



Date: June 11, 2012
To: State Legislation Committee Members
From: Patrick H. West, City Manager
Subject: Homeowner Bill of Rights

Introduction

As requested by the Long Beach City Council on May 8, 2012, staff is providing a report on the Homeowner Bill of Rights. This report contains information on SB 1470, SB 1471, SB 1472 and SB 1473. Collectively, these bills are immensely complicated, and in their current form, propose to change numerous aspects of banking regulations that would apply to large financial institutions, and neighborhood credit unions alike.

Summary

The comprehensive set of materials in this report is designed to provide a greater understanding of the complex issues embedded in the Homeowner Bill of Rights.

Attachments include:

1. The original council item and attachments presented May 8, 2012
2. Long Beach fact sheets for SB 1470, SB 1471, SB 1472 and SB 1473
3. SB 1470 (Leno): Mortgages and deeds of trust: foreclosure
 - a. Legislative language
 - b. Senate Banking & Financial Institutions Committee analysis
4. SB 1471 (DeSaulnier): Mortgages and deeds of trust: foreclosure
 - a. Legislative language
 - b. Senate Banking & Financial Institutions Committee analysis
5. SB 1472 (Pavley): Real property: blight
 - a. Legislative language
 - b. Senate Transportation and Housing Committee analysis
6. SB 1473 (Hancock): Tenants: foreclosure and unlawful detainer
 - a. Legislative language
 - b. Senate floor analysis
7. Conference Committee Meeting Agendas: May 10, May 15, May 24
8. Possible new compromise legislative language from the Office of the Attorney General
9. Summary of existing homeowner assistance programs

10. SEIU support letter
11. California Bankers Association opposition letter

Legislative Status

SB 1470 and SB 1471 were referred to a Special Conference Committee, and those bills will not be moving forward this year. The Committee met and heard arguments for and against the proposals as part of an effort to achieve compromise on a new bill, but did not take any action on either bill.

Next Steps

The Conference Committee will continue to meet and debate controversial issues that are in SB 1470 and SB 1471. Meanwhile, SB 1472 and SB 1473 are both meeting applicable legislative deadlines. SB 1472 is in the Assembly Rules Committee, and SB 1473 is in the Senate Appropriations Committee. SB 1473 must pass by May 25 to continue advancing through the standard legislative process. The last day for all bills to gain Legislative approval and passage to the Governor's desk for the 2012 Legislative Session is August 29. The Governor has until September 30, to sign or veto bills passed by the Legislature and in his possession on or after September 1.

Should you have any questions, please contact Diana Tang, Government Affairs Analyst at 8-6506.

cc: Mayor and Members of the City Council
Suzanne Frick, Assistant City Manager
Reginald Harrison, Deputy City Manager
Amy Bodek, Director of Development Services
Jyl Marden, Assistant to the City Manager
Michael J. Arnold and Associates