



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE NEWS RELEASE

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FOR IMMEDIATE RELEASE

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Mortgage Initiative Enters Circulation

Home Mortgage Modification. Initiative Constitutional Amendment.

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponent of a new initiative may begin collecting petition signatures for his measure.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponent and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the measure is as follows:

HOME MORTGAGE MODIFICATION. INITIATIVE CONSTITUTIONAL AMENDMENT. Makes home ownership fundamental right. Prohibits lenders from foreclosing on California citizen's personal home. Requires lenders to assist California borrowers not paying on home loans due to financial hardship or illness. Requires lenders to reduce home loan principal to reflect drop in local property value if more than 10 percent, and to reschedule payments, reduce interest rates, and/or refinance without new credit review. Requires lenders to refinance home loans at minimum cost within 45 days of request if loan has been maintained for three years. Provides back property tax assistance to homeowners. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **The fiscal impacts of some provisions of this measure are uncertain because of potential conflicts with provisions of the U.S. and State Constitutions and federal laws and regulations governing federally chartered lenders. Potential losses to local governments up to a few billion dollars annually in revenues from property taxes and other types of fees and assessments. Potential state costs up to the low billions of dollars annually to replace the loss of property tax revenues now used to meet the Proposition 98 education funding requirement.** (11-0014)

The Secretary of State's tracking number for this measure is 1492 and the Attorney General's tracking number is 11-0014.

The proponent for this measure, David A. Benson, must collect signatures of 807,615 registered

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voters – the number equal to eight percent of the total votes cast for governor in the 2010 gubernatorial election – in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for this measure, meaning the signatures must be collected by December 27, 2011.

The initiative proponent can be reached at (916) 247-4743.

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