

17: 1B-9.3

LEGISLATIVE HISTORY CHECKLIST

NJSA 17:1B-9.3

Laws of 1975 Chapter 396

Bill No. S 833

Sponsor(s) Merlino & others

Date Introduced Feb. 11, 1974

Committee: Assembly Banking & Insurance

Senate Labor, Industry & Professions

Amended during passage Yes Amendments during passage denoted by asterisks

Date of passage: Assembly Jan. 5, 1976

Senate May 13, 1974

Date of approval March 5, 1976

Following statements are attached if available:

Sponsor statement Yes

Committee Statement: Assembly Yes

Senate Yes identical to sponsor's statement

Fiscal Note No

Veto message No

Message on signing No

Following were printed:

Reports No

Hearings No

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CHAPTER 396 LAWS OF N. J. 1975

APPROVED 3-5-76

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SENATE, No. 833

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 11, 1974

By Senators MERLINO, LIPMAN, ORECHIO, DUNN, PARKER,
TUMULTY and HORN

Referred to Committee on Labor, Industry and Professions

A SUPPLEMENT to the "New Jersey Mortgage Finance Agency
Law," approved May 4, 1970 (P. L. 1970, c. 38).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. At least ****[25%]**** ***20%*** of the funds made available for
2 loans to mortgage lenders pursuant to the act this act supplements
3 shall be used for ***[new]*** ***new*** residential mortgages in
4 municipalities ****[wherein the median housing value is less than**
5 **the median housing value in the State, as determined by the most**
6 **recent Federal census]**** ***which qualify for State aid under*
7 *P. L. 1971, c. 64**.*

1 2. This act shall take effect 60 days after its enactment.

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.**

SENATE, No. 833

STATE OF NEW JERSEY

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Law," approved May 4, 1970 (P. L. 1970, c. 38).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. At least 25% of the funds made available for loans to mort-
2 gage lenders pursuant to the act this act supplements shall be
3 used for new residential mortgages in municipalities wherein the
4 median housing value is less than the median housing value in the
5 State, as determined by the most recent Federal census.

1 2. This act shall take effect 60 days after its enactment.

STATEMENT

The Mortgage Finance Agency sells tax-free bonds and hands the proceeds to banks for loans at a reduced rate on home mortgages costing up to \$35,000.00. In early December, 1973, it distributed \$102 million to New Jersey banks for home mortgages at 7.4% interest. No percentage of this money is specifically earmarked for city home buyership, where there is some reluctance in the private sector to provide funds.

This bill presumes that a public purpose is served by State encouragement of home-buying in our older urban areas: namely, that long-term residential investment in our cities will motivate their modernization, preserve their tax base, and stabilize urban communities so that the city can serve its historic role as "staging area" for new groups of poor immigrants.

This bill makes a modest contribution to that end by requiring the M.F.A. to set aside for urban housing at least a quarter of the funds it raises for mortgages.

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ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO

SENATE, No. 833

—•—
STATE OF NEW JERSEY
—•—

DATED: SEPTEMBER 8, 1975

This bill would require that 20% of the funds made available for loans to mortgage lenders by the New Jersey Mortgage Finance Agency be used for new residential mortgages in municipalities which qualify for State aid pursuant to the provisions of P. L. 1971, c. 64. It is not the intention of this legislation to limit the use of such funds to loans for newly constructed housing only; the committee anticipates that the bulk of such funds will be applied to newly purchased older dwellings. This bill would ensure an adequate supply of housing funds to inner city areas.

SENATE LABOR, INDUSTRY AND PROFESSIONS
COMMITTEE

STATEMENT TO
SENATE, No. 833

STATE OF NEW JERSEY

DATED: APRIL 22, 1974

The Mortgage Finance Agency sells tax-free bonds and hands the proceeds to banks for loans at a reduced rate on home mortgages costing up to \$35,000.00. In early December, 1973, it distributed \$102 million to New Jersey banks for home mortgages at 7.4% interest. No percentage of this money is specifically earmarked for city home buyer-ship, where there is some reluctance in the private sector to provide funds.

This bill presumes that a public purpose is served by State encouragement of home-buying in our older urban areas: namely, that long-term residential investment in our cities will motivate their modernization, preserve their tax base, and stabilize urban communities so that the city can serve its historic role as "staging area" for new groups of poor immigrants.

This bill makes a modest contribution to that end by requiring the M.F.A. to set aside for urban housing at least a quarter of the funds it raises for mortgages.