

HOUSE No. 1445

The Commonwealth of Massachusetts

PRESENTED BY:

John J. Lawn, Jr.

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act protecting consumers' privacy in mortgage applications.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>John J. Lawn, Jr.</i>	<i>10th Middlesex</i>	<i>1/16/2015</i>
<i>Brian M. Ashe</i>	<i>2nd Hampden</i>	<i>8/15/2019</i>
<i>James B. Eldridge</i>	<i>Middlesex and Worcester</i>	<i>8/15/2019</i>
<i>Barbara A. L'Italien</i>	<i>Second Essex and Middlesex</i>	<i>8/15/2019</i>
<i>Edward F. Copping</i>	<i>10th Suffolk</i>	<i>8/15/2019</i>
<i>Paul Brodeur</i>	<i>32nd Middlesex</i>	<i>8/15/2019</i>
<i>Jonathan Hecht</i>	<i>29th Middlesex</i>	<i>8/15/2019</i>

HOUSE No. 1445

By Mr. Lawn of Watertown, a petition (accompanied by bill, House, No. 1445) of John J. Lawn, Jr., and others relative to consumer privacy in mortgage applications. The Judiciary.

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act protecting consumers' privacy in mortgage applications.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 183 of the General Law, is hereby amended by adding the
2 following Section 69 to be entitled: “Consumer Privacy in Mortgage Applications”

3 Section 69 (a) "Mortgage trigger lead" means a consumer report obtained pursuant to
4 Section 604(c)(1)(B) of the federal Fair Credit Reporting Act, 15 USC 1681b, where the issuance
5 of the report is triggered by an inquiry made with a consumer reporting agency in response to an
6 application for credit. "Mortgage trigger lead" does not include a consumer report obtained by a
7 lender or servicer that holds or services existing indebtedness of the applicant who is the subject
8 of the report.

9 Section 69 (b) With regard to a solicitation of a consumer for a mortgage loan on
10 residential property as defined in Chapter 255E, section 1, which solicitation is based, in whole
11 or in part, on information contained in a mortgage trigger lead, the following shall be deemed an
12 unfair or deceptive act or practice as defined in Chapter 93A:

13 (i) the failure to clearly and conspicuously state in the initial phase of the solicitation
14 that the solicitor is not affiliated with the lender or broker with which the consumer initially
15 applied,

16 (ii) the failure to clearly and conspicuously state in the initial phase of the solicitation
17 that the solicitation is based on personal information about the consumer that was purchased,
18 directly or indirectly, from a consumer reporting agency without the knowledge or permission of
19 the lender or broker with which the consumer initially applied,

20 (iii) the failure in the initial solicitation to comply with the provisions of the federal
21 Fair Credit Reporting Act relating to prescreening solicitations that use consumer reports,
22 including the requirement to make a firm offer of credit to the consumer, or

23 (iv) knowingly or negligently using information from a mortgage trigger lead (1) to
24 solicit consumers who have opted out of prescreened offers of credit under the federal Fair
25 Credit Reporting Act, or (2) to place telephone calls to consumers who have placed their contact
26 information on a federal or state Do Not Call list; and

27 Section 69(c): The Attorney General shall promulgate regulations effectuate this
28 provision.