

**ASSEMBLY, No. 1424**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**

**Assemblywoman YVONNE LOPEZ**

**District 19 (Middlesex)**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Assemblyman DANIEL R. BENSON**

**District 14 (Mercer and Middlesex)**

**SYNOPSIS**

Establishes "Senior Citizen Home Repair and Modification Program"; appropriates \$10 million.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 6/22/2020)**

1   **AN ACT** establishing a home repair assistance program for certain  
2       senior citizens, supplementing Title 52 of the Revised Statutes,  
3       and making an appropriation.

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

7  
8       1. P.L.     , c.   (C.     ) (pending before the Legislature as this  
9 bill) shall be known and may be cited as the "Senior Citizen Home  
10 Repair and Modification Act."

11  
12      2. As used in P.L.     , c.   (C.     ) (pending before the  
13 Legislature as this bill):

14       "Code enforcement officer" means a local housing code  
15 enforcement officer certified by the Department of Community  
16 Affairs.

17       "Eligible senior citizen" means a homeowner who is at least 65  
18 years of age, who has owned and occupied a one- to four-family  
19 residential building in the State as a principal residence for at least  
20 five years, and whose gross household income is equal to or less  
21 than 50 percent of the area median income figure determined by the  
22 federal Department of Housing and Urban Development for the  
23 geographic area in which the home is located.

24       "Lowest responsive estimate" means an estimate by a qualified  
25 contractor whose response to a request for an estimate offers the  
26 lowest price, conforming in all material respects to the terms and  
27 conditions, specifications, legal requirements, and other provisions  
28 of the request.

29       "Qualified contractor" means a person engaged in the business of  
30 performing home repair, including electrical and plumbing work,  
31 who meets all of the necessary certification, licensing, and work  
32 quality requirements established pursuant to State law.

33  
34      3. The Department of Community Affairs shall develop and  
35 implement a program to be known as the "Senior Citizen Home  
36 Repair and Modification Program," the purpose of which shall be to  
37 assist eligible senior citizens across the State in making repairs or  
38 modifications to their homes to remove or remedy any violations of  
39 the standards of fitness for human habitation as are set forth in State  
40 or local housing or health codes or regulations, or any other  
41 conditions dangerous to life, health, or safety. The program shall  
42 offer both financial assistance, in the form of grants, low-interest  
43 loans with a deferred repayment option, or a combination of both,  
44 as well as assistance in identifying, selecting, and hiring a qualified  
45 contractor. The program shall include, but shall not be limited to,  
46 the following guidelines:

47       a. The repairs or modifications allowed under the program  
48 shall include, but need not be limited to:

- 1 (1) alterations to facilitate the safe movement of the senior
- 2 citizen inside the home, such as the installation of hand rails in a
- 3 bathroom and other accessibility modifications;
- 4 (2) minor, non-structural repairs, such as plumbing, painting,
- 5 and repairing a broken window; and
- 6 (3) major structural, health and safety repairs, or repairs
- 7 necessary to correct housing code violations, such as roof, floor,
- 8 and porch replacement, major plumbing, and heating system
- 9 replacement.
- 10 b. Determination of an applicant's eligibility for program
- 11 participation shall include:
- 12 (1) review of a written application, accompanied by the
- 13 applicant's proof of age, income, home ownership, and residence;
- 14 and
- 15 (2) verification of the need for the repairs or modifications
- 16 requested as evidenced by an inspection by the local code
- 17 enforcement officer.
- 18 c. Financial assistance shall be awarded to an eligible senior
- 19 citizen applicant as a grant, a low-interest loan, or a combination of
- 20 both, based on need and the applicant's ability to pay. The amount
- 21 awarded shall not exceed the costs involved in making the approved
- 22 repairs or modifications, as determined pursuant to subsection d. of
- 23 this section, and subject to the following limits per applicant:
- 24 (1) a maximum grant amount of up to \$5,000;
- 25 (2) a maximum low-interest loan amount of up to \$15,000; or
- 26 (3) a combination of both, not to exceed \$20,000.
- 27 Any loan amount awarded to an applicant pursuant to the
- 28 program shall bear an interest rate no greater than three percent.
- 29 The program shall offer the applicant the option to repay the loan
- 30 amount according to a reasonable repayment schedule, or to defer
- 31 repayment of the loan amount plus accrued interest until the home
- 32 is sold or until the applicant ceases to permanently reside at the
- 33 home.
- 34 All funds awarded to an eligible senior citizen applicant pursuant
- 35 to the program shall be determined and disbursed by a program
- 36 administrator in accordance with subsection d. of this section.
- 37 d. For all approved applications, a program administrator shall
- 38 assist the eligible senior citizen applicant to:
- 39 (1) request at least three estimates from licensed, qualified
- 40 contractors;
- 41 (2) enter into a contract for the repairs with the qualified
- 42 contractor who provided the lowest responsive estimate;
- 43 (3) once the repairs have been completed, request a re-
- 44 inspection of the property by the local code enforcement officer to
- 45 verify that the repairs were performed as agreed; and
- 46 (4) disburse payment to the contractor.
- 47 e. The program shall offer a tax credit to a qualified contractor
- 48 who performs the needed repairs or modifications free of charge, in

1 an amount equal to the cost of the labor and materials expended, but  
2 not to exceed \$5,000. The contractor tax credit element of the  
3 program shall be modeled and implemented in a manner similar to  
4 the "Neighborhood Revitalization Tax Credit Program" currently  
5 implemented by the department under the "Neighborhood  
6 Revitalization State Tax Credit Act," P.L.2001, c.415 (C.52:27D-  
7 490 et seq.).

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9 4. Within 120 days following the effective date of P.L. ,  
10 c. (C. ) (pending before the Legislature as this bill), the  
11 Commissioner of Community Affairs shall, pursuant to the  
12 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
13 seq.), promulgate rules and regulations necessary to implement its  
14 provisions.

15  
16 5. There is appropriated from the General Fund the sum of \$10  
17 million to the Department of Community Affairs for the purposes of  
18 effectuating the provisions of P.L. , c. (C. ) (pending before  
19 the Legislature as this bill). The department may retain an amount  
20 for administrative costs and transaction fees not to exceed five  
21 percent of the appropriated funds.

22  
23 6. This act shall take effect immediately.  
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#### 26 STATEMENT

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28 This bill would require the Department of Community Affairs to  
29 establish the "Senior Citizen Home Repair and Modification  
30 Program" to assist low and moderate income homeowners 65 years  
31 of age or older in making repairs to their homes, and in identifying  
32 and hiring a qualified contractor. Eligible repairs would range from  
33 accessibility modifications to major structural and habitability  
34 repairs such as roof replacement. An eligible home would be a one-  
35 to four-family residential building that the eligible senior citizen has  
36 owned and occupied as a principal residence for at least five years.

37 The program would offer grants of up to \$5,000 and low-interest  
38 loans of up to \$15,000, or a combination of both up to \$20,000,  
39 based on need and ability to pay. At the discretion of the borrower,  
40 a loan awarded under the program would be repaid according to a  
41 reasonable repayment schedule, or deferred until the home is sold or  
42 until the senior citizen no longer resides there. The program would  
43 also offer a tax credit to a contractor who performs the needed work  
44 free of charge, up to \$5,000.

45 This bill would appropriate \$10 million from the General Fund to  
46 the Department of Community Affairs as initial funding for the  
47 program and would allow the department to retain up to five percent  
48 for administrative purposes and transaction fees.