**Saving Consumer Foreclosure Notice from the Banking Industry's "Reform"**

The banking industry has been busy these past few years, promoting bills in various states that would remove foreclosure notices from newspapers and replace it with posting foreclosure notices on websites. It intends to continue to pursue amended foreclosure laws in numerous states throughout 2012. Several press associations have first-hand experience in addressing these battles over foreclosure notice. Most recently, for example, Tennessee (SB 1299) and Florida (SB 230) rejected a proposal that would have allowed foreclosure notices to be posted on websites, instead of publishing in newspapers.

The following may help educate state legislators, businesses and media when discussing the aggressive movement by the banking industry to either reduce or eliminate public notice laws in newspapers for foreclosures.

* If newspaper notices are reduced or abolished, consumers may lose their last meaningful opportunity to learn they are delinquent on mortgage payments and remedy the problem, before their property is auctioned.

• Public notice is not only a means of contacting the homeowners, it’s also the means by which family, friends, neighbors, non-profits, and other groups learn about a foreclosure and try to prevent it.

* Complicated and exotic reverse mortgages often do not have the same consumer protections that a traditional mortgage has for providing actual notice to delinquent property owners. Therefore, newspaper notice is often the only notice that is required to alert delinquent property owners. This is demonstrated by the testimony of someone that entered into a reverse mortgage and did not learn that his house was in foreclosure until he read the notice in the newspaper. (TN Senate hearing on SB 1299, May 10, 2011)
* Public notice in newspapers provides public oversight to an industry that has been plagued with fraudulent transactions. Most recently, a $26 billion settlement was agreed to by forty-five states and five financial giants to resolve charges that the financial firms engaged in routine and widespread mortgage foreclosure fraud. The charges concerned instances of falsified or improper documentation as well as occasions when the banks foreclosed on properties they did not even own. Removing public notice from newspapers will make it harder for the public to learn about banks’ foreclosure activities.
* A vast majority of states require foreclosure notices in newspapers.