

## Committee on Appropriations

### **SB 1852 — National Mortgage Settlement**

by Appropriations

SB 1852 appropriates \$200,080,474 to several state entities for various housing and foreclosure-related programs and services, contingent upon such funds being deposited into the state treasury from the National Mortgage Settlement (*United States of America, et al. v. Bank of America Corp., et al.*, No. 305 12-0361-RMC). The agreement settles state and federal lawsuits alleging that the country's five largest mortgage servicers routinely signed foreclosure related documents outside the presence of a notary public and without really knowing whether the facts they contained were correct. Both of these practices violate the law.

Funds are appropriated, with specific restrictions and requirements, as follows:

- \$60 million for the State Apartment Incentive Loan Program (SAIL), including:
  - \$25 million for the elderly;
  - \$25 million for extremely low-income persons; and
  - \$10 million for rental developments in which 10 percent to 25 percent of the units are designed for persons with developmental disabilities.
- \$40 million for the State Housing Initiatives Partnership Program (SHIP) to be used for:
  - Rehabilitating or modifying owner-occupied houses (including blighted homes and neighborhoods);
  - Assisting low income families to purchase existing housing;
  - Providing housing counseling services;
  - Providing lease-purchase assistance; and
  - Implementing other approved strategies to assist households impacted by foreclosure, using existing housing stock.

Twenty percent of the SHIP funds must be used for persons with special needs, which includes disabled veterans, former foster care young adults, and domestic violence survivors. First priority for these funds will be for persons with developmental disabilities. The funds will be used for home modifications, including technological enhancements and devices which will allow homeowners to live independently and safely in their own homes.

- \$31 million for the State Courts System for the backlog of foreclosure cases, including:
  - \$16 million for temporary court staffing;
  - \$9.7 million for temporary staffing for the clerks of court; and
  - \$5.3 million for court technology improvements.
- \$20 million for Habitat for Humanity for rehabilitation of existing housing stock for low-income persons;
- \$10 million for legal aid services for low and moderate-income homeowners facing foreclosure;
- \$10 million for competitive grants for housing for homeless persons;

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- \$10 million for competitive grants for housing for persons with disabilities;
- \$10 million for competitive grants creating more domestic violence center beds; and
- \$9.1 million for Take Stock in Children to purchase prepaid dormitory contracts for students in grades 10 and 11 who are participating in the Florida Prepaid Tuition Scholarship Program.

If approved by the Governor, these provisions take effect upon the deposit of \$200,080,474 into the General Revenue Fund from the escrow account created as a result of the consent judgment entered into by the Attorney General on April 4, 2012, in the case of *United States of America, et al. v. Bank of America Corp., et al.*, No. 12-0361-RMC, in the United States District Court for the District of Columbia.

Vote: Senate 38-0; House 117-0