assistance among otherwise qualified applicants in the same applicant pool, which are to be determined by the department, except that the department is to include the priorities specified in the bill.

The bill further specifies that funds distributed pursuant to the program are to be distributed so that applicants in all regions of the State have equal access to assistance.

Sections 4 and 5 of the bill require that, in addition to existing fees, and notwithstanding the current limit on filing fees and other statutory fees payable to the court of \$50 in the aggregate, an amount of \$75 is to be collected for the filing of an eviction action by landlords who lease more than three dwelling units, or more than four dwelling units if the structure is owner-occupied. Additional funding is required to be provided to the Office of Eviction Prevention, and used for eviction prevention services the office directs and designs, including but not limited to, the employment or contracting of resource navigators through the Rental Assistance Navigation Program, as established by the Department of Community Affairs pursuant to P.L.2021, c.313 and made permanent under the bill, which services include homelessness prevention services, relocation and rapid rehousing assistance, social services support, rental assistance resources, and connection to legal services. The bill specifies that notwithstanding the provisions of any residential lease agreement to the contrary, the responsibility to pay the fee required by the bill is not to be shifted to the tenant, and is not to constitute "additional rent," regardless of the outcome of an eviction action. The bill also amends the definition of the term "expenses," as the term is defined pursuant to section 1 of P.L.2013, c.206 (C.2A:18-61.66), to exclude filing fees authorized under the bill.

The bill is to take effect on the first day of the fourth month next following the date of enactment, except that the Commissioner of Community Affairs is required to take anticipatory actions necessary to effectuate the provisions of the bill.

COMMITTEE AMENDMENTS:

The committee amended the bill to make changes to section 3 of the bill pertaining to applicant qualifications and internal reference updates.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill's \$75 fee charged for filing an eviction action may result in an annual State revenue increase of up to \$9.0 million.

There would also be an annual State expenditure increase, as the Department of Community Affairs is to utilize the revenue collections from this new fee for the purposes of eviction, foreclosure, and homelessness prevention services.

The OLS notes that, to the extent a local housing agency owns and operates applicable rented dwelling units, the local agency would incur the \$75 charge each time it files an eviction action.