The Honorable Dereck E. Davis Economic Matters Committee Room 231 House Office Building Annapolis, MD 21401

Dear Chairman Davis,

I am writing to support Governor O'Malley's emergency legislation, HB 472, requiring lenders to perform a loan modification review before filing for foreclosure on homeowners. This legislation also permits a homeowner to request mediation with the lender to try to contest a denial of loan modification. As you are probably aware, some lenders are not making good faith efforts to help borrowers modify home loans as required under the federal Home Affordable Modification Program. Governor O'Malley's legislation provides one more tool to protect home-owners who are at risk of losing their homes to foreclosure.

For the past twelve years, I have had the pleasure to serve as a certified mediator and greatly understand the importance of the mediation process. Providing an opportunity for our homeowners to work through their concerns in mediation could allow our residents to avoid a potential foreclosure. As foreclosures and unemployment continue to rise in our state, it is vital to educate home-owners on the options available to them if they face foreclosure. Maryland has many great programs, at the federal, state and local levels, to help people. By requiring lenders to notify borrowers of the options available to them regarding loan modifications and programs to help home-owners, as required in HB 472, borrowers will be educated about important help available to them. Help, such as the HOPE hotline currently offered by the Department of Housing and Community Development and the opportunity for mediation as required under the legislation before your committee, and education on loss mitigation programs, is desperately needed by the residents of Maryland, our constituents, who face foreclosure. By permitting homeowners to request mediation, you are giving residents the opportunity to work with lenders to reach mutually agreeable terms to allow the borrower to keep his/her home.

In addition to mediation, I believe it is important to address financial education with our residents. I actively support financial literacy within Howard County and the State of Maryland as a valuable resource to maintain economic sustainability and wealth-building. This year will mark our fourth annual Financial Literacy event where I partner with several organizations including the Howard County Library, Howard Community College and the Howard County Executive Office to reach out to residents of all ages to promote financial awareness and an appreciation of how financial literacy can impact every aspect of life.

I strongly urge you to pass HB 472. This emergency legislation is vital to the residents of Maryland by empowering them with tools to fight to keep their homes, to hold lenders accountable by ensuring that they educate borrowers on programs and opportunities available, and to end the victimization of homeowners by lenders who are not acting in good faith.

All the best,

Calvin Ball
Council Member
District 2
Howard County Council