

# Press Release

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## **Detroit Senate Democrats Help Pass Foreclosure Protection Legislation**

*Legislation reaches compromise on important enforcement measures Democrats demanded*

LANSING, Mi. --Detroit Senate Democrats voted today to pass vital foreclosure prevention bills agreed upon by the House and Senate, culminating after years of Democrats' efforts to help keep Michigan residents in their homes. The package will protect homeowners from foreclosure for 90 days, and also includes important provisions that Senate Democrats fought for that require lenders to work with residents to negotiate payments and prevent home foreclosures.

"This is a great example of what perseverance and determination on behalf of Michigan citizens can accomplish, as this package includes the judicial protections that we've been fighting for all along," said Senator Tupac A. Hunter (D-Detroit), a member of the conference committee that worked out the compromise. "Senate Democrats will keep doing everything we can to turn our economy around, help Michigan families stay in their homes and create jobs."

"Protecting the dream of homeownership is essential to keeping our economy going and our neighborhoods occupied," said Senate Democratic Floor Leader Buzz Thomas (D-Detroit). "We've been fighting for foreclosure protection for several years and this bill package is a great first step towards helping keep our citizens in their homes."

Democrats strongly opposed previous changes made by Senate Republican that removed the ability to force banks to negotiate with homeowners before foreclosing, and the compromise passed today includes an important judicial enforcement provision to hold lenders accountable that Democrats demanded. Elements of the foreclosure protection package passed today include:

- Home loans that qualify for modification will qualify for judicial intervention if the lender chooses not to cooperate to modify payments.
- Lenders will be required to send a notice of foreclosure to all homeowners. Currently, the lender has no obligation to notify the borrower.
- Borrowers may request a meeting within 14 days of receiving a foreclosure notice, and once a request is made, the lender agrees to stop any foreclosure proceedings for 90 days.

“I’m glad this issue was finally addressed today, because so many Michigan families are losing their homes or will face foreclosure in the near future,” said Sen. Hansen Clarke (D-Detroit). “However, I stand by my position that the best way to keep people in their homes is a moratorium. These bills are better than nothing, but barely better than nothing, and the relief it provides is too little too late.”

“If we can help families stay in their homes instead of going into foreclosure then that is what we should do,” said Senator Irma Clark-Coleman (D-Detroit). “These bills say that people, neighborhoods and cities are important and that our focus in home foreclosure should not only be on the lender.”

“I am glad that we have finally passed legislation to help homeowners who could avoid foreclosure if they just had more options,” said Senator Martha G. Scott (D-Highland Park). “I only wish we could have extended similar help to those already in foreclosure.”

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