



MEMORANDUM

To: Members of the New Jersey Senate
From: David Brogan, Executive Director
Date: April 13, 2020
Re: NJAA Opposition S- 2330 (Pou/Cryan/Oroho/Vitale)

On behalf of the New Jersey Apartment Association (NJAA), and our members who own, develop, and manage both market-rate and affordable housing for over a million New Jersey residents, we oppose S-2330 (Pou/Cryan/Oroho/Vitale) and ask you to vote “**NO**” when it comes before you for a vote on Monday, April 13, 2020.

S-2330 would prohibit certain debt collection activities until 120-180 days following the termination of a State of Emergency declaration or a Public Health Emergency declaration. While we understand the goal of assisting those in need during this crisis, the current wording of the bill inadvertently sweeps in individuals and industries that we believe were not contemplated. Specifically, landlords are considered creditors under the Fair Debt Collections Practices Act and as such, are now impacted by this bill. **Accordingly, we would respectfully request that the definition of “creditor” be revised to exclude landlords and their attorneys or other representatives when filing landlord-tenant actions.**

Unlike other industries, landlords have already been restricted by two moratoriums on evictions. The first is from Executive Order 106, which prohibits nearly all evictions from being processed for up to two months following the crisis. On the federal level, those landlords who have mortgages backed by Fannie Mae or Freddie Mac are prohibited from filing an eviction for the entirety of the loan forbearance. There is no need to place a third restriction on a single industry that has already suffered greatly.

The multifamily industry is currently in a tenuous position. Rent collections were down in April and are expected to go lower in May. We are concerned that this would negatively impact rent collections, which, in turn, will impact the ability of the apartment industry to meet its mortgage obligations, pay property taxes, maintain apartment units, and pay multifamily workers who are at the frontlines of providing services to tenants who are increasingly at home pursuant to the ‘stay at home order.’

As such, we respectfully oppose S-2330 as written and ask you to vote “**NO**” when it comes before you for a vote. If you have further questions, please do not hesitate to contact me at 732-992-0605 or at david@njaa.com

The New Jersey Apartment Association represents over 220,000 multifamily apartment units throughout the State of New Jersey. We are a statewide organization dedicated to maintaining, improving, and building both market-rate and affordable rental housing that serves over one million New Jersey residents.