

ASSEMBLY, No. 2763

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 27, 1997

By Assemblymen STANLEY, CARABALLO, Jones,
Assemblywoman Gill and Assemblyman Steele

1 AN ACT concerning the New Jersey Housing and Mortgage Finance
2 Agency and amending P.L.1983, c.530.

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

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7 1. Section 4 of P.L.1983, c.530 (C.55:14K-4) is amended to read
8 as follows:

9 a. The New Jersey Housing Finance Agency, created by section 4
10 of P.L.1967, c.81 (C.55:14J-4) and the New Jersey Mortgage Finance
11 Agency created by section 4 of P.L.1970, c.38 (C.17:1B-7) are hereby
12 consolidated into a single agency which shall be known as the New
13 Jersey Housing and Mortgage Finance Agency, which shall be a
14 continuance of the corporate existence of those agencies.

15 b. In this section, the words "original agencies" refer to the
16 agencies which are consolidated pursuant to subsection a. of this
17 section before their consolidation, and the word "agency" refers to
18 the single agency resulting from that consolidation.

19 c. All property, rights and powers of each of the original agencies
20 are hereby vested in and shall be exercised by the agency, subject,
21 however, to all pledges, covenants, agreements and trusts made or
22 created by the original agencies, respectively.

23 d. All debts, liabilities, obligations, agreements and covenants of
24 the original agencies are hereby imposed upon the agency. Any
25 property of the original agencies in which a mortgage or security
26 interest has been granted to any bondholders or other creditors of
27 either of the original agencies shall continue to be subject to that
28 mortgage or security interest until the mortgage or security interest
29 is defeased or terminated in accordance with its terms. All
30 bondholders and other creditors of the original agencies and persons
31 having claims against or contracts with the original agencies of any
32 kind or character may enforce those debts, claims and contracts
33 against the agency in the same manner as they might have against the

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

Matter underlined thus is new matter.

1 original agencies respectively, and the rights and remedies of those
2 bondholders, creditors and persons having claims or contracts shall
3 not be limited or restricted in any manner by this act.

4 e. In continuing the functions and carrying out the contracts,
5 obligations and duties of the original agencies, the agency is hereby
6 authorized to act in its own name or in the name of either of the
7 original agencies as may be convenient or advisable.

8 f. Any references to either of the original agencies in any other law
9 or regulation shall be deemed to refer to and apply to the agency.

10 g. All regulations of the original agencies shall continue to be in
11 effect as the regulations of the agency until amended, supplemented
12 or rescinded by the agency in accordance with law.

13 h. All employees of the original agencies shall become employees
14 of the agency. Nothing in this title shall affect the civil service status,
15 if any, of those employees or their rights, privileges, obligations or
16 status with respect to any pension or retirement system.

17 i. The agency is hereby established in, but not of, the Department
18 of Community Affairs and constituted a body politic and corporate and
19 an instrumentality exercising public and essential governmental
20 functions, and the exercise by the agency of the powers conferred by
21 this act shall be deemed and held to be an essential governmental
22 function of the State.

23 j. The agency shall consist of nine members as follows: the
24 Commissioner of the Department of Community Affairs, the State
25 Treasurer, the Attorney General and the Commissioner of Banking,
26 who shall be members ex officio, and ~~[three]~~ five members appointed
27 by the Governor with the advice and consent of the Senate for terms
28 of three years. ~~[The three]~~ The five members appointed by the
29 Governor shall be residents of the State and shall have knowledge in
30 the areas of housing design, construction or operation; finance;
31 urban redevelopment; or community relations. The members first
32 appointed by the Governor shall serve for terms of one year, two
33 years and three years respectively. Each member shall hold office for
34 the term of his appointment and until his successor shall have been
35 appointed and qualified. A member of the agency shall be eligible for
36 reappointment.

37 k. Each ex officio member of the agency may designate an officer
38 or employee of his department or agency to represent him at meetings
39 of the agency, and each designee may lawfully vote and otherwise act
40 on behalf of the member for whom he constitutes the designee. Any
41 designation shall be in writing, delivered to the agency and shall
42 continue in effect until revoked or amended by writing, delivered to
43 the agency.

44 l. Each member of the agency may be removed from office by the
45 Governor, for cause, after a public hearing and may be suspended by
46 the Governor pending the completion of such a hearing. Each member

1 of the agency before entering upon his duties shall take and subscribe
2 an oath to perform the duties of the office faithfully, impartially and
3 justly to the best of his ability. A record of these oaths shall be filed
4 in the office of the Secretary of State.

5 m. Any vacancies in the membership of the agency occurring other
6 than by expiration of term shall be filled in the same manner as the
7 original appointment, but for the unexpired term only.

8 n. The Commissioner of the Department of Community Affairs
9 shall be the chairman of the agency and the members shall elect one of
10 their number as vice-chairman thereof. The agency shall elect a
11 secretary and a treasurer who need not be members; but the same
12 person may be elected to serve both as secretary and treasurer. The
13 powers of the agency shall be vested in the members thereof in office
14 from time to time and ~~[four]~~ five members (which shall include at least
15 two ex officio members) of the agency shall constitute a quorum at any
16 meeting thereof. Action may be taken and motions and resolutions
17 adopted by the agency at any meeting thereof by the affirmative vote
18 of at least ~~[four]~~ five members of the agency, which shall include at
19 least two ex officio members. No vacancy in the membership of the
20 agency shall impair the right of a quorum to exercise all the powers
21 and perform all the duties of the agency.

22 o. A true copy of the minutes of every meeting of the agency shall
23 be forthwith delivered by and under the certification of the secretary
24 thereof to the Governor. No action taken at such meeting by the
25 agency shall have force or effect until 10 days, Saturdays, Sundays,
26 and public holidays excepted, after such copy of the minutes shall have
27 been so delivered unless during such 10-day period the Governor shall
28 approve the same in which case such action shall become effective
29 upon such approval. If, in said 10-day period, the Governor returns
30 such copy of the minutes with veto of any action taken by the agency
31 or any member thereof at such meeting, such action shall be null and
32 void and of no effect. The Governor may approve all or part of the
33 action taken at such meeting prior to the expiration of the said 10-day
34 period.

35 p. The members of the agency shall serve without compensation,
36 but the agency shall reimburse its members for actual expenses
37 necessarily incurred in the discharge of their duties.

38 q. Notwithstanding the provisions of any other law, no officer or
39 employee of the State shall be deemed to have forfeited or shall forfeit
40 his office or employment or any benefits or emoluments thereof by
41 reason of acceptance of the office of member of the agency or his
42 services in such office.

43 r. The agency may be dissolved by act of the Legislature on
44 condition that the agency has no debts or obligations outstanding or
45 provision has been made for the payment or retirement of its debts or
46 obligations. Upon dissolution of the agency all property, funds and

1 assets thereof shall be vested in the State.

2 (cf: P.L.1983, c.530, s. 4)

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4 2. This act shall take effect immediately.

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STATEMENT

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9 This bill would increase the number of public members of the New
10 Jersey Housing and Mortgage Finance Agency from three to five
11 members appointed by the Governor with the advice and consent of
12 the Senate.

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Increases number of public members of HMFA.