

[First Reprint]

ASSEMBLY, No. 2826

STATE OF NEW JERSEY
212th LEGISLATURE

INTRODUCED MARCH 9, 2006

Sponsored by:

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Co-Sponsored by:

**Assemblymen Van Drew, Fisher, Green, Albano, Prieto, Gordon,
Assemblywomen Cruz-Perez, Voss and Assemblyman Wisniewski**

SYNOPSIS

“Group Home Fire Safety Act.”

CURRENT VERSION OF TEXT

As reported by the Assembly Human Services Committee on June 15, 2006,
with amendments.



(Sponsorship Updated As Of: 5/12/2006)

1 AN ACT concerning the installation of fire suppression systems in
2 group homes and revising parts of the statutory law.

3

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

6

7 1. (New section) This act shall be known and may be cited as
8 the "Group Home Fire Safety Act."

9

10 2. (New section) The Legislature finds and declares that:

11 a. The safety of group home residents is a vital concern to the
12 State, as these individuals are among the most vulnerable citizens of
13 New Jersey and warrant assurance by the State that their physical
14 safety will be protected while in their residences;

15 b. ¹**["Automatic"]**13R residential automatic¹ fire suppression
16 systems installed in buildings have been proven to be a very
17 effective method of preventing injury, death and widespread
18 property damage; and

19 c. The installation of these systems in group homes shall be
20 deemed to be in the public interest and a public purpose.

21

22 3. (New section) As used in sections 1 through 9 of this act:

23 "Commissioner" means the Commissioner of Human Services.

24 "Common area" means the areas within a group home that are
25 normally accessible to all residents, including ¹**["the"]** but not
26 limited to, the hallways and¹ living, dining and kitchen areas.

27 "Group home" means a community residence for the
28 developmentally disabled or mentally ill licensed pursuant to
29 P.L.1977, c.448 (C.30:11B-1 et. seq.), a ¹**["community shelter for**
30 **victims of domestic violence,"]**¹ community residence for the
31 terminally ill ¹**["or a community residence for persons with head**
32 **injuries"]**¹ as ¹**["those terms are"]**¹ defined in section 2 of P.L.1978,
33 c.159 (C.40:55D-66.2) ¹, or a community residence licensed
34 pursuant to P.L.1977, c.448 (C.30:11B-1 et seq.) in which a person
35 with traumatic brain injury, as defined in 42 U.S.C. s.280b-1b,
36 resides,¹ which has an approved service contract or an affiliation
37 agreement with an agency or department of this State and which is
38 owned by a nonprofit organization whose property is exempt from
39 taxation pursuant to R.S.54:4-3.6.

40

41 4. (New section) a. Notwithstanding any law, rule or regulation
42 to the contrary, all group homes shall be equipped with ¹**["an"]** a 13R
43 residential¹ automatic fire suppression system in their common

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:

¹Assembly AHU committee amendments adopted June 15, 2006.

1 areas and bedrooms, in accordance with the provisions of this
2 section.

3 b. Within 120 days after the effective date of this act, each entity
4 that is responsible for the operation of one or more group homes
5 shall file with the Commissioner of Human Services a plan
6 outlining the installation of '13R residential' automatic fire
7 suppression systems in those group homes as required pursuant to
8 subsection a. of this section. Each plan shall provide that¹]:

9 (1) at least 25% of the required installation will be completed no
10 later than the last day of the 12th month next following the effective
11 date of this act;

12 (2) at least 50% of the required installation will be completed no
13 later than the last day of the 24th month next following the effective
14 date of this act;

15 (3) at least 75% of the required installation will be completed no
16 later than the last day of the 36th month next following the effective
17 date of this act; and

18 (4) all required installation shall be completed no later than the
19 last day of the 48th month next following the effective date of this
20 act] the installation shall be completed within four years of the
21 effective date of this act¹.

22 Upon application by an entity, the commissioner may, at the
23 commissioner's discretion, extend the ¹[time frames]completion
24 date¹ set forth in this section, upon a showing that the ¹[time
25 frame]completion date¹ would pose an unreasonable hardship for
26 the entity, or that performance of the installation ¹by the completion
27 date¹ is impossible for reasons outside the control of the entity ¹[by
28 the dates set forth under this section]¹.

29
30 5. (New section) The commissioner, in consultation with the
31 Commissioner of Community Affairs, shall, pursuant to the
32 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
33 seq.), adopt such rules as may be necessary to implement the
34 provisions of this act ¹, including rules that prioritize, at the
35 discretion of the commissioner, group homes for installation of 13R
36 residential automatic fire suppression systems¹. The rules may
37 include exemption from the requirements of section 4 of this act for
38 any group home that may be determined to not warrant the level of
39 protection provided in section 4 of this act based on the fire hazard
40 risk.

41
42 6. (New section) The State Treasurer, after consultation with
43 the commissioner, shall have the authority to apply State funds
44 otherwise available to State departments, agencies or
45 instrumentalities for the purpose of securing compliance with the
46 requirements established pursuant to this act.

1 7. (New section) a. There is created within the New Jersey
2 Housing and Mortgage Finance Agency established pursuant to
3 P.L.1983, c.530 (C.55:14K-1 et seq.), the "Group Home Safety
4 Trust Fund," hereinafter referred to as the "trust fund." The trust
5 fund shall be maintained as a separate account and administered by
6 the agency to carry out the provisions of P.L. , c. (C.)(pending
7 before the Legislature as this bill). There shall be paid into this
8 fund:

9 (1) monies received from the sale of bonds or notes issued
10 pursuant to section 9 of P.L. , c. (C.)(pending before the
11 Legislature as this bill);

12 (2) monies appropriated by the Legislature, including monies as
13 may be appropriated annually in an amount sufficient to pay the
14 principal and interest on the bonds or notes;

15 (3) all interest and investment earnings received on the monies
16 in the trust fund; and

17 (4) all repayments of loans authorized pursuant to
18 P.L. , c. (pending before the Legislature as this bill).

19 b. The trust fund shall be used to provide interest-free loans to
20 entities that are required, pursuant to P.L. , c. (pending before the
21 Legislature as this bill), to install ¹13R residential automatic fire
22 suppression systems in one or more group homes, for the cost, or a
23 portion of the cost, of the installation of those systems.
24

25 8. (New section) a. The State Treasurer shall establish a program
26 to provide the loans authorized pursuant to P.L. , c. (pending
27 before the Legislature as this bill). An entity that is responsible for
28 the operation of one or more group homes may apply for ¹[.] a
29 loan from the trust fund established pursuant to section 7 of
30 P.L. , c. (C.)(pending before the Legislature as this bill). The
31 application shall be transmitted to, and in a manner to be
32 determined by, the State Treasurer.

33 b. Individual loan amounts from the trust fund shall be limited
34 to no more than the projected costs as stated in the plan required to
35 be filed with the Commissioner of Human Services pursuant to
36 section 4 of P.L. , c. (C.)(pending before the Legislature as this
37 bill), and loan amounts shall be disbursed in accordance with the
38 need and the ¹[time frame established under] completion date of
39 the installation plan. If sufficient funds are not available to fully
40 fund each request, the State Treasurer may limit the amounts loaned
41 on a basis which shall provide the maximum amount of funding to
42 the greatest number of group homes ¹, taking into consideration the
43 prioritization of group homes, as provided for in section 5 of
44 P.L. , c. (C.)(pending before the Legislature as this bill)¹.
45 Installation projects that were begun ¹[with] within 12 months
46 prior to the effective date of P.L. , c. (pending before the
47 Legislature as this bill), as well as those projects initiated on or

1 after the effective date of P.L. , c. (pending before the Legislature
2 as this bill), are eligible for a loan.

3 c. The term of a loan shall be for a period of not more than 15
4 years. Any loan approved pursuant to this section shall be
5 contingent upon the applicant entering into a contract or contracts
6 for the installation of '13R residential' automatic fire suppression
7 systems in accordance with section 4 of P.L. , c. (C.)(pending
8 before the Legislature as this bill).

9 d. The State Treasurer shall:

10 (1) review each application and approve, disapprove, amend or
11 modify the loan request;

12 (2) establish any other terms or conditions of each loan, which
13 are not otherwise provided under this section; and

14 (3) forward to the New Jersey Housing and Mortgage Finance
15 Agency and the Department of Human Services a copy of any loan
16 approval granted pursuant to this section, including information
17 concerning the amount and terms of the loan.

18 e. All repayments of loans awarded pursuant to this section shall
19 be made to the agency and deposited by the agency into the trust
20 fund.

21 f. The State Treasurer shall adopt such rules as are necessary to
22 effectuate this section in accordance with the "Administrative
23 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).
24

25 9. (New section) a. The New Jersey Housing and Mortgage
26 Finance Agency shall from time to time issue bonds or notes, in
27 accordance with the provisions of P.L.1983, c.530 (C.55:14K-1 et
28 seq.), and in an amount sufficient to finance the loans provided
29 under P.L. , c. (pending before the Legislature as this bill) and the
30 administrative costs associated with the approval process and the
31 issuance of the bonds or notes, up to a total amount not to exceed
32 \$90,000,000; except that all administrative costs associated with the
33 approval process and the issuance of bonds, notes or other
34 obligations shall not be included within the total aggregate principal
35 amount of the bonds, notes or other obligations issued. The term of
36 any bond so issued shall not exceed 15 years. In computing the
37 foregoing limitation as to amount, all bonds issued for refunding
38 purposes shall be excluded, provided that the refunding results in a
39 debt service savings. The authority shall issue the bonds or notes in
40 such manner as it shall determine, except that no bonds or notes
41 shall be issued pursuant to this section without the prior written
42 consent of the State Treasurer.

43 b. Bonds or notes issued pursuant to P.L. , c. (pending before
44 the Legislature as this bill) shall not be in any way a debt or liability
45 of the State or of any political subdivision thereof, other than the
46 agency, and shall not create or constitute any indebtedness, liability
47 or obligation of the State or of any political subdivision thereof, or
48 be or constitute a pledge of the faith and credit of the State or of any

1 political subdivision thereof, but all bonds or notes, unless funded
2 or refunded by the bonds or notes of the agency, shall be payable
3 solely from revenues of funds pledged or available for their
4 payment as authorized by P.L. , c. (pending before the Legislature
5 as this bill). Each bond shall contain on its face a statement to the
6 effect that the agency is obligated to pay the principal thereof,
7 redemption premium, if any, or the interest thereon only from
8 revenue or funds of the agency and that neither the State nor any
9 political subdivision thereof is obligated to pay the principal
10 thereof, redemption premium, if any, or interest thereon and that
11 neither the faith and credit nor the taxing power of the State or of
12 any political subdivision thereof is pledged to the payment of the
13 principal of, redemption premium, if any, or the interest on the
14 bonds.

15 c. The State of New Jersey does hereby pledge to and covenant
16 and agree with the holders of any bonds or notes issued pursuant to
17 the authorization hereunder that the State shall not limit or alter the
18 rights or powers hereby vested in the agency to perform and fulfill
19 the terms of any agreement made with the holders of the bonds or
20 notes, or to fix, establish, charge and collect such rents, fees, rates,
21 payments, or other charges as may be convenient or necessary to
22 produce sufficient revenues to meet all expenses of the agency and
23 to fulfill the terms of any agreement made with the holders of the
24 bonds and notes, together with interest thereon, with interest on any
25 unpaid installments of interest, and all costs and expenses in
26 connection with any action or proceedings by or on behalf of the
27 holders, until the bonds and notes, together with interest thereon,
28 are fully met and discharged or provided for.

29 d. The State Treasurer is authorized to enter into a contract with
30 the agency pursuant to which the State Treasurer, subject to
31 available appropriations, shall pay the amount necessary to pay the
32 principal and interest on bonds, notes and other obligations of the
33 agency issued pursuant to P.L. , c. (pending before the Legislature
34 as this bill).

35 e. To assure the continued operation and solvency of the group
36 home safety trust fund program, the agency shall require that if an
37 entity that operates one or more group homes fails or is unable to
38 pay to the agency in full, when due, any obligation of the entity to
39 the agency, an amount sufficient to satisfy the deficiency shall be
40 retained by the State Treasurer from State monies that would
41 otherwise be provided to the entity by the Department of Human
42 Services or any other State department, agency or other
43 instrumentality. As used in this section, "obligation of the entity"
44 means any amount payable by the entity to the agency pursuant to
45 an agreement with the agency under P.L. , c. (pending before the
46 Legislature as this bill).

1 10. Section 9 of P.L.2000, c.56 (C.52:27D-198.12) is amended
2 to read as follows:

3 9. A municipal authority or water utility shall not impose
4 standby fees for any new fire protection system required to be
5 installed pursuant to the provisions of section 3 of P.L.2000, c.56
6 (C.52:27D-198.9) or section 4 of P.L. , c. (C.)(pending before the
7 Legislature as this bill).
8 (cf: P.L.2000, c.56, s.9)

9
10 11. Section 3 of P.L.1983, c.530 (C.55:14K-3) is amended to
11 read as follows:

12 3. As used in this act:

13 a. "Agency" means the New Jersey Housing and Mortgage
14 Finance Agency as consolidated by section 4 of P.L.1983, c.530
15 (C.55:14K-4), or, if that agency shall be abolished by law, the
16 person, board, body or commission succeeding to the powers and
17 duties thereof or to whom its powers and duties shall be given by
18 law.

19 b. "Boarding house" means any building, together with any
20 related structure, accessory building, any land appurtenant thereto,
21 and any part thereof, which contains two or more units of dwelling
22 space arranged or intended for single room occupancy, exclusive of
23 any such unit occupied by an owner or operator, including:

24 (1) any residential hotel or congregate living arrangement, but
25 excluding any hotel, motel or established guesthouse wherein a
26 minimum of 85% of the units of dwelling space are offered for
27 limited tenure only; (2) a residential health care facility as defined
28 in section 1 of P.L.1953, c.212 (C.30:11A-1) or licensed pursuant to
29 P.L.1971, c.136 (C.26:2H-1 et seq.); (3) any resource family home
30 as defined in section 1 of P.L.1962, c.137 (C.30:4C-26.1); (4) any
31 community residence for the developmentally disabled as defined in
32 section 2 of P.L.1977, c.448 (C.30:11B-2); (5) any dormitory
33 owned or operated on behalf of any nonprofit institution of primary,
34 secondary or higher education for the use of its students; (6) any
35 building arranged for single room occupancy wherein the units of
36 dwelling space are occupied exclusively by students enrolled in a
37 full-time course of study at an institution of higher education
38 approved by the Department of Higher Education; and (7) any
39 facility or living arrangement operated by, or under contract with,
40 any State department or agency.

41 c. "Bonds" mean any bonds, notes, bond anticipation notes,
42 debentures or other evidences of financial indebtedness issued by
43 the agency pursuant to this act

44 d. "Continuing-care retirement community" means any work or
45 undertaking, whether new construction, improvement or
46 rehabilitation, which may be financed in part or in whole by the
47 agency and which is designed to complement fully independent
48 residential units with social and health care services (usually

1 including nursing and medical services) for retirement families and
2 which is intended to provide continuing care for the term of a
3 contract in return for an entrance fee or periodic payments, or both,
4 and which may include such appurtenances and facilities as the
5 agency deems to be necessary, convenient or desirable.

6 e. "Eligible loan" means a loan, secured or unsecured, made for
7 the purpose of financing the operation, maintenance, construction,
8 acquisition, rehabilitation or improvement of property, or the
9 acquisition of a direct or indirect interest in property, located in the
10 State, which is or shall be: (1) primarily residential in character or
11 (2) used or to be used to provide services to the residents of an area
12 or project which is primarily residential in character. The agency
13 shall adopt regulations defining the term "primarily residential in
14 character," which may include single-family, multi-family and
15 congregate or other single room occupancy housing, continuing-
16 care retirement communities, mobile homes and nonhousing
17 properties and facilities which enhance the livability of the
18 residential property or area; and specifying the types of residential
19 services and facilities for which eligible loans may be made, which
20 may include, but shall not be limited to, parking facilities, streets,
21 sewers, utilities, and administrative, community, educational,
22 welfare and recreational facilities, food, laundry, health and other
23 services and commercial establishments and professional offices
24 providing supplies and services enhancing the area. The term
25 "loan" includes an obligation the return on which may vary with
26 any appreciation in value of the property or interest in property
27 financed with the proceeds of the loan, or a co-ventured instrument
28 by which an institutional lender or the agency assumes an equity
29 position in the property. Any undivided interest in an eligible loan
30 shall qualify as an eligible loan.

31 f. "Family" means two or more persons who live or expect to
32 live together as a single household in the same dwelling unit; but
33 any individual who (1) has attained retirement age as defined in
34 section 216a of the federal Social Security Act, or (2) is under a
35 disability as defined in section 223 of that act, or (3) such other
36 individuals as the agency by rule or regulation shall include, shall
37 be considered as a family for the purpose of this act; and the
38 surviving member of a family whose other members died during
39 occupancy of a housing project shall be considered as a family for
40 the purposes of permitting continued occupancy of the dwelling unit
41 occupied by such family.

42 g. "Gross aggregate family income" means the total annual
43 income of all members of a family, from whatever source derived,
44 including but not limited to, pension, annuity, retirement and social
45 security benefits; except that there may be excluded from income
46 (1) such reasonable allowances for dependents, (2) such reasonable
47 allowances for medical expenses, (3) all or any proportionate part
48 of the earnings of gainfully employed minors, or (4) such income as

1 is not received regularly, as the agency by rule or regulation may
2 determine.

3 h. "Housing project" or "project" means any work or
4 undertaking, other than a continuing-care community, whether new
5 construction, improvement, rehabilitation, or acquisition of existing
6 buildings or units which is designed for the primary purpose of
7 providing multi-family rental housing or acquisition of sites for
8 future multi-family rental housing.

9 i. "Housing sponsor" means any person, partnership, corporation
10 or association, whether organized as for profit or not for profit, to
11 which the agency has made or proposes to make a loan, either
12 directly or through an institutional lender, for a housing project.

13 j. "Institutional lender" means any bank or trust company,
14 savings bank, national banking association, savings and loan
15 association, or building and loan association maintaining an office
16 in the State, or any insurance company or any mortgage banking
17 firm or mortgage banking corporation authorized to transact
18 business in the State.

19 k. "Life safety improvement" means any addition, modification
20 or repair to a boarding house which is necessary to improve the life
21 safety of the residents of the boarding house, as certified by the
22 Department of Community Affairs, including, but not limited to, the
23 correction of a violation of the "State Uniform Construction Code
24 Act," P.L.1975, c.217 (C.52:27D-119 et seq.), the "Rooming and
25 Boarding House Act of 1979," P.L.1979, c.496 (C.55:13B-1 et
26 seq.), or the "Uniform Fire Safety Act," P.L.1983, c.383 (C.52:27D-
27 192 et seq.) and the administrative regulations promulgated in
28 accordance with these acts.

29 l. "Life safety improvement loan" means an eligible loan the
30 proceeds of which are to be used to finance, in whole or in part, the
31 construction, acquisition or rendering of life safety improvements at
32 or to boarding houses.

33 m. "Loan originator" means any bank or trust company, savings
34 bank, national banking association, savings and loan association, or
35 building and loan association maintaining an office in the State, or
36 any insurance company or any mortgage banking firm or mortgage
37 banking corporation authorized to transact business in the State, or
38 any agency or instrumentality of the United States or the State or a
39 political subdivision of the State, which is authorized to make
40 eligible loans.

41 n. "Municipality" means any city of any class or any town,
42 township, village or borough.

43 o. "Mutual housing" means a housing project operated or to be
44 operated upon completion of construction, improvement or
45 rehabilitation exclusively for the benefit of the families who are
46 entitled to occupancy by reason of ownership of stock in the
47 housing sponsor, or by reason of co-ownership of premises in a
48 horizontal property regime pursuant to P.L.1963, c.168; but the

1 agency may adopt rules and regulations permitting a reasonable
2 percentage of space in such project to be rented for residential or
3 for commercial use.

4 p. "Persons and families of low and moderate income" mean
5 persons and families, irrespective of race, creed, national origin or
6 sex, determined by the agency to require assistance on account of
7 personal or family income being not sufficient to afford adequate
8 housing. In making such determination the agency shall take into
9 account the following:

10 (1) the amount of the total income of such persons and families
11 available for housing needs, (2) the size of the family, (3) the cost
12 and condition of housing facilities available and (4) the eligibility
13 of such persons and families to compete successfully in the normal
14 housing market and to pay the amounts at which private enterprise
15 is providing sanitary, decent and safe housing. In the case of
16 projects with respect to which income limits have been established
17 by any agency of the federal government having jurisdiction
18 thereover for the purpose of defining eligibility of low and
19 moderate income families, the agency may determine that the limits
20 so established shall govern. In all other cases income limits for the
21 purpose of defining low or moderate income persons shall be
22 established by the agency in its rules and regulations.

23 q. "Project cost" means the sum total of all costs incurred in the
24 acquisition, development, construction, improvement or
25 rehabilitation of a housing project, which are approved by the
26 agency as reasonable or necessary, which costs shall include, but
27 are not necessarily limited to, (1) cost of land acquisition and any
28 buildings thereon, (2) cost of site preparation, demolition and
29 development, (3) architect, engineer, legal, agency and other fees
30 paid or payable in connection with the planning, execution and
31 financing of the project, (4) cost of necessary studies, surveys, plans
32 and permits, (5) insurance, interest, financing, tax and assessment
33 costs and other operating and carrying costs during construction, (6)
34 cost of construction, reconstruction, fixtures, and equipment related
35 to the real property, (7) cost of land improvements, (8) necessary
36 expenses in connection with initial occupancy of the project, (9) a
37 reasonable profit or fee to the builder and developer, (10) an
38 allowance established by the agency for working capital and
39 contingency reserves, and reserves for any operating deficits, (11)
40 costs of guarantees, insurance or other additional financial security
41 for the project and (12) the cost of such other items, including
42 tenant relocation, as the agency shall determine to be reasonable
43 and necessary for the development of the project, less any and all
44 net rents and other net revenues received from the operation of the
45 real and personal property on the project site during construction,
46 improvement or rehabilitation.

47 All costs shall be subject to approval and audit by the agency.
48 The agency may adopt rules and regulations specifying in detail the

1 types and categories of cost which shall be allowable if actually
2 incurred in the development, acquisition, construction,
3 improvement or rehabilitation of a housing project.

4 r. "Retirement family" means one or more persons related by
5 blood, marriage or adoption who live or expect to live together as a
6 single household in the same dwelling unit, provided that at least
7 one of the persons is an individual who (1) has attained retirement
8 age as defined in section 216a of the Federal Social Security Act, or
9 (2) is under a disability as defined in section 223 of that act, or (3)
10 such individuals as the agency by rule or regulation shall include;
11 and provided further, that the surviving member of a retirement
12 family whose other members died during occupancy of a
13 continuing-care retirement community shall be considered as a
14 retirement family for purposes of permitting continued occupancy
15 of the dwelling unit occupied by such retirement family.

16 s. "Group home" means a community residence for the
17 developmentally disabled or mentally ill licensed pursuant to
18 P.L.1977, c.448 (C.30:11B-1 et. seq.), a '[community shelter for
19 victims of domestic violence,]' community residence for the
20 terminally ill '[or a community residence for persons with head
21 injuries]' as '[those terms are]' defined in section 2 of P.L.1978,
22 c.159 (C.40:55D-66.2) ', or a community residence licensed
23 pursuant to P.L.1977, c.448 (C.30:11B-1 et seq.) in which a person
24 with traumatic brain injury, as defined in 42 U.S.C. s.280b-1b,
25 resides, ' which has an approved service contract or an affiliation
26 agreement with an agency or department of this State and which is
27 owned by a nonprofit organization whose property is exempt from
28 taxation pursuant to R.S.54:4-3.6.
29 (cf: P.L.2004, c.130, s.124)
30

31 12. Section 5 of P.L.1983, c.530 (C.55:14K-5) is amended to
32 read as follows:

33 5. In order to carry out the purposes and provisions of this act,
34 the agency, in addition to any powers granted to it elsewhere in this
35 act, shall have the following powers:

36 a. To adopt bylaws for the regulation of its affairs and the
37 conduct of its business; to adopt an official seal and alter the same
38 at pleasure; to maintain an office at such place or places within the
39 State as it may designate; to sue and be sued in its own name;

40 b. To conduct examinations and hearings and to hear testimony
41 and take proof, under oath or affirmation, at public or private
42 hearings, on any matter material for its information and necessary
43 to carry out the provisions of this act;

44 c. To issue subpoenas requiring the attendance of witnesses and
45 the production of books and papers pertinent to any hearing before
46 the agency, or before one or more of the members of the agency
47 appointed by it to conduct a hearing;

- 1 d. To apply to any court, having territorial jurisdiction of the
2 offense, to have punished for contempt any witness who refuses to
3 obey a subpoena, or who refuses to be sworn or affirmed to testify,
4 or who is guilty of any contempt after summons to appear;
- 5 e. To acquire by purchase, gift, foreclosure or condemnation any
6 real or personal property, or any interest therein, to enter into any
7 lease of property and to hold, sell, assign, lease, encumber,
8 mortgage or otherwise dispose of any real or personal property, or
9 any interest therein, or mortgage lien interest owned by it or under
10 its control, custody or in its possession and release or relinquish any
11 right, title, claim, lien, interest, easement or demand however
12 acquired, including any equity or right of redemption, in property
13 foreclosed by it and to do any of the foregoing by public or private
14 sale, with or without public bidding, notwithstanding the provisions
15 of any other law;
- 16 f. To acquire, hold, use and dispose of its income revenues,
17 funds and moneys;
- 18 g. To adopt rules and regulations expressly authorized by this
19 act and such additional rules and regulations as shall be necessary
20 or desirable to carry out the purposes of this act. The agency shall
21 adopt regulations which provide for consultation with housing
22 sponsors regarding the formulation of agency rules and regulations
23 governing the operation of housing projects and which require the
24 agency to consult with the affected housing sponsor prior to taking
25 any and all specific proposed agency actions relating to the
26 sponsor's housing project. The agency shall publish all rules and
27 regulations and file them with the Secretary of State;
- 28 h. To borrow money or secure credit on a temporary, short-term,
29 interim or long-term basis, and to issue negotiable bonds and to
30 secure the payment thereof and to provide for the rights of the
31 holders thereof;
- 32 i. To make and enter into and enforce all contracts and
33 agreements necessary, convenient or desirable to the performance
34 of its duties and the execution of its powers under this act, including
35 contracts or agreements with qualified financial institutions for the
36 servicing and processing of eligible loans owned by the agency;
- 37 j. To appoint and employ an executive director, who shall be the
38 chief executive officer of the agency, and additional officers, who
39 need not be members of the agency as the agency deems advisable,
40 and to employ architects, engineers, attorneys, accountants,
41 construction and financial experts and other employees and agents
42 as may be necessary in its judgment and to determine their
43 qualifications, terms of office, duties and compensation; and to
44 promote and discharge such officers, employees and agents, all
45 without regard to the provisions of Title 11 of the Revised Statutes,
46 Civil Service;
- 47 k. To contract for and to receive and accept any gifts, grants,
48 loans or contributions from any source, of money, property, labor or

- 1 other things of value, to be held, used and applied to carry out the
2 purposes of this act subject to the conditions upon which the grants
3 and contributions may be made, including, but not limited to, gifts
4 or grants from any department or agency of the United States or the
5 State for payment of rent supplements to eligible families or for the
6 payment in whole or in part of the interest expense for a housing
7 project or for any other purpose consistent with this act;
- 8 l. To enter into agreements to pay annual sums in lieu of taxes to
9 any political subdivision of the State with respect to any real
10 property owned or operated directly by the agency;
- 11 m. To procure insurance against any loss in connection with its
12 operations, property and other assets (including eligible loans) in
13 the amounts and from the insurers it deems desirable;
- 14 n. To the extent permitted under its contract with the holders of
15 bonds of the agency, to consent to any modification with respect to
16 rate of interest, time and payment of any installment of principal or
17 interest, security or any other terms of any loan to an institutional
18 lender, eligible loan, loan commitment, contract or agreement of
19 any kind to which the agency is a party;
- 20 o. To the extent permitted under its contract with the holders of
21 bonds of the agency, to enter into contracts with any housing
22 sponsor containing provisions enabling the housing sponsor to
23 reduce the rental or carrying charges to persons unable to pay the
24 regular schedule of charges where, by reason of other income or
25 payment from the agency, any department or agency of the United
26 States or the State, these reductions can be made without
27 jeopardizing the economic stability of the housing project;
- 28 p. To make and collect the fees and charges it determines are
29 reasonable;
- 30 q. To the extent permitted under its contract with the holders of
31 bonds of the agency, to invest and reinvest any moneys of the
32 agency not required for immediate use, including proceeds from the
33 sale of any obligations of the agency, in obligations, securities or
34 other investments as the agency deems prudent. All functions,
35 powers and duties relating to the investment or reinvestment of
36 these funds, including the purchase, sale or exchange of any
37 investments or securities may, upon the request of the agency, be
38 exercised and performed by the Director of the Division of
39 Investment in the Department of the Treasury, in accordance with
40 written directions of the agency signed by an authorized officer,
41 without regard to any other law relating to investments by the
42 Director of the Division of Investment;
- 43 r. To provide, contract or arrange for, where, by reason of the
44 financing arrangement, review of the application and proposed
45 construction of a project is required by or in behalf of any
46 department or agency of the United States, consolidated processing
47 of the application or supervision or, in the alternative, to delegate

1 the processing in whole or in part to any such department or
2 agency;

3 s. To make eligible loans, and to participate with any
4 department, agency or authority of the United States or of any state
5 thereof, this State, a municipality, or any banking institution,
6 foundation, labor union, insurance company, trustee or fiduciary in
7 an eligible loan, secured by a single participating mortgage, by
8 separate mortgages or by other security agreements, the interest of
9 each having equal priority as to lien in proportion to the amount of
10 the loan so secured, but which need not be equal as to interest rate,
11 time or rate of amortization or otherwise, and to undertake
12 commitments to make such loans;

13 t. To assess from time to time the housing needs of any
14 municipality which is experiencing housing shortages as a result of
15 the authorization of casino gaming and to address those needs when
16 planning its programs;

17 u. To sell any eligible loan made by the agency or any loan to an
18 institutional lender owned by the agency, at public or private sale,
19 with or without bidding, either singly or in groups, or in shares of
20 loans or shares of groups of loans, issue securities, certificates or
21 other evidence of ownership secured by such loans or groups of
22 loans, sell the same to investors, arrange for the marketing of the
23 same; and to deposit and invest the funds derived from such sales in
24 any manner authorized by this act;

25 v. To make commitments to purchase, and to purchase, service
26 and sell, eligible loans, pools of loans or securities based on loans,
27 insured or issued by any department or agency of the United States,
28 and to make loans directly upon the security of any such loan, pools
29 of loans or securities;

30 w. To provide such advisory consultation, training and
31 educational services as will assist in the planning, construction,
32 rehabilitation and operation of housing including but not limited to
33 assistance in community development and organization, home
34 management and advisory services for residents and to encourage
35 community organizations and local governments to assist in
36 developing housing;

37 x. To encourage research in and demonstration projects to
38 develop new and better techniques and methods for increasing the
39 supply, types and financing of housing and housing projects in the
40 State and to engage in these research and demonstration projects
41 and to receive and accept contributions, grants or aid, from any
42 source, public or private, including but not limited to the United
43 States and the State, for carrying out this purpose;

44 y. To provide to housing sponsors, through eligible loans or
45 otherwise, financing, refinancing or financial assistance for fully
46 completed, as well as partially completed, projects which may or
47 may not be occupied, if the projects meet all the requirements of
48 this act, except that, prior to the making of the mortgage loans by

- 1 the agency, said projects need not have complied with sections
2 7a.(9) and 42 of this act;
- 3 z. To encourage and stimulate cooperatives and other forms of
4 housing with tenant participation;
- 5 aa. To promote innovative programs for home ownership,
6 including but not limited to lease-purchase programs, employer-
7 sponsored housing programs, and tenant cooperatives;
- 8 bb. To set aside and designate, out of the funds that are or may
9 become available to it for the purpose of financing housing in this
10 State pursuant to the terms of this act, certain sums or proportions
11 thereof to be used for the financing of housing and home-ownership
12 opportunities, including specifically lease-purchase arrangements,
13 provided by employers to their employees through nonprofit or
14 limited-dividend corporations or associations created by employers
15 for that purpose; and to establish priority in funding, offer bonus
16 fund allocations, and institute other incentives to encourage such
17 employer-sponsored housing and home-ownership opportunities;
- 18 cc. Subject to any agreement with bondholders, to collect,
19 enforce the collection of, and foreclose on any property or collateral
20 securing its eligible loan or loans to institutional lenders and
21 acquire or take possession of such property or collateral and sell the
22 same at public or private sale, with or without bidding, and
23 otherwise deal with such collateral as may be necessary to protect
24 the interests of the agency therein;
- 25 dd. To administer and to enter into agreements to administer
26 programs of the federal government or any other entity which are in
27 furtherance of the purposes of this act;
- 28 ee. To do and perform any acts and things authorized by this act
29 under, through, or by means of its officers, agents or employees or
30 by contract with any person, firm or corporation; **[and]**
- 31 ff. To do any acts and things necessary or convenient to carry
32 out the powers expressly granted in this act; and
- 33 gg. To issue bonds and notes and other obligations of the agency
34 under the direction of law for the purpose of providing financial
35 assistance for the installation of '13R residential' automatic fire
36 suppression systems in group homes.
37 (cf: P.L.1983, c.530, s.5)
- 38
- 39 13. This act shall take effect immediately.