Senate Commerce Committee

Aaron Jones 271-2609

HB 437, providing specific curative measures for undischarged mortgages.

Hearing Date: April 15, 2025

Time Opened: 10:52 a.m. **Time Closed**: 10:58 a.m.

Members of the Committee Present: Senators Innis, Ricciardi, Murphy, McGough and Fenton

Members of the Committee Absent : Senator Reardon

Bill Analysis: This bill establishes automatic discharge periods for undischarged mortgages based on whether their term or maturity date is stated or not.

Sponsors:

Rep. B. Boyd	Rep. Bogert	Rep. Hakken-Phillips
Rep. Kuttab	Rep. Mooney	Rep. N. Murphy
Rep. Nelson	Rep. Rung	Rep. Wherry
Sen. Gannon	Sen. McGough	Sen. Reardon
Sen. Watters		

Who supports the bill: Representative Bill Boyd, Senator Tim McGough, Representative Nancy Murphy, Joanie McIntire (NH Association of Realtors), Tom Prasol (Mortgage Bankers and Brokers Association), Patrick McNicholas, Ryan Hale (NH Bankers), Michelle Radie-Coffin, Steven Bogert, Amanda Blackwell, Theodore Prizio, Leigh Willey, Kathleen Button, Michelle Kosten, Martha Prizio

Who opposes the bill: Sarahlynn Williams, Helen Lloyd-Davies, Maura Annette Chappelle

Who is neutral on the bill: No one

Summary of testimony presented in support:

Representative Bill Boyd

- This bill would provide curative measures for undischarged mortgages.
- Currently, Representative Boyd said the law was silent on how undischarged mortgages are treated. They may appear to be expired in the registry, but there is no discharge left on record.
- This bill mimicked what was done in Massachusetts.

- Representative Boyd said he worked with the Bankers Association and the Realtors Association. Minor language changes were incorporated into the bill from the Banking Department.
- This bill was unanimously passed by the House Commerce Committee, and it passed on a voice vote in the House.

Joanie McIntire, New Hampshire Association of Realtors

- Once an offer on a house has been accepted, a buyer applies for financing, sets up an inspection, and performs their due diligence to ensure they are able to get insurance.
- Once they have made it through the inspections, and they have insurance, the seller might learn there is an undischarged mortgage. This can cause a lot of stress and uncertainty. The seller has a set number of days to remedy the situation.
- The seller and the buyer could have already secured moving trucks, and the rates have been locked, yet they do not know if they are going to close on the proposed date.
- This bill would clear up uncertainty, reduce stress for buyers and sellers, and make the process transparent for everyone.

Patrick McNicholas

- Superior court orders need to be filed to have obsolete mortgages declared discharged.
- Mr. McNicholas said he never had a case that was contested by a lending institution or a private individual.
- An individual must pay attorney fees, filing fees, publication fees, and they must ensure they have made every attempt to find the lender and any successor. These costs add up, yet Mr. McNicholas said there was not one time when a lender or an individual showed up to contest.
- This bill would resolve a unique, yet frustrating problem, for consumers who have been notified they have a title problem.
- **Senator Innis** asked if he had an estimate for when a situation arises, and they have to go to superior court.
    - **Mr. McNicholas** said it was between $5,000 and $10,000.

Summary of testimony presented in opposition: None

Neutral Information Presented: None

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Date Hearing Report completed: April 18, 2025