

VETO MESSAGE: No

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FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

Murphy signs bills aimed at helping those facing foreclosure
Associated Press State Wire: New Jersey (NJ) - April 29, 2019

Murphy Signs Bills Targeting State's Foreclosure Crisis
New Jersey Law Journal, April 30, 2019

Murphy signs 9 bills to alleviate NJ foreclosure crisis
NJBIZ (New Brunswick, NJ) - April 30, 2019

Murphy takes aim at state's foreclosure rate
Star-Ledger, The (Newark, NJ) - April 30, 2019

Murphy signs foreclosure laws in A.C. - Murphy signs foreclosure package in Atlantic City
Press of Atlantic City, The (NJ) - April 30, 2019

Murphy acts to combat foreclosure crisis
Burlington County Times (Willingboro, NJ) - April 30, 2019

Gov. takes aim at N.J. foreclosures
Hunterdon County Democrat (Flemington, NJ) - May 2, 2019

Foreclosure bill signed into law - Trenton. Gov. Phil Murphy signs measure that will tackle surge in New Jersey's foreclosures and streamline pending cases.
Advertiser-News, The (Sussex County, NJ) - May 10, 2019

Also of possible interest to researchers:

Public hearing before Assembly Housing and Community Development Committee: the Committee will receive testimony from invited guests and the public concerning foreclosures and vacant properties in the State [September 20, 2018, Union, New Jersey]
Call number 974.90 H842, 2018b
Available online at <http://hdl.handle.net/10929/49433>

RWHJA

P.L. 2019, CHAPTER 67, *approved April 29, 2019*
Assembly, No. 5001

1 AN ACT concerning certain mortgage foreclosures and amending
2 P.L.2009, c.105.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 1 of P.L.2009, c.105 (C.2A:50-56.1) is amended to
8 read as follows:

9 1. An action to foreclose a residential mortgage shall not be
10 commenced following the earliest of:

11 a. Six years from the date fixed for the making of the last
12 payment or the maturity date set forth in the mortgage or the note,
13 bond, or other obligation secured by the mortgage, whether the date
14 is itself set forth or may be calculated from information contained
15 in the mortgage or note, bond, or other obligation, except that if the
16 date fixed for the making of the last payment or the maturity date
17 has been extended by a written instrument, the action to foreclose
18 shall not be commenced after six years from the extended date
19 under the terms of the written instrument;

20 b. Thirty-six years from the date of recording of the mortgage,
21 or, if the mortgage is not recorded, 36 years from the date of
22 execution, so long as the mortgage itself does not provide for a
23 period of repayment in excess of 30 years; or

24 c. **[Twenty]** Six years from the date on which the debtor
25 defaulted, which default has not been cured, as to any of the
26 obligations or covenants contained in the mortgage or in the note,
27 bond, or other obligation secured by the mortgage, except that if the
28 date to perform any of the obligations or covenants has been
29 extended by a written instrument or payment on account has been
30 made, the action to foreclose shall not be commenced after **[20]** six
31 years from the date on which the default or payment on account
32 thereof occurred under the terms of the written instrument.

33 (cf: P.L.2009, c.105, s.1)

34
35 2. This act shall take effect immediately and apply to
36 residential mortgages executed on or after the effective date.

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.

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STATEMENT

This bill reduces the statute of limitations in residential mortgage foreclosure actions from 20 years to six years from the date on which the debtor defaulted, in situations in which the date of default is used as the method to determine when the statute of limitations has expired.

Thus, the bill revises the alternative methods under the “Fair Foreclosure Act” for determining when the statute of limitations for the foreclosure of a residential mortgage has expired by providing that an action shall not be commenced following the earliest of: (1) six years from the date fixed for the making of the last payment; (2) thirty-six years from the date of recording of the mortgage; or (3) six years from the date on which the debtor defaulted.

Revises statute of limitations for residential mortgage foreclosures.

ASSEMBLY, No. 5001

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 7, 2019

Sponsored by:

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Senator TROY SINGLETON

District 7 (Burlington)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Senator DAWN MARIE ADDIEGO

District 8 (Atlantic, Burlington and Camden)

Co-Sponsored by:

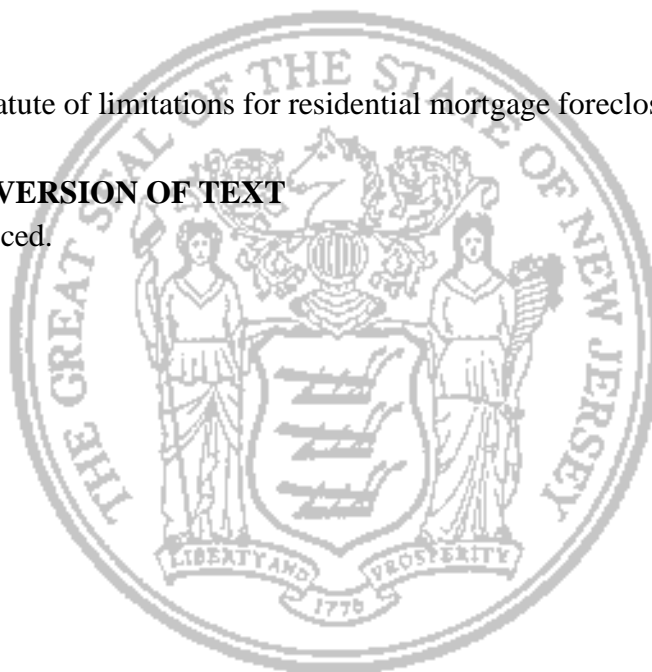
Assemblywoman Murphy, Assemblymen Houghtaling and McKeon

SYNOPSIS

Revises statute of limitations for residential mortgage foreclosures.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/26/2019)

A5001 VERRELLI, MUKHERJI

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36 residential mortgages executed on or after the effective date.

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41 This bill reduces the statute of limitations in residential mortgage
42 foreclosure actions from 20 years to six years from the date on
43 which the debtor defaulted, in situations in which the date of default
44 is used as the method to determine when the statute of limitations
45 has expired.

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A5001 VERRELLI, MUKHERJI

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1 Thus, the bill revises the alternative methods under the “Fair
2 Foreclosure Act” for determining when the statute of limitations for
3 the foreclosure of a residential mortgage has expired by providing
4 that an action shall not be commenced following the earliest of: (1)
5 six years from the date fixed for the making of the last payment; (2)
6 thirty-six years from the date of recording of the mortgage; or (3)
7 six years from the date on which the debtor defaulted.

ASSEMBLY HOUSING AND COMMUNITY DEVELOPMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5001

STATE OF NEW JERSEY

DATED: MARCH 6, 2019

The Assembly Housing and Community Development Committee reports favorably Assembly Bill No. 5001.

This bill reduces the statute of limitations in residential mortgage foreclosure actions from 20 years to six years from the date on which the debtor defaulted, in situations in which the date of default is used as the method to determine when the statute of limitations has expired.

Thus, the bill revises the alternative methods under the “Fair Foreclosure Act” for determining when the statute of limitations for the foreclosure of a residential mortgage has expired by providing that an action shall not be commenced following the earliest of: (1) six years from the date fixed for the making of the last payment; (2) thirty-six years from the date of recording of the mortgage; or (3) six years from the date on which the debtor defaulted.

As reported by the committee, the bill is identical to Senate Bill No. 3418.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5001

STATE OF NEW JERSEY

DATED: MARCH 6, 2019

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No. 5001.

This bill reduces the statute of limitations in residential mortgage foreclosure actions from 20 years to six years from the date on which the debtor defaulted, in situations in which the date of default is used as the method to determine when the statute of limitations has expired.

Thus, the bill revises the alternative methods under the “Fair Foreclosure Act” for determining when the statute of limitations for the foreclosure of a residential mortgage has expired by providing that an action shall not be commenced following the earliest of: (1) six years from the date fixed for the making of the last payment; (2) thirty-six years from the date of recording of the mortgage; or (3) six years from the date on which the debtor defaulted.

As reported by the committee, the bill is identical to Senate Bill No. 3418.

SENATE, No. 3418

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JANUARY 31, 2019

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Senator DAWN MARIE ADDIEGO

District 8 (Atlantic, Burlington and Camden)

SYNOPSIS

Revises statute of limitations for residential mortgage foreclosures.

CURRENT VERSION OF TEXT

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S3418 SINGLETON, OROHO

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2 Foreclosure Act” for determining when the statute of limitations for
3 the foreclosure of a residential mortgage has expired by providing
4 that an action shall not be commenced following the earliest of: (1)
5 six years from the date fixed for the making of the last payment; (2)
6 thirty-six years from the date of recording of the mortgage; or (3)
7 six years from the date on which the debtor defaulted.

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 3418

STATE OF NEW JERSEY

DATED: FEBRUARY 7, 2019

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 3418.

This bill reduces the statute of limitations for residential mortgage foreclosure actions under the “Fair Foreclosure Act” from 20 years to six years from the date on which the debtor defaulted, in situations in which the date of default is used as the method to determine when the statute of limitations has expired. Therefore, the statute of limitations for the foreclosure of a residential mortgage under this law would expire, and a foreclosure action could not be commenced, following the earliest of: (1) six years from the date fixed for the making of the last payment; (2) thirty-six years from the date of recording of the mortgage; or (3) six years from the date on which the debtor defaulted.



Newark, N.J.

Governor Murphy Signs Legislative Package to Address New Jersey's Foreclosure Crisis

04/29/2019

Governor Murphy Signs Legislative Package to Address New Jersey's Foreclosure Crisis

ATLANTIC CITY – Governor Phil Murphy today signed a bipartisan legislative package into law that will help New Jerseyans struggling with the state's highest-in-the-nation foreclosure rate. The new laws will assist homeowners facing the prospect of foreclosure and pave the way for community revival by addressing blight. Many of the measures were recommended in a September 2018 report by the Special Committee on Residential Foreclosures, which was created by Chief Justice Stuart Rabner.

"The foreclosure crisis has hurt our economy and jeopardized economic security of too many New Jersey families," **said Governor Murphy**. "Our communities cannot succeed while vacant or foreclosed homes sit empty or while families live in limbo. I am proud to sign these bills into law today and get New Jersey closer to ending the foreclosure crisis."

Among the bills, Governor Murphy signed A664, which codifies the Judiciary's Foreclosure Mediation Program into law, creating a long-term, permanent program that will not only increase the number of people entering mediation, but also ensure that homeowners receive housing counseling assistance to help provide them with the best possible outcomes in the foreclosure process.

"The foreclosure crisis hit the families of Atlantic County harder than almost any county in the nation. These bills offer a better path for the region and hope for families in despair," **said Special Counsel Jim Johnson**. "It's a vital and important step forward."

"Foreclosure can take an emotional and financial toll on homeowners and their families. These bills bolster our efforts to help keep families in their homes and neighborhoods intact," **said New Jersey Housing and Mortgage Finance Agency (NJHMFA) Executive Director Charles A. Richman**. "We know housing counseling works. Counseled homeowners are nearly three times as likely to have their loans modified, and 70 percent more likely to remain current after modification. That's why we have heavily invested our efforts on working to get families the counseling help they need."

The Governor signed the following nine bills into law:

- **A664** - Codifies the Judiciary's Foreclosure Mediation Program; dedicates monies from foreclosure filing fees and fines.
- **A4997** - "Mortgage Servicers Licensing Act."
- **A4999** - Requires filing of certain creditor contact information with residential mortgage foreclosure complaint and lis pendens.
- **A5001** - Revises statute of limitations for residential mortgage foreclosures.

- **A5002** - Permits certain planned real estate developments to file certain liens; concerns limited priority of certain liens.
- **S3411** - Requires receivership appointment application prior to certain foreclosure actions; requires notice of intention to foreclosure on residential mortgage to be filed within 180 days prior to commencing foreclosure; limits reinstatements of dismissed mortgage foreclosure actions.
- **S3413** - Makes certain changes to summary action foreclosure process under "Fair Foreclosure Act."
- **S3416** - Clarifies that "New Jersey Residential Mortgage Lending Act" applies to certain out-of-state persons and involved in residential mortgage lending in the State.
- **S3464** - Revises certain procedures for real estate foreclosure sales; alters adjournment of sale process.

"Foreclosures are tragic situations for New Jersey families that can also create public safety as well as quality of life issues for surrounding communities," **said Senator Steve Oroho**, sponsor of the bill package. "Doing our part to reduce the foreclosure rate statewide will protect families, make neighborhoods safer, and provide children the stability they need both at home and at school. I am proud Governor Murphy signed our bipartisan bill package into law. Stable homes will lead to happier households and better neighborhoods throughout our state."

"We are all aware that the surge in foreclosed properties is a significant factor that hinders more sustained economic growth in our state," **said Senator Troy Singleton**. "Solving the foreclosure issue by preventing homeowners from initially falling into this process will help to increase property values and stabilize our communities, while improving our state's overall economic outlook. This issue is not new. However, the comprehensive approach outlined in these bipartisan laws is unprecedented in our state. They will build upon the continued reduction in pending foreclosure cases and shorten the timeline to adjudicate these cases. This is a reflection of the work undertaken by every branch of our state government."

"Sadly, for too long our state has led the nation in foreclosures, with 70,000 properties going through the process in 2017 alone. Recognizing this problem, Chief Justice Rabner impaneled a blue ribbon committee encompassing the public, private and non-profit sectors to craft solutions, both legislative and regulatory, that were both fair and responsible to our state's residents and housing economy. I was privileged to serve and be a part of the solution," **said Assembly Speaker Craig Coughlin**. "The nine bills signed into law today are the first of many steps we'll take to address foreclosure process concerns in the state. More efficiency and ensuring fairness in the current system protects the interests of our homeowners, our neighborhoods and communities."

"These new laws will help us take a comprehensive approach in dealing with foreclosed homes in New Jersey," **said Assemblyman Benjie Wimberly**. "Foreclosed properties that sit in neighborhoods for years without being maintained are also a major problem, because these homes become eyesores to the community and drive property values down. As chair of the Assembly Housing and Community Development Committee, I will continue to work with Speaker Coughlin and our caucus to help solve the foreclosure crisis in New Jersey."

Advocates also expressed support for the measures.

"We thank Governor Murphy and the Legislature for providing valuable tools to address our state's relentless foreclosure crisis," **said Staci Berger, President and Chief Executive Officer of the Housing and Community Development Network of NJ**. "Residents and neighborhoods have suffered needlessly because the prior Administration failed to take important steps like these. During that time, residents and communities of color were disproportionately impacted by the crisis, losing so much of their housing equity. As NJ's largest HUD housing counseling intermediary, the Network is thrilled that New Jersey's leaders are now working with us and our members to keep people in their homes and helping to protect the single largest investment working families can make."

"Thanks to the leadership of both Governor Murphy and the legislators who sponsored this bill package, New Jersey is one step close to putting the foreclosure crisis behind us," **said Winn Khuong, Executive Director of Action Together New Jersey**. "Governor Murphy's action today puts New Jersey on a path to renewing our communities, something that will change the lives of so many. We are pleased to see New Jersey's leaders moving the state in the right direction."

"We applaud Governor Murphy and all of the legislators on the passage of this package of bills," **said Renee Koubiadis, Executive Director of the Anti-Poverty Network of New Jersey**. "Taken together, these bills will allow for a more transparent and fairer process for people facing default and will help alleviate New Jersey's persistent foreclosure crisis. Particularly, the codification and funding of the Foreclosure Mediation Program will allow families receive to counseling and mediation to find a resolution to be able to stay in their homes."

"A decade after the financial crisis, New Jersey continues to lead the nation in foreclosures," **said Kevin Walsh, Executive Director of Fair Share Housing Center.** "This legislative package will provide needed relief by increasing protections for homeowners and holding lenders accountable. We'd like to thank Governor Murphy and legislative leaders, including Senator Singleton, for pushing through proposals designed to protect working families."

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Governor Phil Murphy

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