

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 2606

STATE OF NEW JERSEY

DATED: DECEMBER 1, 2022

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 2606.

This bill creates the "Sustainable Tiny Home Pilot Program" (pilot program) as a three-year pilot program to combat climate change and reduce the State's carbon footprint through the construction of small environmentally friendly homes.

This bill requires the Executive Director of the New Jersey Housing and Mortgage Finance Agency (executive director) in the Department of Community Affairs to select municipalities in three regions of the State to participate in the pilot program. The executive director also is to manage the pilot program to award grants to builders for the construction of housing developments consisting of homes having no greater than 300 square feet of interior floor space. The executive director, in consultation with the Commissioner of Community Affairs and the Commissioner of Environmental Protection, is to be required to adopt green building standards for tiny home dwelling units for the purposes of determining eligibility for a grant under the pilot program. Under the bill, any tiny home dwelling unit constructed in accordance with this pilot program is to be considered a permitted use in all residential districts of a pilot municipality.

This bill appropriates \$5 million from the general fund, of which the executive director would distribute \$1.65 million during each of the three years the pilot program is in operation to qualified builders for the construction of housing developments consisting of tiny homes. The executive director is to be required to submit an annual report to the Governor and Legislature detailing the pilot program's progress in decreasing the State's carbon footprint and combating global warming.