

# Massachusetts Alliance Against Predatory Lending

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## AN ACT CLARIFYING MUNICIPAL HEALTH AND SAFETY POWERS IN FORECLOSURES: FACT SHEET

**Senate 884, Main Sponsor:** Senator Harriett Chandler, Eric Lesser & Thomas McGee  
**House 1115, Main Sponsor:** Representative Jose Tosado

### The problem:

Several of our gateway cities, including Worcester, Springfield, Lawrence, and Lynn, have municipal ordinances to protect and health and safety of their residents as part of their traditional municipal responsibilities and powers.

These require foreclosing banks and owners of vacant properties to post a cash surety which is then used to ensure maintenance of the property. 845 properties in Worcester alone have registered through this program. Worcester has \$4,225,000 in surety bonds posted with the city. Lynn briefly instituted a pre-foreclosure mediation program that yielded a 97% success rate of mutually agreed upon solutions avoiding foreclosure and providing long-term affordable loans.

However, at the end of 2014 SJC determination struck down Springfield's ordinances, calling into question the validity of the Worcester and Lynn ordinance sand others like them across the Commonwealth. We do not believe the Legislature intended to pre-empt these municipal laws, nor do we believe that it is wise to do so.

### The solution:

This bill clarifies that pre-emption was not the Legislature's intent, and allows municipalities to continue these important programs. It is imperative that the Legislature pass this bill **as soon as possible**. Worcester and Lynn have litigation pending against the enforcement of their statutes, while Springfield's program is invalidated and Lawrence's program is at risk. Meanwhile, other cities and towns have been discouraged from enacting similar laws.

Allowing municipalities to exercise their traditional health and safety powers in this crisis is a common sense solution will come at no cost to the state allowing

**MAAPL MEMBERS/SUPPORTING ORGANIZATIONS:** Action for Boston Community Development, Inc., Action for Regional Equity, Alliance of Providers of Legal Services to Individuals Facing Foreclosure, ARISE for Social Justice, Arlington Community Trabajando, Boston Tenants Coalition, Brazilian Women's Group, Brockton Interfaith Community, Carpenters Local 40, Carpenters Local 107, Charles Hamilton Houston Institute For Race & Justice, Chelsea Collaborative, Chinese Progressive Association, City Life/Vida Urbana, Coalition for Social Justice, Community Economic Development Ctr of S.E. MA, Community Labor United, Democratic Socialists of America, Dorchester People for Peace, Era Key Realty Services, ESAC, Fair Housing Center of Greater Boston, Greater Boston Legal Services, Greater Four Corners Action Coalition, Green-Rainbow Party of MA, Harvard Legal Aid Bureau, Homeowner Options for MA Elders, Jewish Alliance for Law and Social Action, Lawrence Community Works, Lawyers' Committee for Civil Rights Under Law, Lynn United for Change, Legal Assistance Corporation of Central Mass, Mass Advocates for Children, Mass AFL-CIO, Mass Coalition for the Homeless, Mass Community Action Network, Massachusetts Fair Housing Center, Mass Jobs With Justice, Mass Law Reform Institute, Mass Welfare Rights Union, Merrimack Valley Labor Council, NAACP N.E. Area Council, National Community Reinvestment Coalition, National Consumer Law Center, National Lawyers Guild, Neighbor-to-Neighbor, Neighborhood Legal Services, New England United for Justice, North Shore Labor Council, Oiste?, Organization for a New Equality, Painters District Council 35, Pleasant St. Neighborhood Network Center, Southbridge Community Connections, Springfield No One Leaves Coalition, Survivors Inc., Northeast Region, Union of Minority Neighborhoods, United Auto Workers Mass CAP, United Food & Commercial Workers 1445, United For a Fair Economy, United Steel Workers Local 5696, Volunteer Lawyers Project, Worcester Anti-Foreclosure Team

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