

CHAPTER 126

AN ACT concerning funding for special needs housing and amending P.L.1968, c.49 and P.L.2005, c.163.

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

1. Section 4 of P.L.1968, c.49 (C.46:15-8) is amended to read as follows:

C.46:15-8 County, State sharing of fee proceeds.

4. a. The proceeds of the fees collected by the county recording officer, as authorized by P.L.1968, c.49 (C.46:15-5 et seq.), shall be accounted for and remitted to the county treasurer.

b. (1) The county portion of the basic fee collected pursuant to paragraph (1) of subsection a. of section 3 of P.L.1968, c.49 (C.46:15-7) shall be retained by the county treasurer for the use of the county.

(2) The State portion of the basic fee, the additional fee, and the general purpose fee shall be paid to the State Treasurer for the use of the State. Payments shall be made to the State Treasurer on the tenth day of each month following the month of collection.

c. (1) Amounts, not in excess of \$25,000,000, paid during the State fiscal year to the State Treasurer from the payment of the State portion of the basic fee shall be credited to the "Shore Protection Fund" created pursuant to section 1 of P.L.1992, c.148 (C.13:19-16.1), in the manner established under that section.

(2) In addition to the amounts credited to the "Shore Protection Fund" pursuant to paragraph (1) of this subsection, amounts equal to \$12,000,000 in each of the first 10 years after the date of enactment of the "Highlands Water Protection and Planning Act," P.L.2004, c.120 (C.13:20-1 et al.) and to \$5,000,000 in each year thereafter, paid during the State fiscal year to the State Treasurer from the payment of fees collected by the county recording officer other than the additional fee of \$0.75 for each \$500 of consideration or fractional part thereof recited in the deed in excess of \$150,000 shall be credited to the "Highlands Protection Fund" created pursuant to section 21 of P.L.2004, c.120 (C.13:20-19), in the manner established under that section. No monies shall be credited to the "Highlands Protection Fund" pursuant to this paragraph until and unless the full amount of \$25,000,000 has first been credited to the "Shore Protection Fund" pursuant to paragraph (1) of this subsection.

(3) In addition to the amounts credited pursuant to paragraphs (1) and (2) of this subsection, commencing with the first State fiscal year next following the enactment of P.L.2021, c.126, an amount equal to \$20,000,000 shall annually be credited to the Special Needs Housing Trust Fund, created pursuant to section 1 of P.L.2005, c.163 (C.34:1B-21.25a), in the manner established under that section.

d. All amounts paid to the State Treasurer from the payment of the additional fee shall be credited to the Neighborhood Preservation Nonlapsing Revolving Fund established pursuant to P.L.1985, c.222 (C.52:27D-301 et al.), in the manner established under section 20 thereof (C.52:27D-320).

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

C.34:1B-21.25a Findings, declarations relative to special needs housing; trust fund, established; use.

1. a. The Legislature finds and declares that:

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

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

(3) The State of New Jersey requires immediate programs: (i) to create additional units of permanent supportive housing and community residences through new construction or substantial rehabilitation; and (ii) to support community grants and loans to develop and ensure the long-term viability of such housing and residential opportunities for individuals with special needs with priority given to individuals with mental illness;

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

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

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

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

d. Pending their application to the purposes provided in P.L.2005, c.163 (C.34:1B-21.25a et al.), the moneys in the Special Needs Housing Trust Fund may be invested and reinvested as are other trust funds in the custody of the agency, in the manner provided by law. Net earnings received from the investment or deposit of moneys in the Special Needs

Housing Trust Fund shall remain in such fund and be applied to the purposes set forth in P.L.2005, c.163 (C.34:1B-21.25a et al.).

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

3. This act shall take effect immediately.

Approved June 29, 2021.