

HOUSE No. 02602

The Commonwealth of Massachusetts

PRESENTED BY:

Daniel Winslow

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act to create jobs by increasing disposable income in the state economy.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Daniel Winslow</i>	<i>9th Norfolk</i>
<i>George Ross</i>	<i>2nd Bristol</i>
<i>James J. Dwyer</i>	<i>30th Middlesex</i>
<i>Ryan Fattman</i>	<i>18th Worcester</i>
<i>Robert L. Hedlund</i>	<i>Plymouth and Norfolk</i>
<i>Steven Howitt</i>	<i>4th Bristol</i>
<i>Bradley H. Jones, Jr.</i>	<i>20th Middlesex</i>
<i>Kevin Kuros</i>	<i>8th Worcester</i>
<i>Donald Wong</i>	<i>9th Essex</i>

HOUSE No. 02602

By Mr. Winslow of Norfolk, a petition (accompanied by bill, House, No. 2602) of Wong and others relative to job creation by increasing disposable income in the state economy Joint Committee on State Administration and Regulatory Oversight.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act to create jobs by increasing disposable income in the state economy.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. (a) Notwithstanding any general or special law to the contrary, the Massachusetts
2 Housing Finance Agency, herein referred to as the agency, shall establish an enhanced mortgage
3 refinance program for real property located in the commonwealth to provide mortgage refinance
4 products to all eligible participants. For the purpose of this section, eligible participants shall be
5 all persons who reside in the Commonwealth who meet the following eligibility criteria: (1) has
6 been assigned a credit rating greater than six hundred and eighty by each of the three major
7 credit bureaus; (2) holds no history of default; (3) holds no history of bankruptcy; and (4) is not
8 currently in default of mortgage payments due.
- 9 (b) Notwithstanding any general or special law to the contrary, \$100 million shall be encumbered
10 from the Commonwealth Stabilization fund, established under section 2 of chapter 29, to be
11 pledged to the agency as a mortgage refinance guarantee.

12 (c) Notwithstanding any general or special law to the contrary, the agency may charge a
13 reasonable fee, as determined by the agency, to cover the expenses of administering the program
14 and any liability that may arise given an anticipated rate of default; provided, however, that the
15 fee charged to each borrower for mortgage refinance product shall not exceed 10% of the
16 difference between the annual payment on the original mortgage and that of the refinanced
17 mortgage.

18 (d) Notwithstanding any general or special law to the contrary, said guarantee on a refinanced
19 mortgage sold to a borrower by the agency shall expire upon the sale of the property, at the time
20 the borrower has refinanced with another lender, or at such time as the amount outstanding on
21 the mortgage falls below 80% of the real property's assessed value.