

# SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

## STATEMENT TO

### **SENATE, No. 957**

# **STATE OF NEW JERSEY**

DATED: FEBRUARY 13, 2020

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 957.

This bill permits certain municipalities to spend monies deposited into a municipal affordable housing trust fund towards downpayment assistance for first-time homebuying veterans.

Under current law, certain municipalities may impose fees on the developers of residential and non-residential property and dedicate the proceeds therefrom into a municipal affordable housing trust fund. A portion of these monies may be set aside for authorized affordability assistance programs, such as down payment assistance, security deposit assistance, low-interest loans, and rental assistance.

This bill permits a municipality to spend up to 30 percent of the monies dedicated to affordability assistance towards a program to provide downpayment assistance grants to first-time homebuying veterans. Grants provided through the program would be limited to \$15,000 per recipient, and would not be considered as income for purposes of taxation, or determining a recipient's eligibility under any other State programs.