

2A:50-58

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2006 **CHAPTER:** 13

NJSA: 2A:50-58 (Requires residential mortgage lender to provide debtor with certain information in certain notices, and include copies of notices to court in certain foreclosure actions)

BILL NO: S1181 (Substituted for A148)

SPONSOR(S) Gill and others

DATE INTRODUCED: January 30, 2006

COMMITTEE: **ASSEMBLY:**

SENATE: Commerce

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** March 16, 2006

SENATE: February 27, 2006

DATE OF APPROVAL: April 17, 2006

FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (1st reprint enacted)

S1181

[SPONSOR'S STATEMENT:](#) (Begins on page 3 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: [Yes](#)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL NOTE: No

A148

[SPONSOR'S STATEMENT:](#) (Begins on page 3 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** [Yes](#)

SENATE: No

[FLOOR AMENDMENT STATEMENT:](#) [Yes](#)

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

RWH 2/28/08

P.L. 2006, CHAPTER 13, *approved April 17, 2006*
Senate, No. 1181 (*First Reprint*)

1 AN ACT concerning certain foreclosure procedures and amending
2 P.L.1995, c.244.

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

6
7 1. Section 6 of P.L.1995, c.244 (C.2A:50-58) is amended to read
8 as follows:

9 6. a. (1) If a plaintiff's action to foreclose a residential mortgage
10 is uncontested, pursuant to R.4:64-1(a) of the Rules Governing the
11 Courts of the State of New Jersey and the plaintiff chooses not to
12 use the optional procedure for the disposition of foreclosed
13 premises pursuant to section 11 of this act, a lender shall apply for
14 entry of final judgment and provide the debtor with a notice, mailed
15 at least 14 calendar days prior to the submission of proper proofs
16 for entry of a foreclosure judgment, providing the debtor with the
17 '[amount necessary to cure the default] name and address of the
18 lender and the telephone number of a representative of the lender
19 whom the debtor may contact to obtain the amount required to cure
20 the default,'¹ and advising that, absent a response from the debtor
21 pursuant to paragraph (2) of this subsection a., proper proofs will be
22 submitted for entry of final judgment in the foreclosure action and
23 that upon entry of final judgment, the debtor shall lose the right,
24 provided pursuant to section 5 of this act, to cure the default. The
25 lender shall attach a copy of the required '[14 day] 14-day'¹ notice
26 to the application for final judgment. The manner and address for
27 mailing and the effective date of the notice shall be the same as set
28 forth in subsection b. of section 4 of this act.

29 (2) A debtor may, no later than 10 days after receipt of the notice
30 required pursuant to subsection a. of this section, mail to the lender
31 a statement in which the debtor in good faith certifies as true that
32 there is a reasonable likelihood that the debtor will be able to
33 provide payment necessary to cure the default within 45 days of the
34 date the notice required pursuant to paragraph (1) of this subsection
35 a. became effective. This statement shall be sent registered or
36 certified mail, return receipt requested, to the address of the lender
37 who gave notice as required pursuant to subsection a. of this
38 section.

39 (3) A lender who receives a statement sent by the debtor
40 pursuant to paragraph (2) of this subsection a., shall not submit
41 proper proofs for entry of final judgment in foreclosure with a
42 return date earlier than 46 days after the date the notice required
43 pursuant to paragraph (1) of this subsection a. became effective.

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCM committee amendments adopted February 9, 2006.

1 b. (1) If a plaintiff's action to foreclose a residential mortgage is
2 uncontested, pursuant to R.4:64-1(a) of the Rules Governing the
3 Courts of the State of New Jersey and the lender chooses to use the
4 optional procedure for the disposition of the foreclosed premises
5 pursuant to section 11 of this act, the lender shall provide the debtor
6 with a notice, mailed at least 14 calendar days prior to filing an
7 affidavit or certification with the office or court pursuant to
8 subsection f. of section 11 of this act. The notice shall provide the
9 debtor with the ¹['amount necessary to cure the default'] name and
10 address of the lender and the telephone number of a representative
11 of the lender whom the debtor may contact to obtain the amount
12 required to cure the default. ¹ and advise the debtor that, absent a
13 response from the debtor pursuant to paragraph (2) of this
14 subsection b., the lender shall file an affidavit or certification with
15 the office or court requesting the office or court to enter an order of
16 redemption and that upon the entry of the order of redemption the
17 debtor shall lose the right provided pursuant to section 5 of this act,
18 to cure the default. The lender shall attach a copy of the required
19 ¹['14 day'] 14-day¹ notice to the ¹['application for final judgment']
20 affidavit or certification for filing with the office or court requesting
21 the office or court to enter an order of redemption ¹ . The manner
22 and address for mailing and the effective date of the notice shall be
23 the same as set forth in subsection b. of section 4 of this act.

24 (2) A debtor may, no later than 10 days after receipt of the notice
25 required pursuant to paragraph (1) of this subsection b., mail to the
26 lender a statement in which the debtor in good faith certifies as true
27 that there is a reasonable likelihood that the debtor will be able to
28 provide payment necessary to cure the default within 45 days of the
29 date the notice required pursuant to paragraph (1) of this subsection
30 b. became effective. This statement shall be sent registered or
31 certified mail, return receipt requested, to the address of the lender
32 who gave notice as required pursuant to paragraph (1) of this
33 subsection b.

34 (3) A lender who receives a statement sent by the debtor
35 pursuant to paragraph (2) of this subsection b., shall not file an
36 affidavit or certification with the office or court earlier than 46 days
37 after the date the notice required pursuant to paragraph (1) of this
38 subsection b. became effective.

39 (cf: P.L.1995, c.244, s.6)

40

41 2. This act shall take effect on the 90th day after enactment and
42 shall apply to foreclosure actions commenced on or after the
43 effective date.

44

45

46 Requires residential mortgage lender to provide debtor with
47 contact information in certain notices, and include copies of notices
48 to court in certain foreclosure actions.

SENATE, No. 1181

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JANUARY 30, 2006

Sponsored by:
Senator NIA H. GILL
District 34 (Essex and Passaic)

SYNOPSIS

Requires lenders to provide debtors with amount necessary to cure debt and attach copy of 14 day notice to application for final judgment in certain foreclosure actions.

CURRENT VERSION OF TEXT

As introduced.



S1181 GILL

2

1 AN ACT concerning certain foreclosure procedures and amending
2 P.L.1995, c.244.

3

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

6

7 1. Section 6 of P.L.1995, c.244 (C.2A:50-58) is amended to read
8 as follows:

9 6. a. (1) If a plaintiff's action to foreclose a residential mortgage
10 is uncontested, pursuant to R.4:64-1(a) of the Rules Governing the
11 Courts of the State of New Jersey and the plaintiff chooses not to
12 use the optional procedure for the disposition of foreclosed
13 premises pursuant to section 11 of this act, a lender shall apply for
14 entry of final judgment and provide the debtor with a notice, mailed
15 at least 14 calendar days prior to the submission of proper proofs
16 for entry of a foreclosure judgment, providing the debtor with the
17 amount necessary to cure the default and advising that, absent a
18 response from the debtor pursuant to paragraph (2) of this
19 subsection a., proper proofs will be submitted for entry of final
20 judgment in the foreclosure action and that upon entry of final
21 judgment, the debtor shall lose the right, provided pursuant to
22 section 5 of this act, to cure the default. The lender shall attach a
23 copy of the required 14 day notice to the application for final
24 judgment. The manner and address for mailing and the effective
25 date of the notice shall be the same as set forth in subsection b. of
26 section 4 of this act.

27 (2) A debtor may, no later than 10 days after receipt of the notice
28 required pursuant to subsection a. of this section, mail to the lender
29 a statement in which the debtor in good faith certifies as true that
30 there is a reasonable likelihood that the debtor will be able to
31 provide payment necessary to cure the default within 45 days of the
32 date the notice required pursuant to paragraph (1) of this subsection
33 a. became effective. This statement shall be sent registered or
34 certified mail, return receipt requested, to the address of the lender
35 who gave notice as required pursuant to subsection a. of this
36 section.

37 (3) A lender who receives a statement sent by the debtor
38 pursuant to paragraph (2) of this subsection a., shall not submit
39 proper proofs for entry of final judgment in foreclosure with a
40 return date earlier than 46 days after the date the notice required
41 pursuant to paragraph (1) of this subsection a. became effective.

42 b. (1) If a plaintiff's action to foreclose a residential mortgage is
43 uncontested, pursuant to R.4:64-1(a) of the Rules Governing the
44 Courts of the State of New Jersey and the lender chooses to use the
45 optional procedure for the disposition of the foreclosed premises

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.

S1181 GILL

1 pursuant to section 11 of this act, the lender shall provide the debtor
2 with a notice, mailed at least 14 calendar days prior to filing an
3 affidavit or certification with the office or court pursuant to
4 subsection f. of section 11 of this act. The notice shall provide the
5 debtor with the amount necessary to cure the default and advise the
6 debtor that, absent a response from the debtor pursuant to paragraph
7 (2) of this subsection b., the lender shall file an affidavit or
8 certification with the office or court requesting the office or court to
9 enter an order of redemption and that upon the entry of the order of
10 redemption the debtor shall lose the right provided pursuant to
11 section 5 of this act, to cure the default. The lender shall attach a
12 copy of the required 14 day notice to the application for final
13 judgment. The manner and address for mailing and the effective
14 date of the notice shall be the same as set forth in subsection b. of
15 section 4 of this act.

16 (2) A debtor may, no later than 10 days after receipt of the notice
17 required pursuant to paragraph (1) of this subsection b., mail to the
18 lender a statement in which the debtor in good faith certifies as true
19 that there is a reasonable likelihood that the debtor will be able to
20 provide payment necessary to cure the default within 45 days of the
21 date the notice required pursuant to paragraph (1) of this subsection
22 b. became effective. This statement shall be sent registered or
23 certified mail, return receipt requested, to the address of the lender
24 who gave notice as required pursuant to paragraph (1) of this
25 subsection b.

26 (3) A lender who receives a statement sent by the debtor
27 pursuant to paragraph (2) of this subsection b., shall not file an
28 affidavit or certification with the office or court earlier than 46 days
29 after the date the notice required pursuant to paragraph (1) of this
30 subsection b. became effective.

31 (cf: P.L.1995, c.244, s.6)

32

33 2. This act shall take effect on the 90th day after enactment and
34 shall apply to foreclosure actions commenced on or after the
35 effective date.

36

37

38

STATEMENT

39

40 This bill provides that a lender who applies for entry of a final
41 judgment in a foreclosure action pursuant to the "Fair Foreclosure
42 Act," shall include a statement of the amount necessary to cure the
43 default in the lender's 14 day notice required prior to entry of final
44 judgment. The bill further requires the lender to submit a copy of
45 the 14 day notice to the court as part of the lender's application for
46 final judgment.

SENATE COMMERCE COMMITTEE

STATEMENT TO

with committee amendments

SENATE, No. 1181

STATE OF NEW JERSEY

DATED: FEBRUARY 9, 2006

The Senate Commerce Committee reports favorably and with committee amendments Senate Bill No. 1181.

This bill, as amended, provides that a residential mortgage lender who applies for entry of a final judgment or an order of redemption in a foreclosure action pursuant to the "Fair Foreclosure Act," P.L.1995, c.244 (C.2A:50-53 et seq.), shall include a statement with its notice to the debtor regarding the pending application for final judgment or order of redemption, providing the debtor with the name and address of the lender and the telephone number of a representative of the lender whom the debtor may contact to obtain the amount required to cure the default. The information shall be supplied at least 14 calendar days prior to the lender's submission of proofs for entry of the foreclosure judgment or order of redemption. The amended bill further requires the lender to submit a copy of this 14-day notice to the court as part of the lender's application for final judgment or the affidavit or certification requesting the entry of an order of redemption.

The committee amendments to the bill:

- require lenders to provide certain contact information to debtors in the "14-day notice," so that debtors may obtain from the lender the amount required to cure the default prior to the lender submitting proofs for final action, as opposed to the underlying bill which required lenders to affirmatively state the amount in the advanced notice; and

- make certain corrections that are technical in nature, or replace inconsistent language with more appropriate terminology.

ASSEMBLY, No. 148

STATE OF NEW JERSEY

212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by:

Assemblywoman CHARLOTTE VANDERVALK

District 39 (Bergen)

Assemblyman JOSEPH J. ROBERTS, JR.

District 5 (Camden and Gloucester)

Co-Sponsored by:

Assemblywoman Watson Coleman, Assemblymen Bateman and Gusciora

SYNOPSIS

Requires lenders to provide debtors with amount necessary to cure debt and attach copy of 14 day notice to application for final judgment in certain foreclosure actions.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning certain foreclosure procedures and amending
2 P.L.1995, c.244.

3

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

6

7 1. Section 6 of P.L.1995, c.244 (C.2A:50-58) is amended to read
8 as follows:

9 6. a. (1) If a plaintiff's action to foreclose a residential
10 mortgage is uncontested, pursuant to R.4:64-1(a) of the Rules
11 Governing the Courts of the State of New Jersey and the plaintiff
12 chooses not to use the optional procedure for the disposition of
13 foreclosed premises pursuant to section 11 of this act, a lender shall
14 apply for entry of final judgment and provide the debtor with a
15 notice, mailed at least 14 calendar days prior to the submission of
16 proper proofs for entry of a foreclosure judgment, providing the
17 debtor with the amount necessary to cure the default and advising
18 that, absent a response from the debtor pursuant to paragraph (2) of
19 this subsection a., proper proofs will be submitted for entry of final
20 judgment in the foreclosure action and that upon entry of final
21 judgment, the debtor shall lose the right, provided pursuant to
22 section 5 of this act, to cure the default. The lender shall attach a
23 copy of the required 14 day notice to the application for final
24 judgment. The manner and address for mailing and the effective
25 date of the notice shall be the same as set forth in subsection b. of
26 section 4 of this act.

27 (2) A debtor may, no later than 10 days after receipt of the
28 notice required pursuant to subsection a. of this section, mail to the
29 lender a statement in which the debtor in good faith certifies as true
30 that there is a reasonable likelihood that the debtor will be able to
31 provide payment necessary to cure the default within 45 days of the
32 date the notice required pursuant to paragraph (1) of this subsection
33 a. became effective. This statement shall be sent registered or
34 certified mail, return receipt requested, to the address of the lender
35 who gave notice as required pursuant to subsection a. of this
36 section.

37 (3) A lender who receives a statement sent by the debtor
38 pursuant to paragraph (2) of this subsection a., shall not submit
39 proper proofs for entry of final judgment in foreclosure with a
40 return date earlier than 46 days after the date the notice required
41 pursuant to paragraph (1) of this subsection a. became effective.

42 b. (1) If a plaintiff's action to foreclose a residential mortgage is
43 uncontested, pursuant to R.4:64-1(a) of the Rules Governing the
44 Courts of the State of New Jersey and the lender chooses to use the
45 optional procedure for the disposition of the foreclosed premises

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.

1 pursuant to section 11 of this act, the lender shall provide the debtor
2 with a notice, mailed at least 14 calendar days prior to filing an
3 affidavit or certification with the office or court pursuant to
4 subsection f. of section 11 of this act. The notice shall provide the
5 debtor with the amount necessary to cure the default and advise the
6 debtor that, absent a response from the debtor pursuant to paragraph
7 (2) of this subsection b., the lender shall file an affidavit or
8 certification with the office or court requesting the office or court to
9 enter an order of redemption and that upon the entry of the order of
10 redemption the debtor shall lose the right provided pursuant to
11 section 5 of this act, to cure the default. The lender shall attach a
12 copy of the required 14 day notice to the application for final
13 judgment. The manner and address for mailing and the effective
14 date of the notice shall be the same as set forth in subsection b. of
15 section 4 of this act.

16 (2) A debtor may, no later than 10 days after receipt of the
17 notice required pursuant to paragraph (1) of this subsection b., mail
18 to the lender a statement in which the debtor in good faith certifies
19 as true that there is a reasonable likelihood that the debtor will be
20 able to provide payment necessary to cure the default within 45
21 days of the date the notice required pursuant to paragraph (1) of this
22 subsection b. became effective. This statement shall be sent
23 registered or certified mail, return receipt requested, to the address
24 of the lender who gave notice as required pursuant to paragraph (1)
25 of this subsection b.

26 (3) A lender who receives a statement sent by the debtor
27 pursuant to paragraph (2) of this subsection b., shall not file an
28 affidavit or certification with the office or court earlier than 46 days
29 after the date the notice required pursuant to paragraph (1) of this
30 subsection b. became effective.

31 (cf: P.L.1995, c.244, s.6)

32

33 2. This act shall take effect on the 90th day after enactment and
34 shall apply to foreclosure actions commenced on or after the
35 effective date.

36

37

38

STATEMENT

39

40 This bill provides that a lender who applies for entry of a final
41 judgment in a foreclosure action pursuant to the "Fair Foreclosure
42 Act," shall include a statement of the amount necessary to cure the
43 default in the lender's 14-day notice required prior to entry of final
44 judgment. The bill further requires the lender to submit a copy of
45 the 14-day notice to the court as part of the lender's application for
46 final judgment.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 148

STATE OF NEW JERSEY

DATED: JANUARY 30, 2006

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No. 148.

The bill provides that a lender who applies for entry of a final judgment in a residential mortgage foreclosure action pursuant to the "Fair Foreclosure Act" shall include a statement of the amount necessary to cure the default in the lender's 14-day notice required prior to entry of final judgment. The bill further requires the lender to submit a copy of the 14-day notice to the court as part of the lender's application for final judgment.

This bill was pre-filed for introduction in the 2006-2007 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

STATEMENT TO
ASSEMBLY No. 148

with Assembly Floor Amendments
(Proposed By Assemblywoman VANDERVALK)

ADOPTED: FEBRUARY 9, 2006

These amendments require lenders to provide certain contact information to debtors in the "14-day notice," so that debtors may obtain from the lender the amount required to cure the default prior to the lender submitting proofs for final action, as opposed to the underlying bill which required lenders to affirmatively state the amount in the advanced notice. The amendments also make certain technical corrections.