

STATE OF KANSAS

HOUSE CHAMBER

MR SPEAKER:

I move to amend **HB 2016**, on page 18, following line 43, by inserting:

"New Sec. 24. (a) As used in this section:

(1) "Financial hardship resulting from the COVID-19 pandemic" means: (A) A significant loss of income, significant increase in necessary expenses or inability to work suffered by an individual or a family as a result of the COVID-19 pandemic; and

(B) the individual's or the family's financial resources are depleted to the extent that making mortgage or rent payments would leave the individual or family unable to purchase food, medicine or other goods, supplies or services necessary to the individual's or family's health and safety.

(2) "Default payment list" means a list maintained by each bank, financial entity, or landlord, as such term is referenced in subsection (b)(3), operating in Kansas of individuals and families that have experienced financial hardship resulting from the COVID-19 pandemic.

(b) (1) No bank or financial entity operating in Kansas shall foreclose on a residential property in Kansas when all defaults or violations of the mortgage are substantially caused by a financial hardship resulting from the COVID-19 pandemic;

(2) No bank or financial entity operating in Kansas shall evict a residential tenant when all defaults or violations of the rental agreement are substantially caused by a financial hardship resulting from the COVID-19 pandemic; and

(3) No landlord, whether an individual, company, bank, financial lending entity, nursing home, long-term care facility or other such entity shall evict a residential tenant when all defaults or violations of the rental agreement are substantially caused by a financial hardship resulting from the

COVID-19 pandemic.

(4) The provisions of paragraphs (2) and (3) shall not apply to a foreclosure on any multi-family residential property in which residential tenants rent from a landlord, so long as the foreclosure will not result in the eviction of any tenants.

(5) (A) This section shall not prohibit the continuation of any judicial foreclosure or judicial eviction proceedings filed before July 1, 2020; and

(B) an eligible lending institution initiating judicial foreclosure or judicial eviction proceedings on and after July 1, 2020, shall have the burden of pleading and proving that the foreclosure or eviction proceeding is not being initiated solely because of defaults or violations of mortgages or rental agreements substantially caused by a financial hardship resulting from the COVID-19 pandemic.

(6) This section shall not be construed to:

(A) Relieve mortgage borrowers or tenants who have not suffered a financial hardship resulting from the COVID-19 pandemic from the obligation to comply with mortgage or rental agreements, or to continue making required mortgage or rent payments;

(B) prevent foreclosures or evictions for mortgage or rental agreement violations not due to a financial hardship resulting from the COVID-19 pandemic; or

(C) otherwise replace or supersede any other law or rule or regulation relating to foreclosures.

(c) This section shall not apply to foreclosures initiated by the United States government.

(d) (1) Each bank, financial entity or landlord, as such term is referenced in subsection (b)(3), operating in Kansas, shall maintain a default payment list.

(2) Each bank, financial entity or landlord, as such term is referenced in subsection (b)(3), operating in Kansas, shall review its default payment list with the state treasurer, or the state treasurer's designee, to verify that each individual or family is eligible to remain on the list for the upcoming year.

If an individual or family has been determined by the state treasurer or the state treasurer's designee as being ineligible to remain on the default payments list, the bank, financial entity or landlord, as such term is referenced in subsection (b)(3), operating in Kansas shall make a good faith effort to negotiate payment plans with such individual or family to address moneys owed before instituting judicial proceedings against such individual or family.

(3)(A) The state treasurer shall develop guidelines for determining eligibility to remain on an eligible lending institution's default payment list and for annually reviewing each eligible lending institution's default payment list.

(B)(i) The program described under this section shall cease 90 days following a determination by the governor of Kansas, in consultation with such experts as the governor deems necessary, that financial hardships resulting from the COVID-19 pandemic have abated to an acceptable level. The governor shall announce such determination on the date that such determination is made.

(ii) The state treasurer shall provide at least 90 days' prior notice before suspending any program initiated by any bank, financial entity or landlord, as such term is referenced in subsection (b) (3), operating in Kansas, with regard to this section.";

On page 49, in line 42, by striking "33" and inserting "34";

On page 57, in line 18, by striking "33" and inserting "34";

And by renumbering sections accordingly;

In the title, on page 1, in line 35, after the semicolon by inserting "prohibiting certain entities from foreclosing or evicting individuals and families experiencing financial hardship resulting from the COVID-19 pandemic; on page 2, in line 17, by striking "33" and inserting "34"

Senator _____