

46:10A-6

LEGISLATIVE FACT SHEET

ON Mortgage, etc. Debtor's Choice

N.J.R.S. 46:10A-6

( Amendment )

LAWS OF 1975

CHAPTER 115 7/7/75

SENATE

ASSEMBLY 1788 OCR

INTRODUCED May 16, 1974

BY Forrester et al.

STATEMENT

YES

NO

AMENDED DURING PASSAGE

YES

NO

HEARING None discovered

VETO

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Sponsor's statement to H1788:

"This bill would authorize the borrower in a home mortgage loan transaction to be represented by an attorney of his own choice."

[OFFICIAL COPY REPRINT]  
ASSEMBLY, No. 1788

STATE OF NEW JERSEY

INTRODUCED MAY 16, 1974

By Assemblymen GARRUBBO, McCARTHY, DEVERIN, MARTIN,  
ADUBATO, KEEGAN, NERI, BORNHEIMER, RUANE, GLAD-  
STONE, CONTILLO, VISOTCKY, HOLLENBECK, CODEY,  
HERMAN, SHELTON, Assemblywoman TOTARO, Assemblymen  
MacINNES and SINSIMER

Referred to Committee on Banking and Insurance

AN ACT with respect to the right of an individual borrower to  
select his own attorney in certain mortgage loan transactions.

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

1 1. No banking institution or other financial institution authorized  
2 to engage in the business of making loans secured by mortgage,  
3 hereinafter referred to as a "lender," shall require an individual  
4 borrower of a loan to be secured by a mortgage on a one-, two-,  
5 three- or four-family residence resided in or to be resided in by  
6 the borrower-mortgagor or a member of his immediate family, to  
7 employ the services of the lender's counsel or an attorney specified  
8 by the lender but the borrower shall have the right to be repre-  
9 sented in the transaction by an attorney at law of New Jersey of  
10 his own selection. The provisions of this act shall not preclude a  
11 lender from requiring that documents prepared in connection with  
12 a mortgage loan transaction prepared by a borrower's attorney to  
13 be submitted to the lender's attorney for examination and review  
14 and to require the borrower to pay a reasonable fee for such service  
15 by the lender's attorney.

16 The provisions of this act shall not be applicable to a mortgage  
17 loan made for commercial purposes.  
2 enactment.

1 2. This act shall take effect \***[30 days]**\* \*6 months\* after

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

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12 a mortgage loan transaction prepared by a borrower's attorney to  
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14 and to require the borrower to pay a reasonable fee for such service  
15 by the lender's attorney.

16 The provisions of this act shall not be applicable to a mortgage  
17 loan made for commercial purposes.

1 2. This act shall take effect 30 days after enactment.

STATEMENT

This bill would authorize the borrower in a home mortgage loan transaction to be represented by an attorney of his own choice.

[SENATE REPRINT]

## ASSEMBLY, No. 1788

with Senate committee amendment adopted April 7, 1975

# STATE OF NEW JERSEY

INTRODUCED MAY 16, 1974

By Assemblymen GARRUBBO, McCARTHY, DEVERIN, MARTIN, ADUBATO, KEEGAN, NERI, BORNHEIMER, RUANE, GLADSTONE, CONTILLO, VISOTCKY, HOLLENBECK, CODEY, HERMAN, SHELTON, Assemblywoman TOTARO, Assemblymen MacINNES and SINSIMER

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1 2. This act shall take effect \***[30 days]**\* \*6 months\* after  
2 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 COMMITTEE AMENDMENT TO  
**ASSEMBLY, No. 1788**

**STATE OF NEW JERSEY**

ADOPTED APRIL 7, 1975

Amend page 1, section 2, line 1, omit "30 days", insert "6 months".

SENATE LABOR, INDUSTRY, AND  
PROFESSIONS COMMITTEE

STATEMENT TO  
ASSEMBLY, No. 1788

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STATE OF NEW JERSEY

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DATED: APRIL 7, 1975

Assembly Bill No. 1788 would authorize the borrower in a home mortgage loan transaction to be represented by an attorney of his own choice.

The committee amended the bill to extend the effective date from 30 days to 6 months.