

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2544

STATE OF NEW JERSEY

DATED: JANUARY 6, 2022

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2544 (1R).

This bill revises certain aspects of the laws governing the New Jersey Housing and Mortgage Finance Agency. Notably, the bill directs the agency to establish incentives and priorities to promote participation by minority and women owned businesses so that a realistic opportunity exists for these firms to successfully participate in providing low and moderate-income housing options to residents of the State.

Additionally, the bill encourages the development of multi-family rental housing and home ownership opportunities for low and moderate income families by allowing participating developing firms to satisfy existing bonding requirements through a valid letter of credit or traditional performance bonding. The bill also makes various procedural changes to help the New Jersey Housing and Mortgage Finance Agency carry out its housing priorities.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the bill will have an indeterminate impact on State finances. At a minimum, the bill may result in an indeterminate loss of New Jersey Housing and Mortgage Finance Agency (NJHMFA) revenues because it permits the repayment of agency-financed mortgage without penalty after a certain period of time. The OLS cannot predict the impact of the bill's provision restricting the use of savings achieved by the NJHMFA through bond refinancings or the discharge of debt.