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For Immediate Release

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House, Senate finalize temporary moratorium on evictions and foreclosures during pandemic

BOSTON – The House of Representatives and the Senate have reached agreement on a temporary statewide moratorium on evictions and foreclosures during the ongoing COVID-19 State of Emergency.

State Representative Hannah Kane (R-Shrewsbury) said House Bill 4647 will provide important protections to renters, small businesses and homeowners experiencing financial hardships during the pandemic. The bill, which reflects compromise language negotiated by a six-member Conference Committee, was enacted in both legislative branches on April 17 and is now on Governor Charlie Baker’s desk awaiting his signature.

Representative Kane said House Bill 4647 would prohibit “non-essential evictions” but would allow landlords to initiate an eviction action due to criminal activity or lease violations that are detrimental to the health and safety of others. These protections would also apply to for-profit and non-profit “small business premises units” with less than 150 full-time equivalent employees, provided they are not publicly traded and do not operate in multiple states or multi-nationally.

While the moratorium is in effect, landlords would be prohibited from imposing a late fee on tenants or notifying a consumer reporting agency for non-payment of rent, as long as the tenant provides notice and documentation to the landlord that their inability to pay on time is due to the financial impacts of COVID-19. Tenants will have 30 days from the date rent is due to provide this documentation, but will still be obligated to make up any missed payments at a later date.

Additional language inserted in the bill at the request of Representative Peter Durant (R-Spencer), a member of the Conference Committee, would allow landlords to use their tenants’ pre-paid “last month’s rent” as an advance rent payment to cover mortgage payments, utilities, repairs and required upkeep of the rental property. Landlords are required to notify tenants if they take such action, and would remain obligated to apply advance rent for its intended application for the last month of tenancy.

Representative Kane noted that House Bill 4647 also provides homeowners with protections from foreclosure while the moratorium is in effect. Mortgagees and creditors would be prohibited from publishing notice of a foreclosure sale; exercising a power of sale; exercising a right of entry; initiating a judicial or non-judicial foreclosure process; or filing a complaint to determine the military status of a mortgagor under the federal Servicemembers Civil Relief Act.

House Bill 4647 also requires mortgagees and creditors to grant forbearance for homeowners who request one due to the financial impact of COVID-19. The forbearance cannot exceed 180 days, during which time no penalties, fees or interest will accrue. Any payments subject to the forbearance will be added to the end of the term of the loan unless otherwise agreed to by the mortgagor and mortgagee.

The bill also allows homeowners applying for a reverse mortgage to receive statutorily mandated counseling through video conferencing, rather than face-to-face.

House Bill 4647 includes an emergency preamble, so it will take effect as soon as Governor Baker signs it.

The protections provided to homeowners and renters in House Bill 4647 will remain in effect for 120 days after the bill's effective date, or 45 days after the State of Emergency is lifted, whichever is sooner. The bill also allows Governor Baker to postpone the scheduled sunset dates in increments of not more than 90 days, as long as the postponement does not extend later than 45 days after the State of Emergency is lifted.

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