



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 576** SLS 14RS 1498

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 14, 2014	9:03 AM	Author: LONG
Dept./Agy.: Judiciary		
Subject: Deficiency Judgments		Analyst: Matthew LaBruyere

EXECUTORY PROCESS

OR NO IMPACT See Note

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Provides relative to a deficiency judgment in a short sale. (8/1/14)

Proposed law provides that a real property owner who has not yet received a notice of seizure may enter into negotiations with the primary creditor for the purpose of a short sale. Proposed law provides that upon a determination by the creditor of eligibility based on applicable statutes, the creditor may forego executory proceedings and permit the real property owner to proceed with the short sale. Proposed law provides that the real property owner shall be represented by the creditor. The real property owner may be represented only by a real estate licensee who has completed training in the short sale process or by an attorney when placing the real property on the market. Proposed law provides that an addendum shall be included with the LA Real Estate Commission's mandatory purchase agreement. The form shall include information related to the notice of the short sale, warranties, extensions, termination of agreement, and references to any applicable provisions of law. Proposed law provides that if all terms are met, the creditor shall not seek a deficiency judgment. Proposed law provides that if all requirements are not met, the creditor may proceed with executory process and seizure of the real property.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

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

REVENUE EXPLANATION

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