

ASSEMBLY BILL NO. 4403

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 4403 with my recommendations for reconsideration.

Assembly Bill No. 4403 supplements the Fiscal Year 2022 Appropriations Act with an additional net \$71,786,000 in spending authority, reflecting supplemental appropriations of \$71,808,000 and a de-appropriation of \$22,000.

I am pleased to have reached a comprehensive deal with my partners in the Legislature concerning the State's spending plan for Fiscal Year 2023, fulfilling our shared constitutional obligations to enact a single appropriations law governing overall State spending needs for the year. As is the case every year, certain changes that need to be made to the prior year's Appropriations Act to close out the current fiscal year are enacted through an omnibus supplemental appropriations bill. I am advised that the technical amendments I am recommending were agreed to be included in this year's omnibus supplemental appropriations bill but were inadvertently omitted from Assembly Bill No. 4403.

Therefore, I herewith return Assembly Bill No. 4403 and recommend that it be amended as follows:

Page 2, Title, Lines 1-2:

Delete "A Supplement to the Fiscal Year 2022 appropriations act, P.L.2021, c.133" and insert "An Act to Amend and Supplement 'An Act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 2022 and regulating the disbursement thereof,' approved June 29, 2021 (P.L.2021, c.133)"

Page 4, Line 12:

Insert new section:

"2. The language provisions in section 1 of P.L.2021, c.133, the annual appropriations act for Fiscal Year 2022, are amended to read as follows:

22 DEPARTMENT OF COMMUNITY AFFAIRS

40 Community Development and Environmental Management

41 Community Development Management

GRANTS-IN-AID

The amount appropriated for Affordable Housing Programs shall be allocated for the following purposes: (1) an amount not to exceed \$5,000,000, subject to the approval of the Director of the Division of Budget and Accounting, is appropriated to the Department of Community Affairs to support activities to increase the production of affordable housing by streamlining the permitting and construction review processes at the State and municipal levels, including but not limited to technology upgrades to departmental systems and grants to local units for training and technology upgrades to enhance the efficiency of their permitting and review processes; (2) an amount not to exceed \$20,000,000, subject to the approval of the Director of the Division of Budget and Accounting, is appropriated to the New Jersey Housing and Mortgage Finance Agency (HMFA) for a Down Payment and Closing Cost Assistance Program to assist in stabilizing neighborhoods through owner-occupancy and providing home ownership opportunities to households that would otherwise remain tenants; (3) an amount not to exceed \$10,000,000, subject to the approval of the Director of the Division of Budget and Accounting, is appropriated to the HMFA for a Risk Share Pilot Program to enhance the competitiveness of HMFA multifamily mortgage products by providing [mortgage insurance] financial assistance for insurance premiums associated with affordable housing development; and (4) an amount not to exceed \$22,000,000, subject to the approval of the Director of the Division of Budget and Accounting, is appropriated to the HMFA to support the operations of a Multifamily Gap

Financing Pool that provides necessary gap financing to make possible the construction of additional multifamily projects, a portion not to exceed \$10,000,000 of which may be used to address the urgent need for affordable workforce housing by providing subsidies for units accessible to families earning between 80% and 120% of Area Median Income, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for HMFA Capital Improvement Assistance Program is appropriated to the New Jersey Housing and Mortgage Finance Agency ("HMFA") and shall be made available as loans, secured by mortgages, to finance: (1) costs associated with rehabilitation and physical improvements at selected eligible affordable housing properties needing assistance due to the impacts of natural disasters and other emergent circumstances; or (2) debt, liabilities or other obligations owed to a local unit (as such term is defined in Section 1 of P.L.1960, c.169 (C.40A:1-1)), or a county improvement authority created pursuant to P.L.1960, c.183 (C.40:37A-46) and which are guaranteed by a local unit, and which existed prior to the natural disaster or other emergent circumstances. Loans made available pursuant to this provision shall be provided in accordance with guidelines to be promulgated by the Executive Director no less than 60 days from receipt of the funds; provided, however, that the HMFA may alter such guidelines at a later date. The guidelines shall specify that initial priority is provided to HMFA financed properties that suffered damages from Hurricane Ida in 2021.

**70 Government Direction,
Management, and Control**

**75 State Subsidies and Financial
Aid**

STATE AID

Of the amount hereinabove appropriated for Transitional Aid to Localities, amounts may

be allocated by the Director of the Division of Local Government Services to [reimburse]any State agency or department, county or county improvement authority to pay for services provided to or on behalf of a participating municipal government unit pursuant to a memorandum of understanding between that State agency or department, county or county improvement authority, as applicable, [the participating municipal government unit,] and the Division of Local Government Services, subject to the approval of the Director of the Division of Budget and Accounting.

54 DEPARTMENT OF HUMAN SERVICES

20 Physical and Mental Health

23 Mental Health and Addiction Services

7700 Division of Mental Health and Addiction Services

DIRECT STATE SERVICES

Notwithstanding the provisions of any law or regulation to the contrary, the amount hereinabove appropriated to the Direct State Services Alcohol Treatment Fund Program may be transferred to the Dedicated Alcohol Treatment Programs Fund account to supplement any anticipated shortfall from the Motor Vehicle Surcharges Revenue Fund, subject to the approval of the Director of the Division of Budget and Accounting."

Page 4, Section 2, Line 14:

[seal]

Delete "2." and insert "3."

Respectfully,

/s/ Philip D. Murphy

Governor

Attest:

/s/ Parimal Garg

Chief Counsel to the Governor