

P.L. 2025, CHAPTER 348, *approved January 20, 2026*
Assembly, No. 3360 (*First Reprint*)

1 **AN ACT** concerning homelessness, by authorizing the establishment
2 of Municipal Homelessness Trust Funds and the adoption of
3 homeless housing plans by municipalities, and supplementing
4 chapter 27D of Title 52 of the Revised Statutes.
5
6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*
8
9 1. This act shall be known and may be cited as the “Municipal
10 Homelessness Trust Fund Act.”
11
12 2. The Legislature finds and declares that:
13 a. Homelessness is a critical issue affecting communities
14 throughout New Jersey;
15 b. Homelessness impacts many facets of community life in
16 municipalities, including, but not limited to:
17 (1) the state of a municipality’s housing stock and broader
18 building stock;
19 (2) general public safety and public health;
20 (3) animal welfare related to persons who are experiencing
21 homeless with their pets, and broader impacts on animal population
22 health in the municipality;
23 (4) the state of the commercial and business climate in a
24 municipality; and
25 (5) the broader general welfare of community life in the
26 municipality ^{1,1}
27 c. Municipalities require additional resources and strategic
28 planning to effectively address homelessness and provide necessary
29 services and supports; and
30 d. Establishing a dedicated funding source through municipal
31 homelessness trust funds will enable municipalities to implement
32 sustainable and comprehensive strategies to combat homelessness.
33
34 3. As used in P.L. c. (C.) (pending before the
35 Legislature as this bill):

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.
Matter enclosed in superscript numerals has been adopted as follows:
¹Assembly AHO committee amendments adopted December 11, 2025.

1 “Community based organization” means the same as that term is
2 defined in section 3 of P.L.2009, c.123 (C.52:27D-287c).

3 “Municipal homeless housing grant program” means the vehicle
4 by which competitive grants are awarded by the governing body of
5 the municipality, utilizing monies from the municipal homelessness
6 trust fund authorized pursuant to section 5 of P.L. , c. (C.)
7 (pending before the Legislature as this bill), for activities directly
8 related to housing homeless individuals and families, preventing
9 homelessness, and other efforts directly related to permanently
10 housing homeless persons, as administered by the municipality or
11 its designated subcontractor.

12 “Homeless housing plan” means a strategic plan adopted by a
13 municipality, prepared in consultation with the Department of
14 Community Affairs and a community based organization that
15 operates in or serves the municipality, to address the housing needs
16 of persons experiencing homelessness within its jurisdiction that
17 includes measureable and achievable objectives to end
18 homelessness in the municipality.

19 ¹“Municipal homelessness trust fund task force” or “task force”
20 means the voluntary local committee created to advise a
21 municipality on the creation of a homeless housing plan and the
22 municipality’s participation in a municipal homeless housing grant
23 program. The task force shall include: at least one member of the
24 municipal governing body; at least one representative from the
25 community based organization which participated in developing the
26 municipality’s homeless housing plan; at least one person
27 experiencing homelessness or person who has experienced
28 homelessness; and at least one representative of a private or
29 nonprofit organization with experience in assisting persons
30 experiencing homelessness or providing low-income housing within
31 the municipality. Responsibilities of the municipal homelessness
32 trust fund task force shall include, but not be limited to, assessing
33 priorities for funding, reviewing applications for funding, and
34 preparing an annual report and an annual measurement of the
35 progress of the trust fund. ¹

36 “Outcome measurement” means the same as that term is defined
37 in section 3 of P.L.2009, c.123 (C.52:27D-287c).

38 “Person experiencing homelessness” means an individual living
39 outside, or in a building not meant for human habitation or which
40 the person as no legal right to occupy, in an emergency shelter, or
41 in a temporary housing program which may include a transitional
42 and supportive housing program if habitation time limits exist, or
43 temporarily in the home of another household, or in a hotel or
44 motel.

45 “Trust fund” means a municipal homelessness trust fund
46 established pursuant to section 5 of P.L. c. (C.) (pending
47 before the Legislature as this bill).

1 4. A municipality, in consultation with the Office of
2 Homelessness Prevention in the Department of Community Affairs
3 and one or more community based organizations that operate in or
4 serve the municipality, may by resolution adopt a homeless housing
5 plan to address the housing needs of persons experiencing
6 homelessness within its jurisdiction, which shall be in accordance
7 with the provisions of P.L. , c. (C.) (pending before the
8 Legislature as this bill). The plan shall include provisions for
9 administration of a trust fund for the purpose of receiving funds, as
10 established pursuant to section 5 of P.L. , c. (C.) (pending
11 before the Legislature as this bill), and a strategic local plan to
12 identify and address the needs of persons experiencing
13 homelessness within the jurisdiction, including strategies to reduce
14 the need for emergency room care, hospital care, law enforcement,
15 foster care, and other social services associated with persons
16 experiencing homelessness. The homeless housing plan shall
17 establish guidelines for the award of grants or loans from the trust
18 fund.

19
20 5. a. In the event that a municipality adopts a homeless
21 housing plan pursuant to section 4 of P.L. c. (C.) (pending
22 before the Legislature as this bill), the municipality shall, by
23 ordinance, establish a municipal homelessness trust fund for the
24 purpose of receiving funds to effectuate the homeless housing plan.
25 Amounts collected by a municipality pursuant to subsection f. of
26 this section shall be deposited into a “Municipal Homelessness
27 Trust Fund” to be used exclusively for the purposes authorized by
28 P.L. , c. (C.) (pending before the Legislature as this bill).
29 Any interest or other income earned on monies deposited into the
30 trust fund shall be credited to the fund to be used for the same
31 purposes as the principal. A municipality may deposit other funds
32 into the trust fund, as it deems appropriate.

33 b. No monies in the trust fund shall be utilized to pay or
34 discharge the principal or interest on any indebtedness incurred for
35 any purpose by the municipality or any other governmental entity.

36 c. Amounts raised by the additional fees collected pursuant to
37 subsection f. of this section are required to be expended for the
38 purposes detailed pursuant to section 6 of P.L. , c. (C.)
39 (pending before the Legislature as this bill) within four years of
40 being collected.

41 d. Any monies in the trust fund that are not expended after four
42 years shall be transferred to the Department of Community Affairs,
43 which shall contract with a community based organization which
44 operates in or serves the same municipality where the trust fund
45 exists for the purposes of P.L. , c. (C.) (pending before the
46 Legislature as this bill).

1 e. Administrative costs for operating the trust fund shall not
2 exceed five percent annually of the total amount deposited into the
3 trust fund in a given fiscal year.

4 f. Notwithstanding any law, rule, or regulation to the contrary,
5 a municipality that adopts a homeless housing plan pursuant to
6 section 4 of P.L. , c. (C.) (pending before the Legislature
7 as this bill) and establishes a trust fund pursuant to this section may
8 establish, by ordinance, an additional fee of not more than **three**
9 **five**¹ dollars, as the municipality deems appropriate, to **three**¹:

10 (1) building permits issued for construction, renovation, and
11 other property improvements;

12 (2) any existing licensing fees, including, but not limited to,
13 licensing fees collected for businesses, pets, and specific activities
14 in the municipality;

15 (3)**three**¹ any existing fines and penalties collected by the
16 municipality, including, but not limited to, parking tickets and court
17 fines **three**¹; or

18 (4) any other collection of monies as determined by the
19 municipality¹.
20

21 6. a. Each municipality shall utilize its municipal
22 homelessness trust fund **three**¹with the advice of the municipal
23 homelessness trust fund task force¹ for the operation of a homeless
24 housing grant program. The program shall award grants to provide:

25 (1) for the acquisition, construction, or rehabilitation of housing
26 projects or units within housing projects that supply permanent
27 affordable housing for persons, including families, experiencing
28 homelessness or at risk of experiencing homelessness;

29 (2) rental assistance vouchers, including tenant- and project-
30 based subsidies, for affordable housing projects or units within
31 housing projects that provide permanent affordable housing for
32 persons, including families, experiencing homelessness or at risk of
33 experiencing homelessness;

34 (3) supportive services ¹, including payment for temporary
35 accommodation at a hotel, as defined in section 3 of P.L.1967, c.76
36 (C.55:13A-3).¹ as may be required by persons experiencing
37 homelessness in order to obtain or maintain, or both, permanent
38 affordable housing; and

39 (4) prevention services for at risk individuals or families so that
40 they can obtain and maintain permanent affordable housing.

41 b. Grants awarded by the governing body of the municipality
42 shall be used to support projects that:

43 (1) measurably reduce homelessness;

44 (2) demonstrate government cost savings over time;

45 (3) employ evidence-based models;

46 (4) can be replicated in other municipalities;

47 (5) include an outcome measurement component;

1 (6) are consistent with the homeless housing plan; or

2 (7) fund the acquisition, construction, or rehabilitation projects
3 that will serve individuals or families experiencing homelessness
4 for a period of at least 30 years or the equal to the longest term of
5 affordability required by other funding sources.

6 c. Each municipality that has established a municipal
7 homelessness trust fund shall annually transmit information
8 concerning the uses of the funds to the Office of Homelessness
9 Prevention in the Department of Community Affairs in accordance
10 with requirements established by that office, which shall include,
11 but not be limited to details concerning the collection and
12 expenditure of funds, projects funded, and outcomes achieved.

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14 7. This act shall take effect on the first day of the third month
15 next following the date of enactment.

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20 _____
21 Authorizes establishment of municipal homelessness trust funds
and adoption of homeless housing plans by municipalities.