

# SENATE, No. 1430

## STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Senator ANGELA V. MCKNIGHT**

**District 31 (Hudson)**

**Senator TROY SINGLETON**

**District 7 (Burlington)**

**Co-Sponsored by:**

**Senator Burgess**

**SYNOPSIS**

Requires expanded use of affordable housing voucher program funding for homeownership expense assistance.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 1/25/2024)**

S1430 MCKNIGHT, SINGLETON

2

1 AN ACT concerning use of affordable housing vouchers for  
2 homeownership expenses, amending P.L.2004, c.140, and  
3 supplementing P.L.1992, c.79 (C.40A:12A-1 et seq.).  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. Section 1 of P.L.2004, c.140 (C.52:27D-287.1) is amended to  
9 read as follows:

10 1. The Commissioner of Community Affairs shall establish a  
11 rental assistance program for low income individuals or households.  
12 This program shall be in addition to and supplement any existing  
13 programs established pursuant to the "Prevention of Homelessness  
14 Act (1984)," P.L.1984, c.180 (C.52:27D-280 et al.).

15 a. The program shall provide rental assistance grants  
16 comparable to the federal section 8 program, but shall be available  
17 only to State residents who are not currently holders of federal  
18 section 8 vouchers.

19 b. Assistance to an individual or household under the State  
20 program shall be terminated upon the award of federal section 8  
21 rental assistance to the same individual or household.

22 c. The program shall reserve a portion of the grants for  
23 assistance to senior citizens aged 62 or older who otherwise meet  
24 the criteria of subsection a. of this section.

25 d. The program shall reserve a portion of the grants for  
26 assistance to veterans who have successfully completed the  
27 Veterans Transitional Housing Program, or "Veterans Haven," a  
28 vocational and transitional housing program for homeless veterans  
29 administered by the New Jersey Department of Military and  
30 Veterans' Affairs.

31 e. The program shall reserve a portion of the funds available to  
32 it for tenant-based vouchers to veterans, other than those veterans  
33 eligible for assistance pursuant to subsection d. of this section.

34 f. The program shall reserve a portion of the funds available to it  
35 to establish and administer a program comparable to the federal  
36 section 8 Housing Choice Voucher Homeownership Program,  
37 authorized pursuant to Subpart M of Part 982 of Title 24 of the  
38 Code of Federal Regulations, to enable a household to use a  
39 program voucher to buy a home and receive monthly assistance in  
40 meeting homeownership expenses.

41 (cf: P.L.2017, c.29, s.1)  
42

43 2. (New section) A housing authority created or continued  
44 pursuant to the "Local Redevelopment and Housing Law,"  
45 P.L.1992, c.79 (C.40A:12A-1 et seq.), that administers funding

**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.**

1 through the federal section 8 Housing Choice Voucher Program,  
2 shall use a portion of the funds available to it to implement the  
3 Housing Choice Voucher Homeownership Program, established  
4 pursuant to Subpart M of Part 982 of Title 24 of the Code of  
5 Federal Regulations, to enable a household to use a program  
6 voucher to buy a home and receive monthly assistance in meeting  
7 homeownership expenses.

8  
9 3. On or before the first day of the sixth month next following  
10 enactment of P.L. , c. (C. ) (pending before the Legislature  
11 as this bill), the Commissioner of Community Affairs shall,  
12 pursuant to the "Administrative Procedure Act," P.L.1968, c.410  
13 (C.52: 14B-1 et seq.), adopt rules and regulations to  
14 implement P.L. , c. (C. ) (pending before the Legislature as  
15 this bill).

16  
17 4. This act shall take effect on the first day of the sixth month  
18 next following enactment, but the commissioner may take  
19 anticipatory action necessary to effectuate the purposes of the act  
20 prior to that date.

21

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23 STATEMENT

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25 This bill would require expanded use of affordable housing  
26 voucher program funding for the purpose of homeownership  
27 expense assistance.

28 The bill would require the Department of Community Affairs  
29 (DCA) to reserve a portion of the funding provided for the State  
30 Rental Assistance Program (SRAP) to establish and administer a  
31 program comparable to the federal section 8 Housing Choice  
32 Voucher Homeownership Program. The federal section 8 Housing  
33 Choice Voucher Homeownership Program allows program  
34 participants, who would otherwise apply a voucher towards rent  
35 payments, to instead apply the voucher towards principal and  
36 interest on mortgage debt, insurance, taxes, utilities and other  
37 homeownership expenses.

38 The bill would require local housing authorities in the State that  
39 administer funding through the federal section 8 Housing Choice  
40 Voucher Program to also implement the Housing Choice Voucher  
41 Homeownership Program. Currently, local housing authorities are  
42 permitted, but not required, to implement this program.

43 The bill would take effect on the first day of the sixth month  
44 following enactment in order to provide DCA and housing  
45 authorities time to prepare to implement the bill's requirements.