

ASSEMBLY RESOLUTION No. 165

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 1, 2020

Sponsored by:

Assemblywoman AURA K. DUNN

District 25 (Morris and Somerset)

SYNOPSIS

Urges Congress to enact legislation creating national mortgage modification program.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ASSEMBLY RESOLUTION** urging Congress to enact legislation
2 creating a national mortgage modification program in response to
3 the COVID-19 pandemic.

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5 **WHEREAS**, COVID-19 is a novel coronavirus that has caused a global
6 pandemic leading to an unprecedented and overwhelming public
7 health crisis; and

8 **WHEREAS**, In response to the devastating effect COVID-19 has had on
9 the country, the President issued a declaration of a National State of
10 Emergency on March 13, 2020 and announced social distancing
11 measures in an effort to halt the spread of COVID-19; and

12 **WHEREAS**, The State of New Jersey, the state with the second highest
13 incidence of COVID-19 in the United States, also enacted policies
14 that required residents to remain at home and practice social
15 distancing; and

16 **WHEREAS**, Social distancing, while effective at slowing the spread of
17 COVID-19, has caused considerable economic disruption
18 throughout the State and throughout the country, with many
19 businesses forced to close or operate at reduced capacity; and

20 **WHEREAS**, These disruptions have caused financial hardships for both
21 business owners, who have seen a reduction in income, and
22 employees, who have faced layoffs, reduced hours, and furloughs;
23 and

24 **WHEREAS**, The COVID-19 crisis and the ensuing economic hardships
25 it has caused have rendered many United States citizens unable to
26 pay their debts, including mortgage payments, as they come due;
27 and

28 **WHEREAS**, Many financial institutions and federal agencies have
29 agreed to provide grace periods for mortgage payments, institute
30 moratoriums on foreclosures and evictions, and provide relief from
31 mortgage-related fees and charges and certain negative credit
32 reporting during the COVID-19 pandemic; and

33 **WHEREAS**, The governments of other countries struggling to fight the
34 COVID-19 pandemic have stepped in to offer assistance to
35 mortgagors; and

36 **WHEREAS**, In Italy, the government has worked with banks to impose
37 a policy of temporarily suspending mortgage payments, either the
38 full payment or just the principal, for mortgagors who can
39 demonstrate a financial impact until the end of the COVID-19
40 pandemic; and

41 **WHEREAS**, A national mortgage modification program would create
42 consistency among federal agencies and financial institutions that
43 service mortgages and would not only help individual mortgagors,
44 but would also serve to aid state economies and the national
45 economy overall; now, therefore,

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47 **BE IT RESOLVED** *by the General Assembly of the State of New*
48 *Jersey:*

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1 foster consistency amongst financial institutions and federal
2 agencies, and would not only help individual mortgagors but would
3 also lead to a reduction in mortgage defaults that would help state
4 economies and the national economy overall.