



COMMONWEALTH OF MASSACHUSETTS

Office of Consumer Affairs and Business Regulation

DIVISION OF BANKS

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February 16, 2022

INDUSTRY REMINDER

REVERSE MORTGAGE COUNSELING IN MASSACHUSETTS: IN PERSON REQUIREMENT WAIVED UNTIL JULY 15, 2022

Background: Following Governor Baker's declaration of a State of Emergency on March 10, 2020, he subsequently signed into law Chapter 65 of the Acts of 2020 (Chapter 65), which, in part, provided for certain modifications to the in-person counseling requirements for reverse mortgage loan mortgagors¹ set forth in M.G.L. Chapter 167E, Section 7A, and M.G.L. c. 171, s. 65C1/2.

Under the relevant provision in Chapter 65, the in-person counseling requirement under M.G.L. c. 167E, s. 7A and M.G.L. c. 171, s. 65C½ could be met by synchronous, real-time video conference or telephone in lieu of the in-person requirement. In short, Chapter 65 provides that counseling for reverse mortgages may be conducted via one of the following three options: (1) in-person, (2) by synchronous, real-time video conference, or (3) by telephone. This change was in effect only from April 20, 2020, until the end of the State of Emergency on June 15, 2021. On June 16, 2021, Governor Baker signed into law Chapter 20 of the Acts of 2021 which further extended this provision until December 15, 2021. As of December 15, 2021, in-person counseling had been in effect for all reverse mortgages originated on that date forward.

On February 12, 2022, Governor Baker signed into law Chapter 22 of the Acts of 2022 which allows reverse mortgage applicants to again utilize telephonic counseling and video conferencing counseling options in addition to in-person counseling. These additional remote selections will be available to consumers until July 15, 2022.

Please contact Kevin Cuff of the Division's Non-Depository Institution Supervision Section at the above address, at 617-956-1500, extension 61539, or by email at Kevin.Cuff@mass.gov if you have any questions.

¹ "Mortgagor", an applicant for a reverse mortgage who: (1) has a gross income of less than 50 percent of the area median income, as periodically determined by the United States Department of Housing and Urban Development; and (2) possesses assets, excluding a primary residence, valued at less than \$120,000.