

ASSEMBLY, No. 4034

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 7, 2020

Sponsored by:

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

SYNOPSIS

Authorizes Governor to permit mortgage forbearance and rent payment responsibility reduction for residential property owners and tenants during emergency circumstances; concerns consumer reporting during coronavirus disease 2019 pandemic.

CURRENT VERSION OF TEXT

As introduced.



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

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

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

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

24 c. (1) An emergency-impacted mortgage forbearance
25 executive order shall indicate whether emergency-impacted
26 homeowners shall apply to the commissioner, or to another
27 administrative agent, as the reviewing entity for emergency-
28 impacted mortgage forbearances.

29 (2) An emergency-impacted homeowner may apply on forms to
30 be provided by the department for a certification of eligibility for an
31 emergency-impacted mortgage forbearance. The application shall
32 be submitted in accordance with a deadline to be established by an
33 emergency-impacted mortgage forbearance executive order. The
34 reviewing entity shall approve an application and grant a
35 certification of eligibility or deny an application within 30 days of
36 its delivery. If the application is not approved or denied within 30
37 days of its delivery, the application shall be deemed approved.

38 (3) The forms provided by the department shall include
39 collection of docket numbers, party names, and property addresses
40 as to any pending court actions involving any property that is the
41 subject of the emergency-impacted mortgage forbearance
42 application. An emergency-impacted homeowner shall be eligible
43 for an emergency-impacted mortgage forbearance regardless of
44 whether the residential property is already the subject of a
45 foreclosure proceeding prior to the effective date of an emergency-

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 impacted mortgage forbearance executive order. The reviewing
2 entity shall provide the docket numbers, party names, and property
3 addresses as to any pending court actions involving any property
4 granted a certification of eligibility to the Superior Court Clerk's
5 Office at least monthly. If the reviewing entity is a bank, the bank
6 shall submit information on all emergency-impacted mortgage
7 forbearance applications submitted, approved, and denied to the
8 Department of Banking and Insurance on a bi-weekly basis.

9 (4) (a) Notwithstanding the provisions of any law, rule, or
10 regulation to the contrary, the repayment period of any mortgage
11 subject to the emergency-impacted mortgage forbearance
12 established pursuant to this section shall be extended by the number
13 of months the emergency-impacted mortgage forbearance is in
14 effect.

15 (b) During the time of the emergency-impacted mortgage
16 forbearance, and during the period constituting an extension of the
17 mortgage, all terms and conditions of the original mortgage, except
18 with regard to default and delinquency during forbearance, shall
19 continue without modification, and there shall be no fees assessed
20 for the forbearance, or penalty for early repayment.

21 (c) If a foreclosure action is filed with the court only as a result
22 of not receiving mortgage payments from an emergency-impacted
23 homeowner during the time period of the emergency-impacted
24 homeowner's forbearance, the homeowner may assert the receipt of
25 an emergency-impacted mortgage forbearance as an affirmative
26 defense.

27 (5) (a) An emergency-impacted homeowner who applies for a
28 forbearance on a property as its landlord shall only be eligible for
29 an emergency-impacted mortgage forbearance if the homeowner
30 commits to providing any emergency-impacted tenant residing in
31 the residential property with an emergency rent reduction period.
32 An emergency-impacted mortgage forbearance executive order may
33 direct that, when applying for an emergency-impacted mortgage
34 forbearance as a landlord, the emergency-impacted homeowner
35 shall indicate the number of residential tenants residing in the
36 residence, the amount of rent charged to each residential tenant,
37 contact information for each residential tenant, whether any tenant's
38 rent is subsidized by the federal Housing Choice Voucher (Section
39 8) Program or other subsidy, and provide any additional information
40 deemed necessary.

41 (b) If directed in an emergency-impacted mortgage forbearance
42 executive order the availability of a forbearance to a residential
43 landlord shall be restricted to a landlord of a building registered as a
44 multiple dwelling pursuant to the "Hotel and Multiple Dwelling
45 Law," P.L.1967, c.76 (C.55:13A-1 et seq.).

46 (c) If while in receipt of a certification of eligibility for an
47 emergency-impacted mortgage forbearance, the landlord willfully
48 refuses to provide an emergency-impacted tenant with an
49 emergency rent reduction period, the landlord shall be deemed in

1 violation of the emergency-impacted mortgage forbearance
2 executive order, which violation shall authorize the tenant to assert
3 the executive order as an affirmative defense in a landlord-tenant
4 action for non-payment of associated rent or habitual lateness of
5 associated rent payments. Upon tenant's failure to timely pay the
6 rent arrearage to the landlord in accordance with the emergency-
7 impacted mortgage forbearance executive order, if rent arrearage
8 repayment is required by the executive order, the executive order
9 and the provisions herein shall no longer apply to the tenant.

10 (6) An emergency-impacted tenant whose landlord has been
11 approved for a certification of eligibility for an emergency-
12 impacted mortgage forbearance may apply to the landlord for an
13 emergency rent reduction period, unless directed by an emergency-
14 impacted mortgage forbearance executive order to apply to an
15 alternative administrative agent. An emergency-impacted mortgage
16 forbearance executive order shall establish whether other forms of
17 financial relief obtained by the landlord, in addition to a
18 certification of eligibility for an emergency-impacted mortgage
19 forbearance, shall also authorize the landlord's emergency-impacted
20 tenant to apply for an emergency rent reduction period. An
21 emergency-impacted tenant shall be provided with the level of rent
22 reduction directed by an emergency-impacted mortgage forbearance
23 executive order. An emergency-impacted mortgage forbearance
24 executive order may authorize the rent reduction provided during an
25 emergency rent reduction period to exceed any limitation on rent
26 increases established by a "Notice of Rent Protection Emergency,"
27 pursuant to P.L.2002, c.133 (C.2A:18-61.62 et seq.). The
28 application deadline for an emergency rent reduction period shall be
29 established by an emergency-impacted mortgage forbearance
30 executive order.

31 (7) (a) An emergency-impacted mortgage forbearance executive
32 order may provide the following protections to residential tenants
33 regardless of whether the tenant's landlord has obtained a
34 forbearance:

35 (i) landlord-tenant proceedings shall not be initiated during the
36 time provided in the executive order, unless the court determines on
37 its own motion or motion of the parties that enforcement is
38 necessary in the interest of justice;

39 (ii) prohibit landlords from imposing late fees on residential
40 tenants; and

41 (iii) establish a 90-day repayment window applied individually to
42 each month of rent arrears for a residential tenant, beginning with
43 the first day of the second month next following the conclusion of
44 both the state of emergency and public health emergency
45 established pursuant to subsection a. of this section, to be applicable
46 unless a landlord and tenant negotiate a longer repayment schedule
47 for each individual month of rent arrears.

48 (b) If a landlord willfully refuses to comply with any provision
49 of subparagraph (a) of this paragraph, the landlord shall be deemed

1 in violation of the emergency-impacted mortgage forbearance
2 executive order, which violation shall authorize the tenant to assert
3 the executive order as an affirmative defense in a landlord-tenant
4 action for non-payment of associated rent or habitual lateness of
5 associated rent payments. Upon tenant's failure to timely pay the
6 rent arrearage to the landlord in accordance with the emergency-
7 impacted mortgage forbearance executive order, the executive order
8 and the provisions herein shall no longer apply to the tenant.

9 (8) An emergency-impacted mortgage forbearance executive
10 order shall provide that the repayment schedule established by sub-
11 subparagraph (iii) of subparagraph (a) of paragraph (7) of this
12 subsection shall apply either:

13 (a) to rent unpaid by a residential tenant, including an
14 emergency-impacted tenant and a tenant whose landlord has not
15 obtained a forbearance, for rent unpaid during an emergency rent
16 reduction period, pursuant to paragraph (6) of this subsection; or

17 (b) exclusively to rent unpaid by a residential tenant who did not
18 obtain an emergency rent reduction period, in which case an
19 emergency-impacted tenant, who obtained an emergency rent
20 reduction period in association with the landlord's forbearance,
21 shall not be required to repay the rent unpaid pursuant to the
22 emergency rent reduction period.

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

26 (a) notify homeowners of the emergency-impacted mortgage
27 forbearance program;

28 (b) notify landlords who may apply for a certification of
29 eligibility for an emergency-impacted mortgage forbearance, or
30 other qualifying financial relief, of their responsibilities to alert
31 their residential tenants of the option, if emergency-impacted, to
32 apply for an emergency rent reduction period.

33 (c) post information on eligibility and the application process
34 for an emergency-impacted mortgage forbearance, and make
35 forbearance applications available, on the department's Internet
36 website;

37 (d) notify the Superior Court Clerk's Office of the individuals
38 and associated residential properties that are granted a certification
39 of eligibility for an emergency-impacted mortgage forbearance in
40 accordance with paragraph (3) of subsection c. of this section;

41 (e) notify the State's active banks of the individuals and
42 associated residential properties that are eligible for a forbearance;
43 and

44 (f) provide tenants with a copy of the certification of eligibility
45 granting the landlord an emergency-impacted mortgage
46 forbearance.

47 (2) Upon knowledge of a homeowner's eligibility for an
48 emergency-impacted mortgage forbearance, the bank shall notify
49 the homeowner.

1 (3) Upon approval of a certification of eligibility for an
2 emergency-impacted mortgage forbearance application pursuant to
3 subsection c. of this section, the reviewing entity shall notify the
4 applicant, any residential tenants, and the bank.

5 e. Emergency-impacted homeowners awarded a certification of
6 eligibility for an emergency-impacted mortgage forbearance under
7 this section shall be responsible for the maintenance of the property
8 during the period of forbearance. A property subject to an
9 emergency-impacted mortgage forbearance that becomes vacant and
10 abandoned pursuant to section 1 of P.L.2012, c.70 (C.2A:50-73)
11 may be foreclosed upon in accordance with the residential mortgage
12 foreclosure procedures set out in the "Fair Foreclosure Act,"
13 P.L.1995, c.244 (C.2A:50-53 et seq.), or by filing a summary action
14 to foreclose a mortgage debt secured by residential property that is
15 vacant and abandoned pursuant to section 1 of P.L.2012, c.70
16 (C.2A:50-73).

17 f. Nothing in this section shall be construed as limiting the
18 ability of a bank and residential property owner to participate in
19 foreclosure mediation sponsored by the Administrative Office of the
20 Courts in accordance with "New Jersey Foreclosure Mediation
21 Act," P.L.2019, c.64 (C.2A:50-74 et. seq.). Nothing in this section
22 shall be construed to impact property tax and insurance obligations
23 of a property owner related to any real property in the State.

24 g. An emergency-impacted mortgage forbearance executive
25 order may limit the application of this section to avoid affecting any
26 mortgage loans made, insured, or securitized by any agency or
27 instrumentality of the United States, any Government Sponsored
28 Enterprise, or a Federal Home Loan Bank, or the rights and
29 obligations of any lender, issuer, servicer or trustee of such
30 obligations, including servicers for the Government National
31 Mortgage Association. An emergency-impacted mortgage
32 forbearance executive order may further limit the application of this
33 section as determined necessary to comply with federal law.

34 h. As used in this section:

35 "Bank" means the mortgage lender or servicer for the primary
36 residence of the emergency-impacted homeowner.

37 "Commissioner" means the Commissioner of Community
38 Affairs.

39 "Department" means the Department of Community Affairs.

40 "Emergency-impacted homeowner" means a homeowner,
41 including, but not limited to, an owner of a residential property
42 serving as the owner's primary residence, or person or business
43 entity serving as the landlord of a residential property, who is
44 subject to a substantial loss of income, in accordance with the terms
45 of an emergency-impacted mortgage forbearance executive order,
46 resulting from a Public Health Emergency, declared pursuant to the
47 "Emergency Health Powers Act," P.L.2005, c.222 (C.26:13-1 et
48 seq.), or a State of Emergency, declared pursuant to P.L.1942, c.251
49 (C.App.A.9-33 et seq.).

1 “Emergency-impacted mortgage forbearance” or “forbearance”
2 means a period of time during which obligations for mortgage and
3 interest payments are suspended.

4 “Emergency-impacted mortgage forbearance executive order”
5 means an executive order issued pursuant to subsection a. of this
6 section.

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

15 “Emergency rent reduction period” means a period of time
16 during which an emergency-impacted tenant is provided with a
17 reduction in rent payment responsibilities, pursuant to paragraph (6)
18 of subsection c. of this section, and if required by the emergency-
19 impacted mortgage forbearance executive order, during which
20 repayment is extended by 90 days for each month of unpaid rent
21 during the state of emergency and public health emergency.

22 “Residential property” means any property rented or owned for
23 residential purposes, including, but not limited to, any house,
24 building, mobile home or land in a mobile home park, or tenement
25 leased for residential purposes, but shall not include any hotel,
26 motel, or other guest house, or part thereof, rented to a transient
27 guest or seasonal tenant, or a residential health care facility.

28 “Reviewing entity” means the entity designated in an
29 emergency-impacted mortgage forbearance executive order,
30 pursuant to paragraph (1) of subsection c. of this section, with
31 reviewing emergency-impacted mortgage forbearance applications
32 submitted by emergency-impacted homeowners. An emergency-
33 impacted mortgage forbearance executive order may designate the
34 commissioner, the commissioner’s designee, the bank, or another
35 administrative agent as the reviewing entity.

36 i. The Commissioner of Community Affairs, and the
37 Commissioner of Banking and Insurance, as appropriate, shall,
38 pursuant to the provisions of the "Administrative Procedure Act,"
39 P.L.1968, c.410 (C.52:14B-1 et seq.), adopt such rules and
40 regulations as shall be necessary to implement the provisions of this
41 section no later than one month following the effective date of this
42 act. The rules and regulations adopted by the Commissioner of
43 Community Affairs and the Commissioner of Banking and
44 Insurance may adjust and supplement the provisions of an
45 emergency-impacted mortgage forbearance executive order, as long
46 as those adjustments and additions do not conflict with this section.

47

48 2. (New section) a. (1) No consumer reporting agency shall
49 include any adverse information that is a result of the coronavirus

1 disease 2019 pandemic in a consumer report pertaining to an
2 affected person who provides the agency with notice pursuant to
3 subsection b. of this section.

4 (2) No user of a consumer report shall consider any adverse
5 information that is a result of the coronavirus disease 2019
6 pandemic in a consumer report pertaining to an affected person who
7 provides the user with notice pursuant to subsection b. of this
8 section.

9 b. (1) An affected person may contact any consumer reporting
10 agency and request that the agency disregard any adverse
11 information related to the person obtained by the agency with
12 respect to the period beginning with the Public Health Emergency
13 and State of Emergency declared by the Governor in Executive
14 Order 103 of 2020 and extending 90 days following the end of that
15 public health emergency and state of emergency.

16 (2) Any consumer reporting agency that receives a request
17 pursuant to paragraph (1) of this subsection shall respond to the
18 affected person and the Director of the Division of Consumer
19 Affairs in the Department of Law and Public Safety within five
20 days of receiving the request.

21 (3) An affected person may contact any user of a consumer
22 report and request that the user disregard any adverse information
23 related to the person in a consumer report with respect to the period
24 beginning with the Public Health Emergency and State of
25 Emergency declared by the Governor in Executive Order 103 of
26 2020 and extending 90 days following the end of that public health
27 emergency and state of emergency.

28 (4) Any user of a consumer report that receives a request
29 pursuant to paragraph (3) of this subsection shall respond to the
30 affected person and the Director of the Division of Consumer
31 Affairs in the Department of Law and Public Safety within five
32 days of receiving the request.

33 c. No charge shall be imposed by a consumer reporting agency
34 pursuant to section 10 of P.L.1997, c.172 (C.56:11-37) with respect
35 to a request made by a consumer pursuant to this section.

36 d. As used in this section:

37 "Affected person" means a borrower who is a resident of this
38 State and has suffered financial hardship as a result of the
39 coronavirus disease 2019 pandemic.

40 "Borrower" means a person who is named as a borrower or
41 debtor in a consumer, student, or other consumer loan or extension
42 of credit.

43 "User of a consumer report" means any person or entity that is
44 furnished a consumer report for a purpose that is permissible
45 pursuant to section 4 of P.L.1997, c.172 (C.56:11-31).

46

47 3. Section 1 of P.L.2020, c.1 (C.2A:18-59.3) is amended to read
48 as follows:

1 1. a. Notwithstanding any other law to the contrary, whenever a
2 Public Health Emergency, pursuant to the "Emergency Health
3 Powers Act," P.L.2005, c.222 (C.26:13-1 et seq.), or a State of
4 Emergency, pursuant to P.L.1942, c.251 (C.App.A.9-33 et seq.), or
5 both, has been declared by the Governor and is in effect, the
6 Governor may issue an executive order to declare that a lessee,
7 tenant, homeowner or any other person shall not be removed from a
8 residential property as the result of an eviction or foreclosure
9 proceeding. This executive order shall remain in effect for no
10 longer than two months following the end of the Public Health
11 Emergency or State of Emergency. An executive order issued
12 pursuant to this subsection may be adjusted by a subsequent
13 executive order.

14 b. Eviction and foreclosure proceedings may be initiated or
15 continued during the time of an executive order issued pursuant to
16 this section **【, but enforcement】**, unless otherwise provided in the
17 executive order issued pursuant to subsection a. of this section.
18 Enforcement of all judgments for possession, warrants of removal,
19 and writs of possession shall be stayed during this period if the
20 Governor has issued an executive order prohibiting certain removals
21 from residential property pursuant to subsection a. of this section,
22 unless the court determines on its own motion or motion of the
23 parties that enforcement is necessary in the interest of justice.

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

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

38 (cf: P.L.2020, c.1)

39

40 4. This act shall take effect immediately and shall be retroactive
41 to March 9, 2020.

42

43

44

STATEMENT

45

46 This bill would allow the Governor to permit emergency-
47 impacted mortgage forbearances and rent payment responsibility
48 reductions for certain emergency-impacted residential property
49 owners and tenants when a state of emergency or public health

1 emergency has been declared. The bill would also establish
2 consumer reporting protections in relation to the COVID-19
3 pandemic.

4 This bill would provide that, whenever a public health
5 emergency or a state of emergency is declared by the Governor and
6 is in effect, the Governor may issue an executive order to provide
7 that emergency-impacted homeowners, who have sustained a
8 substantial loss of income, may apply for an emergency-impacted
9 mortgage forbearance, meaning a period of time, not to exceed three
10 months, during which obligations for mortgage and interest
11 payments are suspended.

12 Under the bill, an emergency-impacted homeowner would apply
13 to the Commissioner of Community Affairs, or to an alternative
14 administrative agent serving as the reviewing entity, if directed by
15 the executive order, for a certification of eligibility for the
16 forbearance. The commissioner, or other reviewing entity, would
17 approve or deny an application within 30 days. If the application is
18 not approved or denied within 30 days of delivery, it would be
19 deemed approved.

20 The forbearance period of an emergency-impacted homeowner
21 would conclude three months following the commencement of the
22 forbearance period, which period would commence upon
23 application approval.

24 The repayment period of any mortgage subject to a forbearance
25 would be extended by the number of months the forbearance is in
26 effect. During the time of the forbearance and during the period
27 constituting an extension of the mortgage, all terms and conditions
28 of the original mortgage, except with regard to default and
29 delinquency during forbearance, would continue without
30 modification, and there would be no fees assessed for the
31 forbearance, or penalty for early repayment.

32 The bill includes qualifying residential landlords in its definition
33 of emergency-impacted homeowners. However, if directed in an
34 emergency-impacted mortgage forbearance executive order, the
35 availability of a forbearance to a residential landlord would be
36 restricted to a landlord of a building registered as a multiple
37 dwelling pursuant to the "Hotel and Multiple Dwelling Law."

38 An emergency-impacted homeowner who applies for a
39 forbearance on a property as its landlord would only be eligible for
40 a forbearance if the homeowner commits to providing any
41 emergency-impacted tenant residing in the residential property with
42 an emergency rent reduction period, consisting of a temporary
43 reduction in rent payment responsibilities.

44 An emergency-impacted tenant whose landlord has been
45 provided with a forbearance would apply to the landlord for an
46 emergency rent reduction period, unless directed by the emergency-
47 impacted mortgage forbearance executive order to apply to an
48 alternative administrative agent. The emergency-impacted
49 mortgage forbearance executive order would establish whether

1 other forms of financial relief obtained by the landlord, in addition
2 to a forbearance, would also authorize the landlord's emergency-
3 impacted tenant to apply for an emergency rent reduction period.
4 An emergency-impacted tenant would be provided with the level of
5 rent reduction directed by the emergency-impacted mortgage
6 forbearance executive order. The executive order may authorize the
7 rent reduction provided during an emergency rent reduction period
8 to exceed any limitation on rent increases established by a "Notice
9 of Rent Protection Emergency," that may have been issued by the
10 Governor. If provided by the executive order, rent left unpaid by a
11 tenant whose landlord has a forbearance, in accordance with an
12 emergency rent reduction, would not have to be repaid at a later
13 date.

14 Under the bill, an emergency-impacted mortgage forbearance
15 executive order may provide the following protections to residential
16 tenants regardless of whether the tenant's landlord has obtained a
17 forbearance:

- 18 • that eviction proceedings shall not be initiated during the
19 time provided in the executive order, unless the court
20 determines on its own motion or motion of the parties that
21 enforcement is necessary in the interest of justice;
- 22 • A prohibition preventing landlords from imposing late fees
23 on residential tenants; and
- 24 • A 90-day repayment window applied individually for each
25 month of rent arrears for a residential tenant, beginning with
26 the first day of the second month next following the
27 conclusion of both the state of emergency and public health
28 emergency. If indicated by the executive order, however,
29 this repayment requirement would not apply to certain rent
30 left unpaid by a tenant whose landlord has a forbearance.

31 Prior to one month following the effective date of this bill, the
32 bill directs the commissioner, to the greatest extent reasonably
33 possible, to:

- 34 • notify homeowners of the forbearance program;
- 35 • notify landlords who may obtain a forbearance, or other
36 qualifying financial relief, of their responsibilities to alert
37 their tenants of the option, if emergency-impacted, to
38 apply for an emergency rent reduction period;
- 39 • post information on eligibility and the application process
40 for the forbearance, and make forbearance applications
41 available, on DCA's website;
- 42 • notify the Superior Court Clerk's Office of the individuals
43 and associated residential properties that are granted a
44 certification of eligibility for a forbearance;
- 45 • notify the State's active mortgage lenders of the
46 individuals and associated residential properties that are
47 eligible for a forbearance; and

- 1 • provide tenants with a copy of the certification of
2 eligibility granting their landlord a forbearance.

3 Under the bill, upon knowledge of a homeowner's eligibility for
4 a forbearance, the mortgage lender would notify the homeowner.
5 Upon approval of a forbearance application, the reviewing entity
6 would notify the homeowner.

7 Emergency-impacted homeowners awarded a forbearance under
8 this bill would be responsible for the maintenance of the property
9 during the period of forbearance. The bill would not be construed
10 to impact property tax and insurance obligations of a property
11 owner related to any real property in the State.

12 The bill directs the Commissioner of Community Affairs to
13 adopt the rules and regulations necessary for implementation no
14 later than one month following enactment. The emergency-
15 impacted mortgage forbearance executive order, or the rules and
16 regulations adopted by the commissioner, may limit the bill's
17 application to non-federally-guaranteed mortgages, and may further
18 limit its application as deemed necessary to comply with federal
19 law. Additionally, the commissioners' rules and regulations would
20 be able to adjust and supplement the provisions of the initial
21 executive order, as long as those adjustments and additions would
22 not conflict with the bill.

23 Additionally, the bill provides that no consumer reporting agency
24 shall include, and no user of a consumer report shall consider, any
25 adverse information in a consumer report that is a result of the
26 coronavirus disease 2019 pandemic, with respect to an affected person
27 who provides the agency or user notice pursuant to the bill.

28 Under the bill, an affected person may contact any consumer
29 reporting agency or user of a consumer report and request that the
30 agency or user disregard any adverse information related to the person
31 obtained by the agency or user with respect to the period beginning
32 with the Public Health Emergency and State of Emergency declared by
33 the Governor in Executive Order 103 of 2020 and extending 90 days
34 following the end of that public health emergency and state of
35 emergency.

36 The bill requires any consumer reporting agency or user of a
37 consumer report that receives a request to respond to the affected
38 person and the Director of the Division of Consumer Affairs in the
39 Department of Law and Public Safety within five days of receiving the
40 request.