

[Second Reprint]

ASSEMBLY, No. 3062

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 20, 2020

Sponsored by:

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblyman WILLIAM F. MOEN, JR.

District 5 (Camden and Gloucester)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Senator NELLIE POU

District 35 (Bergen and Passaic)

Senator NILSA I. CRUZ-PEREZ

District 5 (Camden and Gloucester)

Co-Sponsored by:

Assemblywoman Murphy, Assemblymen Moriarty, Stanley, Assemblywoman Timberlake, Assemblymen Calabrese, Coughlin, Senator Ruiz, Assemblywomen McKnight, Lopez, Downey and Assemblyman Wimberly

SYNOPSIS

Establishes three year Financial Empowerment Pilot Program.

CURRENT VERSION OF TEXT

As amended on December 2, 2021 by the General Assembly pursuant to the Governor's recommendations.

(Sponsorship Updated As Of: 12/2/2021)

1 AN ACT establishing the Financial Empowerment Pilot Program
 2 ²and making an appropriation².

3
 4 **BE IT ENACTED** by the Senate and General Assembly of the State
 5 of New Jersey:

6
 7 1. a. There is established in the Department of Community
 8 Affairs a Financial Empowerment Pilot Program. The purpose of the
 9 pilot program shall be to address financial literacy and empowerment
 10 issues for economically vulnerable individuals in the State through
 11 ²**[municipal]** the disbursement of grants to eligible entities to
 12 implement² financial empowerment ²**[centers]**. The municipalities of
 13 Camden, ¹New Brunswick,¹ Newark, ¹**[and]**¹ Paterson ¹, and
 14 Trenton¹ shall participate in the pilot program with the department.**]**
 15 forums, programs, or initiatives.²

16 b. The ²**[pilot program, in consultation with the participating**
 17 **municipality,****]** department² shall ²**[contract with a non-profit provider**
 18 **to establish a]** award grants to eligible entities through a competitive
 19 grant solicitation to fund the establishment of² financial empowerment
 20 ²**[center in each of the participating municipalities in a location that is**
 21 **easily accessible to the residents of that municipality. The financial**
 22 **empowerment centers shall facilitate appropriate]**² forums, programs,
 23 or initiatives designed to educate the public regarding financial literacy
 24 and empowerment and provide personal financial coaching to
 25 economically vulnerable individuals.

26 c. The pilot program shall run for a period of three years
 27 following ²**[establishment of the financial empowerment centers**
 28 **pursuant to this section]** the effective date of P.L. , c. (C.)
 29 (pending before the Legislature as this bill)².

30 ²d. For purposes of P.L. , c. (C.) (pending before the
 31 Legislatre as this bill), “eligible entities” shall include non-profit
 32 providers, municipalities, and institutions of higher education,
 33 excluding proprietary institutions authorized to offer licensed degree
 34 programs.²

35
 36 2. a. ²**[The pilot program shall]** An eligible entity seeking to
 37 participate in the Financial Empowerment Pilot Program shall submit
 38 an application for a grant to the Department of Community Affairs in a
 39 form determined by the department. The application shall include
 40 information that the department determines is necessary to administer
 41 the program and award grants.

42 b. The department shall establish criteria for the award of grants to
 43 eligible entities, which shall include, but need not be limited, to the
 44 following:

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AFI committee amendments adopted March 5, 2020.

²Assembly amendments adopted in accordance with Governor's
 recommendations December 2, 2021.

1 (1) whether the eligible entity's forums, programs, or initiatives
2 are designed to reach and are likely to reach economically vulnerable
3 individuals;

4 (2) whether the eligible entity maintains or plans to establish a
5 financial empowerment center at a physical location that facilitates
6 direct contact with economically vulnerable individuals;

7 (3) whether the eligible entity has established or plans to²
8 establish metrics and standards to track counseling efforts and results
9 for economically vulnerable individuals, and ²[shall provide] has
10 developed or plans to develop² methods for implementing those
11 standards ²[at the financial empowerment centers,] as part of its
12 forums, programs, or initiatives;

13 (4) whether the eligible entity's forums, programs, or initiatives
14 are designed to promote education and improve outcomes among
15 economically vulnerable individuals² in the following areas:

16 ²[(1)] (a)² the opening of or transitioning to a safe and affordable
17 bank account;

18 ²[(2)] (b)² the establishment of a credit score, or the increase in
19 an existing credit score;

20 ²[(3)] (c)² the decrease of non-mortgage debt; and

21 ²[(4)] (d)² the increase in rate of savings²].

22 b. The pilot program shall provide the centers with support
23 services, including] ;

24 (5) whether the eligible entity has access to, has developed, or has
25 plans to develop² materials on financial literacy and empowerment for
26 publication and dissemination to the public ²[and shall coordinate the
27 activities of the pilot program with other entities that focus on
28 financial literacy and empowerment, including other State agencies.] ;

29 (6) whether the eligible entity intends to offer its forums,
30 programs, or initiatives in languages other than English; and

31 (7) any other criteria the department determines are necessary to
32 evaluate whether the eligible entity's proposed forums, programs, or
33 initiatives will achieve the goals of educating the public regarding
34 financial literacy and empowerment and providing personal financial
35 coaching to economically vulnerable individuals.

36 c. If the eligible entity is an institution of higher education, the
37 department shall also determine whether the eligible entity's forums,
38 programs, or initiatives are designed to reach and likely to reach
39 economically vulnerable members of the public beyond the
40 institution's student body.²

41

42 3. a. The program shall submit a report to the Commissioner of
43 Community Affairs no later than two months after the conclusion of
44 the pilot program. The report shall include, at a minimum, information
45 on the ²[counseling efforts and results established and tracked
46 pursuant to subsection a. of section 2 of this act, for each financial

1 empowerment center.】 outcomes of grantees' forums, programs, or
2 initiatives.²

3 b. ²【After receiving the report, the】 The² commissioner shall
4 submit a report to the Governor, and to the Legislature pursuant to
5 section 2 of P.L.1991, c.164 (C.52:14-19.1), on the implementation
6 and effectiveness of the pilot program no later than two months after
7 the pilot program issues its report to the commissioner. The report
8 shall include the commissioner's recommendation on the advisability
9 of the pilot program's continuation and expansion ²【to additional
10 municipalities in】 throughout² the State.

11

12 4. ²【All monies received by the State from the settlement of the
13 complaint of the Federal Trade Commission against Equifax, Inc.,
14 after accounting for any costs incurred by the Attorney General in
15 participating in the complaint, shall be transferred】 There is
16 appropriated from the General Fund² to the Department of Community
17 Affairs ²\$6,360,000² for the purposes of effectuating the provisions of
18 this act. ²【The moneys】 Up to 3.5 percent of the amounts
19 appropriated² may ²【also】² be expended for appropriate and
20 reasonable administrative expenses incurred in the administration of
21 the pilot program by the department.

22

23 5. This act shall take ²effect² immediately and shall expire upon
24 submission of the final report required to be prepared under section 3
25 of this act.