

MBA State Legislative Call – summary April 23, 2015

Proposed and/or passed legislation

Foreclosure

- Connecticut – mandatory homeowner counseling prior to foreclosure due to expire may be extended
- Indiana – proposed bill to mandate that tenants be given 90 days or more to vacate on rental property that is foreclosure
- Maryland – bill failed on moratorium on foreclosure in certain zip code [not sure what motivated it or rationale on these particular zips]
- New York – abandoned property relief act – MBA opposes, because it requires lenders and servicers perform certain mandated maintenance on properties in foreclosure if vacant or abandoned, or even certain tenant occupied properties in foreclosure
- Texas – restricts fees collected by servicers at time of foreclosure

Servicing

- Nevada: proposal to mandate impound of HOA fees
- Nevada – proposed fix for Homeowners Bill of Rights which conflict with CFPB Dodd-Frank Mortgage Servicing Rights – was defeated on Senate floor, but may resurrect in another bill
- Oregon – Mortgage servicer licensing bill in works [apparently not previously required]

Licensure

- Arizona – signed into law which adopts standard “state” exam for Safe Act licensure (MBA supported)
- Louisiana – increases to licensing fees for servicers and MLO’s
- Missouri – uniform state exam for Safe Act - proposal to adopt

Misc:

- Oregon- reverse mortgage advertisement much include certain disclosures
- Texas – “property tax lenders” – new rules [did not understand what these entities do and what was proposed]

Non-bank mortgage servicers

CSBS – Conference of State Bank Supervisors - proposed standard requirements for non-bank mortgage servicers –

- 8 standards to be mandated similar to GNMA best practices
- Capital requirements are biggest focus

Plus “enhanced standards” for large servicers

CSBS is not a regulatory body, therefore CSBS is planning to release their recommendation as “model” legislation which particular regulators or states would have to adopt. There is a comment period to the proposed standards until June 23.

Super Priority Liens

- MBA is trying to address super-lien situation in Nevada through specific bill to remove the HOA priority, however does not think that any action will be taken this legislative cycle
- Proposed bills in legislatures in other states to give super lien priority to HOAs have been defeated in MS, NH, TN, VA
- ME still has pending proposed bill to give super-lien priority to HOA
- FHFA statement released yesterday that they will actively protect their lien position (alludes to lawsuits to defend)