[First Reprint]

ASSEMBLY, No. 3877

STATE OF NEW JERSEY

222nd LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2026 SESSION

Sponsored by:
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SYNOPSIS

Establishes certain State funding preferences for municipalities that enhance opportunities to develop housing.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on June 28, 2026, with amendments.

(Sponsorship Updated As Of: 6/30/2026)

AN ACT establishing certain State funding preferences for municipalities that adopt certain strategies to encourage denser residential development, supplementing Titles 40, 52, and 27 of the Revised Statutes and amending P.L.2000, c.72.

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

1. (New section) a. The governing body of a municipality may direct the planning board to undertake and provide for a special reexamination of the municipality's master plan and development regulations for the purpose of enabling the municipality to qualify for preferential status in the distribution of financial assistance competitively awarded by the State in accordance with the provisions of P.L. , c. (C.) (pending before the Legislature as this bill).

b. (1) A planning board directed to undertake and provide for a special reexamination of the municipality's master plan and development regulations pursuant to subsection a. of this section shall, at a minimum, review the provisions of the municipality's existing master plan and development regulations that address areas of the municipality within which residential development is permitted, and may consider recommending specific changes to the master plan and development regulations for the purpose of enhancing the potential development of the municipality for residential purposes.

(2) A planning board directed to undertake and provide a special reexamination of the municipality's master plan and development regulations pursuant to subsection a. of this section, prior to reporting recommendations for changes thereto pursuant to subsection c. of this section, may consider whether to include in the master plan and development regulations one or more housing strategies that may enhance the development potential of property for residential purposes at greater densities, including but not limited to the following housing strategies:

(a) permit development of an accessory dwelling unit in addition to a single-unit dwelling on developable lots in areas restricted to the development of single-unit dwellings;

(b) permit development of a two-unit dwelling on lots in areas restricted to the development of single-unit dwellings;

(c) permit development of a three-unit dwelling on lots in areas restricted to the development of single-unit dwellings;

(d) eliminate or reduce off-street parking requirements;

(e) eliminate or reduce minimum lot size requirements;

(f) permit the siting of manufactured housing or a mobile home on lots in areas restricted to the development of single-unit dwellings;

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:
[1]Senate SBA committee amendments adopted June 28, 2026.

(g) permit development of a multi-unit dwelling or a mixed-use development on lots zoned exclusively for office, retail, or commercial uses;

(h) permit development of a multi-unit dwelling on at least 10 percent of the developable land within the municipality;

(i) permit higher density housing near transit stops; and

(j) eliminate or reduce minimum size requirements for dwelling units.

c. (1) A planning board directed to undertake and provide for a special reexamination of the municipality's master plan and development regulations pursuant to subsection a. of this section shall prepare and adopt by resolution a report on the findings of the special reexamination, a copy of which report and resolution shall be sent to the Division of Local Planning Services in the Department of Community Affairs, the Office of Planning Advocacy, and the county planning board. A notice that the report and resolution have been prepared shall be sent to any military facility commander who has registered with the municipality pursuant to section 1 of P.L.2005, c.41 (C.40:55D-12.4) and to the municipal clerk of each adjoining municipality, who may request a copy of the report and resolution on behalf of the military facility or municipality.

(2) If a special reexamination report recommends changes to a municipality's existing master plan, the planning board shall forward its recommendations to the governing body. The governing body shall, by resolution, accept, reject, or modify the recommendations of the planning board and direct the planning board to commence the process of amending the master plan accordingly, and in accordance with the requirements for amendment of a master plan under P.L.1975, c.291 (C.40:55D-1 et seq.), which include holding a hearing upon public notice.

(3) If a planning board amends a master plan pursuant to this subsection, the governing body of the municipality may commence the process of amending the municipality's zoning ordinance under P.L.1975, c.291 (C.40:55D-1 et seq.) for the purpose of making it substantially consistent with the land use plan element and the housing plan element of the municipality's master plan.

(4) Within 45 business days following the date of adoption of any revisions to the municipality's zoning or other land development ordinances pursuant to paragraph (3) of this subsection, the clerk of the municipality shall transmit copies of the ordinances to the Division of Local Planning Services in the Department of Community Affairs.

d. If a municipality has already adopted ordinances substantially similar to the provisions of this section, the municipality shall transmit copies of the ordinances to the Division of Local Planning Services in the Department of Community Affairs for evaluation in preferential status determinations to be made in accordance with the provisions of P.L. , c. (C.) (pending before the Legislatures as this bill).

2. (New section) a. As used in this section:

"Department" means the Department of Community Affairs.

"Grant or other type of competitively-awarded financial assistance" means all types of competitively-awarded financial assistance that the department or another State agency may distribute to one or more municipalities pursuant to a program administered by the department or other State agency that is solely funded by State funds, other than a program:

(1) that awards funds to help a municipality fulfill its fair share housing obligation pursuant to P.L.1985, c.222 (C.52:27D-301 et al.);

(2) administered by the department and that awards funds to municipalities in support of shared services and consolidation;

(3) where multiple municipalities may join a single application for competitively-awarded financial assistance; or

(4) where other entities in addition to municipalities may apply for competitively-awarded financial assistance.

"Grant or other type of competitively-awarded financial assistance" shall include, but shall not be limited to, the Neighborhood Preservation Program established pursuant to P.L.1975, c.248 (C.52:27D-142 et seq.).

"State agency" means any department, division, office, board, commission, council, or bureau in the Executive branch of State government.

b. (1) Notwithstanding any provision of law, rule, or regulation to the contrary, when determining the eligibility of a municipality to receive a grant or other type of competitively-awarded financial assistance, the department shall establish a preference for those municipalities that have amended their development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies and have [1]**[**thereby**]** reasonably[1] increased the [1]**[**number**]** rate[1] of housing units permitted for development within the municipality. Funds awarded under the Transitional Aid to Localities program or any successor discretionary aid program pursuant to P.L.2011, c.144 (C.52:27D-118.42a), as Consolidated Municipal Property Tax Relief Aid, or as Energy Tax Receipts Property Tax Relief Aid shall not be considered a type of competitively-awarded financial assistance under the provisions of P.L. , c. (C.) (pending before the Legislature as this bill).

(2) Notwithstanding any provision of law, rule, or regulation to the contrary, the department shall publish on the department's Internet website a list of municipalities that have amended their development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies and [1]**[**that**]**[1] have [1]reasonably[1] increased the [1]**[**number**]** rate[1] of housing units permitted for development in the municipality. The department

shall, in a manner determined by the department, order the municipalities within three tier categories based on the impact of, and the amount of changes made, relative to the municipalities' planning areas. The department shall update this list on a quarterly basis. Each State agency that awards a grant or other type of competitively-awarded financial assistance to a municipality shall utilize this list to establish an award preference for those municipalities that have amended their development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies and have [1]reasonably[1] increased the [1]**[**number**]** rate[1] of housing units permitted for development within the municipality.

c. The Department of Community Affairs, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt rules and regulations it deems necessary or desirable to effectuate sections 1 and 2 of P.L. , c. (C. and C.) (pending before the Legislature as this bill), which rules and regulations shall:

(1) specify the types and number of housing strategies appropriate for use by a municipality based upon the municipality's planning region, as identified within the most recently adopted State Development and Redevelopment Plan;

(2) specify a range of values to be accorded to municipalities determined to be eligible for a preference in financial assistance competitively awarded by the State pursuant to P.L. , c. (C.) (pending before the Legislature as this bill), based upon the number of additional housing units permitted for development and the types of housing strategies adopted pursuant to P.L. , c. (C.) (pending before the Legislature as this bill); and

(3) provide a housing siting and best practices guide for the purpose of assisting municipalities opting to incorporate one or more of the housing strategies identified in P.L. , c. (C.) (pending before the Legislature as this bill) into their ordinances.

3. (New section) The Commissioner of Transportation, in determining the allocation of funds for municipal projects from the "Transportation Trust Fund Account," established by section 20 of P.L.1984, c.73 (C.27:1B-20), shall establish a criterion to provide, at the commissioner's discretion, [1]**[**within the schedule of all other criteria for prioritization, as provided in section 25 of P.L.1984, c.73 (C.27:1B-25)**]** and in conformance with the criteria established by the Department of Community Affairs pursuant to section 2 of P.L. , c. (C.) (pending before the Legislature as this bill[1] , a preference for those municipalities that have amended their master plan and development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies and have [1]**[**thereby**]**

reasonably[1] increased the [1]**[**number**]** rate[1] of housing units permitted for development within the municipality.

[1]**[**4. Section 9 of P.L.2000, c.72 (C.18A:7G-9) is amended to read as follows:

9. a. State debt service aid for capital investment in school facilities for a district other than an SDA district which elects not to finance the project under section 15 of P.L.2000, c.72 (C.18A:7G-15), shall be distributed upon a determination of preliminary eligible costs by the commissioner, according to the following formula:

Aid is the sum of A for each issuance of school bonds issued for a school facilities project approved by the commissioner after the effective date of P.L.2000, c.72 (C.18A:7G-1 et al.)

where

A = B x AC/P x DAP x M, with AC/P =1

whenever AC/P would otherwise yield a number greater than one, and where:

B is the district's debt service for the individual issuance for the fiscal year;

AC is the preliminary eligible costs determined pursuant to section 7 of P.L.2000, c.72 (C.18A:7G-7);

P is the principal of the individual issuance plus any other funding sources approved for the school facilities project;

DAP is the district's district aid percentage as defined pursuant to section 3 of P.L.2000, c.72 (C.18A:7G-3) and where DAP shall not be less than 40 percent. If the project's design incorporates the implementation of energy efficiency improvements or the installation of energy efficient features or equipment, the DAP shall be increased by no more than five percent. In order to qualify for a DAP increase for the implementation of energy efficiency improvements or the installation of energy efficient features or equipment pursuant to this subsection, a district shall submit to the development authority and Department of Education a certification, along with evidential documentation, attesting that the project's design incorporates the implementation of energy efficiency improvements or the installation of energy efficient features or equipment.

In addition, DAP for a school facilities project that is approved by the commissioner following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) may be increased by no more than 10 percent if the school district submitting the school facilities project is located in a municipality which has amended its master plan and development regulations pursuant section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies, and has thereby increased the number of housing units permitted for development within the municipality. A regional school district may be eligible for a DAP increase if one or more

constituent municipalities of the regional school district have each amended its master plan and development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies and have thereby increased the number of housing units permitted for development within the municipality, provided that the DAP increase shall be no more than 10 percent and that the maximum DAP increase due to any one constituent municipality's amendment of its master plan and development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) is calculated in proportion to the constituent municipality's share of the overall resident enrollment of the regional school district. The Commissioner of Education and the Commissioner of Community Affairs shall develop a uniform methodology to determine a school district's eligibility for a DAP increase based upon the number of additional housing units permitted for development and the types of housing strategies adopted pursuant to P.L. , c. (C.) (pending before the Legislature as this bill). In order to qualify for a DAP increase under this paragraph, a school district shall submit documentation verifying that the appropriate municipalities have adopted the requisite changes to their master plans and development regulations; and

M is a factor representing the degree to which a district has fulfilled maintenance requirements for a school facilities project determined pursuant to subsection b. of this section.

For county special services school districts, DAP shall be that of the county vocational school district in the same county.

Notwithstanding the provisions of this subsection to the contrary, DAP for a county vocational school district school facilities project that is approved by the commissioner following the effective date of P.L.2009, c.185 shall equal the greater of the district's district aid percentage as defined pursuant to section 3 of P.L.2000, c.72 (C.18A:7G-3) or the percentage of the students in the county vocational school district's resident enrollment who reside in SDA districts; except that DAP shall not be less than 40 percent or greater than 90 percent.

b. The maintenance factor (M) shall be 1.0 except when one of the following conditions applies, in which case the maintenance factor shall be as specified:

(1) Effective ten years from the date of the enactment of P.L.2000, c.72 (C.18A:7G-1 et al.), the maintenance factor for aid for reconstruction, remodeling, alteration, modernization, renovation or repair, or for an addition to a school facility, shall be zero for all school facilities projects for which the district fails to demonstrate over the ten years preceding issuance a net investment in maintenance of the related school facility of at least two percent of the replacement cost of the school facility, determined pursuant to subsection b. of section 7 of P.L.2000, c.72 (C.18A:7G-7) using

the area cost allowance of the year ten years preceding the year in which the school bonds are issued.

(2) For new construction, additions, and school facilities aided under subsection b. of section 7 of P.L.2000, c.72 (C.18A:7G-7) supported by financing issued for projects approved by the commissioner after the effective date of P.L.2000, c.72 (C.18A:7G-1 et al.), beginning in the fourth year after occupancy of the school facility, the maintenance factor shall be reduced according to the following schedule for all school facilities projects for which the district fails to demonstrate in the prior fiscal year an investment in maintenance of the related school facility of at least two-tenths of one percent of the replacement cost of the school facility, determined pursuant to subsection b. of section 7 of P.L.2000, c.72 (C.18A:7G-7).

Maintenance Percentage	Maintenance Factor (M)
.199% - .151%	75%
.150% - .100%	50%
Less than .100%	Zero

(3) Within one year of the enactment of P.L.2000, c.72 (C.18A:7G-1 et al.), the commissioner shall promulgate rules requiring districts to develop a long-range maintenance plan and specifying the expenditures that qualify as an appropriate investment in maintenance for the purposes of this subsection.

c. Any district which obtained approval from the commissioner since September 1, 1998 and prior to the effective date of P.L.2000, c.72 (C.18A:7G-1 et al.) of the educational specifications for a school facilities project or obtained approval from the Department of Community Affairs or the appropriately licensed municipal code official since September 1, 1998 of the final construction plans and specifications, and the district has issued debt, may elect to have the final eligible costs of the project determined pursuant to section 5 of P.L.2000, c.72 (C.18A:7G-5) and to receive debt service aid under this section or under section 10 of P.L.2000, c.72 (C.18A:7G-10).

Any district which received approval from the commissioner for a school facilities project at any time prior to the effective date of P.L.2000, c.72 (C.18A:7G-1 et al.), and has not issued debt, other than short term notes, may submit an application pursuant to section 5 of P.L.2000, c.72 (C.18A:7G-5) to have the final eligible costs of the project determined pursuant to that section and to have the New Jersey Economic Development Authority construct the project; or, at its discretion, the district may choose to receive debt service aid under this section or under section 10 of P.L.2000, c.72 (C.18A:7G-10) or to receive a grant under section 15 of P.L.2000, c.72 (C.18A:7G-15).

For the purposes of this subsection, the "issuance of debt" shall include lease purchase agreements in excess of five years.

d. For school bonds issued for a school facilities project after the effective date of P.L.2000, c.72 (C.18A:7G-1 et al.) and prior to the effective date of P.L.2008, c.39 (C.18A:7G-14.1 et al.), State

debt service aid shall be calculated in accordance with the provisions of this section as the same read before the effective date of P.L.2008, c.39 (C.18A:7G-14.1 et al.).
(cf: P.L.2023, c.311, s.6)**]**[1]

[1]4. Section 13 of P.L.2000, c.72 (C.18A:7G-13) is amended to read as follows:

13. a. The financing authority shall be responsible for the issuance of bonds pursuant to section 14 of P.L.2000, c.72 (C.18A:7G-14) and the development authority shall be responsible for the planning, design, construction management, acquisition, construction, and completion of school facilities projects. In the case of a capital maintenance project, the development authority may, in its discretion, authorize an SDA district to undertake the design, acquisition, construction and all other appropriate actions necessary to complete the capital maintenance project and shall enter into a grant agreement with the district for the payment of the State share. Until the expiration date established pursuant to subsection b. of section 6 of P.L. , c. (C.) (pending before the Legislature as this bill), the State share may be increased by no more than 10 percent and may not exceed the total cost of the project in a municipality that has amended its master plan and development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies and have reasonably increased the rate of housing units permitted for development within the municipality. This additional funding, until the expiration date established pursuant to subsection b. of section 6 of P.L. , c. (C.) (pending before the Legislature as this bill), is subject to the availability of new funding made available through State or federal appropriations or funds derived from school construction bonds approved by voters following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill). The development authority may also authorize an SDA district to undertake the design, acquisition, construction and all other appropriate actions necessary to complete any other school facilities project in accordance with the procedures established pursuant to subsection e. of this section.

b. The financing authority shall undertake the financing of school facilities projects pursuant to the provisions of this act. The financing authority shall finance the State share of a school facilities project and may, in its discretion and upon consultation with the district, finance the local share of the project. In the event that the financing authority finances only the State share of a project, the development authority shall not commence acquisition or construction of the project until the development authority receives the local share from the district.

c. In order to implement the arrangements established for school facilities projects which are to be constructed by the

development authority and financed pursuant to this section, a district shall enter into an agreement with the development authority and the commissioner containing the terms and conditions determined by the parties to be necessary to effectuate the project.

d. Upon completion by the development authority of a school facilities project, the district shall enter into an agreement with the development authority to provide for the maintenance of the project by the district. In the event that the school facilities project is constructed by a district, upon the completion of the project, the district shall submit to the commissioner a plan to provide for the maintenance of the project by the district. Any agreement or plan shall contain, in addition to any other terms and provisions, a requirement for the establishment of a maintenance reserve fund consistent with the appropriation and withdrawal requirements for capital reserve accounts established pursuant to section 57 of P.L.2000, c.72 (C.18A:7G-31), the funding levels of which shall be as set forth in regulations adopted by the commissioner pursuant to section 26 of P.L.2000, c.72 (C.18A:7G-26).

e. (1) Within one year of the effective date of P.L.2007, c.137 (C.52:18A-235 et al.), the commissioner, in consultation with the development authority, shall adopt pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations by which the commissioner shall determine whether an SDA district is eligible to be considered by the development authority to manage a school facilities project or projects. In making the determination, the commissioner shall consider the district's fiscal integrity and operations, the district's performance in each of the five key components of school district effectiveness under the New Jersey Quality Single Accountability Continuum (NJQSAC) in accordance with section 10 of P.L.1975, c.212 (C.18A:7A-10), and other relevant factors.

(2) Within one year of the effective date of P.L.2007, c.137 (C.52:18A-235 et al.), the development authority, in consultation with the commissioner, shall adopt pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations by which the development authority shall determine the capacity of an SDA district, deemed eligible by the commissioner pursuant to paragraph (1) of this subsection, to manage a school facilities project or projects identified by the development authority. In making the determination, the development authority shall consider the experience of the SDA district, the size, complexity, and cost of the project, time constraints, and other relevant factors.

(3) The development authority, in consultation with the commissioner, shall develop and implement training programs, seminars, or symposia to provide technical assistance to SDA districts deemed to lack the capacity to manage a school facility project or projects; except that nothing herein shall be construed to require the development authority or the commissioner to authorize an SDA district to hire additional staff in order to achieve capacity.

(4) If the development authority determines to delegate a school facilities project to an SDA district in accordance with paragraph (2) of this subsection, the development authority, the commissioner, and the district shall enter into a grant agreement. The grant agreement shall, at a minimum, establish a timeline for the completion of the school facilities project, which timeline shall be established based on the scope of the work to be performed.

(5) If the development authority determines to delegate a school facilities project to an SDA district in accordance with paragraph (2) of this subsection, the SDA district shall be deemed to be in noncompliance with the grant agreement entered into pursuant to paragraph (4) of this subsection if the district enters into a contract with a contractor, subcontractor, or consultant which is debarred, suspended, or disqualified from State, development authority, or federal government contracting at the time of the contract award or with a firm which has not been prequalified by the development authority. If the district enters into a contract with a debarred, suspended, or disqualified contractor, subcontractor, or consultant, then the grant agreement shall be rendered null and void.[1]

(cf: P.L.2023, c.311, s.8)

5. Section 15 of P.L.2000, c.72 (C.18A:7G-15) is amended to read as follows:

15. a. In the case of a district other than an SDA district, for any project approved by the commissioner after the effective date of P.L.2000, c.72 (C.18A:7G-1 et al.), the district may elect to receive a one-time grant for the State share of the project in accordance with the provisions of subsection b. of this section rather than annual debt service aid under section 9 of P.L.2000, c.72 (C.18A:7G-9). The State share payable to the district shall equal the product of the project's final eligible costs and the district aid percentage or 40 percent, whichever is greater. If the project's design incorporates the implementation of energy efficiency improvements or the installation of energy efficient features or equipment, the district aid percentage shall be increased by no more than five percent. In order to qualify for a district aid percentage increase for the implementation of energy efficiency improvements or the installation of energy efficient features or equipment pursuant to this subsection, a district shall submit to the development authority and Department of Education a certification, along with evidential documentation, attesting that the project's design incorporates the implementation of energy efficiency improvements or the installation of energy efficient features or equipment. In addition, [1]until the expiration date established pursuant to subsection b. of section 6 of P.L. , c. (C.) (pending before the Legislature as this bill),[1] the district aid percentage for a school facilities project that is approved by the commissioner following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) [1]and located in a municipality that has

amended its master plan and development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies and have reasonably increased the rate of housing units permitted for development within the municipality[1] may be increased by no more than 10 percent [1]**[**if the school district submitting the school facilities project is located in a municipality which has amended its master plan and development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies and have thereby reasonably increased the number rate of housing units permitted for development within the municipality**]** such that the district aid percentage shall not be less than 44 percent subject to the availability of new funding made available through State or federal appropriations or funds derived from school construction bonds approved by voters following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill)[1] . A regional school district may be eligible for a district aid percentage increase if one or more constituent municipalities of the regional school district has amended its master plan and development regulations pursuant to section 1 of P.L. , c. (C.) (pending before the Legislature as this bill) to allow for the use of additional housing strategies and have [1]**[**thereby**]** reasonably[1] increased the [1]**[**number**]** rate[1] of housing units permitted for development in the municipality, provided that the district aid percentage increase shall be no more than 10 percent and that the maximum district aid percentage increase due to any one constituent municipality's amendment of its master plan and development regulations is calculated in proportion to the constituent municipality's share of the overall resident enrollment of the regional school district. The Commissioner of Education and the Commissioner of Community Affairs shall develop a uniform methodology to determine the district aid percentage increase based upon the number of additional housing units permitted for development and the types of housing strategies adopted pursuant to P.L. , c. (C.) (pending before the Legislature as this bill). In order to qualify for a district aid percentage increase pursuant to this subsection, a school district shall submit documentation verifying that the appropriate municipalities have adopted the requisite changes to their master plans and development regulations.

b. The commissioner shall establish a process for the annual allocation of grant funding. Under that process, the commissioner shall annually notify districts of the date on which the commissioner shall begin to receive applications for grant funding. A district shall have 90 days from that date to submit an application to the commissioner. The commissioner shall make a decision on a district's application within 90 days of the submission of all such applications and shall allocate the grant funding in accordance with the priority process established pursuant to

paragraph (4) of subsection m. of section 5 of P.L.2000, c.72 (C.18A:7G-5).

c. The development authority shall provide grant funding for the State's share of the final eligible costs of a school facilities project pursuant to an agreement between the district and the development authority which shall, in addition to other terms and conditions, set forth the terms of disbursement of the State share. The funding of the State share shall not commence until the district secures financing for the local share.

(cf: P.L.2023, c.311, s.10)

[1]6. (New section) a. No later than four years following the date of enactment of P.L. , c. (C.) (pending before the Legislature as this bill), the Commissioner of Community Affairs and the Commissioner of Transportation shall submit a report to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), and to the Governor making recommendations concerning whether to continue the existing priorities established pursuant to P.L. , c. (C.) (pending before the Legislature as this bill) or to propose new priorities.

b. The provisions of P.L. , c. (C.) (pending before the Legislature as this bill) shall expire five years from the date of enactment.[1]

[1][6.] 7.[1] This act shall take effect on the first day of the ninth month next following enactment, except that the Commissioner of Community Affairs, and the commissioners of other State departments impacted by this act may take anticipatory administrative action in advance as shall be necessary for the implementation of this act.