

Background: PPCC LUC-recommended motion to support AB 238

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AB 238 text: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB238

Commentary:

Cal Matters: "This bill would authorize a borrower who is experiencing financial hardship due directly, as defined, to the wildfire disaster described in the proclamation of a state of emergency issued by Governor Gavin Newsom on January 7, 2025, to request **forbearance on their mortgage loan**. The bill would limit eligibility for that forbearance to residential mortgage loans for personal, family, or household use, or borrowers with 10 or fewer investment properties. The bill would require the borrower to affirm that they are experiencing a financial hardship during the wildfire disaster. Because the bill would expand the crime of perjury, the bill would impose a state-mandated local program." https://calmatters.digitaldemocracy.org/bills/ca_202520260ab238

Asm. Irwin info: "Assembly Bill 238, the Mortgage Deferment Act, would allow entitled borrowers to request initial forbearance of their monthly mortgage payments for up to 180 days, and allow a request for an additional 180 days. AB 238, is inspired by the federal CARES Act, which allowed for mortgage forbearance for those experiencing financial hardship during the COVID-19 pandemic."

<https://a42.asmdc.org/press-releases/20250115-assemblymembers-irwin-and-harabedian-introduce-bills-provide-mortgage-and>

Park resolution in City Council to support AB 238:

Resolution: https://clkrep.lacity.org/onlinedocs/2025/25-0002-s21_misc_3-28-25.pdf

Council File: <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=25-0002-S21>

The PPCC LUC recommends that the Board pass the proposed motion to support AB 238 and CF 25-0002-S21 (resolution by CW Park for the City to support AB 238).