

**ASSEMBLY, No. 5402**

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**STATE OF NEW JERSEY**

**220th LEGISLATURE**

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INTRODUCED MAY 8, 2023

**Sponsored by:**

**Assemblyman ALEX SAUICKIE**

**District 12 (Burlington, Middlesex, Monmouth and Ocean)**

**Assemblyman ROBERT D. CLIFTON**

**District 12 (Burlington, Middlesex, Monmouth and Ocean)**

**Assemblyman ROBERT AUTH**

**District 39 (Bergen and Passaic)**

**Co-Sponsored by:**

**Assemblymen Umba and Webber**

**SYNOPSIS**

Delays fourth round of affordable housing obligations, including present and prospective need and related litigation, until July 1, 2028.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 11/30/2023)**

1 AN ACT delaying the fourth round of affordable housing obligations  
2 and litigation until July 1, 2028.

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

6  
7 1. The Legislature finds and declares:

8 a. Municipalities have incurred significant expenses in  
9 complying with fair share affordable housing obligations, ultimately  
10 borne by the State's taxpayers;

11 b. Accordingly, the Supreme Court of New Jersey recognized  
12 that affordable housing is a policy matter best left to the Legislature  
13 and that the court's role in upholding the Mount Laurel doctrine  
14 could decrease as a result of legislative action;

15 c. Compounding the burden of litigation expenses, the COVID-  
16 19 pandemic led the Governor and Legislature to take drastic  
17 action, which shut down the New Jersey economy, causing severe  
18 past and present economic difficulties for New Jersey taxpayers and  
19 municipalities;

20 d. These economic difficulties have presented and continue to  
21 present severe hardship for municipalities seeking, in good faith, to  
22 satisfy their affordable housing obligations;

23 e. Inflation and the high demand for construction materials have  
24 compounded the factors making affordable housing construction  
25 exceedingly difficult;

26 f. Reliance on data from the third round of affordable housing  
27 obligations, therefore, will be even more critical in establishing  
28 present and prospective regional needs and municipal affordable  
29 housing obligations;

30 g. As the Legislature seeks to clarify its intent with respect to  
31 Mount Laurel obligations, the Council on Affordable Housing, and  
32 enforcement, delaying the fourth round of affordable housing  
33 obligations is critical to ensure full third round data is available,  
34 thereby providing the Legislature an opportunity to clarify the  
35 process for establishing regional need and municipal obligations  
36 with respect to affordable housing in this State; and

37 h. It is therefore necessary and proper to delay the fourth round  
38 of affordable housing obligations, including present and prospective  
39 need and related litigation, until July 1, 2028.

40  
41 2. a. The 10-year period, known as the "Fourth Round" of  
42 affordable housing obligations, previously scheduled to begin in  
43 2025 pursuant to section 7 of P.L.1985, c.222 (C.52:27D-307) and  
44 the Supreme Court's decision in In re N.J.A.C. 5:96 and 5:97, 221  
45 N.J. 1 (2015), including present and prospective need and related  
46 litigation, shall not commence until July 1, 2028.

47 b. Nothing in this act shall be construed to impair or affect in  
48 any way any judgment or settlement of any litigation or action

1 concerning the obligation of a municipality to provide its fair share  
2 of affordable housing that was issued or executed prior to the end of  
3 the third round of affordable housing obligations on July 1, 2025.

4  
5 3. This act shall take effect immediately and shall expire on  
6 June 30, 2028.

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9 STATEMENT

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11 This bill would delay the start of the fourth round of affordable  
12 housing obligations, including present and prospective need and  
13 related litigation, set to commence in 2025, to July 1, 2028.

14 For decades, New Jersey municipalities have expended  
15 significant taxpayer money to comply with affordable housing  
16 obligations. The State Supreme Court has recognized affordable  
17 housing policy is best left to the Legislature. Compounding the  
18 burden of litigation expenses, the COVID-19 pandemic led the  
19 Governor and Legislature to take drastic action, which shut down  
20 the State economy, causing severe economic difficulties for  
21 municipalities. These difficulties, and others, have presented and  
22 continue to present severe hardship for municipalities seeking to  
23 satisfy their affordable housing obligations. Reliance on data from  
24 the third round, therefore, will be even more critical in establishing  
25 fourth round present and prospective regional needs and affordable  
26 housing obligations. It is therefore necessary to delay the start of  
27 the fourth round of affordable housing obligations, including  
28 present and prospective need and related litigation, to July 1, 2028.

29 This bill would not impair or affect any settlement or judgment  
30 concerning the obligation of a municipality that was issued or  
31 executed prior to the end of the third round of affordable housing  
32 obligations on July 1, 2025. The bill would expire on June 30,  
33 2028.