



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB3751

Introduced 2/25/2009, by Rep. Jehan A. Gordon

SYNOPSIS AS INTRODUCED:

820 ILCS 65/42 new

Amends the Illinois Worker Adjustment and Retraining Notification Act. Provides that, if an employer orders a mass layoff, relocation, or employment loss and fails to notify employees, then an employee shall be allowed to suspend interest payments on a home mortgage for 180 days and then pay the deferred interest in equal installments over the remaining term of the mortgage loan.

LRB096 09958 WGH 20122 b

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Worker Adjustment and Retraining
5 Notification Act is amended by adding Section 42 as follows:

6 (820 ILCS 65/42 new)

7 Sec. 42. Suspension of employee's mortgage interest
8 payments.

9 (a) Notwithstanding any other law to the contrary, if an
10 employer fails to give notice as required by paragraph (1) of
11 subsection (a) of Section 10, then a person who is domiciled in
12 this State and who is an employee entitled to notice may
13 secure, if a request is made within 180 days after the order of
14 mass layoff, relocation, or employment loss, a suspension of
15 the payment of interest on a mortgage loan that was secured by
16 the person, or the person and another person jointly, before
17 the date of the order.

18 (b) A person may make a request under subsection (a) by
19 mailing a written request to the mortgagee. The request must
20 include: (i) a statement, supported by documentation, that on a
21 specified date a mass layoff, relocation, or employment loss
22 was ordered by an employer and (ii) an affidavit stating that
23 the person is an employee entitled to notice from that employer

1 and further that the person is a mortgagor of the mortgage loan
2 with respect to which the request is being made. Upon receipt
3 of the request with the required information, the mortgagee
4 shall grant a suspension of the payment of interest, effective
5 as of the date of the order. The suspension shall remain in
6 effect for 180 days after the date of the order, and interest
7 that was incurred during that time shall be paid, after the
8 expiration of the suspension, in equal installments over the
9 remaining term of the mortgage loan.

10 (c) Nothing in this Section affects the payment of loan
11 principal, escrow, or other fees that are required by the
12 mortgage loan agreement.

13 (d) As used in this Section:

14 "Mortgagee" means the holder of a mortgage loan.

15 "Mortgage loan" means a loan made to a natural person or
16 persons to whom credit is offered or extended primarily for
17 personal, family, or household purposes that is secured by a
18 mortgage constituting a lien upon real property located in this
19 State on which there is erected or to be erected a structure
20 that is the primary residence of the natural person or persons,
21 containing one to 6 dwelling units, a portion of which may be
22 used for nonresidential purposes, in the making of which the
23 mortgagee relies primarily upon the value of the mortgaged
24 property.