

**SENATE, No. 492**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**

**Senator CHRIS A. BROWN**

**District 2 (Atlantic)**

**Co-Sponsored by:**

**Senators Corrado and Bateman**

**SYNOPSIS**

“Steven Schmincke’s Law”; facilitates sober living home construction financing.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1   **AN ACT** concerning sober living home construction financing,  
2       designated as Steven Schmincke’s Law, and supplementing  
3       P.L.1983, c.530 (C.55:14K-1 et seq.).  
4

5       **BE IT ENACTED** *by the Senate and General Assembly of the State*  
6 *of New Jersey:*  
7

8       1. The Legislature finds and declares that:

9       a. The State of New Jersey has experienced approximately  
10      1,300 drug-related deaths each year since 2012;

11      b. This unfortunate statistic has more than doubled the annual  
12      number of deaths resulting from motor vehicle accidents in recent  
13      years;

14      c. Many New Jersey residents who have lost a loved one to a  
15      drug-related death, such as the family of Steven Schmincke of Egg  
16      Harbor Township, believe that residency in a responsibly-managed  
17      sober living home could have prevented the tragedy; and

18      d. It is necessary and in the public interest for the Legislature  
19      to enact legislation enabling the New Jersey Housing and Mortgage  
20      Finance Agency to establish a program to finance the creation of  
21      quality sober-living facilities through the issuance of low- or zero-  
22      interest loans.  
23

24      2. a. As used in this section:

25       “Agency” means the New Jersey Housing and Mortgage Finance  
26      Agency established pursuant to section 4 of P.L.1983, c.530  
27      (C.55:14K-4).

28       “Executive director” means the Executive Director of the New  
29      Jersey Housing and Mortgage Finance Agency.

30       “Project cost” means the sum total of all costs incurred in the  
31      development of a sober living home, which are approved by the  
32      agency as reasonable and necessary. Costs shall include, but are  
33      not necessarily limited to: (1) cost of land acquisition and any  
34      buildings thereon, (2) cost of site preparation, demolition, and  
35      development, (3) architect, engineer, legal, authority and other fees  
36      paid or payable in connection with the planning, execution, and  
37      financing of the project, (4) cost of necessary studies, surveys,  
38      plans, and permits, (5) insurance, interest, financing, tax and  
39      assessment costs and other operating and carrying costs during  
40      construction, (6) cost of construction, reconstruction, fixtures, and  
41      equipment related to the real property, (7) cost of land  
42      improvements, (8) necessary expenses in connection with initial  
43      occupancy of the project, (9) a reasonable profit or fee to the  
44      builder and developer, (10) an allowance established by the agency  
45      for working capital and contingency reserves, and reserves for any  
46      anticipated operating deficits during the first two years of  
47      occupancy, and (11) the cost of such other items, including tenant  
48      relocation, as the agency shall determine to be reasonable and  
49      necessary for the development of the project.

