

ASSEMBLY, No. 1925

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblywoman CLEOPATRA G. TUCKER

District 28 (Essex)

Co-Sponsored by:

Assemblyman Giblin, Assemblywomen Vainieri Huttle and Timberlake

SYNOPSIS

Requires that certain motor vehicle surcharge revenues be dedicated to the Special Needs Housing Trust Fund.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/13/2020)

1 AN ACT concerning funding for special needs housing and
2 amending P.L.2004, c.70 and P.L.2005, c.163.

3

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

6

7 1. Section 6 of P.L.2004, c.70 (C.34:1B-21.28) is amended to
8 read as follows:

9 6. a. There is created within the authority a special nonlapsing
10 fund, to be known as the "Motor Vehicle Surcharges Revenue
11 Fund." The Motor Vehicle Surcharges Revenue Fund shall consist
12 of:

13 (1) such moneys as may be appropriated to the Motor Vehicle
14 Surcharges Revenue Fund by the Legislature and paid to the
15 authority by the State Treasurer from Dedicated Motor Vehicle
16 Surcharges Revenues;

17 (2) interest or other income derived from the investment of
18 moneys in the Motor Vehicle Surcharges Revenue Fund; and

19 (3) any other moneys as may be deposited from time to time,
20 except that such moneys shall not be appropriated from the General
21 Fund.

22 b. In each State fiscal year during which the authority has
23 outstanding bonds or refunding bonds which have been issued
24 pursuant to this act, moneys in the Motor Vehicle Surcharges
25 Revenue Fund may be used by the authority, in accordance with the
26 provisions of any bond resolutions authorizing the issuance of
27 bonds or refunding bonds pursuant to this act and any contract
28 between the authority and the State Treasurer authorized and
29 entered into pursuant to section 7 of **[this act]** P.L.2004, c.70
30 (C.34:1B-21.29), to pay debt service payable on the authority's then
31 outstanding bonds or refunding bonds issued pursuant to this act
32 and any amounts due in connection with any agreements entered
33 into pursuant to subsection c. of section 4 of **[this act]** P.L.2004,
34 c.70 (C.34:1B-21.26) due in such fiscal year, to replenish any
35 reserve or other fund established for such bonds or refunding bonds
36 issued in accordance with subsection a. of section 4 of **[this act]**
37 P.L.2004, c.70 (C.34:1B-21.26), and to pay any and all other
38 additional amounts as shall be authorized by this act and required to
39 be paid by the authority during such fiscal year, provided however,
40 that the payment of all such amounts to the authority by the State
41 Treasurer shall be subject to and dependent upon appropriations
42 being made from time to time by the Legislature of the amounts
43 thereof for the purposes of this act. Notwithstanding any other
44 provision of any law, rule, regulation or order to the contrary, the
45 authority shall be paid only such amounts as shall be required by

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.

1 the provisions of any contract between the authority and the State
2 Treasurer authorized and entered into pursuant to section 7 of **[this**
3 **act]** P.L.2004, c.70 (C.34:1B-21.29) and the incurrence of any
4 obligation of the State under any such contract, including any
5 payments to be made thereunder, shall be subject to and dependent
6 upon appropriations being made from time to time by the
7 Legislature for the purposes of **[this act]** P.L.2004, c.70 (C.34:1B-
8 21.23 et al.).

9 c. In each fiscal year beginning on or after July 1, 2006 but
10 before July 1, 2020, all amounts on deposit in the Motor Vehicle
11 Surcharges Revenue Fund in excess of the amount necessary to pay
12 any amounts required to be paid by the authority pursuant to any
13 bond resolutions authorizing the issuance of bonds or refunding
14 bonds pursuant to this act or pursuant to any contract between the
15 authority and the State Treasurer authorized or entered into
16 pursuant to section 7 of **[this act]** P.L.2004, c.70 (C.34:1B-21.29)
17 and payable during such fiscal year shall be transferred to the
18 General Fund. In each fiscal year beginning on or after July 1,
19 2020, all amounts on deposit in the Motor Vehicle Surcharges
20 Revenue Fund in excess of the amount necessary to pay any
21 amounts required to be paid by the authority pursuant to any bond
22 resolutions authorizing the issuance of bonds or refunding bonds
23 pursuant to P.L.2004, c.70 (C.34:1B-21-23 et al.) or pursuant to any
24 contract between the authority and the State Treasurer authorized or
25 entered into pursuant to section 7 of P.L.2004, c.70 (C.34:1B-21.29)
26 and payable during such fiscal year shall be transferred to the
27 Special Needs Housing Trust Fund, provided that the first
28 \$7,500,000 of such moneys so transferred in each fiscal year shall
29 be remitted to the "Alcohol Treatment Programs Fund" created in
30 section 2 of P.L.2001, c.48 (C.26:2B-9.2).
31 (cf: P.L.2004, c.70, s.6)

32
33 2. Section 1 of P.L.2005, c.163 (C.34:1B-21.25a) is amended
34 to read as follows:

35 1. a. The Legislature finds and declares that:

36 (1) The State of New Jersey has the responsibility of providing
37 for and assuring the continued operation of safe and humane
38 residences for individuals who require supportive housing or
39 extended care in a community residence;

40 (2) The State of New Jersey requires additional funding to
41 continue efforts to create permanent supportive housing and
42 community residences as alternatives to institutionalization or
43 homelessness for those who would benefit from these programs;

44 (3) The State of New Jersey requires immediate programs: (i) to
45 create additional units of permanent supportive housing and
46 community residences through new construction or substantial
47 rehabilitation; and (ii) to support community grants and loans to
48 develop and ensure the long-term viability of such housing and

1 residential opportunities for individuals with special needs with
2 priority given to individuals with mental illness;

3 (4) Implementation of these programs will be a substantial step
4 toward meeting the immediate and critical need of the people of
5 New Jersey, will substantially further the public interest, and can
6 most economically be financed through a bond issue;

7 (5) The establishment of the Special Needs Housing Trust Fund
8 under the auspices of the New Jersey Housing and Mortgage
9 Finance Agency, funded through the issuance of bonds by the New
10 Jersey Economic Development Authority under the already
11 authorized "Motor Vehicle Surcharges Securitization Act of 2004,"
12 P.L.2004, c.70 (C.34:1B-21.23 et al.), is the most desirable means
13 to provide funding and to implement the programs.

14 b. There is established in the agency a special nonlapsing,
15 revolving fund to be known as the Special Needs Housing Trust
16 Fund. The proceeds from the sale of bonds issued by the authority
17 pursuant to the "Motor Vehicle Surcharges Securitization Act of
18 2004," P.L.2004, c.70 (C.34:1B-21.23 et al.), to finance special
19 needs housing projects pursuant to P.L.2005, c.163 (C.34:1B-
20 21.25a et al.) and deposited into the Motor Vehicle Surcharges
21 Securitization Proceeds Fund, together with such other funds as
22 may be authorized by law, shall be paid by the authority to the
23 agency for deposit into the Special Needs Housing Trust Fund
24 based upon executed agreements between the authority and the
25 State Treasurer. For the purpose of obtaining moneys from the
26 authority to be deposited into the Special Needs Housing Trust
27 Fund, the agency may enter into agreements with the authority to
28 receive moneys from the authority for any purposes authorized by
29 P.L.2005, c.163 (C.34:1B-21.25a et al.) and specified in the
30 agreements between the agency and the authority. The proceeds of
31 this fund shall be deposited in those depositories as may be selected
32 by the agency to the credit of the fund.

33 c. Funds deposited into the Special Needs Housing Trust Fund
34 shall be used by the agency to make loans, grants or other
35 investments to finance or otherwise pay the costs of special needs
36 housing projects, upon such terms as the agency shall determine. In
37 making any of the foregoing loans, grants or other investments, the
38 agency shall not be limited by any of the restrictions imposed by
39 P.L.1983, c.530 (C.55:14K-1 et seq.) on eligible loans, funding or
40 financial assistance for housing projects, or other financing
41 vehicles, and shall give priority to special needs housing projects
42 benefiting persons with mental illness. Special needs housing
43 projects funded from the Special Needs Housing Trust Fund shall
44 be eligible for exemption from real property taxation pursuant to
45 subsection b. of section 37 of P.L.1983, c.530 (C.55:14K-37).

46 d. Pending their application to the purposes provided in
47 P.L.2005, c.163 (C.34:1B-21.25a et al.), the moneys in the Special
48 Needs Housing Trust Fund may be invested and reinvested as are

1 other trust funds in the custody of the agency, in the manner
2 provided by law. Net earnings received from the investment or
3 deposit of moneys in the Special Needs Housing Trust Fund shall
4 remain in such fund and be applied to the purposes set forth in
5 P.L.2005, c.163 (C.34:1B-21.25a et al.).

6 e. The agency is authorized to promulgate the rules and
7 regulations, policies and procedures necessary to effectuate the
8 provisions and purposes of P.L.2005, c.163 (C.34:1B-21.25a et al.)
9 in accordance with the "Administrative Procedure Act," P.L.1968,
10 c.410 (C.52:14B-1 et seq.).

11 (cf: P.L.2005, c.163, s.1)

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13 3. This act shall take effect immediately.

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STATEMENT

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18 This bill requires that State motor vehicle surcharge revenues
19 collected pursuant to P.L.2004, c.70 (C.34:1B-21.23 et al.) that are
20 in excess of the amount necessary to pay the principal and interest
21 on motor vehicle surcharges securitization bonds issued pursuant to
22 P.L.2004, c.70 (C.34:1B-21.23 et al.) are to be deposited after June
23 30, 2012 into the Special Needs Housing Trust Fund. Under current
24 law, these excess funds are deposited in the General Fund. The bill
25 would also authorize the Special Needs Housing Trust Fund to
26 accept other funds that may be authorized by law.

27 The Special Needs Housing Trust Fund was established by
28 P.L.2005, c.163 and supports the development and construction of
29 community residences and permanent supportive housing for
30 individuals with special needs. This program was initially funded
31 in 2006 by \$200,000,000 from the proceeds of bonds issued by the
32 New Jersey Economic Development Authority. The majority of
33 those funds have been expended on the development and
34 construction of community residences and permanent supportive
35 housing for individuals with special needs, and this bill would
36 provide additional funds to continue that mission.