

[Third Reprint]

**SENATE, No. 2340**

**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

INTRODUCED APRIL 9, 2020

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**SYNOPSIS**

Provides mortgage payment relief, income tax relief, consumer reporting protection, and eviction protection for residential property owners, tenants, and other consumers, during time of coronavirus disease 2019 pandemic.

**CURRENT VERSION OF TEXT**

As amended by the Senate on October 29, 2020.

(Sponsorship Updated As Of: 7/30/2020)

1 AN ACT concerning protections for residential property owners and  
2 tenants during emergency circumstances and <sup>1</sup>【supplementing  
3 Title 52 of the Revised Statutes】 amending P.L.2020, c.1<sup>1</sup>.

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

7  
8 <sup>1</sup>【1. a. Notwithstanding any other law, ordinance, rule or  
9 regulation to the contrary, whenever a Public Health Emergency,  
10 pursuant to the “Emergency Health Powers Act,” P.L.2005, c.222  
11 (C.26:13-1 et seq.), or a State of Emergency, pursuant to  
12 P.L.1942, c.251 (C.App.A.9-33 et seq.), or both, has been declared  
13 by the Governor and is in effect, the Governor may issue an  
14 executive order to declare that an emergency-impacted homeowner  
15 may apply, pursuant to subsection c. of this section, for a mortgage  
16 forbearance.

17 b. A mortgage forbearance executive order shall indicate the  
18 length of time, not to exceed three months, that each individual  
19 forbearance shall remain in effect, which period shall commence  
20 upon approval by the reviewing entity of the emergency-impacted  
21 homeowner’s application.

22 c. (1) A mortgage forbearance executive order shall indicate  
23 whether emergency-impacted homeowners shall apply to the  
24 commissioner, or to another administrative agent, for mortgage  
25 forbearances.

26 (2) An emergency-impacted homeowner may apply on forms to  
27 be provided by the department for a certification of eligibility for a  
28 mortgage forbearance. The application shall be submitted in  
29 accordance with a deadline to be established by a mortgage  
30 forbearance executive order. The reviewing entity shall approve or  
31 deny an application within 30 days of its delivery. An emergency-  
32 impacted homeowner shall be eligible for a mortgage forbearance  
33 regardless of whether the residential property is already the subject  
34 of a foreclosure proceeding prior to the effective date of a mortgage  
35 forbearance executive order.

36 (3) (a) Notwithstanding the provisions of any law, rule, or  
37 regulation to the contrary, the repayment period of any mortgage  
38 subject to the forbearance established pursuant to this section shall  
39 be extended by the number of months the forbearance is in effect.

40 (b) During the time of the forbearance, and during the period  
41 constituting an extension of the mortgage, all terms and conditions  
42 of the original mortgage, except with regard to default and  
43 delinquency during forbearance, shall continue without  
44 modification, and there shall be no fees assessed for the  
45 forbearance, or penalty for early repayment.

**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:

<sup>1</sup>Assembly AHO committee amendments adopted June 15, 2020.

<sup>2</sup>Assembly AAP committee amendments adopted July 27, 2020.

<sup>3</sup>Senate floor amendments adopted October 29, 2020.

1 (c) A mortgage forbearance executive order may designate a  
2 foreclosure action filed by a bank as an unlawful practice, pursuant  
3 to the New Jersey consumer fraud act, P.L.1960, c.39 (C.56:8-1 et  
4 seq.), if the action is filed only as a result of not receiving mortgage  
5 payments from an emergency-impacted homeowner during the time  
6 period of the emergency-impacted homeowner's forbearance.

7 (4) (a) An emergency-impacted homeowner who applies for a  
8 forbearance on a property as its landlord shall only be eligible for a  
9 forbearance if the homeowner commits to providing any  
10 emergency-impacted tenant residing in the residential property with  
11 an emergency rent reduction period. A mortgage forbearance  
12 executive order may direct that, when applying for a forbearance as  
13 a landlord, the emergency-impacted homeowner shall indicate the  
14 number of residential tenants residing in the residence, the amount  
15 of rent charged to each residential tenant, contact information for  
16 each residential tenant, whether any tenant's rent is subsidized by  
17 the federal Housing Choice Voucher (Section 8) Program or other  
18 subsidy, and provide any additional information deemed necessary.

19 (b) If directed in a mortgage forbearance executive order the  
20 availability of a forbearance to a residential landlord shall be  
21 restricted to a landlord of a building registered as a multiple  
22 dwelling pursuant to the "Hotel and Multiple Dwelling Law,"  
23 P.L.1967, c.76 (C.55:13A-1 et seq.).

24 (c) A mortgage forbearance executive order may designate that  
25 a landlord has engaged in an unlawful practice, pursuant to the New  
26 Jersey consumer fraud act, P.L.1960, c.39 (C.56:8-1 et seq.), if,  
27 while in receipt of a forbearance, the landlord willfully refuses to  
28 provide an emergency-impacted tenant with an emergency rent  
29 reduction period.

30 (5) An emergency-impacted tenant whose landlord has been  
31 provided with a forbearance may apply to the landlord for an  
32 emergency rent reduction period, unless directed by a mortgage  
33 forbearance executive order to apply to an alternative administrative  
34 agent. A mortgage forbearance executive order shall establish  
35 whether other forms of financial relief obtained by the landlord, in  
36 addition to a mortgage forbearance, shall also authorize the  
37 landlord's emergency-impacted tenant to apply for an emergency  
38 rent reduction period. An emergency-impacted tenant shall be  
39 provided with the level of rent reduction directed by a mortgage  
40 forbearance executive order. A mortgage forbearance executive  
41 order may authorize the rent reduction provided during an  
42 emergency rent reduction period to exceed any limitation on rent  
43 increases established by a "Notice of Rent Protection Emergency,"  
44 pursuant to P.L.2002, c.133 (C.2A:18-61.62 et seq.). The  
45 application deadline for an emergency rent reduction period shall be  
46 established by a mortgage forbearance executive order.

1 (6) A mortgage forbearance executive order may provide the  
2 following protections to residential tenants regardless of whether  
3 the tenant's landlord has obtained a forbearance:

4 (a) A mortgage forbearance executive order may provide that  
5 eviction proceedings shall not be initiated or continued during the  
6 time provided in the executive order, unless the court determines on  
7 its own motion or motion of the parties that a proceeding is  
8 necessary in the interest of justice; and

9 (b) A mortgage forbearance executive order may prohibit  
10 landlords from imposing late fees on residential tenants.

11 (c) A mortgage forbearance executive order may establish a 90-  
12 day repayment window for each month of rent arrears for a  
13 residential tenant, beginning with the first day of the second month  
14 next following the conclusion of both the state of emergency and  
15 public health emergency established pursuant to subsection a. of  
16 this section.

17 d. (1) No later than one month following the effective date of  
18 this act, the commissioner, to the greatest extent reasonably  
19 possible, shall:

20 (a) notify homeowners of the forbearance program;

21 (b) notify landlords who may obtain a forbearance, or other  
22 qualifying financial relief, of their responsibilities to alert their  
23 tenants of the option, if emergency-impacted, to apply for an  
24 emergency rent reduction period.

25 (c) post information on eligibility and the application process  
26 for the forbearance, and make forbearance applications available,  
27 on the department's Internet website;

28 (d) notify the courts of the individuals and associated residential  
29 properties that are eligible for a forbearance; and

30 (e) notify the State's active banks of the individuals and  
31 associated residential properties that are eligible for a forbearance.

32 (2) Upon knowledge of a homeowner's eligibility for a  
33 forbearance, the bank shall notify the homeowner and the courts.

34 (3) Upon approval of a forbearance application pursuant to  
35 subsection c. of this section, the reviewing entity shall notify the  
36 applicant, the bank, and the courts.

37 e. Emergency-impacted homeowners awarded a forbearance  
38 under this section shall be responsible for the maintenance of the  
39 property during the period of forbearance. After service of notice  
40 of any proceedings conducted to terminate forbearance, made on the  
41 homeowner at an address determined pursuant to due diligence of  
42 the movant bank to be the actual current residence of the  
43 homeowner, providing opportunity for the homeowner to respond  
44 and contest the proceedings, a forbearance awarded under this  
45 section shall cease immediately upon a court's determination that  
46 the subject residential property has been abandoned by the  
47 homeowner.

1 f. Nothing in this section shall be construed as limiting the  
2 ability of a bank and residential property owner to participate in a  
3 mediation sponsored by the Administrative Office of the Courts in  
4 accordance with the requirements of the mediation program.  
5 Nothing in this section shall be construed to impact property tax  
6 and insurance obligations of a property owner related to any real  
7 property in the State.

8 g. A mortgage forbearance executive order may limit the  
9 application of this section to avoid affecting any mortgage loans  
10 made, insured, or securitized by any agency or instrumentality of  
11 the United States, any Government Sponsored Enterprise, or a  
12 Federal Home Loan Bank, or the rights and obligations of any  
13 lender, issuer, servicer or trustee of such obligations, including  
14 servicers for the Government National Mortgage Association. A  
15 mortgage forbearance executive order may further limit the  
16 application of this section as determined necessary to comply with  
17 federal law.

18 h. As used in this section:

19 “Bank” means the mortgage lender or servicer for the primary  
20 residence of the emergency-impacted homeowner.

21 “Commissioner” means the Commissioner of Community  
22 Affairs.

23 “Department” means the Department of Community Affairs.

24 “Emergency-impacted homeowner” means a homeowner,  
25 including, but not limited to, an owner of a residential property  
26 serving as the owner’s primary residence, or person or business  
27 entity serving as the landlord of a residential property, who is  
28 subject to a substantial loss of income, in accordance with the terms  
29 of a mortgage forbearance executive order, resulting from a Public  
30 Health Emergency, declared pursuant to the “Emergency Health  
31 Powers Act,” P.L.2005, c.222 (C.26:13-1 et seq.), or a State of  
32 Emergency, declared pursuant to P.L.1942, c.251 (C.App.A.9-33 et  
33 seq.).

34 “Emergency-impacted tenant” means a tenant of a residential  
35 property, who occupies the property as the tenant’s primary  
36 residence, and who is subject to a substantial loss of income, in  
37 accordance with the terms of a mortgage forbearance executive  
38 order, resulting from a Public Health Emergency, declared pursuant  
39 to the “Emergency Health Powers Act,” P.L.2005, c.222 (C.26:13-1  
40 et seq.), or a State of Emergency, declared pursuant to  
41 P.L.1942, c.251 (C.App.A.9-33 et seq.).

42 “Emergency rent reduction period” means a period of time  
43 during which an emergency-impacted tenant is provided with a  
44 reduction in rent payment responsibilities, pursuant to paragraph (5)  
45 of subsection c. of this section.

46 “Mortgage forbearance” or “forbearance” means a period of time  
47 during which obligations for mortgage and interest payments are  
48 suspended.

1 “Mortgage forbearance executive order” means an executive  
2 order issued pursuant to subsection a. of this section.

3 “Residential property” means any property rented or owned for  
4 residential purposes, including, but not limited to, any house,  
5 building, mobile home or land in a mobile home park, or tenement  
6 leased for residential purposes, but shall not include any hotel,  
7 motel, or other guest house, or part thereof, rented to a transient  
8 guest or seasonal tenant, or a residential health care facility.

9 “Reviewing entity” means the entity designated in a mortgage  
10 forbearance executive order, pursuant to paragraph (1) of subsection  
11 c. of this section, with reviewing mortgage forbearance applications  
12 submitted by emergency-impacted homeowners. A mortgage  
13 forbearance executive order may designate the commissioner, the  
14 commissioner’s designee, the bank, or another administrative agent  
15 as the reviewing entity.

16 i. The Commissioner of Community Affairs shall, pursuant to  
17 the provisions of the "Administrative Procedure Act,"  
18 P.L.1968, c.410 (C.52:14B-1 et seq.), adopt such rules and  
19 regulations as shall be necessary to implement the provisions of this  
20 section no later than one month following the effective date of this  
21 act. The rules and regulations adopted by the commissioner may  
22 adjust and supplement the provisions of a mortgage forbearance  
23 executive order, as long as those adjustments and additions do not  
24 conflict with this section. **】<sup>1</sup>**

25

26 <sup>1</sup>1. (New section) The Legislature finds and declares that:

27 a. The social distancing measures and associated economic  
28 pause, that have been necessary to combat the COVID-19  
29 pandemic, have also forced many New Jersey residents to endure  
30 job losses and prolonged depletions of income;

31 b. As of May 8, 2020, the unemployment rate of the United  
32 States exceeds 14 percent, and is widely expected to grow higher in  
33 the coming weeks;

34 c. The residents of New Jersey have not been able to avoid  
35 suffering as a result of the COVID-19 pandemic, as the State is  
36 widely reported to have the second highest COVID-19-related death  
37 rate in the nation, and the economic impact on many State residents  
38 appears to be similarly catastrophic;

39 d. This unprecedented situation has made the timely payment  
40 of mortgages, rent, and other bills impossible for many State  
41 residents; and

42 e. It is, therefore, necessary and in the public interest for the  
43 Legislature to enact temporary measures to protect the State’s  
44 homeowners, residential tenants, student loan borrowers and other  
45 vulnerable consumers from foreclosure, eviction, and consumer  
46 reporting injustices that are in danger of resulting from this  
47 unprecedented emergency. <sup>1</sup>

1 <sup>1</sup>2. (New section) As used in P.L. , c. (C. ) (pending before  
2 the Legislature as this bill):

3 “Creditor” means a person or entity that holds or controls,  
4 partially, wholly, indirectly, directly or in a nominee capacity, a  
5 mortgage loan securing an owner-occupied residential property,  
6 including, but not limited to, an originator, holder, investor,  
7 assignee, successor, trust, trustee, nominee holder, <sup>2</sup>[Mortgage  
8 Electronic Registration System,]<sup>2</sup> or mortgage servicer <sup>2</sup>as defined  
9 in section 2 of P.L.2019, c.65 (C.17:16F-28)<sup>2</sup>.

10 “Emergency period” means the period during which a public  
11 health emergency exists as declared by the Governor in Executive  
12 Order No. 103 of 2020, as extended <sup>2</sup>, and the 60 days following the  
13 conclusion of this period<sup>2</sup>.

14 “Impacted homeowner” means an owner or mortgagor of title to  
15 a residential property, which serves as such person’s primary  
16 residence <sup>2</sup>or as the residence of the owner’s tenant, which the  
17 impacted homeowner understands to be the tenant’s primary  
18 residence<sup>2</sup>, and who qualifies for a mortgage forbearance pursuant  
19 to section 3 of P.L. , c. (C. ) (pending before the Legislature  
20 as this bill).

21 “Impacted tenant” means a <sup>3</sup>[<sup>2</sup>residential<sup>2</sup>]<sup>3</sup> tenant <sup>3</sup>of a  
22 residential property<sup>3</sup> <sup>2</sup>who<sup>2</sup> has suffered a <sup>2</sup>[negative financial  
23 impact]<sup>2</sup> substantial reduction of income<sup>2</sup> <sup>3</sup>[resulting from] ,  
24 became unemployed, or suffered increased costs due to funeral  
25 expenses or expenses incurred in necessary child care resulting  
26 from the closure of schools or caring for family members who are  
27 ill, due to the<sup>3</sup> COVID-19 <sup>3</sup>pandemic or quarantined due to  
28 suspected exposure to COVID-19,<sup>3</sup> or the Public Health Emergency  
29 or State of Emergency declared in response thereto, <sup>3</sup>[including] as  
30 attested by the affidavit for tenant eligibility, pursuant to paragraph  
31 (1) of subsection a. of section 6 of P.L. , c. (pending before the  
32 Legislature as this bill). Impacted tenant shall not include any  
33 tenant whose household income, after any hardship, exceeds 100  
34 percent of the Area Median Income as published by the United  
35 States Department of Housing and Urban Development for the  
36 county in which the residential dwelling is located or any tenant  
37 who possesses one or more bank accounts that collectively contain  
38 reserves equaling six months’ or more of the tenant’s gross income  
39 in 2019<sup>3</sup> <sup>2</sup>[but not limited to a financial hardship]<sup>2</sup> <sup>3</sup>[from a  
40 reduction in hours or loss of employment,]<sup>3</sup> <sup>2</sup>[loss of income]<sup>3</sup> <sup>2</sup>,  
41 or increased costs incurred in necessary child care resulting from  
42 the closure of schools or caring for family members who are ill due  
43 to COVID-19 or quarantined due to a suspected exposure to  
44 COVID-19, or for funeral costs due to COVID-19]<sup>3</sup> <sup>2</sup>[;]<sup>2</sup> .<sup>2</sup>

45 “Landlord” means any person, or agent or assignee thereof, who  
46 rents or leases or offers to rent or lease, for a term of at least one-

1 month, dwelling units, except dwelling units in hotels, motels or  
2 other guest houses serving transient or seasonal guests.

3 “Mortgage forbearance” or “forbearance” means a period during  
4 which obligations for mortgage principal and interest payments are  
5 suspended.

6 “Non-essential eviction” means an eviction <sup>2</sup>[other than for the  
7 purpose of removing a residential tenant in the interests of justice  
8 whose conduct endangers the health and safety of others] for  
9 nonpayment or habitually late payment of rent<sup>2</sup>.

10 “Residential property” means a property located in the State  
11 rented or owned for residential purposes; provided, however, that  
12 residential property shall be limited to the principal residence of a  
13 person or a residential health care facility. “Residential property”  
14 shall not include <sup>2</sup>[an investment property or] a<sup>2</sup> residence other  
15 than a primary residence <sup>2</sup>of a homeowner or tenant<sup>2</sup> ; residential  
16 property taken in whole or in part as collateral for a commercial  
17 loan; or a property subject to condemnation or receivership.<sup>1</sup>

18  
19 <sup>1</sup>3. (New section) a. During the emergency period, a creditor  
20 shall grant a mortgage forbearance to an impacted homeowner if the  
21 impacted homeowner submits a written request to the <sup>2</sup>[creditor]  
22 mortgage servicer<sup>2</sup> affirming the following:

23 (1) <sup>2</sup>[the mortgage loan on residential property for which a  
24 mortgage forbearance is being requested pursuant to this section  
25 was current with respect to payments as of February 1, 2020;

26 (2)]<sup>2</sup> the impacted homeowner has suffered a negative financial  
27 impact resulting from COVID-19 or the Public Health Emergency  
28 or State of Emergency declared in response thereto, including but  
29 not limited to a financial hardship from a reduction in hours or loss  
30 of employment, loss of income or increased costs incurred in  
31 necessary child care resulting from the closure of schools or caring  
32 for family members who are ill due to COVID-19 or quarantined  
33 due to a suspected exposure to COVID-19, or for funeral costs due  
34 to COVID-19;

35 <sup>2</sup>[(3)] (2)<sup>2</sup> the gross household income of the homeowner <sup>2</sup> ,  
36 after hardship,<sup>2</sup> does not exceed <sup>2</sup>[\$150,000 after hardship] 150  
37 percent of the area median income, as defined for New Jersey in  
38 guidelines published annually by the United States Department of  
39 Housing and Urban Development<sup>2</sup> , unless this requirement for  
40 eligibility is waived by the mortgage lender; and

41 <sup>2</sup>[(4)] (3)<sup>2</sup> if the impacted homeowner possesses one or more  
42 bank accounts, those bank accounts collectively contain less than  
43 six months’ reserves of the impacted homeowner’s gross household  
44 income for 2019. The creditor may require the impacted  
45 homeowner to provide a cash asset certification to demonstrate  
46 compliance with this paragraph.



1        b. Upon receipt of a written request <sup>2</sup>or verbal authorization<sup>2</sup>  
2 for a mortgage forbearance from an impacted homeowner pursuant  
3 to subsection a. of this section, a creditor shall provide to the  
4 impacted homeowner a mortgage forbearance and confirmation of  
5 that forbearance in writing. No additional documentation shall be  
6 required from the impacted homeowner by the creditor other than  
7 the written request under subsection a. of this section. The  
8 minimum initial mortgage forbearance period of an impacted  
9 homeowner shall be 90 days. An impacted homeowner may  
10 request, and shall be granted, a subsequent forbearance period of at  
11 minimum 90 days, for a total of at minimum 180 days. <sup>2</sup>A creditor  
12 shall not be prohibited from offering a more extended forbearance  
13 period.<sup>2</sup> Fees, penalties, or interest, including attorney's fees  
14 <sup>2</sup>beyond the amounts scheduled and calculated as if the mortgagor  
15 made all contractual payments on time and in full under the terms  
16 of the mortgage contract<sup>2</sup>, shall not be assessed or accrue during  
17 and as a result of a mortgage forbearance granted pursuant to this  
18 section. Nothing in this section shall be construed to impact  
19 property tax and insurance obligations of an owner related to any  
20 real property in the State. A mortgagee that grants a mortgage  
21 forbearance pursuant to this section shall encourage owners to seek  
22 out United States Department of Housing and Urban Development  
23 certified housing counseling and shall provide to the property owner  
24 confirmation of the approval of the forbearance, information  
25 concerning the process for forbearance, and information on how to  
26 request a subsequent forbearance.

27        c. (1) Consistent with the provisions of 15 U.S.C. s.1681s-  
28 2(a)(1)(F), a creditor shall not furnish negative mortgage payment  
29 information to a debt collector or credit reporting agency related to  
30 mortgage payments subject to a mortgage forbearance under this  
31 section.

32        (2) <sup>2</sup>【An impacted homeowner or】 In response to a complaint to  
33 the Attorney General from an impacted homeowner, or on the  
34 Attorney General's independent initiative,<sup>2</sup> the Attorney General  
35 may bring an action alleging a creditor has violated the provisions  
36 of this subsection. Upon a finding that non-compliance by a  
37 creditor with this section has occurred, a court of competent  
38 jurisdiction may:

39        (a) order the non-compliant creditor to retract the debt reported  
40 to the collection or credit reporting agency, bureau, or data  
41 collection facility;

42        (b) impose a fine on the non-compliant creditor, not to exceed  
43 \$5,000 <sup>2</sup>per violation<sup>2</sup> ;

44        (c) order the non-compliant creditor to pay a reasonable counsel  
45 fee in connection with an impacted homeowner whose debt has  
46 been reported to a collection or credit reporting agency, bureau, or  
47 data collection facility;

1       (d) provide a copy of the order immediately <sup>2</sup>at the request of<sup>2</sup>  
2 and at no cost to the impacted homeowner;

3       (e) order the non-compliant creditor to take such steps as are  
4 necessary, within 30 days of the order, to rehabilitate the credit  
5 record of an impacted homeowner, with <sup>2</sup>[a showing made to the  
6 court and] an<sup>2</sup> exact copy provided at no cost to the homeowner of  
7 the efforts made in that regard; and

8       (f) order the non-compliant creditor to pay an award of damages  
9 to the impacted homeowner not to exceed 25 percent of the debt  
10 attempted to be collected or reported by the non-compliant creditor  
11 to the collection or credit reporting agency, bureau, or data  
12 collection facility, the minimum award being \$350.

13       d. During the emergency period and during any period of  
14 mortgage forbearance granted pursuant to this section, a creditor  
15 shall not, for the purposes of foreclosure of a residential property  
16 <sup>2</sup>that has received a forbearance<sup>2</sup> that is not vacant, abandoned or  
17 otherwise subject to P.L.2003, c.210 (C.55:19-78 et seq.):

18       (1) send an impacted homeowner a notice of intention to  
19 foreclose pursuant to section 4 of P.L.1995, c.244 (C.2A:50-56); or

20       (2) otherwise initiate the foreclosure process.

21       A deadline or time period for action by a party to the foreclosure  
22 process for a residential property filed prior to the effective date of  
23 P.L. , c. (C. ) (pending before the Legislature as this bill) shall  
24 be tolled until the end of the emergency period.

25       e. Notwithstanding the provisions of any law, rule, or  
26 regulation to the contrary, the repayment period of any mortgage  
27 subject to the forbearance established pursuant to this section shall  
28 be extended by the number of months the forbearance is in effect.  
29 The payments not made during the months of the forbearance shall  
30 instead be due on a monthly basis during the period constituting an  
31 extension of the mortgage, unless the property owner has chosen to  
32 make these payments earlier. During the time of the forbearance,  
33 and during the period constituting an extension of the mortgage, all  
34 terms and conditions of the original mortgage, except with regard to  
35 default and delinquency during forbearance, shall continue without  
36 modification, and there shall be no fees assessed, including  
37 attorney's fees, related to the forbearance or late payment, or  
38 penalty for early repayment. An impacted homeowner shall have  
39 the option to discontinue the mortgage forbearance at any time at  
40 the election of the impacted homeowner upon written consent and a  
41 written statement that they would have the rights provided herein  
42 and knowingly waive those rights.

43       f. An impacted homeowner denied a forbearance under this  
44 section by a creditor licensed by the Department of Banking and  
45 Insurance <sup>3</sup>[<sup>2</sup>, and not a State- or nationally-chartered financial  
46 institution,<sup>2</sup>]<sup>3</sup> may file a complaint with the Department of Banking  
47 and Insurance. The department shall investigate the complaint and,

1 if appropriate, shall order the creditor to grant a forbearance to the  
2 impacted homeowner pursuant to this section.

3 g. <sup>2</sup>**【The】** (1) To the extent required by the Administrative  
4 Director of the Courts, the<sup>2</sup> creditor shall provide the docket  
5 numbers, party names, and property addresses as to any pending  
6 court actions involving any property granted a forbearance to the  
7 Superior Court Clerk’s Office at least monthly.

8 <sup>2</sup>(2)<sup>2</sup> The creditor shall submit information on all forbearances  
9 that the creditor has provided <sup>2</sup>within the State<sup>2</sup> to the Department  
10 of Banking and Insurance on a monthly basis, <sup>2</sup>or on any alternative  
11 schedule directed by the Department of Banking and Insurance,<sup>2</sup>  
12 after removing all personally-identifiable information. This  
13 information shall be <sup>2</sup>submitted in accordance with any  
14 specifications required by the Department of Banking and  
15 Insurance, and, to the extent required by the Department of Banking  
16 and Insurance, shall be<sup>2</sup> deemed to be government records and  
17 subject to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.),  
18 commonly known as the open public records act.

19 h. <sup>2</sup>**【To the extent any provision of this section is in conflict**  
20 with federal laws and guidelines, such provision shall not apply to  
21 any mortgage loans made, insured, or securitized by any agency or  
22 instrumentality of the United States, any Government Sponsored  
23 Enterprise, or a Federal Home Loan Bank】 Notwithstanding  
24 anything to the contrary in this section, <sup>3</sup>【this section】 to the extent  
25 that the application of any provision of this section would conflict  
26 with federal laws and guidelines, such provision<sup>3</sup> shall not apply to,  
27 and does not affect, any mortgage loans made, insured, or  
28 securitized by any agency or instrumentality of the United States,  
29 any government sponsored enterprise, or a federal home loan bank,  
30 or the rights and obligations of any lender, issuer, servicer or trustee  
31 of such obligations, including servicers for the Government  
32 National Mortgage Association or other loans governed by the  
33 Coronavirus Aid, Relief, and Economic Security Act, Pub. L.116-  
34 136<sup>2</sup> .

35 i. It shall be an unlawful discrimination in violation of the  
36 “New Jersey Law Against Discrimination,” P.L.1945, c.169  
37 (C.10:5-1 et seq.) for a creditor to discriminate in application of the  
38 provisions of this section <sup>3</sup>【because of an impacted homeowners’  
39 race, creed, color, national origin, ancestry, marital status, civil  
40 union status, domestic partnership status, pregnancy or  
41 breastfeeding, sex, gender identity or expression, affectional or  
42 sexual orientation, familial status, disability, liability for service in  
43 the Armed Forces of the United States, nationality, or source of  
44 lawful income used for mortgage payments】 on any basis protected  
45 by subsection g. of section 11 of P.L.1945, c.169 (C.10:5-12)<sup>3</sup> .

1       j. This section shall not be construed to prohibit a creditor  
2 from considering an oral <sup>2</sup>or electronic<sup>2</sup> request for a mortgage  
3 forbearance instead of a written request submitted pursuant to  
4 subsection a. of this section.<sup>1</sup>

5  
6       <sup>1</sup>4. (New section) a. <sup>2</sup>【Prior to the 60th day next following the  
7 end of】 During<sup>2</sup> the emergency period, a landlord or owner of a  
8 residential property shall not, for the purposes of a non-essential  
9 eviction for a residential property:

10       (1) terminate a tenancy;

11       (2) file a summary dispossession action; or

12       (3) send any notice, including a notice to quit, requesting or  
13 demanding that a tenant of a residential property vacate the  
14 premises.

15       b. <sup>2</sup>【Prior to the 60th day next following the end of the  
16 emergency period, a court having jurisdiction over an action for  
17 summary dispossession shall not, in a non-essential eviction for a  
18 residential property:

19       (1) accept for filing a summons or complaint;

20       (2) enter a judgment or default judgment for a plaintiff for  
21 possession of a residential property;

22       (3) issue warrant of removal;

23       (4) deny, upon the request of a defendant, a stay of execution, or  
24 upon the request by a party, a continuance of a summary dispossession  
25 case; or

26       (5) schedule a court event, including a summary dispossession  
27 trial】 (1) Upon the filing of a landlord-tenant complaint, the  
28 plaintiff landlord shall certify, on a form promulgated by the  
29 Administrative Director of the Courts, that the complaint is not  
30 seeking to evict an impacted tenant from the impacted tenant's  
31 primary residence due to nonpayment or habitually late payment of  
32 rent due during the emergency period, except where the impacted  
33 tenant has failed to repay rent due during the emergency period in  
34 accordance with a repayment plan entered pursuant to section 6 of  
35 P.L. , c. (C. ) (pending before the Legislature as this bill).

36       (2) No later than 60 days following enactment of P.L. ,  
37 c. (C. ) (pending before the Legislature as this bill), the  
38 plaintiff landlord in any landlord-tenant action pending before the  
39 court on the effective date of P.L. , c. (C. ) (pending  
40 before the Legislature as this bill) shall certify, on a form  
41 promulgated by the Administrative Director of the Courts, that the  
42 landlord-tenant complaint is not brought to evict an impacted tenant  
43 of the impacted tenant's primary residence due to nonpayment or  
44 habitually late payment of rent due during the emergency period,  
45 except where the impacted tenant has failed to repay rent due during  
46 the emergency period in accordance with a repayment plan entered

1 pursuant to section 6 of P.L. , c. (C. ) (pending before the  
 2 Legislature as this bill)<sup>2</sup>.

3 c. A deadline or time period for action by a party to a non-  
 4 essential eviction for a residential property shall be tolled until the  
 5 <sup>2</sup>[60th day next following the]<sup>2</sup> end of the emergency period.

6 d. Nothing in this section shall relieve a tenant from the  
 7 obligation to pay rent or restrict a landlord's ability to recover rent  
 8 consistent with the provisions of section 6 of P.L. , c. (C. )  
 9 (pending before the Legislature as this bill).<sup>1</sup>

10

11 <sup>1</sup>5. (New section) a. <sup>2</sup>[Prior to the 60th day next following the  
 12 end of] <sup>2</sup>During<sup>2</sup> the emergency period, a landlord shall not impose  
 13 a late fee for non-payment of rent for a residential property that was  
 14 due during the emergency period.

15 b. (1) Consistent with the provisions of 15 U.S.C. s.1681s-  
 16 2(a)(1)(F), a landlord shall not furnish rental payment data to a  
 17 <sup>3</sup>debt<sup>3</sup> collection or credit reporting agency related to the non-  
 18 payment of rent during the emergency period <sup>2</sup>[and the 60 days  
 19 next following the end of the emergency period]<sup>2 3</sup>, or shall report  
 20 the rental payment as current. This paragraph shall not:

21 (a) apply to an impacted tenant's rent payments that remain due  
 22 as the result of a payment missed prior to the effective date of  
 23 Executive Order No. 106 of 2020, including payments held in  
 24 escrow before that date; or

25 (b) limit the ability of a landlord to share information with the  
 26 landlord's attorney or property management company, or to notice  
 27 the tenant in compliance with Anti-Eviction Act, P.L.1974, c.49  
 28 (C.2A:18-61.1 et seq.)<sup>3</sup>.

29 (2) <sup>3</sup>[A] As a result of any record or information reflecting an  
 30 impacted tenant's non-payment of rent during the emergency  
 31 period, a<sup>3</sup> landlord shall not <sup>3</sup>:

32 (a)<sup>3</sup> refuse to rent to <sup>2</sup>[a] an impacted<sup>2</sup> tenant <sup>3;3</sup> or

33 <sup>3</sup>(b)<sup>3</sup> place, or disseminate <sup>2</sup>[a] an impacted<sup>2</sup> tenant's  
 34 information for the purpose of placing, <sup>2</sup>[a] an impacted<sup>2</sup> tenant on  
 35 a list for the use of other landlords <sup>3</sup>[, as a result of any record or  
 36 information reflecting the <sup>2</sup>impacted<sup>2</sup> tenant's non-payment of rent  
 37 during the emergency period]<sup>3 2</sup>[and the 60 days next following the  
 38 end of the emergency period]<sup>2</sup> .

39 c. <sup>2</sup>[A tenant or] In response to a complaint to the Attorney  
 40 General from an impacted tenant, or on the Attorney General's  
 41 independent initiative,<sup>2</sup> the Attorney General may bring an action  
 42 alleging a landlord has violated the provisions of subsection b. of  
 43 this section concerning the furnishing of information to a collection  
 44 or credit reporting agency. <sup>3</sup>[Upon] Regarding a first violation, the  
 45 court shall provide the landlord with an opportunity to correct prior  
 46 to imposing a penalty. Following the provision of this opportunity

1 to correct any first violation, upon<sup>3</sup> a finding that non-compliance  
 2 by a landlord with subsection b. of this section has occurred, a court  
 3 of competent jurisdiction may:

4 (1) order the non-compliant landlord to retract the report of debt  
 5 provided to the collection or credit reporting agency, bureau, or data  
 6 collection facility;

7 (2) impose a fine on the non-compliant landlord, not to exceed  
 8 <sup>3</sup>[\$5,000 per <sup>2</sup>impacted<sup>2</sup> tenant] \$500 for a first violation, \$1,000  
 9 for a second violation, and \$2,500 for each subsequent violation<sup>3</sup> ;

10 (3) order the non-compliant landlord to pay a reasonable counsel  
 11 fee in connection with <sup>2</sup>[a] an impacted<sup>2</sup> tenant whose debt has  
 12 been reported to a collection or credit reporting agency, bureau, or  
 13 data collection facility;

14 (4) provide a copy of the order immediately <sup>2</sup>upon the request of  
 15 the <sup>3</sup>impacted<sup>3</sup> tenant<sup>2</sup> and at no cost to the impacted  
 16 <sup>3</sup>[homeowner] tenant<sup>3</sup> ;

17 (5) order the non-compliant landlord to take such steps as are  
 18 necessary, within 30 days of the order, to rehabilitate the credit  
 19 record of <sup>2</sup>[a] an impacted<sup>2</sup> tenant, with <sup>2</sup>[a showing made to the  
 20 court, and] an<sup>2</sup> exact copy provided to the <sup>2</sup>impacted<sup>2</sup> tenant at no  
 21 cost, of the efforts made in that regard; and

22 (6) <sup>3</sup>if the impacted tenant is able to show actual damages that  
 23 have resulted from a violation of this section,<sup>3</sup> order the non-  
 24 compliant landlord to pay an award of damages to the impacted  
 25 tenant not to exceed 25 percent of the debt attempted to be collected  
 26 or reported by the non-compliant landlord to the collection or credit  
 27 reporting agency, bureau, or data collection facility, the minimum  
 28 award being \$350.<sup>1</sup>

29 <sup>2</sup>d. If a landlord furnishes rental payment data to a collection or  
 30 credit reporting agency related to the non-payment of rent during  
 31 the emergency period, but before the enactment of P.L. \_\_\_\_\_,  
 32 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill), the  
 33 landlord shall not be subject to the penalty provisions of this  
 34 section, except for an order to retract the report pursuant to  
 35 paragraph (1) of subsection c. of this section.<sup>2</sup>

36  
 37 <sup>1</sup>6. (New section) a. In order to avoid mass evictions and  
 38 widespread homelessness following the conclusion of the  
 39 moratorium on evictions required by section <sup>2</sup>[3] <sup>4</sup> of P.L. \_\_\_\_\_,  
 40 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill), a landlord  
 41 shall offer each tenant of the properties owned by the landlord <sup>2</sup>,  
 42 who has missed any partial or full rent payments prior to the end of  
 43 the emergency period,<sup>2</sup> the ability to enter into an agreement  
 44 pursuant to subsection d. of this section, which shall be an  
 45 addendum to the lease agreement, for the repayment of any partial  
 46 or full rent payments not made during the emergency period <sup>2</sup>[and

1 the 60 days next following the end of the emergency period]<sup>2</sup> ,  
2 provided <sup>3</sup>[the impacted tenant's rent payments were current  
3 including payments held in escrow as of] that this requirement shall  
4 not apply to an impacted tenant with one or more rent payments,  
5 including payments held in escrow, that remain due as the result of  
6 a payment missed prior to<sup>3</sup> the effective date of Executive Order  
7 No. 106 of 2020. <sup>2</sup>The offer shall be provided in writing by hand-  
8 delivery, <sup>3</sup>[regular] certified<sup>3</sup> mail <sup>3</sup>, text message,<sup>3</sup> or email.<sup>2</sup>

9 (1) A tenant shall not accept an offer from a landlord pursuant to  
10 this subsection if <sup>2,2</sup>

11 (a) <sup>2</sup>the tenant is not an impacted tenant;

12 (b)<sup>2</sup> the tenant's gross household income <sup>2</sup>after hardship<sup>2</sup>  
13 exceeds <sup>2</sup>[\$150,000 after hardship] 100 percent of the area median  
14 income, as defined for New Jersey in guidelines published annually  
15 by the United States Department of Housing and Urban  
16 Development,<sup>2</sup> unless the landlord makes an exception; <sup>3</sup>[or]<sup>3</sup>

17 <sup>2</sup>[(b)] (c)<sup>2</sup> the tenant possesses one or more bank accounts that  
18 collectively contain reserves equaling six months' or more of the  
19 tenant's gross household income for 2019 <sup>2</sup>unless the landlord  
20 makes an exception<sup>2 3</sup>; or

21 (d) the tenant has not attested by affidavit to compliance with  
22 this paragraph<sup>3</sup>.

23 <sup>2</sup>(2) The landlord may bring a cause of action against a tenant in  
24 a court of competent jurisdiction to enforce a violation of paragraph  
25 (1) of this subsection.<sup>2 3</sup>[The landlord may require the impacted  
26 tenant to provide a cash asset certification <sup>2</sup>, if available,<sup>2</sup> to  
27 demonstrate compliance with]<sup>3 2</sup>[this]<sup>2 3</sup>[subparagraph <sup>2</sup>(c) of  
28 paragraph (1) of this subsection, and any other financial information  
29 reasonably necessary to ensure the impacted tenant's compliance  
30 with paragraph (1) of this subsection if available<sup>2,3</sup>.

31 <sup>2</sup>[(2)] (3) To prevent a landlord from losing their primary home  
32 in a foreclosure due to COVID-19 economic hardship, owners of  
33 owner-occupied properties with four or less units are exempt from  
34 having to enter into a rent repayment plan with their impacted  
35 tenant only if after the owner completed an application for a  
36 mortgage forbearance, but was denied forbearance as defined in this  
37 bill from their creditor. Creditors covered in this bill shall not deny  
38 a landlord of an owner occupied property a mortgage forbearance if  
39 their tenants cannot pay rent <sup>3</sup>[. Having] ; having<sup>3</sup> impacted  
40 tenants means the landlord is also then negatively impacted.

41 (4)<sup>2</sup> During the repayment period, a landlord shall not impose  
42 any <sup>3</sup>[late fees or any other fees, including attorney's fees, for rent  
43 payments] fees for rent payments, as defined in the lease  
44 agreement, either written or oral,<sup>3</sup> not made during the emergency

1 period<sup>2</sup> [and the 60 days next following the end of the emergency  
2 period]<sup>2</sup>.

3 b. The Department of Community Affairs shall, as soon as  
4 practicable following the effective date of P.L. \_\_\_\_\_, c. (pending  
5 before the Legislature as this bill), prepare and make available on  
6 its Internet website a statement of the rights and responsibilities of  
7 impacted tenants and landlords for the repayment of missed rent  
8 payments pursuant to this section and an explanation of, and model  
9 template for, <sup>3</sup>(1)<sup>3</sup> the default repayment plans available pursuant to  
10 subsection d. of this section<sup>3</sup> and (2) an affidavit that an impacted  
11 tenant shall use to demonstrate compliance with the definition of an  
12 impacted tenant, provided pursuant to section 2 of P.L. \_\_\_\_\_,  
13 c. (pending before the Legislature as this bill), and with paragraph  
14 (1) of subsection a. of this section<sup>3</sup>. This statement and templates  
15 shall be printed in the English, Spanish, Arabic, French, Russian,  
16 Korean, Chinese, and Vietnamese languages. Every landlord shall  
17 distribute one copy of the statement and templates prepared and  
18 made available pursuant to this subsection to each of their tenants  
19 within <sup>3</sup>[10] 30<sup>3</sup> business days after it has been made available by  
20 the department, and landlords<sup>3</sup> may provide notice of an unpaid  
21 balance, but<sup>3</sup> may not demand payment of unpaid rent until after the  
22 statement and templates have been distributed<sup>2</sup> [to each tenant] in  
23 accordance with this subsection<sup>2</sup>. If a landlord fails to comply with  
24 this subsection, this failure may be used by<sup>2</sup> [the] an impacted<sup>2</sup>  
25 tenant as an affirmative defense to<sup>2</sup> [liability for payment of the  
26 applicable interest due in any monetary judgment action] an action  
27 seeking the recovery of rent, or to a landlord-tenant complaint  
28 seeking a judgment for possession<sup>2</sup> against the<sup>2</sup> impacted<sup>2</sup> tenant, if  
29 brought by the landlord to recover rent due during the emergency  
30 period.

31 c. (1) Within <sup>3</sup>[10] 30<sup>3</sup> business days following the  
32 conclusion of the<sup>2</sup> [60 days next following the end of the]<sup>2</sup>  
33 emergency period, a landlord shall calculate all partial or full rent  
34 payments legally owed and not made during the emergency period  
35 <sup>2</sup>[and the 60 days next following the end of the emergency period]<sup>2</sup>  
36 by each impacted tenant liable for rent repayment pursuant to  
37 subsection a. of this section. After determining the amount of the  
38 missed payments and applying all credits, if any, due to the  
39 impacted tenant, the landlord shall provide each impacted tenant  
40 with a written notice<sup>2</sup> by hand-delivery, <sup>3</sup>[regular] certified<sup>3</sup> mail<sup>3</sup>,  
41 text message,<sup>3</sup> or e-mail<sup>2</sup>, using the template to be prepared and  
42 made available on its website by the department, of the amount  
43 owed by the impacted tenant in a form that specifies, in detail, the  
44 amount claimed to be due and an itemization of all credits to which  
45 the impacted tenant is entitled. All amounts shall be legal and in



1 compliance with all applicable laws, including local rent control  
2 ordinances.

3 (2) If the impacted tenant does not agree with the amount  
4 claimed due, the notice shall provide that the impacted tenant shall  
5 notify the landlord within 25 days after the date on which the rent  
6 and arrearage repayments are to commence; provided, however, that  
7 the impacted tenant shall still begin repayment of missed rent  
8 pursuant to the repayment agreement. The impacted tenant may  
9 assert any and all additional objections to the amount claimed due,  
10 including <sup>2</sup>~~diminished habitability,~~<sup>2</sup> payment by the impacted  
11 tenant or by others on behalf of the impacted tenant <sup>2</sup>~~,~~ or other  
12 legal and equitable setoffs or defenses<sup>2</sup> .

13 <sup>2</sup>(3) If a landlord-tenant complaint seeking judgment for  
14 possession is filed, the court shall offer the parties the opportunity  
15 to settle the case. Both parties must voluntarily agree to participate  
16 in the settlement conference or mediation and must voluntarily  
17 agree to any resulting settlement.

18 <sup>(4)</sup><sup>2</sup> If the <sup>2</sup>plaintiff<sup>2</sup> landlord fails to demonstrate <sup>2</sup>in the  
19 landlord-tenant case pending with the court<sup>2</sup> the correctness of the  
20 amount assessed of rent due and owing by the impacted tenant, then  
21 the <sup>2</sup>court shall order that the<sup>2</sup> landlord shall refund any incorrectly  
22 assessed amount paid by the impacted tenant <sup>2</sup>~~plus~~ . Upon a  
23 finding of a violation of this subsection by the landlord, the court  
24 may also order the landlord to pay to the tenant<sup>2</sup> a penalty of 20  
25 percent of <sup>3</sup>~~such amount~~ the difference between the amount  
26 requested by the landlord and the amount actually owed,<sup>3</sup> <sup>2</sup>to be  
27 used as a credit towards future rent<sup>2</sup>.

28 d. <sup>2</sup>~~Any unpaid rent during the emergency period shall be paid~~  
29 in accordance with whichever repayment plan set forth in  
30 paragraphs (1) and (2) of this subsection results in the lowest  
31 average monthly payments for the impacted tenant, or a plan agreed  
32 to between the landlord and impacted tenant so long as that plan has  
33 lower monthly payments than either option in paragraphs (1) or (2)  
34 of this subsection.

35 (1) Repayment Plan A shall provide that any unpaid rent during  
36 the emergency period shall be repaid in equal installments over the  
37 remainder of the lease and shall constitute no more than 10 percent  
38 of the impacted tenant's net household income after taxes. The  
39 surrender of property by the tenant shall not relieve the tenant from  
40 the obligation to pay any rent missed during the emergency period  
41 or restrict a landlord's ability to recover such rent.

42 (2) Repayment Plan B<sup>3</sup> An impacted tenant and <sup>3</sup>a<sup>3</sup> landlord  
43 shall enter into a written agreement for any unpaid rent during the  
44 emergency period. If a landlord and impacted tenant are unable to  
45 reach an agreement, or if the agreement is deemed to be  
46 unaffordable by the tenant <sup>3</sup>within 30 days following the tenant's

1 receipt of the notification of rights pursuant to subsection b. of this  
2 section<sup>3</sup>, any unpaid rent during the emergency period shall be paid  
3 in accordance with the default repayment plan that<sup>2</sup> shall provide  
4 <sup>2</sup>[a] an impacted<sup>2</sup> tenant with six months to repay <sup>2</sup>[each months']  
5 every one month owed in<sup>2</sup> rent that was unpaid, whether in full or  
6 in part, during the emergency period<sup>2</sup>; with all back rent owed and  
7 paid in full by the last day of the 30th month<sup>2 3</sup>of the repayment  
8 period. Payments shall be due in equal monthly installments during  
9 the repayment period. If any rent that went unpaid during the  
10 emergency period continues to be unpaid despite an impacted  
11 tenant's compliance with this repayment schedule, then that  
12 remaining unpaid rent shall be due in full on the last day of the 30th  
13 month of the repayment period<sup>3</sup>. The surrender of property by the  
14 <sup>2</sup>impacted<sup>2</sup> tenant shall not relieve the <sup>2</sup>impacted<sup>2</sup> tenant from the  
15 obligation to pay any rent missed during the emergency period or  
16 restrict a landlord's ability to recover such rent.

17 e. An agreement entered into pursuant to subsection d. of this  
18 section shall be null and void upon full payment of the monies  
19 stipulated in the agreement. Nothing in this section shall prohibit a  
20 landlord from filing an action for eviction for the failure to pay rent  
21 in accordance with a repayment plan in effect pursuant to  
22 subsection <sup>2</sup>[a. or b.] d.<sup>2</sup> of this section after the eviction  
23 moratorium period required by section 4 of P.L. \_\_\_\_\_,  
24 c. \_\_\_\_\_ (C. \_\_\_\_\_) (pending before the Legislature as this bill) has  
25 ended.

26 f. Any <sup>3</sup>rent or rent escrow<sup>3</sup> payments made <sup>3</sup>to the landlord<sup>3</sup>  
27 for or on behalf of an impacted tenant by other entities, including  
28 government agencies, non-profit organizations, or in any other  
29 manner, shall be credited against the amount due from that  
30 impacted tenant.

31 g. It shall be an unlawful discrimination in violation of the  
32 "New Jersey Law Against Discrimination," P.L.1945, c.169  
33 (C.10:5-1 et seq.) for a landlord to discriminate in application of the  
34 provisions of this section <sup>3</sup>[because of a tenant's race, creed, color,  
35 national origin, ancestry, marital status, civil union status, domestic  
36 partnership status, pregnancy or breastfeeding, sex, gender identity  
37 or expression, affectional or sexual orientation, familial status,  
38 disability, liability for service in the Armed Forces of the United  
39 States, nationality, or source of lawful income used for rental  
40 payments] on any basis protected by subsection g. of section 11 of  
41 P.L.1945, c.169 (C.10:5-12)<sup>3 1</sup>.

42  
43 <sup>2</sup>7. (New section) a. Notwithstanding the provisions of  
44 P.L.1967, c.265 (C.46:8-19 et seq.) or any other law or regulation to  
45 the contrary, upon written request from a tenant, including  
46 electronic communication, money or other forms of security  
47 deposited or advanced in accordance with P.L.1967, c.265 (C.46:8-

1 19 et seq.), including the tenant's portion of the interest, earnings,  
2 or both, accumulated thereon, shall be applied to or credited  
3 towards rent payments due or to become due from the tenant during  
4 the Public Health Emergency established in Executive Order No.  
5 103 of 2020, and any extension thereof, and during the 60 days after  
6 the Public Health Emergency, as extended, terminates.

7 b. When a tenant applies money or other forms of security  
8 deposited or advanced, or interest or earnings accumulated thereon,  
9 to pay rent pursuant to subsection a. of this section, the following  
10 additional provisions shall apply for the duration of the tenant's  
11 current contract, lease, or license agreement:

12 (1) The landlord may recoup from the tenant any monies the  
13 landlord expended that would have been reimbursable by the money  
14 or other forms of security deposited or advanced by the tenant, or  
15 interest or earnings thereon, at the time that reimbursement from  
16 such money, security, interest, or earnings would have taken place;  
17 and

18 (2) The tenant shall otherwise be without obligation to deposit  
19 or advance further money or forms of security relating to the  
20 current contract, lease, or license agreement; provided, however, if  
21 the tenant and landlord extend or renew their contract, lease, or  
22 license agreement following the effective date of P.L. \_\_\_\_\_,  
23 c. (pending before the Legislature as this bill), then the tenant shall  
24 be obligated to replenish the money or forms of security required  
25 under the contract, lease, or license agreement in full on or before  
26 the last day of the sixth month next following the end of the Public  
27 Health Emergency established by Executive Order No. 103 of 2020,  
28 and any extension thereof, or on the date on which the current  
29 contract, lease, or license agreement is extended or renewed,  
30 whichever is later.

31 c. Use of money or other forms of security deposited or  
32 advanced in accordance with P.L.1967, c.265 (C.46:8-19 et seq.),  
33 including the tenant's portion of the interest, earnings, or both,  
34 accumulated thereon, for the purposes set forth in subsection a. of  
35 this section shall not be considered a violation of P.L.1967, c.265  
36 (C.46:8-19 et seq.).

37 d. A landlord or tenant who fails to comply with the provisions  
38 of subsections a. or b. of this section shall be subject to the  
39 penalties set forth in section 7 of P.L.1967, c.265 (C.46:8-25).<sup>2</sup>

40  
41 <sup>2</sup>**[17.] 8.**<sup>2</sup> Section 1 of P.L.2020, c.1 (C.2A:18-59.3) is amended  
42 to read as follows:

43 1. a. Notwithstanding any other law to the contrary, whenever  
44 a Public Health Emergency, pursuant to the "Emergency Health  
45 Powers Act," P.L.2005, c.222 (C.26:13-1 et seq.) <sup>2</sup>**[**, or a State of  
46 Emergency, pursuant to P.L.1942, c.251 (C.App.A.9-33 et seq.), or  
47 both,<sup>2</sup> has been declared by the Governor and is in effect, the  
48 Governor may issue an executive order to declare that a lessee,

1 tenant, homeowner or any other person shall not be removed from a  
2 residential property as the result of an eviction or foreclosure  
3 proceeding. This executive order shall remain in effect for no  
4 longer than two months following the end of the Public Health  
5 Emergency <sup>2</sup>~~or State of Emergency~~<sup>2</sup>. An executive order issued  
6 pursuant to this subsection may be adjusted by a subsequent  
7 executive order.

8 b. Eviction and foreclosure proceedings may be initiated or  
9 continued during the time of an executive order issued pursuant to  
10 this section ~~[, but enforcement]~~ , unless provided pursuant to a  
11 subsequently-enacted statute, or in an executive order issued  
12 pursuant to subsection a. of this section, that eviction actions may  
13 not be initiated or continued for nonpayment or habitually late  
14 payment of rent <sup>3</sup>~~[, or for another reason,]~~<sup>3</sup> during a period of time  
15 overlapping that of the initial executive order. Enforcement of all  
16 judgments for possession, warrants of removal, and writs of  
17 possession shall be stayed during this period if the Governor has  
18 issued an executive order prohibiting certain removals from  
19 residential property pursuant to subsection a. of this section, unless  
20 the court determines on its own motion or motion of the parties that  
21 enforcement is necessary in the interest of justice.

22 c. Sheriffs, court officers, and their agents shall refrain from  
23 acting to remove individuals from residential properties through the  
24 eviction or foreclosure processes during the time of an executive  
25 order issued by the Governor prohibiting certain removals from  
26 residential property pursuant to subsection a. of this section, unless  
27 the court determines on its own motion or motion of the parties that  
28 removal is necessary in the interest of justice.

29 d. As used in this section, "residential property" means any  
30 property rented or owned for residential purposes, including, but  
31 not limited to, any house, building, mobile home or land in a mobile  
32 home park, or tenement leased for residential purposes, but shall not  
33 include any hotel, motel, or other guest house, or part thereof,  
34 rented to a transient guest or seasonal tenant, or a residential health  
35 care facility.<sup>1</sup>

36  
37 <sup>2</sup>9. a. Recognizing that housing developments for low- and  
38 moderate-income individuals are likely to be financially impacted  
39 by the COVID-19 pandemic, there is hereby established within the  
40 New Jersey Housing and Mortgage Finance Agency a "COVID-19  
41 Impact Fund."

42 b. Proceeds of the fund may be used:

43 (1) to maintain mortgage payments and related fees and escrows  
44 owed to the New Jersey Housing and Mortgage Finance Agency for  
45 properties which are approved for mortgage forbearance or  
46 otherwise materially impacted by the impact of COVID-19; and

1       (2) in cases where the value of the Low-Income Housing Tax  
2 Credit has been reduced due to the impact of the public health crisis  
3 caused by the COVID-19 pandemic, to close the financing gap  
4 caused by the pricing drop and ensure that the production of  
5 affordable housing can continue.

6       c. The Executive Director of the New Jersey Housing and  
7 Mortgage Finance Agency shall be permitted to petition the  
8 Commissioner of Community Affairs to transfer funds from the  
9 “New Jersey Affordable Housing Trust Fund,” established pursuant  
10 to section 20 of P.L.1985, c.222 (C.52:27D-320), to the “COVID-19  
11 Impact Fund.” Any petition shall demonstrate the agency’s need  
12 for the funding. If the petition is approved, the executive director  
13 and the commissioner shall enter into a memorandum of  
14 understanding governing the amount of the transfer, the date of the  
15 transfer, and any additional conditions of the funds being  
16 transferred to the “COVID-19 Impact Fund.”<sup>2</sup>

17  
18       <sup>3</sup>10. (New section) a. A taxpayer who is a landlord for  
19 residential property, with the exception of a landlord of a multiple  
20 dwelling of more than 10 dwelling units, shall be allowed a credit  
21 against the tax otherwise due for the taxable year under the “New  
22 Jersey Gross Income Tax Act,” N.J.S.54A:1-1 et seq., in an amount  
23 equal to 50 percent of the amount of rent that one or more impacted  
24 tenants do not pay in a taxable year during the emergency period,  
25 for which the landlord permanently forgives that impacted tenant or  
26 tenants from paying. A permanent forgiveness of unpaid rent may  
27 be asserted to obtain a tax credit pursuant to this section only if  
28 notice of the forgiveness has been provided in writing to the tenant,  
29 along with a written certification that the unpaid rent shall not be  
30 asserted as grounds for any legal action, including but not limited to  
31 an action to: (1) evict or otherwise dispossess the tenant of the  
32 property; or (2) obtain the unpaid rent through a monetary judgment  
33 action.

34       b. The order of priority of the application of the credit allowed  
35 pursuant to this section and any other credits allowed pursuant to  
36 the “New Jersey Gross Income Tax Act” N.J.S.54A:1-1 et seq. for a  
37 taxable year shall be as prescribed by the director. The amount of  
38 the credit applied under this section against the tax imposed for a  
39 taxable year, together with any other credits allowed by law, shall  
40 not reduce the tax liability to an amount less than zero. The amount  
41 of unused credit allowable under this section may be carried  
42 forward, if necessary, to the three taxable years following the  
43 taxable year for which the tax credit is allowed.

44       c. A business entity that is classified as a partnership for federal  
45 income tax purposes shall not be allowed the credit directly, but the  
46 amount of credit of a taxpayer in respect of a distributive share of  
47 partnership income shall be determined by allocating to the  
48 taxpayer that proportion of the credit acquired by the partnership

1 that is equal to the taxpayer's share, whether or not distributed, of  
2 the total distributive income or gain of the partnership for its  
3 taxable year ending within or with the taxpayer's taxable year. A  
4 taxpayer that is a New Jersey S corporation shall not be allowed the  
5 credit directly, but the amount of credit of a taxpayer in respect of a  
6 pro rata share of S corporation income shall be determined by  
7 allocating to the taxpayer that proportion of the credit acquired by  
8 the New Jersey S corporation that is equal to the taxpayer's share,  
9 whether or not distributed, of the total pro-rata share of S  
10 corporation income of the New Jersey S corporation for its privilege  
11 period ending within or with the taxpayer's taxable year.

12 d. The Director of the Division of Taxation in the Department of  
13 the Treasury is authorized to adopt rules and regulations in  
14 accordance with the "Administrative Procedure Act," P.L.1968,  
15 c.410 (C.52:14B-1 et seq.) and prescribe forms as necessary to  
16 implement this section.<sup>3</sup>

17  
18 <sup>2</sup>[<sup>1</sup>8.] <sup>3</sup>[<sup>10</sup>.<sup>2</sup>] <sup>11</sup>.<sup>3</sup> (New section) <sup>3</sup>[a. The powers granted and  
19 duties imposed by this act shall be construed to be independent and  
20 severable. If any provision of this act or the application thereof to  
21 any person or circumstance is held invalid, the invalidity shall not  
22 affect other provisions or applications of the sections which can be  
23 given effect without the invalid provision or application, and to this  
24 end the provisions of this act are severable. All laws and parts of  
25 law in conflict with any of the provisions of this act are hereby  
26 construed to be inferior to this act, to the extent so in conflict.

27 b.]<sup>3</sup> It shall be an unlawful discrimination in violation of the  
28 "New Jersey Law Against Discrimination," P.L.1945, c.169  
29 (C.10:5-1 et seq.) for a creditor or landlord to discriminate in  
30 application of the provisions of this act <sup>3</sup>[because of an impacted  
31 homeowners' or tenant's race, creed, color, national origin,  
32 ancestry, marital status, civil union status, domestic partnership  
33 status, pregnancy or breastfeeding, sex, gender identity or  
34 expression, affectional or sexual orientation, familial status,  
35 disability, liability for service in the Armed Forces of the United  
36 States, nationality, or source of lawful income used for rental or  
37 mortgage payments] on any basis protected by subsection g. of  
38 section 11 of P.L.1945, c.169 (C.10:5-12)<sup>3</sup> .<sup>1</sup>

39  
40 <sup>1</sup>[<sup>2</sup>.] <sup>2</sup>[<sup>9</sup>.<sup>1</sup>] <sup>3</sup>[<sup>11</sup>.<sup>2</sup>] <sup>12</sup>.<sup>3</sup> This act shall take effect immediately  
41 <sup>1</sup>and shall apply retroactively to rent and mortgage payments  
42 missed subsequent to March 9, 2020<sup>1</sup>.