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Sen. McCrory, Sen. Kelly, and Rep. Serra, and members of the Committee on Aging. I would like to express my support for SB 150 An Act PROVIDING PROTECTIONS FOR CONSUMERS APPLYING FOR REVERSE MORTGAGES and SB 152 An Act INCREASING FINANCIAL ASSISTANCE FOR GRANDPARENTS AND OTHER NONPARENT RELATIVES WHO ARE RAISING CHILDREN.

SB 150 would require that prior to accepting an application for a reverse mortgage, any entity that offers such products must ensure that the applicant receive independent counseling about the burdens and benefits of the product. Failure to ensure this would be considered an unfair trade practice

Reverse mortgage lenders notoriously prey on the elderly¹ especially elderly who are having health or mental health problems. Some of the less scrupulous lenders do not disclose the possible devastating outcomes that can result from reverse mortgages. These include the fact that if the elderly person moves out of his or her home into assisted living, the mortgage becomes due creating the expense of paying it off, in addition to the high cost of the assisted living or nursing home care. This double burden can leave an elder homeless. If a relative is living in the house when the elder enters a nursing home, that relative will likely be evicted. In addition if the elder forgets to pay property tax, the lender can foreclose and sell the property, leaving the elder with essentially nothing. SB 150 would provide much needed protection for our constituents who have too often become unwitting victims of schemes that are much too good to be true.

SB 152 would increase support for nonparent relatives who are raising children. I have long been an advocate for legislation that offers support for relative caregivers. These relatives (often grandparents) make extraordinary contributions and sacrifices that benefit the children as well as our entire society. They assist the children in dealing with what are often difficult situations and they assist the state by preventing those children from ending up as wards of the state. For too long they have received neither the assistance nor the recognition they deserve.

Thank you for hearing these important bills

¹ <https://www.forbes.com/sites/carolynrosenblatt/2012/07/23/hidden-truths-about-reverse-mortgages/#37cec7aa6a56>