

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 338

STATE OF NEW JERSEY

DATED: MARCH 7, 2022

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 338.

This bill would provide a closing credit for certain resident first-time homebuyers. Specifically, the bill provides that for the duration of the funds appropriated under this bill and through any subsequent appropriation from the General Fund, a closing cost credit of one percent of a home purchase price would be covered for a resident first-time homebuyer who both meets the eligibility requirements and participates in the New Jersey Housing and Mortgage Finance Agency's ("HMFA") First-Time Homebuyer Mortgage Program or Down Payment Assistance Program, or both. Additionally, a resident first-time homebuyer would be required to attend a homebuyer counseling course offered by the federal Department of Housing and Urban Development or meet with a housing counselor approved by the HMFA.

This bill would appropriate from the General Fund to the HMFA the sum of \$20 million for the use by the HMFA to provide the closing cost credit to a resident first-time homebuyer.

This bill was pre-filed for introduction in the 2022-2023 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.