



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: SB 156 SLS 13RS 332
Bill Text Version: ENROLLED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: June 5, 2013 11:29 AM Author: BROOME
Dept./Agy.: Local Government Analyst: Michael Cragin
Subject: Leases - Notification of Foreclosure

LEASES EN NO IMPACT LF EX See Note Page 1 of 1
Provides relative to leases and multi-family residential dwelling lessees' right to notification of foreclosure action. (8/1/13)

Purpose of Bill: Requires lessors of a residential dwelling to provide timely written notification and information to lessees and prospective lessees regarding pending foreclosure actions both during and prior to a lease agreement. It also provides for the: disclosure signed by the lessor, with information regarding court, case, and docket related to foreclosure action; rights and responsibilities of the lessor and lessee; and conditions under which the lessee may be eligible to recover damages. This section of law applies to all lessors in residential leases, including those subject to a federally-related mortgage loan, as defined in 12 USC 2602, or who have entered into a housing assistance payments contract with the public housing agency to receive housing subsidies on behalf of a lessee pursuant to Section 8 of the U.S. Housing Act of 1937. This section does not apply to a federally insured financial institution asserting its rights as an assignee of a lessor whose property is under foreclosure or as a mortgage holder.

Table with 7 columns: EXPENDITURES, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total, all showing \$0.

Table with 7 columns: REVENUES, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total, all showing \$0.

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

We concluded that the only governmental entities that may be fiscally affected by this bill might be Sheriffs' Offices. Therefore, we contacted a sample of offices to determine if there would be any fiscal impact as a result of this bill. Representatives of the East Baton Rouge, Calcasieu, and Caddo Parish Sheriffs' offices determined that this bill will have no impact on their offices' expenditures

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

We concluded that the only governmental entities that may be fiscally affected by this bill might be Sheriffs' Offices. Therefore, we contacted a sample of offices to determine if there would be any fiscal impact as a result of this bill. Representatives of the East Baton Rouge, Calcasieu and Caddo Parish Sheriffs offices determined that this bill will have no impact on their offices' revenues.

- Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Signature of Michael G. Battle
Michael G. Battle
Manager, Advisory Services