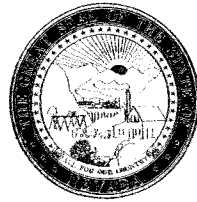


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State of Nevada
Assembly
Seventy-Seventh Session

FILED

JAN 06 2014

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY *[Signature]*
CHIEF DEPUTY CLERK

To: Chief Justice Pickering, Associate Chief Justice Gibbons

Date: December 18, 2013

Re: ADKT 435 - Comments on Rule Changes for the Foreclosure Mediation Program

Thank you for the opportunity to comment on the rules changes for the Foreclosure Mediation Program. I was the author of AB273, which among other things, revised provisions governing enrollment in the Foreclosure Mediation Program.

The intent of the AB273 was to simplify participation in the Foreclosure Mediation Program. One of my concerns was that election rates for mediation were low, especially considering how successful the program has been in assisting homeowners. To address that issue, AB273 changed the program from an "opt-in" style program to a "presumed enrollment" program. Essentially, all eligible participants are enrolled in the program. In order to remain in the program, a participant must send their portion of the fees for mediation, currently \$200.00.

One of my concerns was that eligible participants failed to elect mediation because they were confused by the process and the information they received. AB273 seeks to bring attention to the program, encourage homeowners to do their part to continue, and make it clear what they must do to engage in mediation.

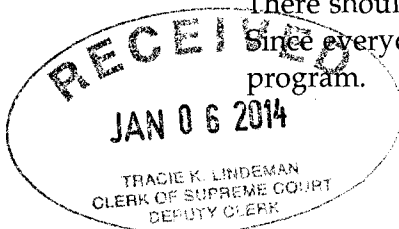
Information about the program needs to stand out and draw attention to the program. We can increase participation in the program by making it clear to homeowners what they need to do to continue the process.

On that note, it is important that there be a "Notice" that is simple and stands out. I recognize the need to make the program operate efficiently and effectively. And although I am amenable to creating a single form, it must clearly give notice that homeowners are enrolled in the program and simply outline the steps the homeowner must take to participate.

I have the following recommendations:

1. A "Notice of Enrollment" Form.

There should only be one form. The title of the form should be "Notice of Enrollment." Since everyone is enrolled, this Notice should inform them that they are enrolled in the program.



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Make it stand out as much as possible so that it draws the attention of the homeowner. Many homeowners simply did not enroll in mediation because the form was "lost" among all the other paperwork. Make it simple to understand.

Make it clear that the homeowner must send the "Notice of Enrollment" form and \$200 to the Foreclosure Mediation Program in order to continue participation.

Also, this "notice" can include a box that the homeowner can check to waive mediation as required by law.

This change can be accommodated by:

- Changing all references to "Election/Waiver" form and "Enrollment in Mediation" form to "Notice of Enrollment" Form.
- Mandating that the "Notice of Enrollment" Form be simple, clear and designed to draw attention.

2. Only mail to the Foreclosure Mediation Program

The law specifies that the homeowner needs to elect mediation by sending their \$200 to the foreclosure mediation program. They do not have to send anything to the trustee.

This change can be accommodated by removing Rule 8.2(b).

3. Only one Envelope

Having two envelopes may be confusing to the homeowner. There should be one envelope pre-addressed to the Foreclosure Mediation Program.

Rule 8.1. Change so that only one envelope is required.

I believe AB273 represents an important change for homeowners. Our highly successful Foreclosure Mediation Program should be utilized by all homeowners who can benefit. Not only will homeowners benefit, though. Lenders will as well, as the program is intended to aid them in resolving these matters efficiently. AB273 was crafted to increase awareness and participation, and with these rule modifications, can do just that.

If I can be of further assistance please do not hesitate to contact me.

Sincerely,



Dr. Andy Eisen

Nevada State Assemblyman, District 21

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