

[First Reprint]
SENATE, No. 1565

STATE OF NEW JERSEY

INTRODUCED OCTOBER 3, 1996

By Senator RICE

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

3

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

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SCO committee amendments adopted January 14, 1997.

1 kind or character may enforce those debts, claims and contracts
2 against the agency in the same manner as they might have against the
3 original agencies respectively, and the rights and remedies of those
4 bondholders, creditors and persons having claims or contracts shall
5 not be limited or restricted in any manner by this act.

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

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

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14 or rescinded by the agency in accordance with law.

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

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

25 j. The agency shall consist of nine members as follows: the
26 Commissioner of the Department of Community Affairs, the State
27 Treasurer, the Attorney General and the Commissioner of Banking,
28 who shall be members ex officio, and [~~three~~] five members appointed
29 by the Governor with the advice and consent of the Senate for terms
30 of three years. [~~The three~~] The five members appointed by the
31 Governor shall be residents of the State and shall have knowledge in
32 the areas of housing design, construction or operation; finance;
33 urban redevelopment; or community relations. ¹[The two additional
34 members appointed pursuant to this act, and their successors, shall be
35 of different major political parties.]¹The members first appointed by
36 the Governor shall serve for terms of one year, two years and three
37 years respectively. Each member shall hold office for the term of his
38 appointment and until his successor shall have been appointed and
39 qualified. A member of the agency shall be eligible for reappointment.

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

1 l. Each member of the agency may be removed from office by the
2 Governor, for cause, after a public hearing and may be suspended by
3 the Governor pending the completion of such a hearing. Each member
4 of the agency before entering upon his duties shall take and subscribe
5 an oath to perform the duties of the office faithfully, impartially and
6 justly to the best of his ability. A record of these oaths shall be filed
7 in the office of the Secretary of State.

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

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

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

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

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

46 r. The agency may be dissolved by act of the Legislature on

1 condition that the agency has no debts or obligations outstanding or
2 provision has been made for the payment or retirement of its debts or
3 obligations. Upon dissolution of the agency all property, funds and
4 assets thereof shall be vested in the State.

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

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7 2. This act shall take effect immediately.

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12 Increases number of public members of the HMFA.