

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5169

STATE OF NEW JERSEY

DATED: JUNE 23, 2026

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5169.

As reported, this bill authorizes the New Jersey Housing and Mortgage Finance Agency (HMFA) to provide certain reimbursements to support pre-purchase homebuyer counseling, by expanding the existing Foreclosure Mediation Assistance Program (program) to include early intervention prepurchase homebuyer counseling services.

Under current law, the program provides reimbursement to certain qualified counselors who assist homeowners by either: (1) providing mediation assistance through HUD certified housing counselors to qualified applicants of the New Jersey Judiciary's Foreclosure Mediation Program, or (2) providing pre-foreclosure counseling assistance, to homeowners experiencing default or difficulty meeting their monthly mortgage payments. The program operates through a network of participating housing counseling agencies serving in each county.

The bill authorizes HMFA to also provide reimbursements to qualified counselors to support pre-purchase homebuyer counseling. The provision of pre-purchase housing counseling helps to reduce the incidence of foreclosure among homebuyers and serves as an early intervention to prevent the occurrence of mortgage delinquency, mortgage default, and foreclosure.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill would lead to an indeterminate increase in annual State expenditures by expanding the scope of the existing Foreclosure Mediation Assistance Program to include pre-purchase homebuyer counseling, which would increase annual program costs.