

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: SB797

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed

Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Puckett

3. Committee: Commerce and Labor

4. Title: **High-risk mortgage lenders or servicers; 10 days' notice; 30 days' forbearance.**

5. Summary: The bill requires high-risk mortgage lenders or servicers to provide written notice of the intention to send a notice to accelerate the repayment of the loan 10 business days prior to sending the notice of acceleration. If an obligor indicates the desire to avoid foreclosure, the high-risk mortgage lender or servicer shall give the obligor 30 calendar days' forbearance. The provisions of the bill sunset on July 1, 2010.

6. Fiscal Impact Estimates: Final, see item 8.

7. Budget Amendment Necessary: No

8. Fiscal Implications: There will be no fiscal impact on the State Corporation Commission or the Department of Housing and Community Development. Minimal cost for preparation of notification letters and indirect information technology changes will be incurred by the Virginia Housing Development Authority. These costs will be absorbed by the Authority which is independent and not reflected in the appropriation act.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission, Department of Housing and Community Development and the Virginia Housing Development authority

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 3/5/2008 dpb

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cc: Secretary of Finance