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## CA governor signs mortgage bill

On Tuesday California governor Arnold Schwarzenegger signed a bill into law that will give homeowners facing foreclosure more time to work out their loans with lenders. SB 11-37 mandates that homeowners now have 60 days to vacate a foreclosed property instead of 30 before they can be evicted. The bill will help encourage lenders to work out the loan with borrowers.

Many community organizations have expressed support for the bill including ACORN, Center for Responsible Lender, California Reinvestment Society and Consumers Union. Industry associations which are neutral on the bill include the California Bankers Association and the California Mortgage Bankers Association. The bi-partisan effort is now in effect after the governor's signature because of its status as an urgency measure.

"I am proud to announce that we are giving Californians one more tool to help them stay in their homes - without government subsidies," Schwarzenegger said at a news conference. "Half a million Californians have subprime loans that would jump to higher rates over the next two years. Those people need help," he added.

Assembly Speaker Karen Bass (D-Los Angeles), one of the authors of the bill said "SB 1137 ensures a clear channel of communication will be in place with which lenders and borrowers can avoid the foreclosures harming families and our economy. We're glad to see the state finally taking responsibility for protecting California homeowners." The bill will also require lenders who have foreclosed on properties to maintain them or face up to \$1000 in fines.