

“Social justice should be the underlying goal of all humanity.”
-Alan V. Lowenstein, Institute Founder



**FY2027 Budget Testimony of Nuzhat Chowdhury, Esq.
New Jersey Institute for Social Justice
Senate Budget Committee**

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Dear Chair Sarlo, Vice-Chair Greenstein and Members of the Assembly Budget and Appropriations Committee:

Thank you for the opportunity to submit this testimony. My name is Nuzhat Chowdhury, and I am the Director of the Democracy & Justice at the New Jersey Institute for Social Justice (the “Institute”).

The Institute uses cutting-edge racial and social justice advocacy to empower people of color by building reparative systems that create wealth, transform justice and harness democratic power – from the ground up – in New Jersey.

The Institute submits this testimony to make the following budget requests:

1. Expand homeownership through increased funding for first-generation down payment assistance (\$45 million);
2. Prioritize affordable housing development and protect Affordable Housing Trust Fund (AHTF);
3. Strengthen investments in higher education;
4. Support the Governor’s proposed reforms to Stay NJ and urge additional reforms;
5. Pass and fully fund the John R. Lewis Voter Empowerment Act of New Jersey;
6. Start to release funding of at least \$5 million during FY27 to begin imminent preparations for the 2030 Census;
7. Continued funding of hospital-based violence intervention (HVIP) programs;

do social justice.

8. Provide \$12 million annually to fully fund the Seabrooks-Washington Community Crisis bill;
9. Appropriate \$15 million to automate the expungement process; and
10. Finally fulfill the promise of youth prison closure.

Expand Homeownership through Increased Funding for First-Generation Down Payment Assistance: \$45 million

The Institute recommends that the Legislature support Governor Sherrill’s proposal to increase funding the Housing and Mortgage Finance Agency (HMFA) Down Payment Assistance Program (DPA) by \$5 million to \$45 million.

Homeownership is one of the most important ways that people in New Jersey build wealth and the lack of it is increasingly a source of wealth inequality. In New Jersey, racial disparities in homeownership lead to one of the largest racial wealth gaps in the country, at over \$600,000.¹ Research has shown that down payment assistance programs that provide support for first-generation homebuyers – as the New Jersey DPA program does – do a better job of closing wealth and homeownership disparities, than programs that do not target first generation buyers.² The DPA program has been a success, reaching almost 10,000 families since 2022.³ Since the implementation of the first-generation component of the program in 2024, two years ago, over 3,000 first-generation homebuyers have been helped by the program, about three-quarters of whom are people of color.⁴

We appreciate the Governor’s commitment to strengthening this program and urge the legislature to do the same.

Prioritize Affordable Housing Development and Protect Affordable Housing Trust Fund (AHTF)

The Institute recommends that the Legislature prioritize support for affordable housing development and fully fund the Affordable Housing Trust Fund.

New Jersey is facing an affordability crisis. While costs for basic family needs have been rising across the board, rising costs of housing have been particularly acute. Over a third of New Jersey households (36.2 percent) are cost-burdened by housing – spending more than 30 percent of their incomes on housing and this is true for about half of the state’s renters (49.4%).⁵ The state has a shortage of affordable homes, particularly for low-income renters.⁶

Institute research has shown that the price of a median home in New Jersey rose from about \$350,000 to over \$460,000 in just the four years from 2019 to 2023.⁷ Given the growing challenges of housing affordability, we urge the Legislature to prioritize affordable housing development. In particular, we request that the Affordable Housing Trust Fund be fully protected and restored and all diversions be eliminated. Expanding access to

affordable housing must be a priority for the state and should start with the full protection and restoration of the Affordable Housing Trust Fund for its intended purpose -- the development and restoration of affordable homes.

Strengthen Investments in Higher Education

The Institute urges the Legislature to protect and strengthen investments in higher education to keep college affordable, reduce student debt, and support New Jersey's workforce. This includes fully funding the Tuition Aid Grant (TAG) program and the Educational Opportunity Fund (EOF), restoring Summer TAG, and rejecting cuts to College Promise programs so all students can access the opportunities they need to succeed.

The Institute encourages the Legislature to continue prioritizing investments in higher education in the FY2027 budget. The Governor's proposed budget reflects the importance of investing in students and the institutions that support them, including a \$3.3 billion investment in higher education institutions and financial aid programs for students.

At a time when the federal government continues to undermine and attack higher education, it is particularly important for New Jersey to remain a national leader in supporting its colleges and universities. Continued investments in operating support for institutions of higher education help ensure that colleges can maintain high-quality programs, avoid excessive tuition increases, and provide the academic and student support services that students need to succeed.

New Jersey currently has the fourth highest attendance costs in the nation,⁸ and New Jersey college graduates graduated with the sixth highest level of debt nationally in 2020.⁹ Sustained and expanded investments in higher education are essential to ensuring that every New Jersey student has access to affordable, high-quality opportunities that strengthen the state's workforce and economy. This includes investments in our financial aid and academic support programs, such as the Tuition Aid Grant (TAG) and the Educational Opportunity Fund (EOF), which remain essential for student success. Investments in these programs must remain a priority. New Jersey should also prioritize fully funding Summer TAG. Evidence shows that low- and moderate-income students receiving summer grants graduate earlier and ultimately earn higher wages.¹⁰ We urge the Legislature to reject the proposed \$21 million elimination of Summer Tuition Aid Grant (TAG) program.

The New Jersey College Promise initiative—including the Community College Opportunity Grant (CCOG) and Garden State Guarantee (GSG)—provides critical tuition-free opportunities for lower-income students and open doors to opportunity for thousands of New Jersey families. For this promise to be truly realized, these programs must be fully and consistently funded. The \$8 million reduction in funding for CCOG would be the wrong direction for the state.

By maintaining and strengthening these investments, the Legislature can help ensure that New Jersey's higher education system remains accessible, affordable, diverse, and capable of preparing the next generation of learners, workers, and leaders.

Support the Governor's Proposed Reforms to Stay NJ and Consider Additional Reforms

The Institute implores the legislature to adopt the Governor's proposed strategic reforms to Stay NJ to make the program more targeted to seniors in need and consider additional equity reforms.

The Governor's proposed reforms to Stay NJ move the state in the right direction, by ensuring that the program is better targeted to seniors who need support to be able to afford property taxes in our state, the highest in the country. We strongly support her proposal to reduce the maximum benefit level and lower the income threshold to better target the program to folks who are struggling to keep up with rising costs and avoid providing unnecessary tax breaks to residents who already have substantial financial security. To promote both equity and fiscal responsibility, we would encourage the legislature to consider lowering the income threshold for eligibility for the program even more than the level proposed by the Governor (\$250,000). For comparison, the \$250,000 threshold is about 2.5 times the median income of New Jersey households (\$104,300) and over three times (3.4) the median household income of seniors 65+ in the state (\$72,900).¹¹

Given these figures, the threshold could be lowered further while still including the vast majority of seniors.

Fund the John R. Lewis Voter Empowerment Act of New Jersey: \$3 Million

The Institute strongly urges the swift passage and funding of the John R. Lewis Voting Empowerment Act of New Jersey (A1715/S282).

Voting rights are under attack across America. With a radical U.S. Supreme Court,¹² the introduction and movement of alarming federal voter suppression bills like the SAVE Act and MEGA Act,¹³ and a Department of Justice that is hostile to voting,¹⁴ the right to vote—especially for voters of color—is at risk. As one of the most diverse states in the country,¹⁵ New Jersey must stand up for its voters and democracy, and that includes swiftly passing a state voting rights act that not only codifies but also expands and strengthens protections from the federal Voting Rights Act in state law.

This legislation will address barriers that voters, disproportionately Black and other voters of color, continue to face in New Jersey in places like Newark,¹⁶ while also expanding language access in a state where over 31% of the population speaks a language other than English at home.¹⁷ The bill also creates a publicly accessible, centralized database of voting

and election information that will help increase voter trust in New Jersey democracy and the government by making the democratic process more transparent.

To protect our right to vote, regardless of what happens in D.C., it is imperative we prioritize and fully invest in ensuring that our democracy is protected and available to all people in New Jersey.

Begin Funding for the 2030 U.S. Census: \$5 Million

The Institute strongly recommends New Jersey begin funding for the 2030 Census in the next budget cycle.

The results of the Census affect how much funding the state will receive from the federal government, the number of seats New Jersey is allowed in the U.S. House of Representatives, the number of votes we have in the Electoral College, and the drawing of congressional and state legislative districts.¹⁸ If the current Federal Administration's efforts to redefine who counts under the Census from all persons to only citizens and lawful permanent residents¹⁹ is successful, New Jersey could lose a Congressional seat. It is therefore imperative to fully fund a total Census count within the state, to fund underserved communities, such as Black and other communities of color, and to do begin doing so as soon as possible.

The Census effort is an enormous undertaking involving, at a minimum, working with community-based organizations to uplift the Census in their communities, developing and distributing educational materials about why the Census is important, planning regional events with community partners and local governments to encourage Census participation, creating ad campaigns—tv, radio, print media, online—geared toward hard-to-count populations including in non-English language press, working with libraries and other non-profit offices to make spaces available for people to have free Internet access to complete their census forms, and other general Census outreach measures.

The federal government's current funding freezes are already impacting local census head counts and make proper funding for the 2030 Census uncertain.²⁰ We learned from the 2020 Census cycle that starting funding a mere two years out is already too late—we must follow the leads of other states, like New York and Arkansas, which have already begun releasing funding for the 2030 Census.

While we estimate a full outreach effort could require \$25 to \$30 million total, today we are asking for \$5 million in seed funding included in the FY27 state budget to begin building infrastructure needed for a fair and accurate count. Releasing this funding starting this coming budget cycle will help the state properly prepare for 2030, regardless of what happens on the federal level.

Hospital-Based Violence Intervention Programs (HVIP)

The Institute supports the continued funding of hospital-based violence intervention (HVIP) programs.

HVIPs, like the Paterson Healing Collective, pair professionals – who are credible messengers within their communities and who are trained in providing crisis response, trauma-informed mediation and culturally appropriate services – with individuals who have been targeted by violence. By disrupting the cycle of retaliation, these programs work to proactively prevent violence. These programs are particularly critical in communities of color where residents often fear that calling the police will escalate conflicts or otherwise put themselves in danger. Violence Intervention Programs play an integral part in lowering violent crime. Indeed, violent crime has decreased across New Jersey’s cities, and in particular, Paterson. HVIPs need resources, and HVIP tasks must not be reassigned to government agencies.

We are asking that the legislature use the \$25.5 million proposal to continue to fund these community-based programs.

Non-Police Community-Based Behavioral Health First Responders

The Institute urges the legislature to provide \$12 million annually to fully fund the Seabrooks Washington Community Crisis bill.

We were proud to have stood with our partners Salvation and Social Justice to support the passage of this bill which created a pilot program for non-police community-based behavioral health first responder teams in New Jersey. This pilot program is for non-police community-based behavioral health first responder teams that are separate and apart from the Attorney General’s ARRIVE Together program. Unfortunately, with the tragic police killings of Najee Seabrooks, Victoria Lee and Andrew Washington, we see that any mental health response that involves police can result in unnecessary death. Police violence is also an issue that acutely affects Black residents who are five times more likely to be the subject of the police use of force than white residents.

\$12 million annually will ensure that municipalities can implement programs modeled after those used in Oregon and Colorado that have been successful in providing treatment, reducing crime and are cost effective.

Automatic Expungement Process

The Institute urges the legislature to appropriate \$15 million to automate the expungement process.

In New Jersey, there has been a historic backlog in the processing of expungements. At its height, the backlog was at a staggering 46,000. The state has since undergone litigation reaching a settlement in 2025 that would guarantee that expungements are processed as soon as 90 days but no longer than 120 days. While the backlog has reduced significantly, the easiest way to guarantee an expedient second chance to those who have earned it is through automating the expungement process. To date, 26 states have implemented some sort of automation to their expungement processes and streamlined the process, freeing attorneys and courts to do important work.

The latest estimation for the implementation of the process is \$15 million.

Close New Jersey's Youth Prisons

The Institute urges the legislature to finally fulfill the promise of youth prison closure.

Former Governor Chris Christie first announced the closure of two of our three youth prisons in 2017. Former Governor Murphy implemented the Youth Justice Task Force which concluded its work in May 2022 and released a report co-signing the closure, citing the antiquated, inadequate, nearly empty facilities that were not designed nor operating with children in mind. That same task force recommended the closure of the facilities and the building of three facilities that would be in the northern, central and southern regions of the state, to keep kids closer to home, with programming that was developmentally appropriate and restorative in nature. In 2024, after announcing that the Female Secure Care Intake Facility and the New Jersey Training School for boys would be closed as early as 2028, former Attorney General Matthew Platkin implemented the Restorative Care to Transformative Care Youth Justice Taskforce, which recommended in January 2026, that the facilities be closed and restorative replacements be considered in their place; including the restoration of the Bordentown School on the Female Secure Care Intake Facility campus.

We must finally realize the promise of the youth prison closure in New Jersey, and the legislature must include this in the budget.

¹ LAURA SULLIVAN ET AL., *The Two New Jerseys: A Deepening Divide* (2025), <https://njsj.org/print/deepeningdivide.pdf> N.J. INST. FOR SOC. JUST.

² JUNG HYUN CHOI & JANNEKE RATCLIFFE, *Down Payment Assistance Focused on First-Generation Buyers Could Help Millions Access the Benefits of Homeownership*, URBAN INSTITUTE (April 7, 2021), <https://www.urban.org/urban-wire/down-payment-assistance-focused-first-generation-buyers-could-help-millions-access-benefits-homeownership>

³ *New Jersey Down Payment Assistance Dashboard*, NEW JERSEY HOUSING AND MORTGAGE AND FINANCE AGENCY <https://www.nj.gov/dca/hmfa/resources/dpa/> (last visited Mar., 24, 2026)

⁴ *Id.*

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- ⁵ JOINT CTR FOR HOUSING STUDIES, *The State of the Nation's Housing 2025*, HARVARD UNIVERSITY, <https://www.jchs.harvard.edu/state-nations-housing-2025>. Scroll down on webpage to "Excel Data." Table W-18. , (last visited, Mar. 24, 2026)
- ⁶ NAT'L LOW INCOME HOUSING COALITION, *2026 New Jersey Housing Profile* (Mar. 2026) https://nlihc.org/sites/default/files/SHP_NJ.pdf
- ⁷ SULLIVAN ET AL., *supra*, note 1
- ⁸ NAT'L CTR. FOR EDUC. STAT., *Digest of Education Statistics: Table 330.20. Average undergraduate tuition, fees, room, and board charges for full-time students in degree-granting postsecondary institutions, by control and level of institution and state: Academic years 2021-22 and 2022-23*, https://nces.ed.gov/programs/digest/d23/tables/dt23_330.20.asp (last accessed Aug. 7, 2025).
- ⁹ PELL INST., INDICATORS OF HIGHER EDUCATION EQUITY IN THE UNITED STATES: 50-YEAR HISTORICAL TREND REPORT 193,(2024), https://www.pellinstitute.org/wp-content/uploads/2024/05/PELL_2024_Indicators-Report_f.pdf. The amount borrowed ranged from \$30,080 at public institutions, to \$37,180 at private non-profit institutions, to \$44,920 at private for-profit institutions in 2022 constant dollars.
- ¹⁰ *Promoting Student Success at Every Level: 2023 Annual Report*, N.J. HIGHER EDUC. STUDENT ASSISTANCE AUTH., <https://www.hesaa.org/Documents/Financial/AnnualReports/AnnualReport2023.PDF>.
- ¹¹ *American Community Survey S1903 Median Income in the Past 12 Months (in 2024 Inflation-Adjusted Dollars)* U.S. CENSUS BUREAU, [https://data.census.gov/table/ACSST1Y2024.S1903?t=Income+\(Households,+Families,+Individuals\)&g=010XX00US_040X00US34](https://data.census.gov/table/ACSST1Y2024.S1903?t=Income+(Households,+Families,+Individuals)&g=010XX00US_040X00US34) (last accessed Mar. 24, 2026)
- ¹² ZACH MONTELLARO AND ANDREW HOWARD, *The Supreme Court is hearing a case that could weaken the Voting Rights Act – and upend the midterms*, POLITICO, (Oct. 15, 2025), <https://www.politico.com/news/2025/10/15/supreme-court-voting-rights-act-argument-00608340>.
- ¹³ WREN OREY, MATTHEW WEIL, AND JULIANNE LEMPERT, *Five Things to Know About the SAVE America Act*, BIPARTISAN POLICY CENTER, (Feb. 2, 2026), <https://bipartisanpolicy.org/article/five-things-to-know-about-the-save-act/>; JUDE JOFFE-BLOCK, *A Republican-backed bill would upend voter registration. Here are 8 things to know*, NPR, (Mar. 12, 2025), <https://www.npr.org/2025/03/12/nx-s1-5301676/save-act-explainer-voter-registration>.
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- ¹⁶ STEVE STRUNSKY, *Judge refuses to order that Newark polling places be made handicapped accessible*, NJ.COM (May 31, 2022) <https://www.nj.com/essex/2022/05/judge-refuses-to-order-that-newark-polling-places-be-madehandicapped-accessible.html>.
- ¹⁷ *QuickFacts: New Jersey*, U.S. CENSUS BUREAU, <https://www.census.gov/quickfacts/NJ> (last visited Mar. 18, 2025).
- ¹⁸ See RACHEL HOPPER, *The Census as a Tool of American Democracy: Dan Bouk Talks About His New Book, "Democracy's Data"*, LEADERSHIP CONF. ON CIV. & HUM. RTS., Sept. 29, 2022, <https://civilrights.org/blog/the-census-as-a-tool-of-american-democracy/>.
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