



April 10, 2012

**TO:** The Honorable Fran Pavley, Member, California State Senate  
The Honorable Mark DeSaulnier, Member, California State Senate  
The Honorable Wilmer Amina Carter, Member, California State Assembly

**FROM:** California Bankers Association  
California Credit Union League  
California Financial Services Association  
California Independent Bankers  
California Land Title Association  
California Mortgage Association  
California Mortgage Bankers Association  
United Trustees Association

**RE:** Senate Bill 1472 (Pavley & DeSaulnier) and Assembly Bill 2314 (Carter): Real Property: Blight

The trade associations listed above SUPPORT the March 29, 2012, versions of your Senate Bill 1472 and Assembly Bill 2314, IF AMENDED. These measures increase the civil monetary penalty from \$1,000 to \$5,000 per day imposed against legal owners who purchase or acquire vacant property at foreclosure and fail to maintain that property. In 2008, the financial services industry helped create Civil Code Section 2929.3 as a means to manage neighborhood blight.

Throughout the preliminary interested parties meetings held on the various measures within the California Attorney General's Homeowners Bill of Rights legislative package, it has become apparent that the aforementioned fee increase was not proposed due to supporting data or evidence of a deficiency in the existing law. Further, the underlying Civil Code Section was never intended to be, nor should it be, a revenue generator for governmental entities. Rather, the fee was intended to encourage behavior, namely, the rehabilitation and maintenance of vacant, residential property acquired at foreclosure. Presumably, interested parties are more interested in

*Support for SB 1472 and AB 2314 if Amended*

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the underlying goal of this measure, which we understand is to discourage blighted communities. Accordingly, we would support these measures if the civil monetary penalty were maintained at the current law amount.

For the reasons stated above, we support your measures, if amended in the manner described. If you have any questions, please do not hesitate to contact us.

Thank you.

cc: Anthony Williams, Policy Director, Senate President pro Tem Darrell Steinberg  
Fredericka McGee, Legislative Counsel, Speaker of the Assembly, John A. Perez  
All Members, Senate Committee on Transportation and Housing  
Mark Stivers, Consultant, Senate Committee on Transportation and Housing  
Doug Yoakam, Policy Consultant, Senate Republican Caucus  
All Members, Senate Committee on Judiciary  
Saskia Kim, Chief Counsel, Senate Committee on Judiciary  
Mike Petersen, Policy Consultant, Senate Republican Caucus  
All Members, Assembly Committee on Housing and Community Development  
Lisa Engel, Chief Consultant, Assembly Committee on Housing and Community  
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William Weber, Policy Consultant, Assembly Republican Caucus  
All Members, Assembly Committee on Judiciary  
Tom Clark, Counsel, Assembly Committee on Judiciary  
Mark Redmond, Policy Consultant, Assembly Republican Caucus