



Testimony in Support of H-7385
Linda Katz, Policy Director

House Finance Committee
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The Economic Progress Institute supports passage of H-7385, which would remove the sunset provision on the Foreclosure Mediation Act.

The General Assembly wisely enacted the Foreclosure Mediation Act in 2013 in response to the frightening number of foreclosures in our state during and post-recession to ensure that homeowners had the opportunity to keep their homes, if possible.

Since passage of the Act, 70% of homeowners who participated in the mediation process were able to avoid foreclosure. Over 600 Rhode Island families have been able to keep their homes – providing stability to them and their families. Participants were also provided with information about other resources to help meet basic needs and improve economic security.

The sunset provision provides an opportunity for policy makers to review whether the mediation process is working to achieve the hoped-for outcome. Clearly, it is. It's time for Rhode Island to join Connecticut, Massachusetts, Maine, Vermont and the other 31 states that require a foreclosure process to allow struggling homeowners an opportunity to keep this most valuable asset.

Thank you for your consideration of our testimony.