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**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** Yes 12/19/2019

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** Yes

**FOLLOWING WERE PRINTED:**

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**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** No

Rwh/cl

P.L. 2019, CHAPTER 297, *approved January 13, 2020*  
Senate, No. 538 (*Third Reprint*)

1 AN ACT concerning long term tax exemptions on <sup>1</sup>**[age-restricted]**  
2 certain low-income<sup>1</sup> housing, amending P.L.1983, c.530, and  
3 supplementing P.L.1991, c.431 (C.40A:20-1 et seq.).  
4

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

8 1. (New section) Notwithstanding the provisions of sections 12  
9 and 13 of P.L.1991, c.431 (C.40A:20-12 and C.40A:20-13) to the  
10 contrary, the governing body of a municipality may agree to  
11 continue a tax exemption for a <sup>1</sup>**[qualified]** <sup>3</sup>State or <sup>3</sup>federally<sup>1</sup>  
12 subsidized housing project beyond the date on which existing first  
13 mortgage financing is fully paid so long as the project <sup>2</sup>**[continues**  
14 **to receive]** remains subject to affordability controls pursuant to<sup>2 3</sup>:

15 a.<sup>3</sup> project-based federal <sup>1</sup>**[section 8]**<sup>1</sup> rental assistance,  
16 <sup>1</sup>authorized pursuant to section 8 of the United States Housing Act  
17 of 1937 (42 U.S.C. s.1437f),<sup>1</sup> or other federal <sup>3</sup>or State<sup>3</sup> project-  
18 based <sup>1</sup>**[vouchers]** assistance<sup>1 3</sup>;

19 b. the Uniform Housing Affordability Controls promulgated by  
20 the New Jersey Housing and Mortgage Finance Agency; or

21 c. the rent and income limits established by the federal Low  
22 Income Housing Tax Credit program pursuant to section 42 of the  
23 Internal Revenue Code (26 U.S.C. s.42)<sup>3</sup> .  
24

25 2. Section 37 of P.L.1983, c.530, (C.55:14K-37) is amended to  
26 read as follows:

27 37. a. It is the intent of the Legislature that in the event of any  
28 conflict or inconsistency in the provisions of this act and any other  
29 acts concerning housing sponsors or any rules and regulations  
30 adopted thereunder, to the extent of such conflict or inconsistency,  
31 the provisions of this act shall be enforced and the provisions of  
32 such other acts and rules and regulations adopted thereunder shall  
33 be of no effect.

34 b. The governing body of any municipality in which a housing  
35 project financed or to be financed by the agency is or is to be  
36 located may by ordinance or resolution, as appropriate, provide that  
37 such project shall be exempt from real property taxation, if the

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SCU committee amendments adopted June 25, 2018.

<sup>2</sup>Senate SBA committee amendments adopted September 24, 2018.

<sup>3</sup>Senate floor amendments adopted October 29, 2018.

1 housing sponsor enters into an agreement with the municipality for  
 2 payments to the municipality in lieu of taxes for municipal services.  
 3 Any such agreement may require the housing sponsor to pay to the  
 4 municipality an amount up to <sup>1</sup>~~20%~~ 20 percent<sup>1</sup> of the annual  
 5 gross revenue from each housing project situated on such real  
 6 property for each year of operation thereof following the substantial  
 7 completion thereof. For the purpose of this section, "annual gross  
 8 revenue" means the total annual gross rental or carrying charge and  
 9 other income of a housing sponsor from a housing project. If any  
 10 such agreement is entered into from the date of recording the  
 11 mortgage on the project to the date of substantial completion of the  
 12 project, the annual amount payable to the municipality as taxes or  
 13 as payments in lieu of taxes in respect of the project site shall not be  
 14 in excess of the amount of taxes on the project site for the year  
 15 preceding the recording of the mortgage. Any agreement between  
 16 any housing sponsor and a municipality pursuant to this subsection  
 17 shall be submitted to the agency for review in order to avoid  
 18 duplicating, overlapping or inconsistent regulations or provisions.  
 19 Any exemption from taxation pursuant to the provisions of this  
 20 section shall not extend beyond the date on which the eligible loan  
 21 made by the agency on the project is paid in full.

22 c. Notwithstanding the provisions of subsection b. of this  
 23 section to the contrary, the governing body of a municipality may  
 24 agree to continue a tax exemption for a <sup>1</sup>~~"qualified~~ <sup>3</sup>State or<sup>3</sup>  
 25 federally<sup>1</sup> subsidized housing <sup>1</sup>~~project,~~" as defined under  
 26 subsection l. of section 3 of P.L.1991, c.431 (C.40A:20-3) <sup>1</sup>~~project~~<sup>1</sup>  
 27 , beyond the date on which the eligible loan made by the agency on  
 28 the project is fully paid, so long as the project <sup>2</sup>~~continues to~~  
 29 receive<sup>1</sup> remains subject to affordability controls pursuant to<sup>2 3</sup>:

30 (1)<sup>3</sup> project-based federal <sup>1</sup>~~section 8~~<sup>1</sup> rental assistance,  
 31 <sup>1</sup>authorized pursuant to section 8 of the United States Housing Act  
 32 of 1937 (42 U.S.C. s.1437f),<sup>1</sup> or other federal <sup>3</sup>or State<sup>3</sup> project-  
 33 based <sup>1</sup>~~vouchers~~ assistance<sup>1 3</sup>:

34 (2) the Uniform Housing Affordability Controls promulgated by  
 35 the New Jersey Housing and Mortgage Finance Agency; or

36 (3) the rent and income limits established by the federal Low  
 37 Income Housing Tax Credit program pursuant to section 42 of the  
 38 Internal Revenue Code (26 U.S.C. s.42)<sup>3</sup> .

39 (cf: P.L.1983, c.530, s.37)

40

41 3. This act shall take effect immediately.

42

43

44

45

46 Allows long term tax exemption extension for certain low-  
 47 income housing.

# SENATE, No. 538

## STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

**Sponsored by:**

**Senator STEVEN V. OROHO**

**District 24 (Morris, Sussex and Warren)**

**Senator BRIAN P. STACK**

**District 33 (Hudson)**

**Co-Sponsored by:**

**Senators Diegnan, Bateman, Cardinale and Rice**

**SYNOPSIS**

Concerns long term tax exemptions on certain age-restricted low-income housing.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



S538 OROHO, STACK

2

1 AN ACT concerning long term tax exemptions on age-restricted  
2 housing, amending P.L.1983, c.530, and supplementing  
3 P.L.1991, c.431 (C.40A:20-1 et seq.).  
4

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

8 1. (New section) Notwithstanding the provisions of sections 12  
9 and 13 of P.L.1991, c.431 (C.40A:20-12 and C.40A:20-13) to the  
10 contrary, the governing body of a municipality may agree to  
11 continue a tax exemption for a qualified subsidized housing project  
12 beyond the date on which existing first mortgage financing is fully  
13 paid so long as the project continues to receive project-based  
14 federal section 8 rental assistance, or other federal project-based  
15 vouchers.  
16

17 2. Section 37 of P.L.1983, c.530, (C.55:14K-37) is amended to  
18 read as follows:

19 37. a. It is the intent of the Legislature that in the event of any  
20 conflict or inconsistency in the provisions of this act and any other  
21 acts concerning housing sponsors or any rules and regulations  
22 adopted thereunder, to the extent of such conflict or inconsistency,  
23 the provisions of this act shall be enforced and the provisions of  
24 such other acts and rules and regulations adopted thereunder shall  
25 be of no effect.

26 b. The governing body of any municipality in which a housing  
27 project financed or to be financed by the agency is or is to be  
28 located may by ordinance or resolution, as appropriate, provide that  
29 such project shall be exempt from real property taxation, if the  
30 housing sponsor enters into an agreement with the municipality for  
31 payments to the municipality in lieu of taxes for municipal services.  
32 Any such agreement may require the housing sponsor to pay to the  
33 municipality an amount up to 20% of the annual gross revenue from  
34 each housing project situated on such real property for each year of  
35 operation thereof following the substantial completion thereof. For  
36 the purpose of this section, "annual gross revenue" means the total  
37 annual gross rental or carrying charge and other income of a  
38 housing sponsor from a housing project. If any such agreement is  
39 entered into from the date of recording the mortgage on the project  
40 to the date of substantial completion of the project, the annual  
41 amount payable to the municipality as taxes or as payments in lieu  
42 of taxes in respect of the project site shall not be in excess of the  
43 amount of taxes on the project site for the year preceding the  
44 recording of the mortgage. Any agreement between any housing  
45 sponsor and a municipality pursuant to this subsection shall be

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 submitted to the agency for review in order to avoid duplicating,  
2 overlapping or inconsistent regulations or provisions. Any  
3 exemption from taxation pursuant to the provisions of this section  
4 shall not extend beyond the date on which the eligible loan made by  
5 the agency on the project is paid in full.

6 c. Notwithstanding the provisions of subsection b. of this  
7 section to the contrary, the governing body of a municipality may  
8 agree to continue a tax exemption for a "qualified subsidized  
9 housing project," as defined under subsection 1. of section 3 of  
10 P.L.1991, c.431 (C.40A:20-3), beyond the date on which the  
11 eligible loan made by the agency on the project is fully paid, so  
12 long as the project continues to receive project-based federal  
13 section 8 rental assistance, or other federal project-based vouchers.  
14 (cf: P.L.1983, c.530, s.37)

15

16 3. This act shall take effect immediately.

17

18

19

#### STATEMENT

20

21 The "Long Term Tax Exemption Law," P.L.1991, c.431  
22 (C.40A:20-1 et seq.), currently allows certain age-restricted housing  
23 developments to receive a tax exemption for up to 35 years, or until  
24 the expiration of first mortgage financing. At the option of the  
25 municipal governing body, this bill allows certain age-restricted  
26 housing projects to continue to receive the long term tax exemption  
27 beyond the date on which first mortgage financing is fully paid.

28 Under the bill, the extended tax exemption time frame would be  
29 limited to the number of years that the project continues to receive  
30 project-based federal section 8 rental assistance, or other federal  
31 project-based vouchers. Under current law, the cutting off of the  
32 tax exemption upon the expiration of first mortgage financing  
33 creates a disincentive to early debt repayment. This bill is intended  
34 to correct this misplaced incentive, and may also allow project  
35 owners to pay maintenance costs and make other important  
36 payments, with money that would otherwise be owed in taxes.

37 The tax exemption extension permitted under this bill would  
38 only apply to projects that (1) are owned by a nonprofit corporation,  
39 (2) meet the definition of a "qualified subsidized housing project"  
40 under section 3 of P.L.1991, c.431 (C.40A:20-3), and (3) continue  
41 to receive project-based federal section 8 rental assistance, or other  
42 federal project-based vouchers.

ASSEMBLY HOUSING AND COMMUNITY DEVELOPMENT  
COMMITTEE

STATEMENT TO

[Third Reprint]  
**SENATE, No. 538**

**STATE OF NEW JERSEY**

DATED: JUNE 6, 2019

The Assembly Housing and Community Development Committee reports favorably Senate Bill No. 538 (3R).

This bill permits a municipal governing body to extend long term tax exemptions granted to certain low-income housing projects. Specifically, the bill provides that a project that receives a State or federal rent subsidy at the outset, such as a Low-Income Housing Tax Credit, but remains subject to affordability controls after the original subsidy expires, may retain an existing long term tax exemption if the municipality agrees to the extension. The extended tax exemption time frame is limited to the number of years that the project remains subject to affordability controls pursuant to:

- 1) federal or State project-based assistance, such as Section 8 or State Rental Assistance Program funding;
- 2) compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency; or
- 3) rent and income limits established by the federal Low-Income Housing Tax Credit program.



# SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

## STATEMENT TO

### **SENATE, No. 538**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 25, 2018

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 538.

As amended, this bill would allow a municipal governing body to extend a long term tax exemption granted to certain low-income housing projects. Under the amended bill, the extended tax exemption time frame would be limited to the number of years that the project continues to receive project-based federal section 8 rental assistance, or other federal project-based assistance.

This bill was pre-filed for introduction in the 2018-2019 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

#### COMMITTEE AMENDMENTS:

The committee amendments expanded the provisions of the bill to apply to all subsidized housing projects receiving project-based federal rental assistance. Originally, the bill applied only to those projects that are restricted to senior citizens or persons with disabilities.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## SENATE, No. 538

with committee amendments

# STATE OF NEW JERSEY

DATED: SEPTEMBER 24, 2018

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 538 (1R), with committee amendments.

This bill, as amended, permits a municipal governing body to extend a long term tax exemption granted to certain low-income housing projects. The extended tax exemption time frame is limited to the number of years that the project remains subject to affordability controls pursuant to federal rental assistance. The extended exemption may apply to any such subsidized housing project.

### COMMITTEE AMENDMENTS:

The committee amendments clarify that a project that receives a federal rent subsidy at the outset, but remains subject to affordability controls, may still have its long term tax exemption extended as long as the affordability controls are in place and the municipality agrees to continue the exemption.

### FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill could result in a potential decrease in local property tax revenues for certain counties, municipalities, school districts, and special districts. Specifically, the bill permits a municipality to extend the long term property tax exemption of certain federally subsidized housing projects that remain subject to affordability controls. If a municipality were to extend the tax exemption of a federally subsidized housing project, as permitted by the bill, then the affected local government units would forego the collection of those property tax revenues that would have been generated if the housing project was subject to regular ad valorem taxation.

The amount of foregone local revenue would be equal to the difference between: (1) the amount of the property tax collections that would have been paid to all taxing districts if the property were assessed for ad valorem taxation, and (2) the amount of the payment in-lieu of taxes paid to the municipality pursuant to the financial agreement governing the tax exemption. Given the permissive nature of the bill, the OLS is unable to determine the number of long term tax exemptions that would be extended as a result of the bill.

# STATEMENT TO

## [Second Reprint] **SENATE, No. 538**

with Senate Floor Amendments  
(Proposed by Senator OROHO)

ADOPTED: OCTOBER 29, 2018

These Senate floor amendments clarify that a project that receives a State or federal rent subsidy at the outset, such as a Low Income Housing Tax Credit, but remains subject to affordability controls after the original subsidy expires, may still retain an existing long term tax exemption. The floor amendments direct that this long term tax exemption extension may occur regardless of whether the replacement affordability controls consist of:

- 1) federal or State project-based assistance, such as Section 8 or State Rental Assistance Program funding;
- 2) compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency; or
- 3) rent and income limits established by the federal Low Income Housing Tax Credit program.

# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

**SENATE, No. 538**

## **STATE OF NEW JERSEY 218th LEGISLATURE**

DATED: OCTOBER 2, 2018

### SUMMARY

**Synopsis:** Allows long term tax exemption for certain low-income housing.

**Type of Impact:** Indeterminate potential loss of local property tax revenue.

**Agencies Affected:** Local government units.

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Year 2</u></b>	<b><u>Year 3</u></b>
<b>Local Revenue</b>	Indeterminate Potential Revenue Loss		

- The Office of Legislative Services (OLS) estimates that the bill could result in a potential decrease in property tax revenues for certain affected local government units. The OLS notes that the bill is permissive and does not require any municipality to extend a property tax exemption granted to a federally subsidized housing project.
- Under current law, a property tax exemption may be granted to an affordable housing project for a maximum term of 35 years, or until a loan provided by the New Jersey Housing and Mortgage Finance Agency is fully paid. The bill permits a municipality to extend the tax exemption of a federally subsidized housing project if the project remains subject to affordability controls.
- If a municipality were to extend the tax exemption of a federally subsidized housing project, as permitted by the bill, the amount of foregone local revenue would be equal to the difference between: (1) the amount of the property tax collections that would have been paid to all taxing districts if the property were assessed for ad valorem taxation, and (2) the amount of the payment in-lieu of taxes paid to the municipality pursuant to the financial agreement governing the tax exemption.
- Given the permissive nature of the bill, the OLS is unable to determine the number of tax exemptions that would be extended as a result of the bill. The OLS therefore cannot quantify the fiscal impact of the bill on local finances.

## **BILL DESCRIPTION**

As amended, the bill allows the governing body of a municipality to extend any long term tax exemption granted to certain low-income housing projects. Specifically, the bill provides that a municipality may extend the long term property tax exemption of any federally subsidized housing project, beyond the date on which the first mortgage financing is fully paid, so long as the project remains subject to certain federal affordability controls. Under the bill, the extended tax exemption time frame would be limited to the number of years in which the project remains subject to the affordability controls.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that the bill could result in a potential decrease in local property tax revenues for certain counties, municipalities, school districts, and special districts. Specifically, the bill permits a municipality to extend the long term property tax exemption of certain federally subsidized housing projects that remain subject to affordability controls. If a municipality were to extend the tax exemption of a federally subsidized housing project, as permitted by the bill, then the affected local government units would forego the collection of those property tax revenues that would have been generated if the housing project was subject to regular ad valorem taxation.

The amount of foregone local revenue would be equal to the difference between: (1) the amount of property tax collections that would have been paid to all taxing districts if the property were assessed for ad valorem taxation, and (2) the amount of the payment in-lieu of taxes (PILOT) paid to the municipality pursuant to the financial agreement governing the tax exemption. Given the permissive nature of the bill, the OLS is unable to determine the number of tax exemptions that would be extended as a result of the bill.

### **Background Information: Property Tax Exemptions for Affordable Housing Projects**

#### **“Long Term Tax Exemption Law”**

Generally, the “Long Term Tax Exemption Law” requires an urban renewal entity and a municipality to enter into a financial agreement to provide that the land and improvements in the project is exempt from property taxation. Instead of paying property taxes, the urban renewal entity is required to make a payment for municipal services; these payments are often referred to as payments in-lieu of taxes, or annual service charges.

The annual service charge is determined as follows: (1) a percentage of gross revenues of the project, which is to be not more than 15 percent for low- and moderate-income housing, and not less than 10 percent for other projects; or (2) a percentage of total project cost, not more than two percent for low- and moderate-income housing and not less than two percent for all other projects, if the annual gross revenue cannot be reasonably ascertained or as decided by the municipality. In either case, this amount is charged for the initial stage of the exemption period, which lasts between the first six and 15 years of the exemption period. The amount of the annual service charge increases during each subsequent stage of the exemption period. The annual

service charge may not be less than the total taxes paid during the last full year in which the property was subject to taxation.

Section 3 of P.L.1994, c.87 (C.40A:20-12.1) exempts qualified subsidized housing projects from the provisions of State law regarding minimum annual service charges and staged increases in the annual service charge. Additionally, section 4 of P.L.1994, c.87 (C.40A:20-13.1) provides that a qualified subsidized housing project may be exempted from taxation for such period of time as the federal agency subsidizing the project may require as a condition of the subsidy, instead of the maximum term of 35 years permitted under current law. The exemption from taxation may be extended for an additional period of time as may be required in order to secure a continuation of federal subsidies after the expiration of the initial subsidy period.

**“New Jersey Housing and Mortgage Finance Agency Law of 1983”**

Section 37 of P.L.1983, c.530 (C.55:14K-37) permits the governing body of a municipality in which an New Jersey Housing and Mortgage Finance Agency (NJHMFA) project is financed to exempt the project from taxation if the housing sponsor enters into an agreement with the municipality to make a PILOT for municipal services. The agreement may require a housing sponsor to pay the municipality an amount not more than 20 percent of the annual gross revenue from each housing project situated in the municipality for each year of operation following substantial completion of the project. If the housing sponsor and the municipality enter into an exemption agreement from the date of recording the mortgage on the project to the date of substantial completion of the project, the annual PILOT may not exceed the amount of taxes assessed on the project site for the year preceding the recording of the mortgage. The tax exemption cannot extend beyond the date on which the NJHMFA loan is paid in full. Current law does not allow for an extension of the PILOT agreement beyond the mortgage term for these types of non-profit housing sponsors

*Section: Local Government*

*Analyst: Joseph A. Pezzulo*  
*Assistant Research Analyst*

*Approved: Frank W. Haines III*  
*Legislative Budget and Finance Officer*

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

# LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

**SENATE, No. 538**

## **STATE OF NEW JERSEY 218th LEGISLATURE**

DATED: DECEMBER 20, 2018

### **SUMMARY**

**Synopsis:** Allows long term tax exemption for certain low-income housing.

**Type of Impact:** Indeterminate potential loss of local property tax revenue.

**Agencies Affected:** Local government units.

#### **Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Year 2</u></b>	<b><u>Year 3</u></b>
<b>Local Revenue</b>	Indeterminate Potential Revenue Loss		

- The Office of Legislative Services (OLS) estimates that the bill could result in a potential decrease in property tax revenues for certain affected local government units. The OLS notes that the bill is permissive and does not require any municipality to extend a property tax exemption granted to a State or federally subsidized housing project.
- Under current law, a property tax exemption may be granted to an affordable housing project for a maximum term of 35 years, or until a loan provided by the New Jersey Housing and Mortgage Finance Agency is fully paid. The bill permits a municipality to extend the tax exemption of a State or federally subsidized housing project if the project remains subject to affordability controls.
- If a municipality was to extend the tax exemption of a State or federally subsidized housing project, as permitted by the bill, the amount of foregone local revenue would be equal to the difference between: (1) the amount of the property tax collections that would have been paid to all taxing districts if the property were assessed for ad valorem taxation, and (2) the amount of the payment in-lieu of taxes paid to the municipality pursuant to the financial agreement governing the tax exemption.
- Given the permissive nature of the bill, the OLS is unable to determine the number of tax exemptions that would be extended as a result of the bill. The OLS therefore cannot quantify the fiscal impact of the bill on local finances.

## **BILL DESCRIPTION**

The bill allows the governing body of a municipality to extend a long term tax exemption granted to certain low-income housing projects. Specifically, the bill provides that a municipality may extend the long term property tax exemption of any State or federally subsidized housing project, beyond the date on which the first mortgage financing is fully paid, so long as the project remains subject to affordability controls pursuant to: (1) a State or federal project-based rental assistance program, (2) the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency, or (3) the rent and income limits of the federal Low Income Housing Tax Credit program. Under the bill, the period of the extended tax exemption would be limited to the number of years in which the project remains subject to the affordability controls.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that the bill could result in a potential decrease in local property tax revenues for certain counties, municipalities, school districts, and special districts. The bill permits a municipality to extend the long term property tax exemption of certain State or federally subsidized housing projects that remain subject to affordability controls. If a municipality was to extend the tax exemption of a State or federally subsidized housing project, as permitted by the bill, then the affected local government units would forego the collection of those property tax revenues that would have been generated if the housing project was subject to regular ad valorem taxation.

The amount of foregone local revenue would be equal to the difference between: (1) the amount of property tax collections that would have been paid to all taxing districts if the property were assessed for ad valorem taxation; and (2) the amount of the payment in-lieu of taxes (PILOT) paid to the municipality pursuant to the financial agreement governing the tax exemption, as required under the “Long Term Tax Exemption Law.”

Given the permissive nature of the bill, the OLS is unable to determine the number of tax exemptions that would be extended as a result of the enactment of the bill. However, the following paragraphs provide additional information concerning the provision of long term tax exemptions to affordable housing projects under the “Long Term Tax Exemption Law” and the “New Jersey Housing and Mortgage Finance Agency Law of 1983.”

#### **“Long Term Tax Exemption Law”**

Generally, the “Long Term Tax Exemption Law” requires an urban renewal entity and a municipality to enter into a financial agreement to provide that the land and improvements in the project are exempt from property taxation. Instead of paying property taxes, the urban renewal entity is required to make a payment for municipal services; these payments are often referred to as payments in-lieu of taxes, or annual service charges. Five percent of this payment is required



to be paid to the county in which the municipality is located; the remaining 95 percent of the payment is retained by the municipality.

The annual service charge is determined as follows: (1) a percentage of gross revenues of the project, which is to be not more than 15 percent for low- and moderate-income housing, and not less than 10 percent for other projects; or (2) a percentage of total project cost, not more than two percent for low- and moderate-income housing and not less than two percent for all other projects, if the annual gross revenue cannot be reasonably ascertained, or as decided by the municipality. In either case, this amount is charged for the initial stage of the exemption period, which lasts between the first six and 15 years of the exemption period. The amount of the annual service charge increases during each subsequent stage of the exemption period. The annual service charge may not be less than the total taxes paid during the last full year in which the property was subject to taxation.

Section 3 of P.L.1994, c.87 (C.40A:20-12.1) exempts qualified subsidized housing projects from the provisions of State law regarding minimum annual service charges and staged increases in the annual service charge. Additionally, section 4 of P.L.1994, c.87 (C.40A:20-13.1) provides that a qualified subsidized housing project may be exempted from taxation for such period of time as the federal agency subsidizing the project may require as a condition of the subsidy, instead of the maximum term of 35 years permitted under current law. The exemption from taxation may be extended for an additional period of time as may be required in order to secure a continuation of federal subsidies after the expiration of the initial subsidy period.

“New Jersey Housing and Mortgage Finance Agency Law of 1983”

Section 37 of P.L.1983, c.530 (C.55:14K-37) permits the governing body of a municipality in which a New Jersey Housing and Mortgage Finance Agency (NJHMFA) project is financed to exempt the project from taxation if the housing sponsor enters into an agreement with the municipality to make a PILOT for municipal services. The agreement may require a housing sponsor to pay the municipality an amount not more than 20 percent of the annual gross revenue from each housing project situated in the municipality for each year of operation following substantial completion of the project. If the housing sponsor and the municipality enter into an exemption agreement from the date of recording the mortgage on the project to the date of substantial completion of the project, the annual PILOT may not exceed the amount of taxes assessed on the project site for the year preceding the recording of the mortgage. The tax exemption cannot extend beyond the date on which the NJHMFA loan is paid in full. Current law does not allow for an extension of the PILOT agreement beyond the mortgage term for these types of non-profit housing sponsors.

*Section:*            *Local Government*  
*Analyst:*           *Joseph A. Pezzulo*  
                             *Assistant Research Analyst*  
*Approved:*        *Frank W. Haines III*  
                             *Legislative Budget and Finance Officer*

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

# ASSEMBLY, No. 2536

## STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 1, 2018

**Sponsored by:**

**Assemblyman HAROLD "HAL" J. WIRTHS**

**District 24 (Morris, Sussex and Warren)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**Assemblyman ANTHONY M. BUCCO**

**District 25 (Morris and Somerset)**

**Co-Sponsored by:**

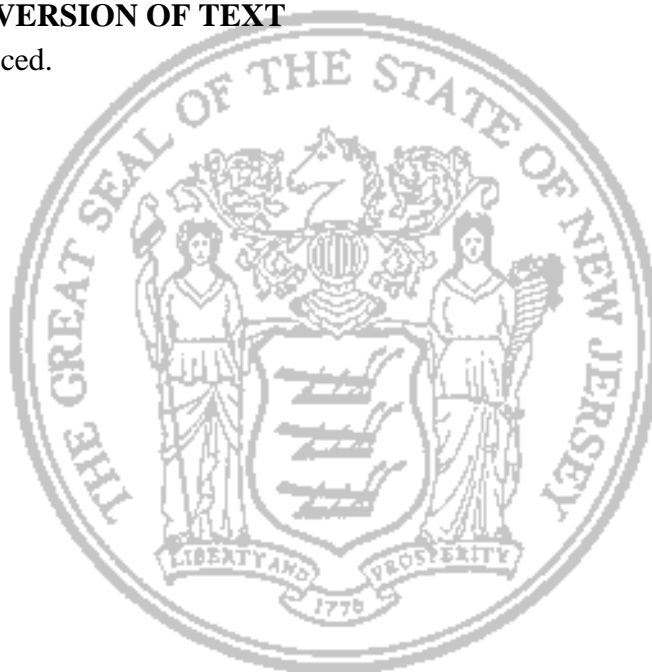
**Assemblywoman Chaparro, Assemblyman Peterson, Assemblywoman B.DeCroce, Assemblymen Giblin and Space**

**SYNOPSIS**

Concerns long term tax exemptions on certain age-restricted low-income housing.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 2/1/2019)**

1 AN ACT concerning long term tax exemptions on age-restricted  
2 housing, amending P.L.1983, c.530, and supplementing  
3 P.L.1991, c.431 (C.40A:20-1 et seq.).

4  
5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. (New section) Notwithstanding the provisions of sections 12  
9 and 13 of P.L.1991, c.431 (C.40A:20-12 and C.40A:20-13) to the  
10 contrary, the governing body of a municipality may agree to  
11 continue a tax exemption for a qualified subsidized housing project  
12 beyond the date on which existing first mortgage financing is fully  
13 paid so long as the project continues to receive project-based  
14 federal section 8 rental assistance, or other federal project-based  
15 vouchers.

16  
17 2. Section 37 of P.L.1983, c.530, (C.55:14K-37) is amended to  
18 read as follows:

19 37. a. It is the intent of the Legislature that in the event of any  
20 conflict or inconsistency in the provisions of this act and any other  
21 acts concerning housing sponsors or any rules and regulations  
22 adopted thereunder, to the extent of such conflict or inconsistency,  
23 the provisions of this act shall be enforced and the provisions of  
24 such other acts and rules and regulations adopted thereunder shall  
25 be of no effect.

26 b. The governing body of any municipality in which a housing  
27 project financed or to be financed by the agency is or is to be  
28 located may by ordinance or resolution, as appropriate, provide that  
29 such project shall be exempt from real property taxation, if the  
30 housing sponsor enters into an agreement with the municipality for  
31 payments to the municipality in lieu of taxes for municipal services.  
32 Any such agreement may require the housing sponsor to pay to the  
33 municipality an amount up to 20% of the annual gross revenue from  
34 each housing project situated on such real property for each year of  
35 operation thereof following the substantial completion thereof. For  
36 the purpose of this section, "annual gross revenue" means the total  
37 annual gross rental or carrying charge and other income of a  
38 housing sponsor from a housing project. If any such agreement is  
39 entered into from the date of recording the mortgage on the project  
40 to the date of substantial completion of the project, the annual  
41 amount payable to the municipality as taxes or as payments in lieu  
42 of taxes in respect of the project site shall not be in excess of the  
43 amount of taxes on the project site for the year preceding the  
44 recording of the mortgage. Any agreement between any housing  
45 sponsor and a municipality pursuant to this subsection shall be

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 submitted to the agency for review in order to avoid duplicating,  
2 overlapping or inconsistent regulations or provisions. Any  
3 exemption from taxation pursuant to the provisions of this section  
4 shall not extend beyond the date on which the eligible loan made by  
5 the agency on the project is paid in full.

6 c. Notwithstanding the provisions of subsection b. of this  
7 section to the contrary, the governing body of a municipality may  
8 agree to continue a tax exemption for a "qualified subsidized  
9 housing project," as defined under subsection 1. of section 3 of  
10 P.L.1991, c.431 (C.40A:20-3), beyond the date on which the  
11 eligible loan made by the agency on the project is fully paid, so  
12 long as the project continues to receive project-based federal  
13 section 8 rental assistance, or other federal project-based vouchers.  
14 (cf: P.L.1983, c.530, s.37)

15

16 3. This act shall take effect immediately.

17

18

19

#### STATEMENT

20

21 The "Long Term Tax Exemption Law," P.L.1991, c.431  
22 (C.40A:20-1 et seq.), currently allows certain age-restricted housing  
23 developments to receive a tax exemption for up to 35 years, or until  
24 the expiration of first mortgage financing. At the option of the  
25 municipal governing body, this bill allows certain age-restricted  
26 housing projects to continue to receive the long term tax exemption  
27 beyond the date on which first mortgage financing is fully paid.

28 Under the bill, the extended tax exemption time frame would be  
29 limited to the number of years that the project continues to receive  
30 project-based federal section 8 rental assistance, or other federal  
31 project-based vouchers. Under current law, the cutting off of the  
32 tax exemption upon the expiration of first mortgage financing  
33 creates a disincentive to early debt repayment. This bill is intended  
34 to correct this misplaced incentive, and may also allow project  
35 owners to pay maintenance costs and make other important  
36 payments, with money that would otherwise be owed in taxes.

37 The tax exemption extension permitted under this bill would  
38 only apply to projects that (1) are owned by a nonprofit corporation,  
39 (2) meet the definition of a "qualified subsidized housing project"  
40 under section 3 of P.L.1991, c.431 (C.40A:20-3), and (3) continue  
41 to receive project-based federal section 8 rental assistance, or other  
42 federal project-based vouchers.

ASSEMBLY HOUSING AND COMMUNITY DEVELOPMENT  
COMMITTEE

STATEMENT TO  
ASSEMBLY, No. 2536

with committee amendments

**STATE OF NEW JERSEY**

DATED: JUNE 6, 2019

The Assembly Housing and Community Development Committee reports favorably Assembly Bill No. 2536 with committee amendments.

This bill, as amended, permits a municipal governing body to extend long term tax exemptions granted to certain low-income housing projects. Specifically, the bill provides that a project that receives a State or federal rent subsidy at the outset, such as a Low-Income Housing Tax Credit, but remains subject to affordability controls after the original subsidy expires, may retain an existing long term tax exemption if the municipality agrees to the extension. The extended tax exemption time frame is limited to the number of years that the project remains subject to affordability controls pursuant to:

- 1) federal or State project-based assistance, such as Section 8 or State Rental Assistance Program funding;
- 2) compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency; or
- 3) rent and income limits established by the federal Low-Income Housing Tax Credit program.

COMMITTEE AMENDMENTS

The committee amendments expand the types of projects that may benefit from a long term tax exemption extension under the bill to include a variety of forms of affordable housing, in addition to projects restricted to occupancy by senior citizens and persons with disabilities. The amendments also make technical adjustments to the bill.

These committee amendments make this bill identical to Senate Bill No. 538 (3R), as also reported by the committee on this date.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

## ASSEMBLY, No. 2536

### STATE OF NEW JERSEY 218th LEGISLATURE

DATED: DECEMBER 19, 2019

#### SUMMARY

- Synopsis:** Allows long term tax exemption extension for certain low-income housing.
- Type of Impact:** Annual potential loss of local property tax revenue.
- Agencies Affected:** Local government units.

#### Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Potential Local Revenue Loss		Indeterminate	

- The Office of Legislative Services (OLS) estimates that the bill could result in a potential decrease in property tax revenues for certain affected local government units. The OLS notes that the bill is permissive and does not require any municipality to extend a property tax exemption granted to a State or federally subsidized housing project.
- Under current law, a property tax exemption may be granted to an affordable housing project for a maximum term of 35 years, or until a loan provided by the New Jersey Housing and Mortgage Finance Agency (NJHMFA) is fully paid. The bill permits a municipality to extend the tax exemption of a State or federally subsidized housing project if the project remains subject to affordability controls.
- If a municipality was to extend the tax exemption of a State or federally subsidized housing project, as permitted by the bill, the amount of foregone local revenue would be equal to the difference between: (1) the amount of the property tax collections that would have been paid to all taxing districts if the property were assessed for ad valorem taxation, and (2) the amount of the payment in-lieu of taxes (PILOT) paid to the municipality pursuant to the financial agreement governing the tax exemption.
- Given the permissive nature of the bill, the OLS is unable to determine the number of tax exemptions that would be extended as a result of the bill. The OLS therefore cannot quantify the fiscal impact of the bill on local finances.

## **BILL DESCRIPTION**

The bill allows the governing body of a municipality to extend a long term tax exemption granted to certain low-income housing projects. Specifically, the bill provides that a municipality may extend the long term property tax exemption of any State or federally subsidized housing project, beyond the date on which the first mortgage financing is fully paid, so long as the project remains subject to affordability controls pursuant to: (1) a State or federal project-based rental assistance program, (2) the Uniform Housing Affordability Controls promulgated by the NJHMFA, or (3) the rent and income limits of the federal Low Income Housing Tax Credit program. Under the bill, the period of the extended tax exemption would be limited to the number of years in which the project remains subject to the affordability controls.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that the bill could result in a potential annual loss in local property tax revenues for certain counties, municipalities, school districts, and special districts. The bill permits a municipality to extend the long term property tax exemption of certain State or federally subsidized housing projects that remain subject to affordability controls. If a municipality was to extend the tax exemption of a State or federally subsidized housing project, as permitted by the bill, then the affected local government units would forego the collection of those property tax revenues that would have been generated if the housing project was subject to regular ad valorem taxation.

The amount of foregone local revenue would be equal to the difference between: (1) the amount of property tax collections that would have been paid to all taxing districts if the property were assessed for ad valorem taxation; and (2) the amount of the PILOT paid to the municipality pursuant to the financial agreement governing the tax exemption, as required under the “Long Term Tax Exemption Law.”

Given the permissive nature of the bill, the OLS is unable to determine the number of tax exemptions that would be extended as a result of the enactment of the bill. However, the following paragraphs provide additional information concerning the provision of long term tax exemptions to affordable housing projects under the “Long Term Tax Exemption Law” and the “New Jersey Housing and Mortgage Finance Agency Law of 1983.”

#### **“Long Term Tax Exemption Law”**

Generally, the “Long Term Tax Exemption Law” requires an urban renewal entity and a municipality to enter into a financial agreement to provide that the land and improvements in the project are exempt from property taxation. Instead of paying property taxes, the urban renewal entity is required to make a payment for municipal services; these payments are often referred to as payments in-lieu of taxes, or annual service charges. Five percent of this payment is required to be paid to the county in which the municipality is located; the remaining 95 percent of the payment is retained by the municipality.

The annual service charge is determined as follows: (1) a percentage of gross revenues of the project, which is to be not more than 15 percent for low- and moderate-income housing, and not less than 10 percent for other projects; or (2) a percentage of total project cost, not more than 2 percent for low- and moderate-income housing and not less than 2 percent for all other projects, if the annual gross revenue cannot be reasonably ascertained, or as decided by the municipality. In either case, this amount is charged for the initial stage of the exemption period, which lasts between the first 6 and 15 years of the exemption period. The amount of the annual service charge increases during each subsequent stage of the exemption period. The annual service charge may not be less than the total taxes paid during the last full year in which the property was subject to taxation.

This law exempts qualified subsidized housing projects from the provisions of State law regarding minimum annual service charges and staged increases in the annual service charge. Additionally, the law provides that a qualified subsidized housing project may be exempt from taxation for such period of time as the federal agency subsidizing the project may require as a condition of the subsidy, instead of the maximum term of 35 years permitted under current law. The exemption from taxation may be extended for an additional period of time as may be required in order to secure a continuation of federal subsidies after the expiration of the initial subsidy period.

“New Jersey Housing and Mortgage Finance Agency Law of 1983”

This law permits the governing body of a municipality in which a NJHMFA project is financed to exempt the project from taxation if the housing sponsor enters into an agreement with the municipality to make a PILOT for municipal services. The agreement may require a housing sponsor to pay the municipality an amount not more than 20 percent of the annual gross revenue from each housing project situated in the municipality for each year of operation following substantial completion of the project. If the housing sponsor and the municipality enter into an exemption agreement from the date of recording the mortgage on the project to the date of substantial completion of the project, the annual PILOT may not exceed the amount of taxes assessed on the project site for the year preceding the recording of the mortgage. The tax exemption cannot extend beyond the date on which the NJHMFA loan is paid in full. Current law does not allow for an extension of the PILOT agreement beyond the mortgage term for these types of non-profit housing sponsors.

*Section: Local Government*  
*Analyst: Joseph A. Pezzulo*  
*Associate Research Analyst*  
*Approved: Frank W. Haines III*  
*Legislative Budget and Finance Officer*

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

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



# Governor Murphy Takes Action on Legislation

01/13/2020

**TRENTON** – Today, Governor Phil Murphy signed the following bills into law:

**A268 (Kean, Egan, Holley/Singer, Gopal)** - "P.I.C.K. Awareness Act"; authorizes issuance of special support recovery license plates.

**A790 (Andrzejczak, Land, Mosquera, Mukherji, Downey, Zwicker, Mazzeo/Connors, Singleton)** - "Combat to College Act"; grants priority course registration to military service members and veterans attending public institutions of higher education.

**A791 (Andrzejczak, Land, Mosquera, Danielsen, Mukherji, Downey, Zwicker/Van Drew, Brown)** - Requires institution of higher education to award appropriate credit for student's military service.

**A1212 (McKeon, Gusciora, Vainieri Huttel/Sweeney, Smith, Bateman, Greenstein)** - Clarifies intent of P.L.2007, c.340 regarding NJ's required participation in Regional Greenhouse Gas Initiative.

**A1305 (Greenwald/Rice)** - Renames Mountainview Youth Correctional Facility as "William H. Fauver Youth Correctional Facility."

**A1576 (Conaway, Giblin/Vitale)** - Requires certain health care facilities to provide, and employees to receive, annual influenza vaccination.

**A1582 (Conaway, Moriarty, Mosquera, Benson, Pinkin, Giblin, Quijano/Weinberg, Ruiz)** - Establishes "Dietetics and Nutrition Licensing Act".

**A1991 (Sumter, Munoz, Mukherji/Singer, Gordon)** - Requires students at institutions of higher education to receive immunization for meningitis in accordance with recommendations of Advisory Committee on Immunization Practices.

**A3101 (Egan Jones, Benson, Land/Singleton)** - Increases minimum annual amounts for appropriation for certain arts, historical heritage, and tourism purposes from hotel and motel occupancy fee revenues.

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**A3160 (Lampitt, Giblin, Murphy/Beach)** - Permits cosmetology and hairstyling school clinics to charge certain fees for services rendered to general public.

**A3832 (Mukherji, McKnight, Chiaravalloti/Cryan, Stack)** - Authorizes municipal tax levy through public question for certain purposes; clarifies ability of local government entities to issue non-recourse bonds; appropriates \$100,000.

**A4493 (Pinkin, Conaway, Vainieri Huttel/Vitale)** - Authorizes expedited partner therapy, under which sexual partners or patients diagnosed with sexually transmitted disease are treated without prior clinical examination.

**A4608 (Zwicker, Downey/Weinberg, Kean)** - " Applied Behavior Analyst Licensing Act."

**A4710 (Lampitt, Zwicker, Vainieri Huttel/Beach,Turner)** - "Strengthening Gifted and Talented Education Act"; establishes school district responsibilities in educating gifted and talented students.

**A5037 (Pintor Marin, Speight, Vainieri Huttel/Andrzejczak, Greenstein)** - Enhances penalties related to counterfeit drugs.

**A5091 (McKeon, Vainieri Huttel, Pinkin/Pou, Singleton)** - Establishes "Safeguarding Against Financial Exploitation Act."

**A5263 (Tully, Armato/Corrado)** - Requires four-year public institution of higher education to award college credits to firefighters for certain courses completed at county fire academies.

**A5277 (DeAngelo, Houghtaling/Greenstein)** - Eliminates term limits for members of State Board of Examiners of Master Plumbers and State Board of Examiners of Heating, Ventilating, Air Conditioning and Refrigeration Contractors.

**A5624 (Pintor Marin, Munoz, Lampitt/Weinberg, Corrado)** - Requires that State employee serve as Equal Employment Opportunity and Affirmative Action officer for gubernatorial transitions.

**A5625 (Pintor Marin, Munoz, Lampitt/Weinberg, Corrado)** - Requires payment of expenses related to background investigations for certain gubernatorial transition positions.

**A5628 (Pintor Marin, Munoz, McKnight/Weinberg, Corrado)** - Requires Civil Service Commission establish standardize recordkeeping and retention requirements with regard to unclassified State employees.

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**A5631 (Pintor Marin, Munoz, Pinkin/Weinberg, Corrado)** - Specifies certain requirements for State agency review of complaint of workplace discrimination.

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**A5632 (Pintor Marin, Munoz, Reynolds-Jackson/Weinberg)** - Requires certain public employees receive additional training to manage harassment or discrimination complaints.

**A5917 (Chiaravalloti, McKnight/Cunningham, Weinberg)** - Expands DOH oversight of hospital finances.

**A6007 (McKeon/Pou)** - Requires insurers and insurance groups to submit corporate governance annual disclosure to DOBI Commissioner.

**S463 (Singer, Greenstein/Dancer, Calabrese, DeAngelo)** - Provides for voluntary contributions by taxpayers on gross income tax returns for Meals on Wheels.

**S538 (Oroho, Stack/Wirths, Vaineri Huttie, Bucco)** - Allows long term tax exemption extension for certain low-income housing.

**S775 (Cunningham, Sacco/Sumter, Caride, Vainieri Huttie)** - Establishes Tuition Aid Grant Study Commission to examine New Jersey's Tuition Aid Grant Program and make recommendations regarding improvements to program.

**S778 (Cunningham, Kean/Quijano, Jasey, Pintor Marin)** - Establishes Campus Sexual Assault Commission.

**S1493 (Stack, Singleton/Quijano, Chaparro, Timberlake)** - Prohibits landlords from requiring residential tenants to pay rent and other related charges through electronic funds transfer; requires landlords to provide receipts for cash payments.

**S1508 (Turner, Singleton/Reynolds-Jackson, Sumter, Wimberly)** - Eliminates motor vehicle surcharges following retirement of bonds and debts tied to surcharges.

**S1834 (Ruiz, Cunningham/Quijano, Murphy)** - Requires each public institution of higher education to post its budget on the institution's website.

**S1953 (Oroho, Cruz-Perez/Space, Andrzejcack, Wirths)** - Directs Dept. of Agriculture to authorize and advise food hubs.

**S1966 (Sweeney, Singleton/Taliaferro)** - Increases death benefit of active member of PFRS and SPRS to 50 percent of final compensation for surviving child or children.

**S2527 (Ruiz, Turner/Lampitt, Quijano, Timberlake)** - Requires Department of Agriculture to promote school meal programs.

**S2533 (Greenstein, Cruz-Perez/Vainieri Huttie, Lopez, Timberlake)** - Requires Office of Victim-Witness Advocacy to provide services to certain inmates.

**S2898 (Madden, Sarlo/Murphy, Mosquera, Vainieri Huttie)** - Establishes "New Jersey Fire and EMS Crisis Intervention Services" telephone hotline; provides funding for hotline through fire inspection fees and penalties.

**S2980 (Ruiz/Lampitt, McKnight)** - Provides that school district may not condition student enrollment in district on fact that MVC does not have name or address of parent or guardian on file.

**S2982 (Ruiz/Lampitt, Mukherji, Lopez)** - Clarifies that child may not be excluded from public school based on membership in protected category under "Law Against Discrimination" or immigration status.

**S2998 (Ruiz/Freiman, Downey)** - Requires creditors to make certain disclosures regarding collateral protection insurance to consumer debtors.

**S3064 (Ruiz, Singleton/Armato, Conaway, Swain)** - Establishes task force to develop State-wide plan to diversify apprenticeships.

**S3066 (Ruiz, Singleton/Lampitt, Mukherji, Benson)** - Creates five year High-Growth Industry Regional Apprenticeship Development Grant Pilot Program.

**S3118 (Ruiz/Speight, Munoz, Tucker)** - Establishes public awareness campaign to promote early conversations about advance care planning and end-of-life care.

**S3124 (Stack/Mukherji)** - Requires landlords to allow tenants to pay rent up to three business days after eviction order or lockout is executed and accept rent payments by any means.

**S3206 (Pou, Cruz-Perez/Lopez, McKeon, Murphy)** - Establishes "Unbanked and Underbanked Consumers Study Commission."

**S3215 (Greenstein, Singleton/Zwicker, Mukherji, Swain)** - Requires State to use 20-year time horizon and most recent Intergovernmental Panel on Climate Change Assessment Report when calculating global warming potential to measure global warming impact of greenhouse gases.

**S3246 (Sarlo, Singleton, Oroho, Bucco/Benson, Bucco, Freiman)** - Establishes elective pass-through entity business alternative income tax and allows corresponding refundable gross income tax and corporation business tax credit.

**S3327 (Ruiz, Cruz-Perez/Lopez, Timberlake)** - Establishes Commission on Latino and Hispanic Heritage in DOE.

**S3348 (Weinberg/Vainieri Huttle, McKnight)** - Requires home health agencies and specialty pharmacies providing services related to bleeding episodes associated with hemophilia to comply with certain minimum practice standards.

**S3528 (Scutari, Codey/Vainieri Huttle, Quijano, Kennedy)** - Establishes process to obtain judgement of adoption for civil union partner or spouse of natural or legal parent of child when that person is named as parent on child's birth certificate.

**S3574 (Scutari, Kean, Cryan/Carter, Kennedy, Freiman)** - Requires NJT to conduct feasibility study on restoring one-seat ride to Manhattan on Raritan Valley Line.

Governor Murphy conditionally vetoed the following bills:

**A2431 (Benson, Jimenez, DeCroce, Eustace/Weinberg, Kean)** – Requires health insurers to provide plans that limit patient cost-sharing concerning certain prescription drug coverage.

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**A4978 (Timberlake, Zwicker, Vainieri Huttle/Greenstein, Cryan)** – Prohibits online education services from using and disclosing certain information, engaging in targeted advertising, and requires deletion of certain information in certain circumstances.

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**S3920 (Pou/Wimberly, Sumter)** – Concerns provision of energy to certain manufacturing facilities by providing exemptions to certain energy related taxes.

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Governor Murphy absolute vetoed the following bill:

**S4139 (Greenstein/Benson)** - Makes Fiscal Year 2020 supplemental appropriation of \$250,000 to Rutgers University - New Brunswick for School of Dental Medicine - Special Care Treatment Center.

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