

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5758

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 18, 2021

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5758, with committee amendments.

This bill provides funding for the establishment of clinical programs that provide free legal services to low- and moderate-income tenants who are in need of housing assistance.

Under the bill, the Legislature is directed to annually appropriate monies for the Seton Hall Law School, Rutgers Camden Law School, and Rutgers Newark Law School to establish the clinical programs. The bill requires each clinical program to be implemented according to guidance issued by the Seton Hall Law School, subject to the limitations of the bill.

Specifically, the clinical program would provide the following services, free of charge, to low- and moderate-income tenants: (1) legal counsel and representation in landlord-tenant-related litigation, including, but not limited to, eviction proceedings and actions for unpaid rent; (2) assistance applying for benefits under any State or federally funded rental assistance program, or any other program providing financial assistance to tenants impacted by the COVID-19 pandemic; (3) legal counsel and assistance related to pre- and post-litigation negotiations with landlords; and (4) any other service that the Seton Hall Law School may deem appropriate.

The bill provides that the clinical programs may assist low- and moderate-income tenants residing throughout the State. However, each program would be required to prioritize qualifying tenants who are in need of housing assistance as a result of the COVID-19 pandemic.

If a law school elects to implement the clinical program, the school would be required to designate a licensed attorney in good standing, with experience in landlord-tenant law and civil litigation matters, to supervise the program. Thereafter, the bill permits the law school to hire such additional staff as may be needed to support the program, including one or more licensed attorneys with experience in landlord-tenant law and civil litigation matters.

Additionally, the bill allows the Seton Hall Law School to designate one or more legal services organizations through which the clinical programs may be implemented. If a law school elects to

implement the program through a designated legal services organization, then subject to the availability of funds, the law school would be required to provide subgrants to the organization to defray the costs of the program. However, when implementing the clinical program, the legal services organization would be required to allow all students selected by the law school to participate in the program.

Under the bill, the Seton Hall Law School would be required to submit an annual report to the Governor and the Legislature detailing the operations of the clinical program established pursuant to the bill. At a minimum, this report would indicate the number of tenants who received assistance through each clinical program and the service provided to each tenant.

The bill also appropriates a total of \$2 million from the General Fund to support the operations of the clinical program. The Seton Hall Law School, Rutgers Camden Law School, and Rutgers Newark Law School will each receive \$575,000. The remaining \$275,000 is appropriated to the Seton Hall Law School to support the preparation of training materials and the training of law students selected to participate in the program. If either law school does not establish the clinical program, then the monies appropriated for that school would be transferred to the other participating schools in equal amounts.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) provide greater flexibility in the hiring of administrative staff to support the clinical program;

(2) remove the requirement for all participating students to be third-year law students;

(3) allow law schools to provide some or all services of the clinical program through existing clinical programs, which have already been certified under the Rules of Court;

(4) clarify that the clinical program may include pro bono components in which one or more services would be provided by volunteer students who do not receive course credit for participating in the program;

(5) permit the Seton Hall Law School to designate one or more legal services organizations through which each law school may implement the clinical program, provided that the organization has experience providing free legal services to low- and moderate-income tenants who are in need of housing assistance;

(6) provide that if a law school implements the clinical program through a designated legal services organization, then the law school would be required to provide subgrants to the organization to defray the costs of the program. Additionally, the legal services organization

would be required to allow all students selected by the law school to participate in the program; and

(7) direct the unexpended balance of appropriated funds to be carried forward for the same purposes during the following fiscal year.

FISCAL IMPACT:

The Office of Legislative Services expects the bill to increase annual State expenditures, assuming that the Seton Hall Law School, Rutgers Camden Law School, and Rutgers Newark Law School establish the clinical program authorized under the bill.

Under the bill, these law schools are permitted to establish a clinical program to provide free legal services to low- and moderate-income tenants who are in need of housing assistance. If a law school establishes the program, the bill directs the Legislature to annually appropriate monies to support the program.

As a result, the bill is expected to increase State expenditures to the extent that each law school establishes and implements the clinical program. If a law school implements the clinical program, State expenditures would be increased to reimburse participating schools for the personnel and operational costs incurred through the program. Alternatively, if a law school implements the program through a legal services organization, State expenditures would be increased to support the provision of subgrants to participating organizations.

The OLS lacks sufficient information to quantify the ongoing fiscal impact of the bill. Notably, the OLS cannot predict whether the program guidance issued by the Seton Hall Law School will require participating schools to incur certain ongoing costs. Similarly, the OLS cannot predict whether participating law schools will employ one or more licensed attorneys to support the program.

The bill appropriates a total of \$2,000,000 to support the costs of the clinical programs. Of this total, each law school would receive \$575,000. The remaining \$275,000 would be appropriated to the Seton Hall Law School to support certain startup costs, including the preparation of training materials and the training of law students selected to participate in the program.

The bill also directs the unexpended balance of appropriated funds to be carried forward for the same purposes during the following fiscal year. Consequently, short-term increases in State expenditures could be reduced to the extent that the appropriated funds can be used to support program costs in future fiscal years.