

CHAPTER 42
STATE RENTAL ASSISTANCE PROGRAM

Authority

N.J.S.A. 52:27D-287.2.

Source and Effective Date

R.2005 d.152, effective May 16, 2005.
See: 37 N.J.R. 165(a), 37 N.J.R. 1775(a).

Chapter Expiration Date

Chapter 42, State Rental Assistance Program, expires on May 16, 2010.

Chapter Historical Note

Chapter 42, Federal Aid Project Notification and Review System, was adopted as R.1970 d.83, effective July 9, 1970. See: 2 N.J.R. 46(d), 2 N.J.R. 61(e).

Chapter 42, Federal Aid Project Notification and Review System, was repealed by R.1983 d.488, effective November 7, 1983. See: 15 N.J.R. 1494(a), 15 N.J.R. 1858(a).

Chapter 42, Work First New Jersey Housing Assistance Program, was adopted as new rules by R.1999 d.124, effective April 19, 1999 (operative January 18, 2000). See: 30 N.J.R. 1463(a), 31 N.J.R. 1061(c). Chapter 42, Work First New Jersey Housing Assistance Program, expired on April 19, 2004.

Chapter 42, State Rental Assistance Program, was adopted as new rules by R.2005 d.152, effective May 16, 2005. See: Source and Effective Date.

Subchapter 6, State Rental Assistance Program Employment and Training Requirements, and Subchapter 7, Other Requirements, were adopted as new rules by R.2007 d.123, effective May 7, 2007. See: 38 N.J.R. 4279(a), 39 N.J.R. 1688(a).

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SUBCHAPTER 1. GENERAL PROVISION

5:42-1.1 Overview

(a) The purpose of these rules is to implement a rental assistance program for low-income individuals or households, who are not currently holders of Federal housing choice vouchers under the Housing Choice Voucher Program (formerly known as the "Section 8 Housing Assistance program"). The program shall provide rental assistance grants, comparable to the Federal Housing Choice Voucher Program and shall be terminated upon the award of a Federal subsidy to the same individual or household.

1. Rental assistance grants will be "tenant-based" and "project-based."

2. Not less than \$7.5 million of the rental assistance grants will be reserved for senior citizens aged 65 or older who are currently receiving a rental subsidy under the Housing Choice Voucher Program.

3. Not less than 22 percent of the rental assistance grants will be provided to homeless families with children, graduates of transitional housing programs, and households that are currently participating in a DCA-administered temporary housing assistance program and facing homelessness due to termination of funding.

4. Not less than 17 percent of the allocation under P.L. 2004, c. 140 will be reserved for project-based assistance for special initiatives under the State Rental Assistance Program that may include collaborations with the Division of Youth and Family Services and may include other special populations. Project-based assistance will be administered under N.J.A.C. 5:42-5.

5. Not less than 35 percent of the rental assistance grants will be reserved for households on the S-RAP waiting list.

6. Seven and a half percent of the allocation will be utilized by DCA for administrative expenses.

7. Not less than 10 percent of the vouchers will be set-aside for disabled head of households or spouse.

8. The remaining balance will be allocated to the set-asides listed in (a)1 through 7 above, based on the rate of disbursement in each allocation.

Amended by R.2007 d.123, effective May 7, 2007.

See: 38 N.J.R. 4279(a), 39 N.J.R. 1688(a).

In (a)2, substituted "Not less than \$7.5 million" for "Thirty percent"; rewrote (a)3; in (a)4, substituted "Not less than 17" for "Seventeen" and "may" for the second occurrence of "will"; in (a)5, substituted "Not less than 35" for "Thirty-one" and "on the S-RAP" for "currently on DCA's existing Housing Choice Voucher Program's"; in (a)6, substituted "Seven and a half" for "Five"; and added (a)7 and (a)8.

5:42-1.2 Definitions

The following terms, when used in this chapter, shall have the following meanings except when the context clearly indicates otherwise.

"Annual income" means the gross amount of income anticipated to be received by the family during the 12 months following the effective date of the examination or re-examination.

"Applicant (applicant family)" means a family that has applied for admission to a program but is not yet a participant in the program.

"Calculation of family share rent" means the family share of rent is 30 percent based upon the household's adjusted annual income, or 25 percent of household's adjusted annual income for elderly and disabled head of household. Rents above the payment standard may increase the family share above 30 percent and 25 percent, respectively.

"Calculation of S-RAP Subsidy" means the difference between the tenant rent and the applicable DCA payment standard or the gross rent, whichever is lower. DCA's payment standard ranges from the current HUD approved fair market rent to 110 percent of the fair market rent based upon bedroom size and housing market. The family is responsible for all rent payments in excess of the payment standard.

"Department" or "DCA" means the Department of Community Affairs.

"Disability" means a person who has one or more of the following disabilities:

1. A disability, as defined in Section 223 of the Social Security Act, 42 U.S.C. §423;
2. A physical, mental, or emotional impairment, which is expected to be of long-continued and indefinite duration,

substantially impedes his or her ability to live independently; and is of such a nature that such ability could be improved by more suitable housing conditions; and/or

3. A developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act, P.L. 106-402. Proof of disability is receipt of Social Security Insurance, Social Security Disability or certification from a licensed physician.

"Domicile" means the legal residence of the household head or spouse as determined in accordance with State and local law.

"Eligible Deductions" means:

1. The deduction for elderly (age 65 or above) or disabled head of household as set forth in 24 CFR 5.611(a)2, incorporated herein by reference, as amended and supplemented;

2. The deduction for each household member who is under 18 as set forth in 24 CFR 5.611(a)1, incorporated herein by reference, as amended and supplemented; and

3. The deduction for the estimated cost of tenant paid utilities exclusive of cable and telephone. (The amount of deduction is based upon established DCA utility schedule chart.)

"Fair market rent (FMR)" means the cost of gross rent for an area (shelter plus utilities) of privately owned, decent and safe rental housing of a modest nature (non-luxury) with suitable amenities.

"Family" means a person or group of persons, as determined by the DCA, approved to reside in a unit with assistance under the program.

"Family rent to owner" means the portion of rent to owner paid by the family.

"Family unit size" means the appropriate number of bedrooms for a family, as determined by DCA.

"Household" means two or more persons sharing a domicile, as defined in 24 CFR 982.4, incorporated herein by reference, as amended and supplemented, whose income and resources are available to meet the household's needs and who are related by blood, marriage or operation of law.

"Housing assistance payment (HAP)" means the monthly assistance payment by DCA, which is payment to the owner for rent to the owner under the family's lease.

"Housing quality standards (HQS)" means the HUD minimum quality standards for housing assisted under the tenant-based programs. See 24 CFR 982.401.

"Initial rent to owner" means the rent to owner at the beginning of the HAP contract term.