

CHARLES D. BAKER
GOVERNOR



KARYN E. POLITO
LIEUTENANT GOVERNOR

COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
10 Park Plaza, Suite 5170, Boston, MA 02116
(617) 973-8700 FAX (617) 973-8799
www.mass.gov/consumer

THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE OF ELDER AFFAIRS

OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION

NOTICE OF PUBLIC INFORMATIONAL MEETING

On Friday, May 15, 2015 at 9:30 a.m., the Acting Secretary of Elder Affairs and the Undersecretary of Consumer Affairs and Business Regulation will hold a public informational meeting at 1 Ashburton Place, McCormack Conference Rooms 1 and 2, 21st Floor, Boston, MA 02108 to obtain information relative to the counseling requirements for borrowers seeking a reverse mortgage.

The purpose of the meeting is to obtain information and consult with relevant stakeholders regarding the necessity and desirability of in-person versus telephonic methods for reverse mortgage counseling to ensure proper protections for eligible seniors. This review, required by *Section 64 of Chapter 10 of the Acts of 2015*, shall include, but not be limited to, the advisability and overall protections for seniors, availability, costs and convenience of counseling opportunities and full compliance with all federal lending laws.

Specific input is requested on the following questions and other relevant testimony and comments are invited:

- Given the complexity of a reverse mortgage loan and the significance of the transaction involving a senior's primary residence, please comment on the preferred method (in-person vs. telephonic) of counseling to ensure full comprehension on the part of the borrower of the terms, costs, conditions, and requirements of the loan. Please provide specific examples.
- The current law requires that certain borrowers within an income and asset threshold (gross income of less than 50% of area median income and assets of less than \$120,000, excluding residence) must receive counseling on an in-person basis. For borrowers outside of the threshold, they have the option of selecting telephonic or in-person

counseling. Please comment on the implementation of this provision and whether additional clarity is necessary or amendments should be made to this provision.

- Please comment on your knowledge of the percentage of reverse mortgage borrowers that fall within the existing threshold necessitating in-person counseling.
- Please comment on the extent and nature of any hardships known to have been experienced by seniors in their efforts to obtain in-person counseling.
- Additional comments and testimony are welcome.

Written comments may be submitted to the Executive Office of Elder Affairs, Attn: Siobhan Coyle, 1 Ashburton Place, 5th Floor, Boston, MA 02108 or via email siobhan.coyle@state.ma.us and must be submitted by 5:00 p.m. on Wednesday, May 20, 2015.