

LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

SENATE, No. 2346

STATE OF NEW JERSEY

221st LEGISLATURE

DATED: JANUARY 15, 2026

SUMMARY

- Synopsis:** Creates Code Red alert pilot program to shelter at-risk individuals during certain hot weather and air quality events; appropriates \$2.5 million.
- Type of Impact:** One-time State expenditure increase; three-year local government expenditure increase; one-time local revenue increase.
- Agencies Affected:** Department of Community Affairs; Department of Environmental Protection; counties and municipalities.

Office of Legislative Services Estimate

Fiscal Impact	
One-Time State Expenditure Increase	\$2.5 million
Three-Year Local Expenditure Increase	\$2.5 million
One-Time Local Revenue Increase	\$2.5 million

- The Office of Legislative Services (OLS) concludes that this bill would result in a one-time State expenditure increase of \$2.5 million for the Department of Community Affairs to implement the five-county, three-year Code Red alert pilot program.
- The bill appropriates \$2.5 million from the General Fund to the Department of Community Affairs to coordinate the three-year Code Red pilot program for five counties. The department will issue a \$500,000 grant to each eligible county participating in the pilot program to fund program costs.
- The OLS notes that the annual costs incurred by local governments under the Code Blue alert program, which serves as the model for this pilot program and operates similarly, were \$1.7 million in FY 2023, \$2.8 million in FY 2024, and \$2.5 million in FY 2025.

BILL DESCRIPTION

This bill establishes a three-year pilot program to assist participating counties in issuing a Code Red alert on extreme heat days and during air quality events.

The five counties in the State with the highest documented homeless population as noted in the most recent Annual Point in Time Count, will be eligible to participate in the pilot program. However, if one or more eligible counties refrain from participating, then one or more other counties will be eligible to participate, with priority going to each county with the next-highest documented homeless population.

This bill requires each participating county's office of emergency management, in consultation with the Office of Homeless Prevention in the Department of Community Affairs, to coordinate with municipal emergency management coordinators in municipalities with a documented homeless population of at least 10 sheltered or unsheltered people in developing consistent Code Red alert plans across the county, which include communication and outreach protocols, cooling centers, and transportation during a Code Red alert.

The bill requires each municipality, social service agency, and non-profit organization to report the location of its cooling centers to the Department of Environmental Protection to be included in the Heat Hub NJ's Chill Out NJ public resource.

The bill requires each county and municipality to be responsible for making information on the Code Red alert plan available to the public on each county and municipal website.

The bill appropriates to the Department of Community Affairs the sum of \$2,500,000 to implement the three-year pilot program. The department will issue a grant in the amount of \$500,000 to the governing body of each participating county to fund the program.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that this bill would result in a one-time State expenditure increase of \$2.5 million for the Department of Community Affairs to implement the five-county, three-year Code Red alert pilot program.

Three-Year State Expenditure Increase: The bill appropriates \$2.5 million from the General Fund to the Department of Community Affairs. The five counties participating in the Code Red pilot program will each receive a \$500,000 grant to participate in the three-year pilot program.

The Department of Community Affairs may incur costs associated with the administration of the grant. Depending on the department's resource allocation policies, the added initial workload may or may not augment the administrative expenditures of the offices.

The OLS notes that the annual costs incurred by local governments under the Code Blue alert program, which serves as the model for this pilot program and operates similarly, were \$1.7 million in FY 2023, \$2.8 million in FY 2024, and \$2.5 million in FY 2025.

Three-Year County Expenditure and Revenue Increase: The five counties approved to participate in the Code Red pilot program will receive grants of \$500,000 each. These grants would represent one-time revenue increases for those entities to cover costs under the three-year program.

Section: Law and Public Safety

*Analyst: Kristin Brunner Santos
Lead Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).