



General Assembly

January Session, 2013

Committee Bill No. 5565

LCO No. 3774



Referred to Committee on BANKS

Introduced by:
(BA)

AN ACT CONCERNING REVERSE MORTGAGE TRANSACTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2013*) (a) For purposes of this
2 section, "required minimum age" means the minimum age set by the
3 federal government for a reverse mortgage transaction guaranteed by
4 the Federal Housing Administration or by the private company that
5 develops a reverse mortgage for a private reverse mortgage
6 transaction.

7 (b) No creditor who enters into a reverse mortgage transaction, as
8 defined in 12 CFR 226.33, with a married resident of this state shall
9 require the older spouse of the married couple to be the sole individual
10 obligated on the reverse mortgage transaction unless the younger
11 spouse was younger than the required minimum age when the reverse
12 mortgage transaction was originated and, therefore, did not qualify as
13 a borrower on such transaction.

This act shall take effect as follows and shall amend the following sections:

Section	October 1, 2013	New section
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Statement of Purpose:

To reduce the rate of default on reverse mortgage transactions and prevent the eviction of a surviving spouse from the mortgaged residence.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. MUSHINSKY, 85th Dist.

H.B. 5565