

SENATE, No. 1415

STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

Senator BRIAN P. STACK

District 33 (Hudson)

Co-Sponsored by:

Senator Pou

SYNOPSIS

Permits for-profit affordable housing entities to join with non-profit entities and housing authorities in joint insurance funds under certain circumstances.

CURRENT VERSION OF TEXT

As reported by the Senate Community and Urban Affairs Committee with technical review.



(Sponsorship Updated As Of: 1/25/2024)

S1415 SINGLETON, STACK

2

1 AN ACT permitting certain for-profit affordable housing entities to
2 join certain non-profit entities and housing authorities for
3 insurance purposes, and amending P.L.2004, c.146.
4

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

7
8 1. Section 1 of P.L.2004, c.146 (C.40A:10-36.3) is amended to
9 read as follows:

10 1. a. For the purposes of P.L.2004, c.146 (C.40A:10-36.3) **[a**
11 **"non-profit"]** :

12 "Non-profit housing entity" means an organization that provides
13 housing meeting the low and moderate income limits established by
14 the United States Department of Housing and Urban Development,
15 if that organization is organized as a not-for-profit entity or as a
16 limited partnership, in a low or moderate income housing project
17 that has as its general partner a not-for-profit entity that has as its
18 primary purpose the construction, rehabilitation or management of
19 housing projects for occupancy by persons of low and moderate
20 income.

21 "For-profit affordable housing entity" means a corporation,
22 partnership, or other organization, created for the purpose of
23 providing one or more:

24 (1) 100 percent low and moderate income housing development
25 in association with P.L.1985, c.222 (C.52:27D-301 et al.),
26 constructed through the direction of a municipal fair share plan, or a
27 court order to enforce the construction; or

28 (2) project-based federal rental developments, authorized
29 pursuant to section 8 of the United States Housing Act of 1937
30 (42 U.S.C. s.1437f), including but not limited to housing
31 constructed for this purpose, and housing converted for this purpose
32 through the federal Rental Assistance Demonstration Program.

33 b. A non-profit housing entity, or a for-profit affordable housing
34 entity, shall be deemed a local unit for the purposes of P.L.1983,
35 c.372 (C.40A:10-36 et seq.) if it chooses to establish or join a joint
36 insurance fund, pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.),
37 that is comprised of either non-profit housing entities **[or]** , housing
38 authorities, for-profit affordable housing entities, or a combination
39 thereof. Such joint insurance funds shall not have as its members
40 local units that are municipalities, counties, boards of education, or
41 fire districts.

42 c. Notwithstanding any provision of law to the contrary, a joint
43 insurance fund established pursuant to P.L.1983, c.372
44 (C.40A:10-36 et seq.) that includes non-profit housing entities, or
45 for-profit affordable housing entities, or both, as members shall not

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 join together with other local units, as otherwise provided in section
2 1 of P.L.1983, c.372 (C.40A:10-36), for the purpose of providing
3 contributory or non-contributory group health insurance or group
4 term life insurance, or both, to employees or their dependents or
5 both.

6 d. Notwithstanding any provision of law to the contrary, a joint
7 insurance fund established pursuant to P.L.1983, c.372
8 (C.40A:10-36 et seq.) that includes non-profit housing entities, or
9 for-profit affordable housing entities, or both, as members may
10 participate in joint insurance funds:

11 (1) where the membership is exclusively comprised of other
12 joint insurance funds and whose purpose is to provide excess levels
13 of coverage;

14 (2) where the membership is exclusively comprised of other
15 joint insurance funds and whose purpose is to accept the transfer of
16 residual claims liabilities; or

17 (3) whose purpose is to provide environmental impairment
18 liability insurance.

19 e. A joint insurance fund that has as its members non-profit
20 housing entities, or for-profit affordable housing entities, or both,
21 shall operate pursuant to the provisions of P.L.1983, c.372
22 (C.40A:10-36 et seq.).

23 (cf: P.L.2004, c.146, s.1)

24

25 2. This act shall take effect immediately.