

FISCAL YEAR *2026-2027*

ANALYSIS OF THE NEW JERSEY BUDGET

DEPARTMENT OF COMMUNITY AFFAIRS

Prepared by the

NEW JERSEY LEGISLATURE
OFFICE OF LEGISLATIVE SERVICES

April 2026

NEW JERSEY STATE LEGISLATURE

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This report was prepared by the Local Government Section of the Office of Legislative Services
under the direction of the Legislative Budget and Finance Officer.
The primary authors were Abigail Stoyer and Grace Ahlin.

Questions or comments may be directed to the OLS Local Government Section (Tel. 609-847-3875)
or the Legislative Budget and Finance Office (Tel. 609-847-3105).

DEPARTMENT OF COMMUNITY AFFAIRS

Budget Pages ..... C-3, C-9, C-10, C-17, C-18, D-45 to D-83

FISCAL SUMMARY ($000)				
	Expended FY 2025	Adjusted Appropriation FY 2026	Recommended Appropriation FY 2027	Percentage Change FY 2026-2027
State Budgeted	$594,363	$1,284,832	$1,115,302	(13.2%)
Federal Funds	$1,484,246	$693,519	$703,581	1.5%
All Other Funds	$301,205	$275,875	$297,332	7.8%
Grand Total	**$2,379,814**	**$2,254,226**	**$2,116,215**	**(6.1%)**

PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE				
	Actual FY 2025	Revised FY 2026	Funded FY 2027	Percentage Change FY 2026-2027
State Budgeted	101	111	158	42.3%
Federal Funds	377	374	492	31.6%
All Other Funds	521	511	733	43.4%
Total Positions	**999**	**996**	**1,383**	**38.9%**

FY 2025 (as of December) and revised FY 2026 (as of January) personnel data reflect actual payroll counts.
FY 2027 data reflect the number of positions funded.

Link to Website: https://www.njleg.state.nj.us/budget-finance/governors-budget

Highlights

- The Governor recommends $2.12 billion in appropriations for the Department of Community Affairs across all funding sources, a decrease of $138.0 million, or 6.1 percent, from the adjusted FY 2026 appropriation of $2.25 billion.

- The FY 2027 Governor's Budget recommends an unchanged $1.45 billion appropriation for municipal aid from the State's two formula-driven programs combined: $649.3 million for Consolidated Municipal Property Tax Relief Aid (CMPTRA) in the Department of Community Affairs and $805.6 million for Energy Tax Receipts Property Tax Relief Aid in the Department of the Treasury. The proposed CMPTRA appropriation would be transferred to Energy Tax Receipts Property Tax Relief Aid.

- The Administration recommends a total appropriation of $256.5 million for Transitional Aid to Localities in FY 2027, including $28.4 million from the dedicated, off-budget Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund. This represents an increase of $94.6 million over FY 2026. In FY 2026, the $126.9 million program appropriation from the Property Tax Relief Fund was supplemented by a $35.0 million appropriation from the off-budget Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund.
    - Jersey City has indicated its intent to request $150.0 million from the Transitional Aid to Localities Program in FY 2027, while Paterson has applied for $78.2 million, compared to the $29.7 million it received in FY 2026.

- FY 2027 expenditures out of the dedicated Affordable Housing Trust Fund are expected to be $21.2 million, a decrease of $93.3 million, or 81.5 percent, below FY 2026. This is consistent with the Governor's policy priority of utilizing available Affordable Housing Trust Fund resources for the production of affordable housing.

- The Executive proposes a $45.0 million appropriation for the Down Payment and Closing Cost Assistance Program in FY 2027, an increase of $5.0 million, or 12.5 percent, over the previous year. The Administration is also shifting the entirety of the appropriation back to the General Fund from the dedicated, off-budget Affordable Housing Trust Fund.

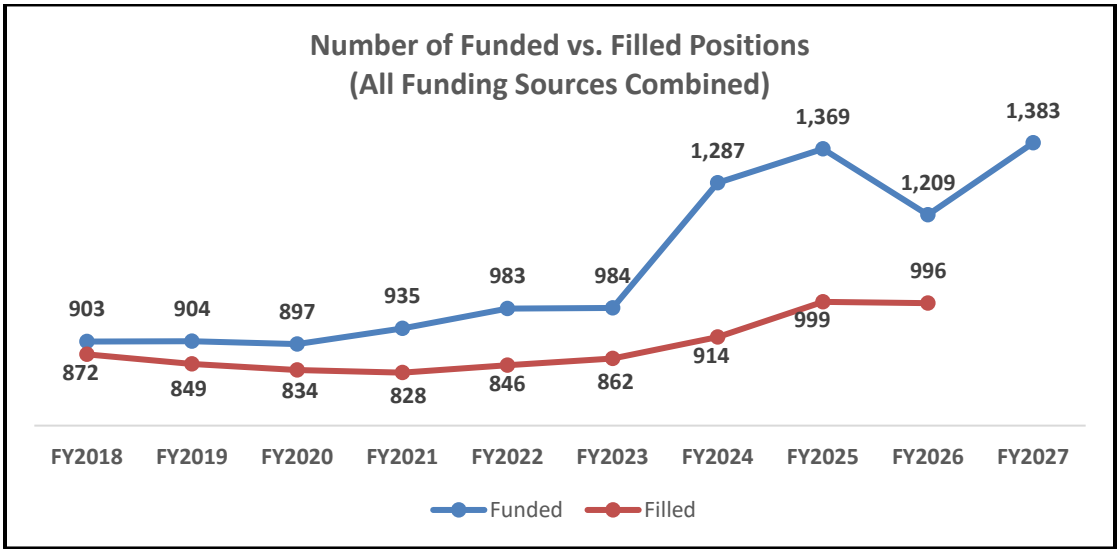
- The Governor recommends two new Grants-in-Aid appropriations for housing initiatives in FY 2027 totaling $38.0 million:
    - Bringing Veterans Home ($11.0 million);
    - Homelessness Response ($25.0 million).

- The Governor also proposes a $2.0 million General Fund appropriation for the new Reentry Pilot Program, which would fund a competitive grant program for local government units and non-profit organizations implementing initiatives that provide services for formerly incarcerated persons to reduce their likelihood of reincarceration.

- As is customary, the Executive recommends removing in FY 2027 the $10.8 million supplemental appropriation made this fiscal year for Preserve New Jersey Historic Preservation. FY 2027 funding from the constitutional dedication of corporation business tax revenue would be provided in a mid-year supplemental appropriation in accordance with separate legislation.

Highlights (Cont'd)

- The gap between funded and filled positions from all funding sources across the department grew between FY 2018 and FY 2022 and widened considerably in FY 2024 despite an uptick in hiring. In FY 2025, the number of unfilled positions moderated somewhat and continued its decline in FY 2026, with 213 positions currently unfilled.



- In the FY 2026 Appropriations Act, the Legislature provided $58.6 million in grant funding to non-profit organizations for a variety of social services programs. The Governor recommends eliminating or reducing in FY 2027 most appropriations the Legislature added in FY 2026. In total, the FY 2027 Governor's Budget reduces funding for such projects by $57.6 million.

- Similarly, all the $105.5 million in State Aid to local governments included by the Legislature in the FY 2026 Appropriations Act is recommended for elimination.

- In the FY 2026 Appropriations Act, the previous Governor included grant funding and discretionary State Aid to a variety of not-for-profit organizations and local governments. The new Administration recommends eliminating all this funding in FY 2027. In total, the Governor recommends reducing grant funding for these non-profit organizations by $26.3 million and State Aid to these local governments by $65.4 million in FY 2027.

- The new Governor, however, recommends a $250,000 grant to the City of Camden for a Martin Luther King Jr, statue to commemorate the civil rights movement.

Background Papers:

Lead Abatement Programs Administered by the Department of Community Affairs ..... p. 29
Energy and Utility Assistance Programs Administered by the
Department of Community Affairs ..... p. 30

Fiscal and Personnel Summary

FUNDING BY SOURCE OF FUNDS ($000)							
	Expended FY 2024	Expended FY 2025	Adj. Approp. FY 2026	Recom. FY 2027		Percentage Change FY 2025-27	Percentage Change FY 2026-27
State Budgeted Total	**$872,457**	**$594,363**	**$1,284,832**	**$1,115,302**		**87.6%**	**(13.2%)**
General Fund Total	**$392,719**	**$281,567**	**$465,620**	**$228,978**		**(18.7%)**	**(50.8%)**
Direct State Services	$97,590	$96,819	$76,354	$74,254		(23.3%)	(2.8%)
Grants-In-Aid	$273,141	$175,711	$176,266	$130,090		(26.0%)	(26.2%)
State Aid	$21,988	$9,037	$213,000	$24,634		172.6%	(88.4%)
Capital Construction	$0	$0	$0	$0		---	---
Debt Service	$0	$0	$0	$0		---	---
Property Tax Relief Fund Total	**$479,738**	**$312,796**	**$819,212**	**$886,324**		**183.4%**	**8.2%**
Direct State Services	$479,738	$312,796	$819,212	$886,324		183.4%	8.2%
Grants-In-Aid	$0	$0	$0	$0		---	---
State Aid	$0	$0	$0	$0		---	---
Casino Revenue Fund	**$0**	**$0**	**$0**	**$0**		---	---
Casino Control Fund	**$0**	**$0**	**$0**	**$0**		---	---
Federal Funds	**$1,669,017**	**$1,484,246**	**$693,519**	**$703,581**		**(52.6%)**	**1.5%**
Other Funds	**$210,230**	**$301,205**	**$275,875**	**$297,332**		**(1.3%)**	**7.8%**
Grand Total	**$2,751,704**	**$2,379,814**	**$2,254,226**	**$2,116,215**		**(11.1%)**	**(6.1%)**

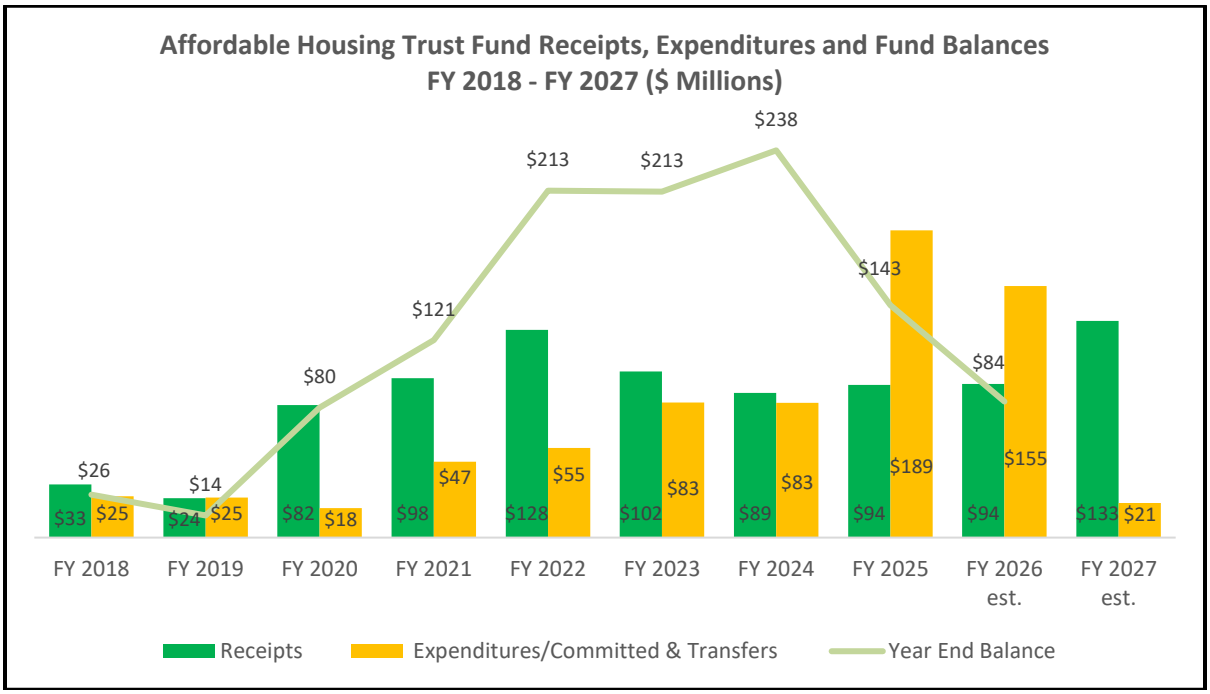
PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE							
	Actual FY 2024	Actual FY 2025	Revised FY 2026	Funded FY 2027		Percentage Change FY 2025-27	Percentage Change FY 2026-27
State	96	101	111	158		56.4%	42.3%
Federal	324	377	374	492		30.5%	31.6%
All Other	494	521	511	733		40.7%	43.4%
Total Positions	**914**	**999**	**996**	**1,383**		**38.4%**	**38.9%**

FY 2024 (as of December), FY 2025 (as of December) and revised FY 2026 (as of January) personnel data reflect actual payroll counts.
FY 2027 data reflect the number of positions funded.

AFFIRMATIVE ACTION DATA							
	Actual FY 2024	Actual FY 2025	Revised FY 2026	Funded FY 2027		Percentage Change FY 2025-27	Percentage Change FY 2026-27
Minority Percentage	44.8%	47.1%	48.1%	N/A		----	----

Budget Brief: Affordable Housing Trust Fund

The Affordable Housing Trust Fund is a dedicated, off-budget fund that provides municipalities, for-profit developers, and non-profit developers with financial assistance to spur the development of affordable housing across the State. The trust fund is capitalized by dedicated collections from the "additional fee" layer of the realty transfer fee. The chart below details the 10-year history of the fund's revenues, expenditures and transfers, and year-end fund balances.



Before the COVID-19 pandemic, trust fund revenues and expenditures generally kept pace with one another, and year-end fund balances were relatively flat. Beginning in FY 2020, however, realty transfer fee collections, and the amounts deposited into the trust fund, experienced significant growth as the pandemic caused a surge in home sales and an increase in home prices. As a result, trust fund revenues increased significantly in the three years through FY 2022 while expenditures lagged and a significant carryforward balance built up. Starting in FY 2023, the gap between revenues and expenditures narrowed as revenues moderated and expenditures grew. Fund balances are expected to be spent down further in FY 2026 as spending commitments are projected to be significantly higher than the revenues collected for a second straight year, in part due to transfers of funding from the trust fund for other housing initiatives. In FY 2027, the Governor recommends reducing transfers from the trust fund by $93.3 million, or 81.5 percent, to $21.2 million as the new Administration intends to utilize trust fund resources on the production of affordable housing.

The table on the following page shows the transfers from the trust fund for FY 2025 through FY 2027 as provided annually in budget language.

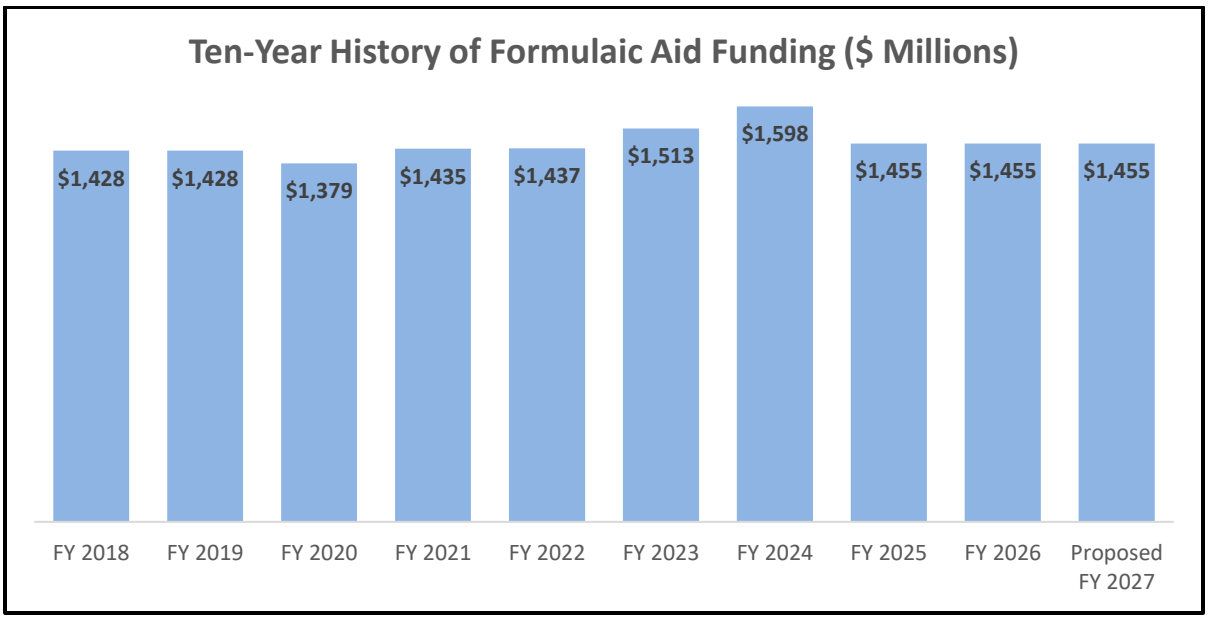
Budget Brief: Affordable Housing Trust Fund (Cont'd)

Affordable Housing Trust Fund Transfers ($000)			
Purpose	**FY 2025**	**FY 2026 (Estimated)**	**FY 2027 (Proposed)**
Shelter Assistance	$2,300	$2,300	---
Prevention of Homelessness	$4,360	$4,360	---
State Rental Assistance Programs	$60,300	$38,500	$20,000 (minimum)
State matching funds for USHUD HOME Investment Partnership Program	Unspecified	Unspecified	Unspecified
State match for federal share of the administrative costs of the USHUD Community Development Block Grant-Small Cities Program	$400	$400	$400
Technical assistance grants for non-profits	Unspecified	Unspecified	Unspecified
Appropriations to Affordable Housing Production Fund	Unspecified	Unspecified	Unspecified
State Rental Assistance Pilot for Expecting Mothers	$2,000	$2,000	---
HMFA Foreclosure Mediation Assistance Program Counseling	$800	$800	$800
HMFA Down Payment and Closing Cost Assistance Program	$25,000	$40,000	---
Assistance for homeless and housing-unstable veterans	$26,500	---	---
Transitional housing pilot program in Atlantic City	$2,000	---	---
Continuum of Care Homelessness initiative	---	$5,500	---
Local Planning Services	---	$1,378	---
Affordable Housing	---	$1,805	---
Supportive Housing Parcel-Development Zone 11 & Monmouth County Emergency Homeless Shelter Parcel-Development Zone 12	---	$15,000	---
Neighborhood Preservation (P.L.1975, c.248 and c.249)	---	$2,500	---
Total	**$123,660**	**$114,543**	**$21,200**

Budget Brief: History of Formulaic Municipal State Aid

Budget Pages .... D-72, D-79, D-422 to 423, D-425, F-11, H-2

The State primarily provides aid to municipalities through two formula-based programs: the Consolidated Municipal Property Tax Relief Aid (CMPTRA) program and Energy Tax Receipts Property Tax Relief Aid (ETR) program. Total funding for these programs since FY 2018 has generally been stable and has averaged $1.46 billion annually. Temporary Municipal Relief Fund appropriations added $75.0 million to the total in FY 2023 and $150.0 million in FY 2024.

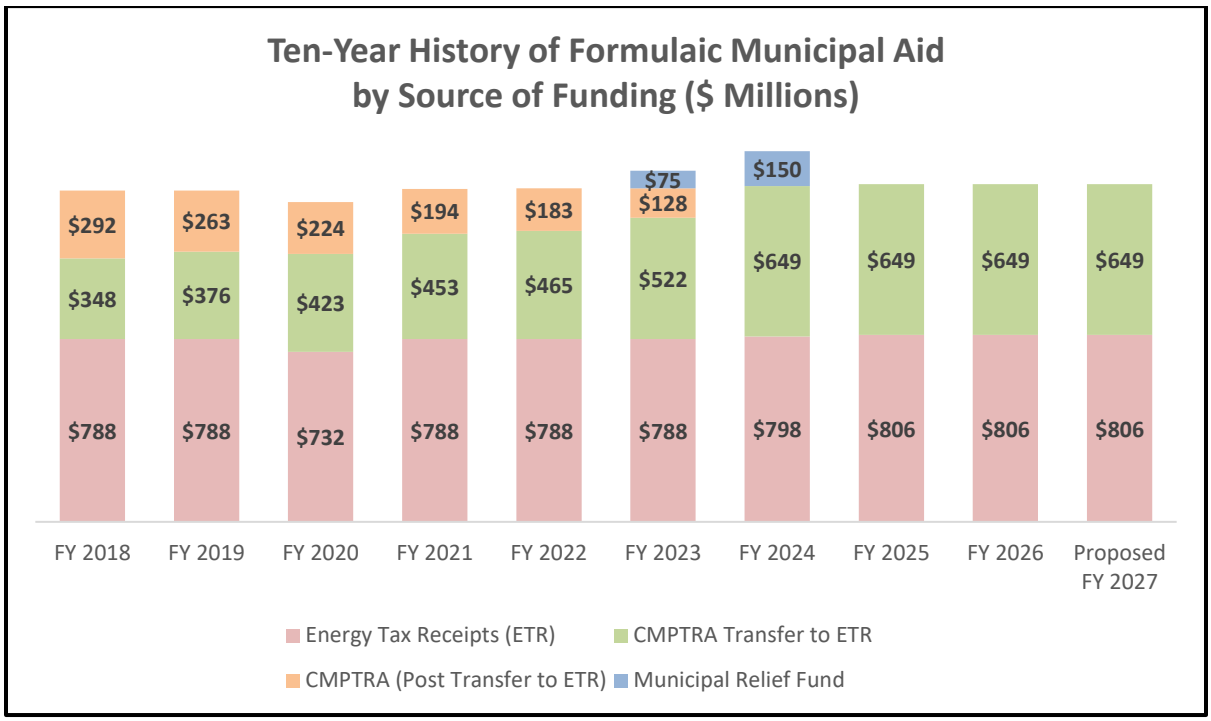


CMPTRA was created by the FY 1996 Appropriations Act and codified by P.L.1999, c.168. It replaced 14 of the State's previous municipal aid programs. ETR distributions, in turn, are based on the amount of public utility franchise and gross receipt taxes that were assessed on utility and energy companies prior to the creation of ETR, the proceeds of which were received by municipalities based on the value of the energy and utility facilities and equipment located in each municipality. Until the enactment of P.L.1999, c.168, which required an annual inflationary increase in the distribution of CMPTRA and ETR, CMPTRA had received consistent funding through the annual appropriations acts.

The statutory funding formula requires the annual amount of CMPTRA distributed to each municipality to be equal to the amount received by that municipality in the preceding year, adjusted by the inflation rate in the federally computed Implicit Price Deflator for State and Local Government Purchases. This formula became effective in FY 2000. The inflation rate is also used to determine the annual increase in the total amount of ETR distributed to municipalities. The Legislature intended the increased CMPTRA and ETR distributions to be used by municipalities to reduce the amount of property taxes levied for municipal purposes.

Budget Brief: History of Formulaic Municipal State Aid (Cont'd)

The inflation rate increase requirement for ETR – but not for CMPTRA - includes a poison pill provision requiring the State to forfeit most corporation business tax revenues during fiscal years in which ETR is not distributed to municipalities in accordance with the statutory requirement. For this reason, the State has prioritized the distribution of ETR over CMPTRA. This typically results in municipalities receiving similar amounts of formulaic State Aid in each successive fiscal year, except that the value of ETR as a percentage of total aid used to annually increases relative to CMPTRA. By now, however, the entire CMPTRA appropriation is transferred to the ETR account and municipalities no longer receive CMPTRA distributions.



Due to budget constraints, the State has not provided full CMPTRA allocations to municipalities in accordance with the statutory formula since FY 2002. Instead, an ever-increasing share of the CMPTRA appropriation was transferred to the ETR program year after year in order to satisfy the annual inflationary increase requirement in the ETR program. As of FY 2024, the entire CMPTRA appropriation supports the ETR program. As a result, for FY 2027, the recommended allocation of CMPTRA is approximately $1.6 billion less than the amount required by statute.

CMPTRA was also reduced significantly in FY 2009, FY 2010, and FY 2011 due to budget language that provided for different formulas to calculate CMPTRA and ETR distributions to municipalities.

Significant Changes/New Programs ($000)

Community Development Management

General Fund, Direct State Services Special Purpose: Cooperative Sober Living Residences (P.L.2025, c.60)					Budget Page: D-50
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	(S) $100	$0	($100)	(100.0%)

The Executive does not recommend continuing the supplemental appropriation effected by P.L.2025, c.60 for additional inspections and regulatory oversight of cooperative sober living residences and boarding houses. As of April 20, 2026, the entire allocation remains uncommitted.

General Fund, Grants-in-Aid Down Payment Assistance Fund					Budget Page: D-51
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$40,000	$15,000	$0	$45,000	$45,000	---
All Other Funds Affordable Housing Trust Fund					
$0	$25,000	$40,000	$0	($40,000)	(100.0%)
Total – Down Payment and Closing Cost Assistance Program					
$0	$40,000	$40,000	$45,000	($5,000)	12.5%

The Executive recommends shifting the entirety of the appropriation for the Down Payment and Closing Cost Assistance Program to the General Fund from the dedicated, off-budget Affordable Housing Trust Fund and increasing it by $5.0 million, or 12.5 percent, to $45.0 million. This is consistent with the Governor's policy of reducing transfers from the Affordable Housing Trust Fund and utilizing trust fund resources for the production of affordable housing.

The previous Governor had shifted $25.0 million of the $40.0 million program appropriation in FY 2025 from the General Fund to the Affordable Housing Trust Fund. In FY 2026, the entire appropriation was shifted to the trust fund while the funding level remained at $40.0 million.

Under the program, the New Jersey Housing and Mortgage Finance Agency provides down payment and closing cost assistance for eligible homebuyers, including mortgage insurance assistance, escrows, pre-paid costs, and interest rate reductions.

Significant Changes/New Programs ($000) (Cont'd)

General Fund, Grants-in-Aid NJ Community Capital Foreclosure Mitigation Program				Budget Page: D-51	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$3,000	$1,500	$1,500	$0	($1,500)	(100.0%)

The recommended funding elimination is consistent with the Governor's general and broad-based policy of eliminating or reducing funding for many discretionary programs.

New Jersey Community Capital is a non-profit community development institution that provides financing, technical assistance, and innovative solutions to support underserved communities. This grant program supports foreclosure prevention initiatives that help homeowners stay in their homes by purchasing nonperforming mortgages in bulk and modifying them.

General Fund, Grants-in-Aid New Jersey Healthy Homes				Budget Page: D-51	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	$20,000	$1,000	($19,000)	(95.0%)

The Governor recommends reducing the appropriation for the Healthy Homes initiative in FY 2027, consistent with the general and broad-based policy of eliminating or reducing funding for many discretionary programs. The entire $20.0 million appropriation in FY 2026 is expected to be returned to the General Fund at the end of the current fiscal year.

The New Jersey Healthy Homes program aims to provide permanent, affordable, community-based housing to New Jersey FamilyCare members who are experiencing or at risk of experiencing homelessness or institutionalization. The State initially relied on federal COVID-19 pandemic funding under the American Rescue Plan Act to support the program. The entire $100.0 million federal program allocation was expended in FY 2026.

Significant Changes/New Programs ($000) (Cont'd)

General Fund, Grants-in-Aid Code Red Alert Pilot Program (P.L.2025, c.297)					Budget Page: D-51	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.		Change FY 2026 – FY 2027	
$0	$0	(S) $2,500	$0		($2,500)	(100.0%)

The Executive does not recommend continuing the supplemental appropriation for the Code Red Alert Pilot Program established by P.L.2025, c.297. The law provides that the department is to issue $500,000 grants to each of five counties during the three-year pilot program to develop communication and outreach protocols, cooling centers, and transportation networks to be used during extreme heat days and air quality events. As of April 20, 2026, none of the FY 2026 funds have been committed or expended.

General Fund, Grants-in-Aid Bringing Veterans Home					Budget Page: D-51	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.		Change FY 2026 – FY 2027	
$0	$0	$0	$11,000		$11,000	---

The Bringing Veterans Home initiative was launched in 2025 and seeks to end veteran homelessness by ensuring that veterans in need can be housed within 30 days and that all veterans have a dedicated path towards permanent housing. In partnership with the Department of Veterans Affairs, the program provides grants to non-profit organizations that provide rapid placement housing options, rental assistance programs, and comprehensive support services to help veterans maintain their housing long-term.

General Fund, Grants-in-Aid Homelessness Response					Budget Page: D-51	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.		Change FY 2026 – FY 2027	
$0	$0	$0	$25,000		$25,000	---

The Governor recommends a new appropriation of $25.0 million for the Homelessness Response initiative. Associated budget language requires that the funding be used: to expand rapid re-housing programs prioritizing individuals experiencing homelessness; to fund programs that assist individuals experiencing homelessness overcome obstacles to permanent housing by identifying potential housing opportunities and providing advocacy with prospective landlords through case management services; and for the Department of Community Affairs to develop a program to increase housing availability and reduce housing costs through incentive payments to landlords, establish criteria for the program, and set program goals and requirements.

Significant Changes/New Programs ($000) (Cont'd)

General Fund, Grants-in-Aid Fiscal Year 2026 Prior Governor Housing Initiatives					Budget Page: D-51	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.		Change FY 2026 – FY 2027	
HOMECorp, Montclair						
$0	$0	$600	$0		($600)	(100.0%)
Newark Homeless Housing Program						
$5,000	$2,400	$2,400	$0		($2,400)	(100.0%)
Hudson County Housing First Pilot Program						
$1,000	$500	$500	$0		($500)	(100.0%)
Total – General Fund, Grants-in-Aid Prior Governor Housing Initiatives						
$6,000	$2,900	$3,500	$0		($3,500)	(100.0%)

The previous Governor had recommended $3.5 million in grant funding for three housing programs that became part of the FY 2026 Appropriations Act. The new Administration recommends discontinuing this funding, consistent with the general and broad-based policy of eliminating funding for many discretionary grants.

Federal Funds Housing Services					Budget Page: D-52
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.		Change FY 2026 – FY 2027
$977,864	$475,241	$441,132	$465,184	$24,052	5.5%

This budget line aggregates various federal housing grants awarded to the State. The recommended net reflects anticipated changes to four federal grant programs shown below.

	FY 2026 Estimated	FY 2027 Estimated	Difference
Eviction Prevention Services	$2,500	$0	($2,500)
Lead Hazard Reduction	$0	$4,400	$4,400
Mainstream 5 Voucher Program for Persons with Disabilities	$2,848	$5,000	$2,152
Section 8 Housing Voucher Program	$370,000	$390,000	$20,000
Total	**$375,348**	**$399,400**	**$24,052**

Significant Changes/New Programs ($000) (Cont'd)

Federal Funds Codes and Standards					Budget Page: D-52
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	$14,000	$0	($14,000)	(100.0%)

The department's Division of Codes and Standards received a one-time $14.0 million federal energy efficiency grant in FY 2026 that is not expected to be renewed in FY 2027.

All Other Funds Housing Code Enforcement					Budget Page: D-52
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	$10,000	$6,000	($4,000)	(40.0%)

The Executive anticipates an increase in dedicated revenues collected from fees and penalties derived from the activities of the Bureau of Housing used for Housing Code Enforcement. The bureau administers the Hotel and Multiple Dwelling Law and is responsible for ensuring that hotels and multiple-family buildings of three or more dwelling units are properly maintained and do not pose a threat to the health, safety, and welfare of residents.

All Other Funds Housing Services					Budget Page: D-52
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$152,591	$235,725	$117,220	$152,677	$35,457	30.2%

This budget line aggregates several dedicated, off-budget revenue streams of the Division of Housing and Community Resources. The largest component is a portion of the annual collections from the "additional fee," a fee layer of the realty transfer fee whose receipts are statutorily dedicated to the Affordable Housing Trust Fund. The increase in this budget line is attributable to the revised revenue forecast for the dedicated portion of the realty transfer fee, which is projected to increase to $133.2 million in FY 2027 from $97.7 million in FY 2026.

Significant Changes/New Programs ($000) (Cont'd)

All Other Funds Uniform Fire Code					Budget Page: D-52
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$67	$142	$19,937	$14,100	($5,837)	(29.3%)

The Executive anticipates a decrease in Uniform Fire Code revenues, which support the operations of the Division of Fire Safety. The recommended appropriation represents that amount above the unchanged $19.6 million in fire safety fees that is anticipated as general State revenue for FY 2026. In total, FY 2027 revenue from fire safety fees are expected to decrease 13.8 percent.

Social Services Programs

General Fund, Grants-in-Aid Reentry Pilot Program					Budget Page: D-62
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	$0	$2,000	$2,000	---

The Governor recommends a new $2.0 million General Fund appropriation for the Reentry Pilot Program. Associated budget language requires the department to develop a competitive grant program to fund local government units and non-profit organizations implementing initiatives that provide services for formerly incarcerated individuals to reduce the likelihood of their reincarceration.

General Fund, Grants-in-Aid FY 2026 Legislative Initiatives, Social Services Programs					Budget Pages: D-56 to D-63
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$48,118	$42,271	$61,490	$2,405	($59,085)	(96.1%)

The Legislature added $58.6 million in grant funding to the FY 2026 Appropriations Act for a variety of Social Services Programs managed by non-profit organizations. The Governor recommends eliminating or reducing in FY 2027 these appropriations added by the Legislature. The proposed elimination of these grants is consistent with the general policy of eliminating or reducing funding for many discretionary grant programs.

Significant Changes/New Programs ($000) (Cont'd)

The totals in the table do not match the amounts in the paragraph because the underlying budget lines include $2.9 million in appropriations the previous Governor had recommended for five of these programs in last year's budget proposal, to which the Legislature then added another $58.6 million. Please see page 32 for a detailed display of these initiatives and recommended funding changes (Table A).

General Fund, Grants-in-Aid FY 2026 Governor Initiatives, Social Services Programs					Budget Pages: D-56 to D-63	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.		Change FY 2026 – FY 2027	
$20,175	$16,525	$26,275	$0		($26,275)	(100.0%)

The prior Governor included $26.3 million in the FY 2026 Appropriations Act to provide grants to 26 non-profit organizations for various social services programs. The new Administration recommends eliminating all these grants in FY 2027. Please see page 36 for a detailed display of these initiatives and recommended funding changes (Table B).

General Fund, State Aid Repayment of Municipal Contribution to Mass Transit Facility					Budget Page: D-63	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.		Change FY 2026 – FY 2027	
$0	$0	$10,000	$0		($10,000)	(100.0%)
Property Tax Relief Fund, State Aid Repayment of Municipal Contribution to Mass Transit Facility (PTRF)					**Budget Page: D-63**	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.		Change FY 2026 – FY 2027	
$10,000	$10,000	$0	$0		$0	0.0%
Total – Repayment of Municipal Contribution to Mass Transit Facility						
$10,000	$10,000	$10,000	$0		($10,000)	(100.0%)

The Governor recommends eliminating funding for Repayment of Municipal Contribution to Mass Transit Facility in FY 2027. This budget line was funded through the General Fund in FY 2026 and through the Property Tax Relief Fund from FY 2021 through FY 2025. The Borough of Wood-Ridge has been the only recipient of the funding and all funding has been expended.

Significant Changes/New Programs ($000) (Cont'd)

All Other Funds Community Resources				Budget Page: D-63	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$10,829	$12,258	$21,680	$23,180	$1,500	6.9%

This budget line aggregates the department's administrative expenditures for certain low-income energy assistance programs funded by the Universal Service Fund. New Jersey ratepayers support the fund via the societal benefits charge included in their electric and natural gas bills. Although the Board of Public Utilities is responsible for financing the programs, the department administers the Universal Service Fund Credit Program and Fresh Start Credit Program.

State Subsidies and Financial Aid

General Fund, Grants-in-Aid Management Enhancement Review Program (P.L.2025, c.377)				Budget Page: D-67	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	(S) $1,500	$0	($1,500)	(100.0%)

P.L.2025, c.377 established and appropriated $1.5 million for the Management Enhancement Review Program. The department is to award grants to local governments to hire consultants to conduct efficiency reviews and make recommendations to streamline local government operations and reduce costs. Notably, the law requires that any appropriated funds not awarded or committed by June 1, 2026 are to be reallocated to the Local Efficiency Achievement Program. As of April 20, 2026, the entire $1.5 million allocation remains uncommitted.

General Fund, Grants-in-Aid Casino Reinvestment Development Authority – Events Attraction				Budget Page: D-67	
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	$5,000	$0	($5,000)	(100.0%)

In FY 2026, the Legislature provided a $5.0 million grant to the Casino Reinvestment Development Authority to boost tourism in Atlantic City by attracting and hosting events. All the funding has been expended. The recommended elimination of the appropriation is consistent with the Governor's general policy of eliminating or reducing funding for FY 2026 legislative initiatives.

Significant Changes/New Programs ($000) (Cont'd)

General Fund, State Aid City of Camden – Martin Luther King, Jr. Statue					Budget Page: D-72
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	$0	$250	$250	---

The Governor recommends a new $250,000 State Aid appropriation to the City of Camden for a Martin Luther King, Jr. statue to commemorate the civil rights movement.

Property Tax Relief Fund, State Aid Local Recreational Improvement Grants (PTRF)					Budget Page: D-72
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$24,999	$19,989	$10,000	$5,000	($5,000)	(50.0%)

This program provides funding to local units of government for repairs and improvements to public recreational facilities. The department is expected to process 560 grant applications and award 150 grants in FY 2026. Grant awards are expected to fall to 75 in FY 2027 commensurate with the recommended decrease in funding, which is consistent with the Governor's general policy of eliminating or reducing funding for many discretionary grant programs.

General Fund, State Aid County Prosecutors and Officials Salary Increase (P.L.2007, c.350)					Budget Page: D-72
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$2,578	$2,530	$3,584	$3,900	$316	8.8%

The recommended increase is to provide statutorily-required reimbursements to counties for the costs of salary increases paid to each county prosecutor and other constitutional officers.

Significant Changes/New Programs ($000) (Cont'd)

General Fund, State Aid Consolidation Implementation					Budget Page: D-72
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	$0	$1	$1	---

Property Tax Relief Fund, State Aid Consolidation Implementation (PTRF)					Budget Page: D-72
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	$1 (S) $29,999	$0	($30,000)	(100.0%)

Total – Consolidation Implementation					
$0	$0	$30,000	$1	($29,999)	(100.0%)

There is no recommended change in funding for local government Consolidation Implementation in FY 2027 since a proposed language revision would appropriate up to $30.0 million to this budget line for the operations of a youth detention center meeting certain criteria. In FY 2026, the Essex County Juvenile Detention Facility received a $20.0 million supplemental appropriation from this budget line in accordance with budget language. There is an additional unspecified $10.0 million appropriation anticipated from this budget line in FY 2026.

Property Tax Relief Fund, State Aid Transitional Aid to Localities (PTRF)					Budget Page: D-72
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$111,947	$126,927	$126,927	$228,039	$101,112	79.7%

The Executive recommends increasing total funding for Transitional Aid to Localities by $94.6 million, or 58.4 percent, for a total of $256.5 million in FY 2027, including $28.4 million from the dedicated, off-budget Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund. In FY 2026, the $126.9 million appropriation from the Property Tax Relief Fund was supplemented by a $35.0 million appropriation from the dedicated, off-budget fund.

Some municipalities, including the cities of Jersey City and Paterson, have indicated that they intend to request significant increases in Transitional Aid for FY 2027; however, the award of Transitional Aid to Localities is based on the review of applications by the department. Information concerning specific award amounts and the municipalities approved to receive such awards will be available following the application process.

Transitional Aid to Localities is discretionary aid available for municipalities that have severe structural difficulties and anticipate issues making payments toward critical obligations including debt service, contractual obligations, and payroll. Transitional Aid to Localities was awarded to 11 municipalities in FY 2026.

Significant Changes/New Programs ($000) (Cont'd)

Property Tax Relief Fund, State Aid Shared Services and School District Consolidation Study and Implementation (PTRF)					Budget Page: D-78
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$6,325	$6,000	$2,000	$3,000	$1,000	50.0%

This budget line supports the Local Efficiency Achievement Program (LEAP), which provides financial assistance to local government entities to identify, study, and implement shared services initiatives. The department expects to award 15 LEAP grants in FY 2026 and 20 in FY 2027.

General Fund, State Aid FY 2026 Legislative Initiatives, State Subsidies and Financial Aid					Budget Page: D-67 to D-75
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$48,550	$22,250	$113,502	$0	($113,502)	(100.0%)

The Legislature added $105.5 million in State Aid funding to the FY 2026 Appropriations Act for specific local governments for a variety of purposes. The Governor recommends eliminating in FY 2027 all the appropriations the Legislature added for FY 2026, which is consistent with the general policy of eliminating or reducing funding for many discretionary grant programs.

The totals in the table do not match the amounts in the paragraph because the previous Governor had recommended a total of $8.0 million for two of these initiatives in last year's budget proposal. This table shows the aggregate funding recommendations for these projects. Please see page 37 for a detailed display of these initiatives and recommended funding changes (Table C).

General Fund, State Aid FY 2026 Governor Initiatives, State Subsidies and Financial Aid					Budget Page: D-67 to D-78
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$11,500	$5,500	$65,431	$0	($65,431)	(100.0%)

The previous Governor included $65.4 million in State Aid to local governments for 24 initiatives in the State Subsidies and Financial Aid Statewide program category in FY 2026 that are now recommended for elimination by the new Administration. Please see page 42 for a detailed display of these initiatives and recommended funding changes (Table D).

Significant Changes/New Programs ($000) (Cont'd)

All Other Funds Local Government Services					Budget Page: D-78
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	$35,000	$28,448	($6,552)	(18.7%)

This recommendation is reflective of the reduced appropriation from the dedicated, off-budget Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund that will supplement the Property Tax Relief Fund appropriation of $228.0 million to the Transitional Aid to Localities Program. The Executive recommends a total of $256.5 million for Transitional Aid from all sources in FY 2027, some $94.6 million more than in FY 2026.

Management and Administration

General Fund, Direct State Services Special Purpose: Office of Information Privacy (P.L.2021, c.371)					Budget Page: D-82
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$2,451	$1,387	$3,000	$2,000	($1,000)	(33.3%)

P.L.2021, c.371 established the Office of Information Privacy to process requests for the redaction or nondisclosure of the home addresses of judicial officers, prosecutors, law enforcement officers, and their immediate family members. The department anticipates that $1.0 million of the $3.0 million appropriation in FY 2026 will be returned to the General Fund at the end of the current fiscal year. The Governor's FY 2027 funding recommendation is therefore identical to FY 2026 expenditure expectations.

General Fund, Direct State Services Special Purpose: Sustainable New Jersey Fund					Budget Page: D-82
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$1,000	$1,000	$0	($1,000)	(100.0%)

The Legislature added $1.0 million for the Sustainable New Jersey Fund in each of the FY 2025 and FY 2026 Appropriations Act to offer, through an institution of higher education, certification programs and grants to municipalities, schools, and other government entities in support of efforts to realize environmental, economic, and social sustainability. The Governor does not recommend continuing the appropriation in FY 2027, consistent with the general policy of eliminating or reducing funding for many discretionary programs in FY 2027.

Significant Changes/New Programs ($000) (Cont'd)

General Fund, Grants-in-Aid Preserve NJ Historic Preservation Constitutional Dedication					Budget Page: D-82
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$0	$0	(S) $10,816	$0	($10,816)	(100.0%)

The New Jersey State Constitution dedicates six percent of annual corporation business tax revenues – including collections from the Corporate Transit Fee – for open space, farmland, and historic preservation; water programs; public and private site remediation; and underground storage tank programs. Of the total dedicated collections, the State Constitution allocates 78 percent to open space, farmland, and historic preservation via the Preserve New Jersey Fund. The statutory framework for distributing dedicated Preserve New Jersey Fund balances is: 62 percent to the Green Acres Fund; 31 percent to the Farmland Preservation Fund; and seven percent to the Historic Preservation Fund, which is dedicated to the New Jersey Historic Trust.

Customarily, this line serves as a control account and does not show a recommended appropriation for the upcoming fiscal year because funding for Preserve New Jersey Historic Preservation is provided in a mid-year supplemental appropriation in accordance with separate legislation. Upon appropriation, the money is then transferred to spending accounts.

All Other Funds Administration and Support Services					Budget Page: D-83
FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp.	FY 2027 Recomm.	Change FY 2026 – FY 2027	
$4,898	$12,915	$10,400	$11,200	$800	7.7%

These funds represent collections from the Investment Alternative Tax that remain following the payment of debt service on bonds issued by the Casino Reinvestment Development Authority and the City of Atlantic City. Tax revenues are derived from a 1.25 percent tax on a casino's gross revenues and a 2.5 percent tax on Internet gaming revenues. These residual amounts are allocated by formula in each of calendar years 2022 through 2026. The section of law governing these allocations is scheduled to expire on December 31, 2026. For calendar year 2026, the allocation formula is as follows:

- 10.0 percent to the Casino Reinvestment Development Authority;
- 11.5 percent to the Clean and Safe Fund;
- 11.5 percent to the Infrastructure Fund; and
- 67.0 percent to Atlantic City for general municipal purposes.

Clean and Safe Fund deposits are used by Atlantic City to support capital public safety expenses and assorted municipal projects, such as beautification, lighting, and sidewalk repair, while Infrastructure Fund proceeds are expended in Atlantic City to finance any work that may be undertaken as a local improvement.

Significant Language Changes

Elimination of Affordable Housing Trust Fund Appropriations

Deletion

FY 2026 Handbook: p. B-26 and B-30
FY 2027 Budget: N/A

~~In addition to the amount hereinabove appropriated for the Office of Homelessness Prevention, $5,500,000 is appropriated from the "New Jersey Affordable Housing Trust Fund" to support the Continuum of Care Homelessness initiative, subject to the approval of the Director of the Division of Budget and Accounting.~~

~~Notwithstanding the provisions of any law or regulation to the contrary, an amount not to exceed $15,000,000 is appropriated from the "New Jersey Affordable Housing Trust Fund," in amounts determined by the Commissioner of Community Affairs, to the developer of the Supportive Housing Parcel – Development Zone 11 and to the developer of the Monmouth County Emergency Homeless Shelter Parcel – Development Zone 12, for affordable housing projects, subject to the approval of the Director of the Division of Budget and Accounting.~~

Explanation

The Governor recommends eliminating the Affordable Housing Trust Fund language appropriation for the Continuum of Care Homelessness initiative ($5.5 million) and the language appropriation made to the developers of Supportive Housing Parcel – Development Zone 11 and the Monmouth County Emergency Homeless Shelter Parcel – Development Zone 12 ($15.0 million).

Funding Shift of Affordable Housing Trust Fund Appropriations to General Fund

Deletion

FY 2026 Handbook: p. B-28 to B-30
FY 2027 Budget: N/A

~~The amounts hereinabove appropriated for the Local Planning Services and Affordable Housing accounts shall be payable from the receipts of the portion of the realty transfer fee directed to be credited to the "New Jersey Affordable Housing Trust Fund" pursuant to section 4 of P.L.1968, c.49 (C.46:15-8) and from the receipts of the portion of the realty transfer fee directed to be credited to the "New Jersey Affordable Housing Trust Fund" pursuant to section 4 of P.L.1975, c.176 (C.46:15-10.1), subject to the approval of the Director of the Division of Budget and Accounting. If the receipts are less than anticipated, the appropriation shall be reduced proportionately.~~

EXPLANATION: FY 2026 language not recommended for FY 2027 denoted by strikethrough.
Recommended FY 2027 language that did not appear in FY 2026 denoted by underlining.

Significant Language Changes (Cont'd)

~~The amounts hereinabove appropriated for Shelter Assistance, Prevention of Homelessness, State Rental Assistance Program, and State Rental Assistance Pilot for Expecting Mothers program shall be payable from the receipts of the portion of the realty transfer fee directed to be credited to the "New Jersey Affordable Housing Trust Fund" pursuant to section 4 of P.L.1968, c.49 (C.46:15-8) and from the receipts of the portion of the realty transfer fee directed to be credited to the "New Jersey Affordable Housing Trust Fund" pursuant to section 4 of P.L.1975, c.176 (C.46:15-10.1), subject to the approval of the Director of the Division of Budget and Accounting. If the receipts are less than anticipated, the appropriation shall be reduced proportionately.~~

~~The amounts hereinabove appropriated for Neighborhood Preservation (P.L.1975, c.248 and c.249) shall be payable from the receipts of the portion of the realty transfer fee directed to be credited to the "New Jersey Affordable Housing Trust Fund" pursuant to section 4 of P.L.1968, c.49 (C.46:15-8) and from the receipts of the portion of the realty transfer fee directed to be credited to the "New Jersey Affordable Housing Trust Fund" pursuant to section 4 of P.L.1975, c.176 (C.46:15-10.1), subject to the approval of the Director of the Division of Budget and Accounting. If the receipts are less than anticipated, the appropriation shall be reduced proportionately.~~

Explanation

The Governor recommends shifting appropriations for seven housing-related programs from the dedicated Affordable Housing Trust Fund to the General Fund. The above language provisions directed that funding for the initiatives be provided from the portion of the realty transfer fee dedicated to the Affordable Housing Trust Fund. All the FY 2027 funding recommendations are unchanged from the prior year:

- *State Rental Assistance Program ($18.5 million);*
- *Prevention of Homelessness ($4.4 million);*
- *Neighborhood Preservation (P.L.1975, c.248 and c.249) ($2.5 million)*
- *Shelter Assistance ($2.3 million);*
- *State Rental Assistance Pilot for Expecting Mothers ($2.0 million);*
- *Affordable Housing projects ($1.8 million); and*
- *Local Planning Services ($1.4 million).*

EXPLANATION: FY 2026 language not recommended for FY 2027 denoted by strikethrough.
Recommended FY 2027 language that did not appear in FY 2026 denoted by underlining.

Significant Language Changes (Cont'd)

Specifies Use of Appropriations for Bringing Veterans Home Initiative and Homelessness Response Program

Addition

FY 2026 Handbook: N/A
FY 2027 Budget: p. D-53

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Bringing Veterans Home shall be used to assist homeless and housing-unstable military veterans in finding new long- and short-term housing and stabilizing military veterans' existing housing, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Homelessness Response shall be used: to expand rapid re-housing programs prioritizing individuals experiencing homelessness; to fund programs that assist individuals experiencing homelessness overcome obstacles to permanent housing by identifying potential housing opportunities and providing advocacy with prospective landlords through case management services; and for the Commissioner of Community Affairs to develop a program to increase housing availability and reduce housing costs through incentive payments to landlords, establish criteria for the program, and set program goals and requirements, subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

These recommended language provisions specify the use of new proposed appropriations for the Bringing Veterans Home initiative ($11.0 million) and the Homelessness Response program ($25.0 million).

The mission of Bringing Veterans Home is to effectively end veteran homelessness by enhancing existing support systems, creating rapid access to housing, and ensuring homelessness becomes rare, brief, and non-recurring for members of the veteran community. The appropriation for the Homelessness Response program is intended to expand programs that address homelessness more broadly across the State.

EXPLANATION: FY 2026 language not recommended for FY 2027 denoted by strikethrough.
Recommended FY 2027 language that did not appear in FY 2026 denoted by underlining.

Significant Language Changes (Cont'd)

Shifts Funding for Down Payment and Closing Cost Assistance Program to General Fund from Affordable Housing Trust Fund

Revision

FY 2026 Handbook: p. B-30
FY 2027 Budget: p. D-54

~~Notwithstanding the provisions of any law or regulation to the contrary, $40,000,000 is appropriated from the "New Jersey Affordable Housing Trust Fund"~~ The amount hereinabove appropriated for the Down Payment Assistance Fund is appropriated to the New Jersey Housing and Mortgage Finance Agency for a Down Payment and Closing Cost Assistance Program to provide down payment and closing cost assistance, including but not limited to mortgage insurance assistance, escrows, pre-paid costs, and interest rate reductions, to assist in stabilizing neighborhoods through owner-occupancy and providing home ownership opportunities to households that would otherwise remain tenants, subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

The recommended revision would shift the appropriation for the Down Payment and Closing Cost Assistance Program to the General Fund from the Affordable Housing Trust Fund. This is consistent with the new Administration's policy of using Affordable Housing Trust Fund resources on the production of affordable housing units rather than expending these resources on ancillary housing-related programs. In FY 2026, the entire $40.0 million appropriation for the Down Payment and Closing Assistance program was funded out of Affordable Housing Trust Fund resources. The recommended FY 2027 program appropriation is $45.0 million.

Removes Language Authorizing Carry Forward for Financial Empowerment Pilot Program

Deletion

FY 2026 Handbook: p. B-33
FY 2027 Budget: N/A

~~The unexpended balance at the end of the preceding fiscal year in the Financial Empowerment Pilot Program (P.L.2021, c.321) account is appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.~~

Explanation

P.L.2021, c.321 established a three-year Financial Empowerment Pilot Program and appropriated $6.4 million therefor. These funds were to be used to provide grants to non-profit organizations, municipalities, and certain institutions of higher education to develop financial literacy and empowerment programs for the public. Since then, budget language has authorized the carry forward into the next fiscal year of any unexpended balances in the program account. As of April 20, 2026, all remaining funds in the program account have been expended or committed, which obviates the need for this budget language.

EXPLANATION: FY 2026 language not recommended for FY 2027 denoted by strikethrough.
Recommended FY 2027 language that did not appear in FY 2026 denoted by underlining.

Significant Language Changes (Cont'd)

Directs Use of New Reentry Pilot Program Appropriation

Addition

FY 2026 Handbook: N/A
FY 2027 Budget: p. D-64

The amount hereinabove appropriated for the Reentry Pilot Program is subject to the following conditions: the Commissioner of Community Affairs shall develop a competitive grant program to fund local government units and nonprofit organizations implementing initiatives that provide services for formerly incarcerated individuals to reduce the likelihood of their reincarceration, subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

The Governor recommends a $2.0 million appropriation in FY 2027 for the new Reentry Pilot Program. The associated language directs that the appropriation be used for a competitive grant program for local governments and non-profit organizations implementing programs that reduce the likelihood of recidivism.

Increases Appropriation to Universal Service Fund Program

Revision

FY 2026 Handbook: p. B-33
FY 2027 Budget: p. D-64

Notwithstanding the provisions of any law or regulation to the contrary, an amount not to exceed ~~$13,500,000~~ $15,000,000 is appropriated from the Universal Service Fund for the purpose of administering the Universal Service Fund program by the Department of Community Affairs, as approved by the Board of Public Utilities and in accordance with the memorandum of understanding between the New Jersey Board of Public Utilities and the Department of Community Affairs, and subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

The Governor recommends increasing the appropriation from the off-budget Universal Service Fund for the department's costs of administering the Universal Service Fund program by $1.5 million in FY 2027. The program provides utility assistance to eligible households. New Jersey ratepayers capitalize the Universal Service Fund via the societal benefits charge included in their electric and natural gas bills. Although the Board of Public Utilities is responsible for financing the programs, the department administers the Universal Service Fund Credit Program and Fresh Start Credit Program.

EXPLANATION: FY 2026 language not recommended for FY 2027 denoted by strikethrough.
Recommended FY 2027 language that did not appear in FY 2026 denoted by underlining.

Significant Language Changes (Cont'd)

Increases Maximum Additional Appropriation for Local Government Consolidation Implementation

Revision **FY 2026 Handbook: p. B-38**
FY 2027 Budget: p. D-78

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated for Consolidation Implementation shall be allocated to provide reimbursement to local government units that consolidate pursuant to any law, including but not limited to P.L.2007, c.63 (C.40A:65-1 et seq.) and P.L.2009, c.118 (C.54:1-86 et seq.), or to a municipality that is wholly annexed by another municipality pursuant to N.J.S.40A:7-1 et seq., for non-recurring costs that the Director of the Division of Local Government Services, or in the case of a school district consolidation the Commissioner of Education, determines to be necessary to implement such consolidation or annexation, subject to the approval of the Director of the Division of Budget and Accounting; provided, however, that in addition to the amounts hereinabove appropriated, there are appropriated such additional amounts as are determined to be necessary for reimbursement of non-recurring costs associated with local government unit consolidations, subject to the approval of the Director of the Division of Budget and Accounting; provided further that there are appropriated such additional amounts, not to exceed ~~$20,000,000~~ $30,000,000, as the Director of the Division of Budget and Accounting, in consultation with the Commissioner of Community Affairs and the Director of the Division of Local Government Services, shall determine to be necessary to design, implement, or maintain one or more voluntary county-based demonstration projects or programs to achieve efficiencies and future cost savings in the provision of services at the local level, including for the operation by a county of a youth detention center with 100 or more residents, as reported on the October 15, ~~2024~~ 2025 State Facilities Enrollment Count, at which greater than 40 percent of such residents are residents of a county other than the county responsible for the maintenance of the youth detention center.

Explanation

This language revision increases the supplemental appropriation for local government Consolidation Implementation to $30.0 million from $20.0 million. The additional $20.0 million appropriation in FY 2026 supported the operations of the Essex County Juvenile Detention Center.

EXPLANATION: FY 2026 language not recommended for FY 2027 denoted by strikethrough.
Recommended FY 2027 language that did not appear in FY 2026 denoted by underlining.

Significant Language Changes (Cont'd)

Reduces Transitional Aid to Localities Appropriation from Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund

Revision **FY 2026 Handbook: p. E-9**
FY 2027 Budget: N/A

104. Notwithstanding the provisions of P.L.2021, c.16 (C.24:6I-31 et al.), including paragraph (1) of subsection b. of section 41 of P.L.2021, c.16 (C.24:6I-50), or any other law or regulation to the contrary, revenues deposited into the "Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund" are appropriated for the following purposes: $25,500,000 to the Department of Law and Public Safety for Violence Intervention programs including Hospital-Based Violence Intervention and Community-Based Violence Intervention programs as determined by the Attorney General; ~~$5,000,000 for New Jersey Economic Development Authority cannabis equity grant programs as determined by the Chief Executive Officer of the New Jersey Economic Development Authority;~~ $2,000,000 to the Department of State to support the New Jersey-Based Children's Defense Fund Freedom Schools grant program as determined by the Secretary of State; $8,000,000 to the Department of Community Affairs to support the Anti-violence Out-of-School Youth Summer Program, which shall provide grants to the cities of Newark, Trenton, Paterson, and Atlantic City as determined by the Commissioner of Community Affairs; $7,000,000 to the Department of Corrections to support the Release Support Partnership Program as determined by the Commissioner of Corrections; ~~$35,000,000~~ $28,448,000 to the Department of Community Affairs to support Transitional Aid to Localities as determined by the Commissioner of Community Affairs; ~~$20,000,000 to University Hospital for capital improvements;~~ $1,800,000 to Rutgers, the State University - Newark for the Scholarship and Transformative Education in Prison Program as determined by the Secretary of Higher Education; ~~$500,000 to the Department of Education to support the Restorative Justice in Education (P.L.2019, c.412) program as determined by the Commissioner of Education;~~ and $1,100,000 to the Youth Justice Commission to support the Restorative and Transformative Justice for Youths and Communities Pilot Program (P.L.2021, c.196) as determined by the Executive Director of the Youth Justice Commission, subject to the approval of the Director of the Division of Budget and Accounting. The unexpended balances at the end of the preceding fiscal year in the "Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund" account are appropriated for the same purpose, subject to the approval of the Director of the Division of Budget and Accounting.

Explanation

The FY 2027 Governor's Budget recommends reducing the appropriation for Transitional Aid to Localities out of the dedicated, off-budget Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund by nearly $6.6 million – from $35.0 million in FY 2026 to $28.4 million in FY 2027.

In total, the Administration recommends an appropriation of $256.5 million for Transitional Aid to Localities in FY 2027, including the Property Tax Relief Fund appropriation. This represents an increase of $94.6 million over FY 2026.

EXPLANATION: FY 2026 language not recommended for FY 2027 denoted by strikethrough.
Recommended FY 2027 language that did not appear in FY 2026 denoted by underlining.

Background Paper: Lead Abatement Programs Administered by the Department of Community Affairs

The department administers the following lead abatement programs: the Single Family Home Lead Hazard Remediation Program; Lead Programs pursuant to P.L.2021, c.182; and the Lead-Safe Home Renovation Pilot Program. The department also uses dedicated revenues deposited in the Lead Hazard Control Assistance Fund to provide grants and loans to eligible homeowners to make their homes lead-safe.

Department of Community Affairs Lead Abatement Programs ($000s)

Program	Funding Source	FY 2025 Expend./ Transferred	FY 2026 Adj. Approp.	FY 2027 Recomm.
Single Family Home Lead Hazard Remediation Program*	General Fund	$4,000	$2,000	$2,000
Lead Programs (P.L.2021, c.182)*	General Fund	$3,900	$1,950	$1,950
Lead-Safe Home Renovation Pilot Program*	General Fund	$5,000	$2,500	$2,500
Lead Hazard Control Assistance Fund	Dedicated Revenues	$157	$180	$180

**Budget language permits funding to be transferred to the Revolving Housing Development and Demonstration Grant Fund for the purpose of remediating lead in dwellings Statewide.*

The purpose of the Single Family Home Lead Hazard Remediation Program and Lead-Safe Home Renovation Pilot Program is to identify and remediate lead-based paint hazards via interim controls and lead abatement to prevent elevated blood lead levels in children and pregnant women. P.L.2021, c.182 requires lead paint inspections for certain residential rental property, including upon tenant turnover, and established a lead-based paint hazard education program. The law appropriated $3.9 million for the program.

Budget language allows for the transfer of appropriations for these three programs to the Revolving Housing Development and Demonstration Grant Fund to remediate lead in dwellings. The fund is customarily used to provide non-interest-bearing loans to non-profit and mutual housing sponsors to defray development costs for housing projects for families of moderate income to be constructed or rehabilitated. In FY 2025, the full appropriations for the Single Family Home Lead Hazard Remediation Fund, the Lead-Safe Home Renovation Pilot Program, and Lead Programs (P.L.2021, c.182) were transferred to the Revolving Housing Development and Demonstration Grant Fund. Thus far in FY 2026, the only transfer to the revolving fund has been $600,000 from the Lead-Safe Home Renovation Pilot Program.

Certain additional lead abatement and mitigation programs have been funded through discretionary grants included in the department's budget. In FY 2026, for example, these include grants for projects related to lead service lines to the Borough of Milltown and the City of Elizabeth. No municipality is recommended to receive lead abatement funding in the FY 2027 Governor's Budget.

The department does not administer all the lead programs that are available to New Jersey residents. Programs also exist to prevent lead exposure from water pipes through the Department of Environmental Protection and to address lead poisoning through the Department of Health.

Background Paper: Energy and Utility Assistance Programs Administered by the Department of Community Affairs

The department administers the following energy and utility assistance programs: (1) the Low Income Home Energy Assistance Program (LIHEAP); (2) the Universal Service Fund program, which is administered by the department of behalf of the Board of Public Utilities; (3) the Winter Termination Program; and (4) the Weatherization Assistance Program.

Department of Community Affairs Energy and Utility Assistance Programs ($000s)

Program	Funding Source	FY 2025 Expend.	FY 2026 Adj. Approp.	FY 2027 Recomm.
LIHEAP	Federal Funds	$131,720	$205,513	$205,523
Universal Service Fund Credit Program	Societal Benefits Surcharge	$12,036	$13,500	$15,000
Winter Termination Program	General Fund	$3,500	$3,500	$3,500
Weatherization Assistance Program	Federal Funds	$10,111	$9,661	$9,661

LIHEAP is a federally funded program that provides subsidies to help low-income households pay for home heating and medically necessary cooling costs. To be eligible for LIHEAP benefits, an applicant household must be responsible for its home heating or cooling costs, either directly or through rent, and have a gross income at or below 60 percent of the State median income.

The Universal Service Fund Credit Program provides a monthly credit on qualifying residential utility bills to help make electricity and natural gas more affordable. New Jersey ratepayers fund the Universal Service Fund via the societal benefits charge embedded in their electric and natural gas bills. To be eligible for the program, a household must have a total gross annual income at or below 60 percent of the State median income and spend more than two percent of its annual income on electric or natural gas services. For a home heated with electricity, it must spend more than four percent of the annual household income on electricity to qualify.

The winter termination program prohibits a local authority, municipal utility, or rural electric cooperative from discontinuing natural gas, electric, water, and sewer service to eligible households between November 15 and March 15 each year. Residential utility customers are eligible for the program if they are recipients of certain other federal, State, or local programs, or if they cannot pay their utility bills because of circumstances beyond their control. The annual appropriation supports the department's cost of administering the program.

The weatherization assistance program assists elderly, handicapped and low-income persons in weatherizing their homes, improving their heating system efficiency, and conserving energy. Eligibility for the program is based on income, and prioritization for assistance is determined based on household income and certain demographic characteristics, including presence of children, the number of elderly or disabled household members, energy burden, and energy use.

The department does not administer all energy and utility assistance programs that are available to households in New Jersey. NJSHARES, a not-for-profit organization, operates the S.M.A.R.T. Utility Assistance program, which provides electric and natural gas assistance grants to income-qualified households experiencing a temporary financial crisis. Eligible recipients do not otherwise qualify for federal and state utility assistance programs and have household incomes at or below State median income guidelines. NJSHARES received a $5.0 million grant in the FY 2026 Appropriations Act, which the Governor recommends not renewing in FY 2027.

Background Paper: Energy and Utility Assistance Programs Administered by the Department of Community Affairs (Cont'd)

Additional State energy and utility assistance programs not administered by the department include: the Comfort Partners Program, Residential Energy Assistance Payment (REAP) Program, Residential Universal Bill Credit, Summer Termination Program, and Payment Assistance for Gas and Electric Program, administered by the Board of Public Utilities; certain energy assistance payments associated with the Supplemental Nutrition Assistance Program (SNAP), and Lifeline, which includes the LifeLine Credit Program, Tenants Lifeline Assistance Program, and the Special Utility Supplement, which are administered by the Department of Human Services.

Appendix

Table A: General Fund, Grants-In-Aid FY 2026 Legislative Initiatives, Social Services Programs ($000s)						
Grant Recipient	FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp	FY 2027 Recomm.	Change FY 2026 – FY 2027	FY 2027 Budget Page
Shri Krishna Nidhi Foundation	$100	$100	$200	$0	($200)	D-56
Girl Scouts of Central & Southern NJ - Stem Programs	$500	$0	$400	$0	($400)	D-56
United Way of Northern New Jersey - United in Care	$750	$850	$500	$0	($500)	D-56
Toni's Kitchen, Montclair	$0	$250	$300	$0	($300)	D-56
Friendship Circle of New Jersey - LifeTown, Livingston	$0	$500	$500	$0	($500)	D-56
Soup Kitchen 411	$100	$100	$100	$0	($100)	D-56
The Special Children's Center	$0	$0	$700	$0	($700)	D-56
Sav'n Blocks	$0	$0	$50	$0	($50)	D-56
Jersey City Police Activity League - Capital Improvements	$0	$0	$50	$0	($50)	D-57
CUMAC/ECHO, Inc. - Operating Support	$250	$0	$250	$0	($250)	D-57
Jump4Jerry	$0	$0	$50	$0	($50)	D-57
Whiskers Rescue Inc. - Trap-Neuter-Return Transportation Pilot Program	$0	$0	$300	$0	($300)	D-57
Two River Times Foundation	$0	$0	$100	$0	($100)	D-57
United Way of Northern New Jersey - ALICE Recovery Fund	$0	$250	$1,000	$0	($1,000)	D-57
New Jersey Youth Soccer, Freehold	$0	$0	$75	$0	($75)	D-57
Lunch Break, Red Bank - Community Services	$0	$0	$300	$0	($300)	D-57
Family Resource Network	$0	$0	$55	$0	($55)	D-57
Boys and Girls Clubs of Gloucester County - Recreation and Safety Improvements	$0	$0	$93	$0	($93)	D-58
Friends of Shrewsbury - Community Programming	$0	$0	$100	$0	($100)	D-58
United Desi of New Jersey - Cultural Programming	$0	$53	$100	$0	($100)	D-58
Garden State Equality - Venus Xtravaganza House	$0	$400	$400	$0	($400)	D-58
Korean American Civic Empowerment - Community Programming	$0	$0	$149	$0	($149)	D-58
Trinity Center for Community, Asbury Park - Code Blue Support	$0	$75	$150	$0	($150)	D-58
New Jersey Coalition to End Homelessness - Shelter Services and Staffing	$0	$0	$4,040	$0	($4,040)	D-59
Jersey City Asian Merchant Association - India Square Revitalization and Cultural Programming	$0	$0	$180	$0	($180)	D-59
Volunteer UP Legal Clinic, Camden	$0	$0	$300	$0	($300)	D-59
United Community Corporation, Newark	$0	$0	$800	$0	($800)	D-59

Appendix (Cont'd)

Table A: General Fund, Grants-In-Aid FY 2026 Legislative Initiatives, Social Services Programs ($000s)						
Grant Recipient	FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp	FY 2027 Recomm.	Change FY 2026 – FY 2027	FY 2027 Budget Page
Saint James Social Services Corporation, Newark	$0	$0	$200	$0	($200)	D-59
My Son is Me Inc., Newark - Community Services	$0	$0	$200	$0	($200)	D-59
United Way of Hunterdon County - Mental Health Services	$0	$0	$150	$0	($150)	D-59
North Hudson Community Action Corporation - Community Health and Early Education Initiatives	$0	$0	$1,000	$0	($1,000)	D-59
Urban League of Union County - Rental Assistance Programs	$0	$0	$70	$0	($70)	D-59
Greater Essex Counseling Services, Newark - Medication Assistance	$0	$0	$95	$0	($95)	D-59
Tinton Falls EMS North Operational Support	$0	$0	$50	$0	($50)	D-59
Ocean Township Little League - Operating Costs and Improvements	$0	$0	$50	$0	($50)	D-59
Neptune American Legion Post #346 (P.L.2025, c.391)	$0	$0	$25	$0	($25)	D-59
Lincoln Park Coast Cultural District, Newark	$0	$0	$600	$0	($600)	D-59
River Crossing YMCA - Flemington Community Pool	$0	$0	$250	$0	($250)	D-60
Senior Citizens Activities Network	$0	$0	$100	$0	($100)	D-60
Monmouth Falcons Youth Football and Cheerleading - Operating Aid	$0	$0	$50	$0	($50)	D-60
Tinton Falls Little League	$0	$0	$75	$0	($75)	D-60
Boys and Girls Club of Monmouth County	$0	$0	$75	$0	($75)	D-60
Camden Community Partnership - The Camden Loop	$0	$0	$2,000	$0	($2,000)	D-60
Circle of Friends Café - Operations	$0	$0	$100	$0	($100)	D-60
South Branch Emergency Services Equipment Acquisition	$0	$0	$200	$0	($200)	D-60
Bergen Family Center	$0	$0	$250	$0	($250)	D-60
Hudson Pride Center	$0	$0	$850	$0	($850)	D-60
Camden Coalition of Health Care Providers	$0	$0	$1,000	$0	($1,000)	D-60
United Way of Ocean and Monmouth Counties - Operating Aid	$0	$0	$100	$0	($100)	D-60
New Jersey Community Development Corporation - Affordable Housing Project in the City of Paterson	$0	$0	$1,500	$0	($1,500)	D-60
Central Jersey Community Development Corporation	$0	$0	$1,000	$0	($1,000)	D-60
United Way of Passaic County - Literacy Programs	$0	$0	$200	$0	($200)	D-60

Appendix (Cont'd)

Table A: General Fund, Grants-In-Aid FY 2026 Legislative Initiatives, Social Services Programs ($000s)						
Grant Recipient	FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp	FY 2027 Recomm.	Change FY 2026 – FY 2027	FY 2027 Budget Page
Tinton Falls Public Library	$0	$0	$25	$0	($25)	D-60
New Jersey Firefighters Mutual Benevolent Association - Research and Development	$0	$0	$100	$0	($100)	D-60
The Pride Network	$0	$0	$100	$0	($100)	D-60
Monmouth Park Racetrack	$0	$0	$3,500	$0	($3,500)	D-60
The GUIDE App	$0	$0	$250	$0	($250)	D-60
Monmouth County SPCA	$100	$150	$100	$0	($100)	D-61
NJSHARES - S.M.A.R.T. Program	$11,000	$5,500	$5,000	$0	($5,000)	D-61
Newark Public Library - Newark City of Learning Collaborative	$200	$0	$200	$0	($200)	D-61
Big Brothers and Big Sisters State Association	$1,000	$1,000	$1,000	$0	($1,000)	D-61
Transition Professionals Re-Entry Services	$263	$263	$263	$0	($263)	D-61
United Way of Northern New Jersey - Volunteer Income Tax Preparation Assistance	$750	$750	$750	$0	($750)	D-61
Community Affairs and Resource Center	$50	$25	$50	$0	($50)	D-61
Youth Advocate Programs Inc.	$3,000	$2,000	$600	$0	($600)	D-62
New Jersey YMCA State Alliance	$500	$250	$500	$0	($500)	D-62
Newark Alliance - Hire Buy Live	$500	$250	$500	$0	($500)	D-62
Rising Tide Capital	$0	$1,000	$1,000	$0	($1,000)	D-62
Union County Fatherhood Initiative Coalition	$100	$100	$100	$0	($100)	D-62
The Kintock Group - Re-entry Services	$1,000	$2,000	$2,000	$0	($2,000)	D-62
HomeFront NJ	$500	$250	$250	$0	($250)	D-62
New Jersey Hall of Fame Foundation	$1,500	$0	$400	$0	($400)	D-62
Special Olympics	$405	$605	$605	$405	($200)	D-62
New Jersey Re-entry Corporation - One-Stop Offender Re-entry Services	$10,400	$16,600	$8,000	$2,000	($6,000)	D-62
Volunteers of America - Re-entry Services	$7,400	$7,400	$4,000	$0	($4,000)	D-62
Boys and Girls Clubs of New Jersey - At Risk Youth	$1,050	$1,050	$1,300	$0	($1,300)	D-62
Camden Community Partnership - Camden Home Improvement Repair Program	$5,000	$0	$3,000	$0	($3,000)	D-62
AAPI Montclair - Statewide Community Services	$200	$0	$100	$0	($100)	D-62
Trenton Area Soup Kitchen - Food Security Hub	$1,500	$500	$600	$0	($600)	D-63
Hatzolah of Central Jersey - Ambulance Acquisition	$0	$0	$400	$0	($400)	D-63
Revive & Renew NJ CDC, Paterson - Multipurpose Center Construction	$0	$0	$250	$0	($250)	D-63

Appendix (Cont'd)

Table A: General Fund, Grants-In-Aid FY 2026 Legislative Initiatives, Social Services Programs ($000s)						
Grant Recipient	**FY 2024 Expended**	**FY 2025 Expended**	**FY 2026 Adj. Approp**	**FY 2027 Recomm.**	**Change FY 2026 – FY 2027**	**FY 2027 Budget Page**
One World One Love, Summit - Workforce Development Services	$0	$0	$150	$0	($150)	D-63
Christian Health, Wyckoff - Senior Affordable Housing Project	$0	$0	$250	$0	($250)	D-63
Greater Mount Zion Community Development Corporation	$0	$0	$600	$0	($600)	D-63
Urban League of Essex County	$0	$0	$500	$0	($500)	D-63
North Hunterdon Youth Baseball and Softball League - Field Improvements	$0	$0	$50	$0	($50)	D-63
Meadowlands Racetrack	$0	$0	$3,500	$0	($3,500)	D-63
Indo-American Senior Citizens' Association of Hudson County	$0	$0	$65	$0	($65)	D-63
Total:	**$48,118**	**$42,271**	**$61,490**	**$2,405**	**($59,085)**	

Appendix (Cont'd)

Table B: General Fund, Grants-In-Aid FY 2026 Previous Governor's Initiatives, Social Services Programs ($000s)						
Grant Recipient	**FY 2024 Expended**	**FY 2025 Expended**	**FY 2026 Adj. Approp**	**FY 2027 Recomm.**	**Change FY 2026 - FY 2027**	**FY 2027 Budget Page**
New Jersey Black Issues Convention - Community Programs	$100	$100	$250	$0	($250)	D-56
Institute of Music for Children, Elizabeth	$5,000	$0	$250	$0	($250)	D-56
Life Changing Experiences	$0	$400	$400	$0	($400)	D-56
Asbury Park Tennis Initiative	$100	$100	$100	$0	($100)	D-56
Atlantic County Economic Alliance	$250	$1,850	$1,000	$0	($1,000)	D-56
Sephardic Bikur Holim	$0	$0	$200	$0	($200)	D-56
Team Walker, Incorporated - Housing	$0	$0	$1,000	$0	($1,000)	D-56
African American Chamber of Commerce of New Jersey	$0	$0	$25	$0	($25)	D-56
Garden State Equality - Childhood Resiliency Initiatives	$0	$2,000	$2,500	$0	($2,500)	D-59
Tinton Falls Little League - Girls Softball	$0	$0	$75	$0	($75)	D-60
ACCESS NJ - Reentry Services	$0	$0	$250	$0	($250)	D-60
Elizabeth Development Company - Carbon Monoxide Reduction Pilot Program	$0	$0	$1,000	$0	($1,000)	D-60
Foundation for Sustainable Veteran Housing - Westfield American Legion Hall Post 3	$0	$0	$2,000	$0	($2,000)	D-60
Borinqueneers Park Education Alliance - A New Jersey Non-Profit Corporation (P.L.2025, c.184)	$0	$0	S $350	$0	($350)	D-60
Camden Coalition of Healthcare Providers Housing First Program (P.L.2025, c.220)	$0	$0	S $500	$0	($500)	D-60
Bridges NJ (P.L.2025, c.404)	$0	$0	S $250	$0	($250)	D-60
Family Food Relief of New Jersey (Tomchei Shabbos D'Lakewood) (P.L.2025, c.404)	$0	$0	S $500	$0	($500)	D-61
Newark Museum of Art	$1,500	$1,500	$1,750	$0	($1,750)	D-61
City of Newark - Mayor's Brick City Peace Collective	$5,000	$2,500	$1,000	$0	($1,000)	D-61
Hudson County Reentry Pilot Program	$7,000	$7,000	$7,000	$0	($7,000)	D-61
Community Food Bank of New Jersey and Alliance of Boys and Girls Clubs Pilot	$300	$150	$150	$0	($150)	D-61
Communities in Cooperation - Reentry Services	$250	$500	$600	$0	($600)	D-61
"I Have a Dream" Foundation - New Jersey	$175	$175	$175	$0	($175)	D-62
New Jersey State Veterans Chamber of Commerce	$0	$0	$25	$0	($25)	D-62
Statewide Hispanic Chamber of Commerce of New Jersey	$500	$250	$25	$0	($25)	D-62
Hinchliffe Stadium Partners	$0	$0	$4,900	$0	($4,900)	D-63
Total:	**$20,175**	**$16,525**	**$26,275**	**$0**	**($26,275)**	

Appendix (Cont'd)

Table C: General Fund, State Aid FY 2026 Legislative Initiatives, Local Government Subsidies and Financial Aid ($000s)						
Local Government Recipient	FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp	FY 2027 Recomm.	Change FY 2026 - FY 2027	FY 2027 Budget Page
Township of Florence - Railroad Avenue Tot Lot and Playground Improvements	$0	$0	$165	$0	($165)	D-67
Township of Montgomery - Infrastructure Improvements	$3,000	$0	$500	$0	($500)	D-67
Township of Freehold - Senior Center Improvements	$500	$0	$100	$0	($100)	D-67
Township of Rochelle Park - Flood Mitigation	$100	$0	$1,000	$0	($1,000)	D-67
Middlesex County Improvement Authority - Educational Infrastructure	$0	$5,000	$9,000	$0	($9,000)	D-67
City of Hoboken - Maritime Park Improvement Project	$0	$0	$1,000	$0	($1,000)	D-67
Township of Hamilton (Mercer) - Fire Engine Acquisition	$1,000	$0	$1,000	$0	($1,000)	D-67
East Windsor Township - Municipal and Police Facility Upgrades	$0	$0	$1,250	$0	($1,250)	D-67
Township of Monroe (Middlesex) - Indoor Recreational Facility Construction	$0	$0	$1,500	$0	($1,500)	D-67
Township of Willingboro - Emergency Medical Equipment	$0	$0	$122	$0	($122)	D-67
Township of Bordentown - Park Improvements	$0	$0	$200	$0	($200)	D-67
Township of Mount Laurel - First Responder Equipment	$0	$0	$200	$0	($200)	D-68
County of Burlington - High-Speed Internet Infrastructure	$0	$0	$200	$0	($200)	D-68
Township of North Bergen - NB C.A.R.E.S.	$0	$0	$200	$0	($200)	D-68
County of Essex - Ivy Hill Park General Park Improvements (P.L.2025, c.397)	$0	$0	$250	$0	($250)	D-68
Burlington Township - Environmental and Safety Improvements	$0	$0	$50	$0	($50)	D-68
Borough of Palmyra - Legion Field Safety Improvements	$0	$0	$50	$0	($50)	D-68
City of Burlington - Safety Improvements	$0	$0	$50	$0	($50)	D-68
Township of Ocean (Monmouth) - Fireman's Pond Dredging	$0	$0	$500	$0	($500)	D-68
Borough of Belmar - Emergency Medical Services	$0	$0	$250	$0	($250)	D-68
Township of East Amwell - Municipal Building Improvements	$0	$0	$170	$0	($170)	D-68
Borough of Bradley Beach - Recreation Support	$0	$0	$100	$0	($100)	D-68
Borough of Neptune City - Community Center Operating Costs	$0	$0	$100	$0	($100)	D-68

Appendix (Cont'd)

Table C: General Fund, State Aid FY 2026 Legislative Initiatives, Local Government Subsidies and Financial Aid ($000s)						
Local Government Recipient	FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp	FY 2027 Recomm.	Change FY 2026 - FY 2027	FY 2027 Budget Page
Borough of Buena - Bruno Melini Park Lighting Upgrades	$0	$0	$100	$0	($100)	D-68
City of Perth Amboy Fire Department - Substation Land Acquisition	$0	$0	$1,000	$0	($1,000)	D-68
Borough of Glen Ridge - Watershed Analysis	$0	$0	$500	$0	($500)	D-68
Township of Pilesgrove - Marlton Park Recreational Improvements	$0	$0	$50	$0	($50)	D-68
Township of Belleville - Flood Mitigation	$0	$0	$200	$0	($200)	D-68
Borough of Sayreville - Record Digitization Project	$0	$0	$500	$0	($500)	D-68
Township of Upper Deerfield - Municipal Park Improvements	$0	$0	$250	$0	($250)	D-68
Township of Robbinsville - Fire Rescue Water Tanker Truck	$0	$0	$500	$0	($500)	D-68
City of South Amboy - 5th Street Park Improvements	$0	$0	$500	$0	($500)	D-68
Borough of Gibbsboro - Senior Center Improvements	$0	$0	$400	$0	($400)	D-68
Borough of Magnolia - Sewer and Stormwater Compliance Needs	$0	$0	$650	$0	($650)	D-68
Township of Gloucester - Park Improvements	$0	$0	$750	$0	($750)	D-69
Township of Monroe (Gloucester) - Owens Park Improvements	$0	$0	$1,000	$0	($1,000)	D-69
Township of Winslow - David Iuliucci Memorial Park Improvements	$0	$0	$400	$0	($400)	D-69
Township of Waterford - Solar Panel Acquisition and Installation	$0	$0	$400	$0	($400)	D-69
Township of Edison - Stelton Community Center Rehabilitation	$0	$0	$1,250	$0	($1,250)	D-69
Borough of Highland Park - South Third Avenue Water and Sewer Main Upgrades	$0	$0	$750	$0	($750)	D-69
Township of Union - Property Acquisition	$0	$0	$1,825	$0	($1,825)	D-69
City of Camden - Capital Projects	$0	$0	$500	$0	($500)	D-69
Borough of Metuchen - George Olmezer Park Improvements	$0	$0	$1,000	$0	($1,000)	D-69
Borough of Highland Park - Molimock-Graff Park Improvements	$0	$0	$250	$0	($250)	D-69
Borough of Roselle - Chestnut Street Improvements	$0	$0	$500	$0	($500)	D-69
Boroughs of Barrington, Haddon Heights, and Runnemede - Shared Service Public Safety Building Construction	$0	$0	$500	$0	($500)	D-69

Appendix (Cont'd)

Table C: General Fund, State Aid FY 2026 Legislative Initiatives, Local Government Subsidies and Financial Aid ($000s)						
Local Government Recipient	FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp	FY 2027 Recomm.	Change FY 2026 - FY 2027	FY 2027 Budget Page
County of Camden - Regional Jail Construction	$0	$0	$10,750	$0	($10,750)	D-69
Township of Montclair - Fire Station Repairs and Safety Upgrades	$0	$0	$200	$0	($200)	D-69
Borough of East Newark - Recreation Improvements	$0	$0	$250	$0	($250)	D-69
Borough of Princeton - Sewer Rehabilitation	$0	$0	$810	$0	($810)	D-69
City of Newark - Sanitation Vehicles Purchase	$0	$0	$2,000	$0	($2,000)	D-69
Township of Millburn - Gilbert Place Stormwater Pump Station Improvements	$0	$0	$500	$0	($500)	D-69
Township of Raritan (Hunterdon) - Lenape Park Improvements	$0	$0	$1,000	$0	($1,000)	D-69
Borough of Freehold - Government Services	$0	$0	$75	$0	($75)	D-69
City of Long Branch - Government Services	$0	$0	$75	$0	($75)	D-69
Borough of Red Bank - Government Services	$0	$0	$75	$0	($75)	D-69
Township of South Brunswick - Reichler Park ADA Improvements	$0	$0	$430	$0	($430)	D-69
Borough of High Bridge - Recreation Improvements	$0	$0	$200	$0	($200)	D-69
Borough of Princeton - Food Insecurity Services	$0	$0	$60	$0	($60)	D-69
Township of Freehold - Police Department Public Safety Support	$50	$0	$50	$0	($50)	D-70
City of East Orange - Recreation Center	$0	$0	$700	$0	($700)	D-70
City of Newark - Arts and Education District	$0	$0	$1,000	$0	($1,000)	D-70
Township of Bloomfield - Public Infrastructure Improvements and Operating Aid	$0	$0	$2,000	$0	($2,000)	D-70
Township of City of Orange - Public Infrastructure Improvements and Operating Aid	$0	$0	$2,050	$0	($2,050)	D-70
Township of Nutley - Public Services	$0	$0	$250	$0	($250)	D-70
Township of Belleville - Open Space and Building Projects, Brownfield Remediation, and Recreational Property Acquisition	$0	$0	$200	$0	($200)	D-70
Township of Aberdeen - Government Services	$0	$0	$75	$0	($75)	D-70
Township of Mantua - Athletic Field Upgrades and Safety Enhancements	$0	$0	$50	$0	($50)	D-70

Appendix (Cont'd)

Table C: General Fund, State Aid FY 2026 Legislative Initiatives, Local Government Subsidies and Financial Aid ($000s)						
Local Government Recipient	FY 2024 Expended	FY 2025 Expended	FY 2026 Adj. Approp	FY 2027 Recomm.	Change FY 2026 - FY 2027	FY 2027 Budget Page
Borough of National Park - Recreational Improvements	$0	$0	$50	$0	($50)	D-70
Borough of East Rutherford - Police Overtime	$0	$0	$100	$0	($100)	D-70
Borough of Tinton Falls - Police Department	$50	$0	$50	$0	($50)	D-70
Town of Guttenberg - Operating Aid	$0	$0	$1,000	$0	($1,000)	D-70
Town of Secaucus - Operating Aid	$0	$0	$3,000	$0	($3,000)	D-70
County of Essex - Branch Brook Park Pedestrian Safety Upgrades	$0	$0	$1,375	$0	($1,375)	D-70
Essex County - Riverbank Park Playground and Safety Amenities	$0	$0	$400	$0	($400)	D-70
Borough of Eatontown - Transportation Services	$100	$0	$100	$0	($100)	D-70
Borough of Cliffside Park - Municipal Library and Recreation Center Capital Improvements	$15,000	$0	$3,000	$0	($3,000)	D-70
Township of Neptune - Senior Center	$0	$0	$100	$0	($100)	D-70
North Hudson Sewerage Authority - Wastewater Treatment Plant Capital Projects	$1,000	$0	$700	$0	($700)	D-70
County of Middlesex - Parks and Recreation Youth Sports Infrastructure	$0	$0	$9,000	$0	($9,000)	D-71
City of Union City - Regional Efficiency Aid Program	$0	$0	$3,000	$0	($3,000)	D-71
Township of Colts Neck - Recreational Programs and Improvements	$0	$0	$200	$0	($200)	D-71
County of Essex - Medication Assisted Treatment Expansion	$0	$0	$250	$0	($250)	D-71
City of Englewood - Overpeck Creek Regional Flood Mitigation	$0	$0	$1,000	$0	($1,000)	D-71
Township of Clark - Sewer Vacuum Truck	$0	$0	$600	$0	($600)	D-71
Cherry Hill Fire Department - Regional Training Facility Construction	$0	$0	$2,000	$0	($2,000)	D-71
Village of Ridgewood - PFAS Mitigation Plant Construction	$0	$0	$1,000	$0	($1,000)	D-71
Borough of Chesilhurst - Municipal Building Improvements	$0	$0	$400	$0	($400)	D-71
Town of West New York - Public Safety Building Reconstruction	$0	$0	$1,000	$0	($1,000)	D-71
Union County - Community Block Grant	$0	$0	$3,000	$0	($3,000)	D-71
Fort Lee Public Library - Capital Improvements	$0	$0	$450	$0	($450)	D-71
Township of South Brunswick - Grange Building Capital Improvements	$0	$0	$115	$0	($115)	D-71

Appendix (Cont'd)

Table C: General Fund, State Aid FY 2026 Legislative Initiatives, Local Government Subsidies and Financial Aid ($000s)						
Local Government Recipient	**FY 2024 Expended**	**FY 2025 Expended**	**FY 2026 Adj. Approp**	**FY 2027 Recomm.**	**Change FY 2026 - FY 2027**	**FY 2027 Budget Page**
Township of Delanco - Community Capital Improvements	$0	$0	$100	$0	($100)	D-71
Borough of Hightstown - Police Substation Construction	$0	$0	$150	$0	($150)	D-72
Borough of Milltown - Lead Service Line Replacement	$1,000	$0	$1,000	$0	($1,000)	D-72
Borough of South Plainfield - Community Pool Improvements	$0	$0	$600	$0	($600)	D-72
Borough of South River - Water Main Replacement	$0	$0	$1,000	$0	($1,000)	D-72
Township of Cinnaminson - Municipal Complex Capital Improvements	$0	$0	$200	$0	($200)	D-72
Township of Cranbury - Town Hall and Senior Center Improvements	$0	$0	$80	$0	($80)	D-72
Township of East Brunswick - Water Main Improvements	$0	$0	$1,500	$0	($1,500)	D-72
Township of Plainsboro - Morris Davison Park Improvements	$0	$0	$250	$0	($250)	D-72
Township of Woodbridge Capital Improvements	$0	$0	$4,000	$0	($4,000)	D-73
Township of North Bergen - Operating Aid	$10,000	$2,000	$3,000	$0	($3,000)	D-73
Borough of Prospect Park - Operating Aid	$500	$0	$300	$0	($300)	D-73
County of Passaic - Marshall Street Redevelopment Project	$1,000	$0	$750	$0	($750)	D-73
Borough of Rutherford - Memorial Park Field Renovations	$5,000	$3,000	$500	$0	($500)	D-73
Borough of East Rutherford - Lois Lane Athletic Complex Capital Improvements	$3,000	$2,000	$500	$0	($500)	D-74
Borough of Carlstadt - Broad Street Sports Complex	$2,000	$1,500	$250	$0	($250)	D-74
Borough of Flemington - Police Department Capital Improvements	$250	$0	$300	$0	($300)	D-74
Borough of Jamesburg - Police Department Capital Improvements	$0	$500	$100	$0	($100)	D-74
City of Elizabeth - Lead Service Line Improvements	$5,000	$1,000	$3,000	$0	($3,000)	D-75
City of Plainfield - Milt Campbell Field Flood Mitigation	$0	$250	$1,500	$0	($1,500)	D-75
Township of Lakewood - Public Health and Safety	$0	$7,000	$8,000	$0	($8,000)	D-75
Total:	**$48,550**	**$22,250**	**$113,502**	**$0**	**($113,502)**	

Appendix (Cont'd)

Table D: General Fund, State Aid FY 2026 Previous Governor's Initiatives, Local Government Subsidies and Financial Aid ($000s)						
Local Government Recipient	**FY 2024 Expended**	**FY 2025 Expended**	**FY 2026 Adj. Approp**	**FY 2027 Recomm.**	**Change FY 2026 - FY 2027**	**FY 2027 Budget Page**
Perth Amboy's Open Space Acquisition and Improvements*	$1,000	$500	$1,000	$0	($1,000)	D-63
City of Union City - Social Services	$5,000	$5,000	$5,000	$0	($5,000)	D-67
City of Newark - Police Department Noise Control Program	$0	$0	$1,500	$0	($1,500)	D-70
Town of Harrison - Recreation Projects	$0	$0	$250	$0	($250)	D-70
Union County Improvement Authority	$0	$0	$2,000	$0	($2,000)	D-70
City of Plainfield - Operating Aid	$0	$0	$956	$0	($956)	D-70
Bergen County Improvement Authority (P.L.2025, c.404)	$0	$0	S $12,000	$0	($12,000)	D-71
County of Burlington - Homelessness Stabilization (P.L.2025, c.404)	$0	$0	S $2,000	$0	($2,000)	D-71
County of Camden - Southern New Jersey Regional Rehabilitation and Reentry Center (P.L.2023, c.346 and P.L.2025, c.404)	$0	$0	S $13,000	$0	($13,000)	D-71
County of Gloucester - Emergency Management Communications Center Enhancements and Vehicle Acquisition (P.L.2025, c.404)	$0	$0	S $1,700	$0	($1,700)	D-71
County of Mercer - Mercer County Connection Building Renovation (P.L.2025, c.404)	$0	$0	S $2,000	$0	($2,000)	D-71
County of Middlesex - Network Operations Center (P.L.2025, c.404)	$0	$0	S $4,000	$0	($4,000)	D-71
County of Salem - EMS Vehicles (P.L.2025, c.404)	$0	$0	S $300	$0	($300)	D-71
County of Union - Capital Improvements (P.L.2025, c.404)	$0	$0	S $9,000	$0	($9,000)	D-71
Egg Harbor Township Police Activities League	$0	$0	$500	$0	($500)	D-73
City of Linden - Dorothy Ford Park Improvements	$0	$0	$2,000	$0	($2,000)	D-73
Cranford Township Community Pool	$0	$0	$750	$0	($750)	D-73
Sayreville Borough - Park Improvements	$0	$0	$500	$0	($500)	D-73
City of Plainfield - Center of Excellence	$1,500	$0	$2,000	$0	($2,000)	D-73
County of Camden - Emergency Roadway Improvements	$4,000	$0	$2,000	$0	($2,000)	D-73
Hillsborough Youth Football	$0	$0	$175	$0	($175)	D-77
Borough of Highland Park Capital	$0	$0	$250	$0	($250)	D-77
Borough of Carteret - Capital Improvements	$0	$0	$550	$0	($550)	D-78
City of Camden Department of Public Works	$0	$0	$2,000	$0	($2,000)	D-78
Total:	**$11,500**	**$5,500**	**$65,431**	**$0**	**($65,431)**	

* Displayed under Social Services Programs in the FY 2027 Governor's Budget.

NEW JERSEY LEGISLATURE

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services provides nonpartisan assistance to the State Legislature in the areas of legal, fiscal, research, bill drafting, committee staffing and administrative services. It operates under the jurisdiction of the Legislative Services Commission, a bipartisan body consisting of eight members of each House. The Executive Director supervises and directs the Office of Legislative Services.

The Legislative Budget and Finance Officer is the chief fiscal officer for the Legislature. The Legislative Budget and Finance Officer collects and presents fiscal information for the Legislature; serves as Secretary to the Joint Budget Oversight Committee; attends upon the Appropriations Committees during review of the Governor's Budget recommendations; reports on such matters as the committees or Legislature may direct; administers the fiscal note process and has statutory responsibilities for the review of appropriations transfers and other State fiscal transactions.

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Individuals wishing information and committee schedules on the FY 2027 budget are encouraged to contact:

Legislative Budget and Finance Office
State House Annex
PO Box 068
Trenton, NJ 08625
(609) 847-3105