

SENATE No. 728

The Commonwealth of Massachusetts

PRESENTED BY:

James B. Eldridge

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 preventing unnecessary vacancies in foreclosed homes.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>
<i>Chris Walsh</i>	<i>6th Middlesex</i>
<i>Tom Sannicandro</i>	<i>7th Middlesex</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>
<i>Christine E. Canavan</i>	<i>10th Plymouth</i>
<i>Benjamin Swan</i>	<i>11th Hampden</i>
<i>Michael D. Brady</i>	<i>9th Plymouth</i>
<i>Gloria L. Fox</i>	<i>7th Suffolk</i>
<i>Mary S. Keefe</i>	<i>15th Worcester</i>
<i>Gale D. Candaras</i>	<i>First Hampden and Hampshire</i>
<i>James J. O'Day</i>	<i>14th Worcester</i>
<i>Martha M. Walz</i>	<i>8th Suffolk</i>
<i>Sal N. DiDomenico</i>	<i>Middlesex and Suffolk</i>
<i>Carl M. Sciortino, Jr.</i>	<i>34th Middlesex</i>
<i>Antonio F. D. Cabral</i>	<i>13th Bristol</i>
<i>Dennis A. Rosa</i>	<i>4th Worcester</i>
<i>Timothy R. Madden</i>	<i>Barnstable, Dukes and Nantucket</i>
<i>Anne M. Gobi</i>	<i>5th Worcester</i>

Denise Andrews

2nd Franklin

SENATE No. 728

By Mr. Eldridge, a petition (accompanied by bill, Senate, No. 728) of James B. Eldridge, Chris Walsh, Tom Sannicandro, Kay Khan and other members of the General Court for legislation to prevent unnecessary vacancies in foreclosed homes. The Judiciary.

[SIMILAR MATTER FILED IN PREVIOUS SESSION

SEE

□ SENATE
□ , NO. 767 OF 2011-2012.]

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act preventing unnecessary vacancies in foreclosed homes.

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. Section 1 of chapter 186A of the General Laws, as appearing in
2 the 2010 Official Edition, is hereby amended by striking out the definition of “Bona fide lease or
3 bona fide tenancy.”

4 SECTION 2. Said section 1 of said chapter 186A of the General Laws, as so appearing,
5 is hereby further amended by inserting the following definition:-

6 “Fair Market Rent,” an amount equal to that established by the United States Department
7 of Housing and Urban Development pursuant to 42 U.S.C. c § 1437f(o), as it exists or may be
8 amended, for a unit of comparable size in the area in which the property is located

9 SECTION 3. Said section 1 of said chapter 186A of the General Laws, as so appearing,
10 is hereby further amended by inserting in line 26 after the words “Federal Home Loan Mortgage
11 Corporation” the following words:- or the Federal Deposit Insurance Corporation

12 SECTION 4. Said section 1 of said chapter 186A of the General Laws, as so appearing, is
13 hereby further amended by inserting the following definition:-

14 “Foreclosure Sale Purchaser” or “Purchaser”, either a foreclosing owner or a person or
15 entity which purchases a housing accommodation from a foreclosing owner, not intending to
16 reside or have a family member reside in such housing accommodation as the primary residence
17 of such person or individual in control of such entity.”

18 SECTION 5. Said section 1 of said chapter 186A of the General Laws, as so appearing,
19 is hereby further amended in the definition of “Just cause” by striking subsection (1) and
20 inserting in place thereof the following subsection:-

21 (1) the tenant has failed to pay the rent in effect prior to the foreclosure or, in the case of
22 the former mortgagor and any household members, monthly rent payments in an amount agreed
23 to by the mortgagor and purchaser or, in the absence of such agreement, a Fair Market Rent as
24 long as the foreclosure sale purchaser notified the tenant in writing of the amount of rent, the
25 agreed upon monthly rent payments or Fair Market Rent that was to be paid and to whom it was
26 to be paid.

27 SECTION 6. Said section 1 of said chapter 186A of the General Laws, as so appearing, is
28 hereby further amended by striking the definition of “tenant” and inserting in place thereof the
29 following definition:-

30 “Tenant”, a person or group of persons who at the time of foreclosure is entitled to
31 occupy a housing accommodation. A person who moves into the housing accommodation
32 owned by the foreclosure sale purchaser, subsequent to the foreclosure sale, without the express
33 written permission of the foreclosure sale purchaser shall not be considered a tenant under this
34 chapter.

35 SECTION 7. Said chapter 186A of the General Laws, as so appearing, is hereby further
36 amended in Sections 2,3,4,5, and 6 by striking out each appearance of the words “foreclosing
37 owner” in each section and replacing them with the following words:- foreclosure sale purchaser

38 SECTION 8. Section 3 of said chapter 186A of the General Laws, as so appearing, is
39 hereby amended by striking the first sentence and inserting in place thereof the following
40 sentence:-

41 Within 30 days of the foreclosure, the foreclosure sale purchaser shall post in a prominent
42 location in the building a written notice stating the names, addresses, telephone numbers and
43 telephone contact information of the foreclosure sale purchaser, the building manager or other
44 representative of the foreclosure sale purchaser responsible for the management of such building
45 and stating the address to which the rent, or, in the case of the former mortgagor and any
46 household members, the agreed upon monthly rent payments or Fair Market Rent shall be sent.

47 SECTION 9. Section 4 of said chapter 186A of the General Laws, as so appearing, is
48 hereby amended in subsection (a) by striking clause (i) and inserting in place thereof the
49 following clause:-

50 (i) the tenant has failed to pay the rent in effect prior to the foreclosure or, in the case of
51 the former mortgagor and any household members, the agreed upon monthly rent payments or
52 Fair Market Rent, as long as the foreclosing owner notified the tenant in writing of the amount of
53 rent that was to be paid and to whom it was to be paid;

54 SECTION 10. Section 5 of said chapter 186A of the General Laws, as so appearing, is
55 hereby amended by striking the second sentence and inserting in place thereof the following
56 sentence:-

57 A bona fide lease between the foreclosed-upon owner and the lessee or proof of rental
58 payment to the foreclosed-upon owner or a Fair Market Rent shall be presumed reasonable.

59 SECTION 11. Section 6 of said chapter 186A of the General Laws, as so appearing, is
60 hereby amended by striking the second paragraph and inserting in place thereof the following
61 paragraph:-

62 A foreclosure sale purchaser that evicts a tenant in violation of this chapter or any
63 ordinance or by-law adopted pursuant to this chapter, shall be punished by penalty of not less
64 than \$5,000 to be paid to the tenant upon order of the court. Each such illegal eviction shall
65 constitute a separate offense.