



DEPARTMENT OF THE ATTORNEY GENERAL

News Release

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HAWAI'I JOINS MULTISTATE EFFORT TO ADDRESS MORTGAGE FORECLOSURE PRACTICES

HONOLULU – Attorney General Mark Bennett and Stephen Levins, Executive Director of the Office of Consumer Protection, announced today that Hawai'i has joined a multistate effort to address practices by mortgage loan servicers that appear to be in violation of state laws.

It has recently come to light that a number of mortgage loan servicers have submitted affidavits or signed other documents in support of either a judicial or non-judicial foreclosure that appear to have procedural defects. In particular, it appears that affidavits and other documents have been signed by persons who did not have personal knowledge of the facts asserted in the documents. In addition, it appears that many affidavits were signed outside of the presence of a notary public, contrary to state law. This process of signing documents without confirming their accuracy has come to be known as "robo-signing." The Department of the Attorney General and the Office of Consumer Protection believe such a process may constitute a deceptive act and/or an unfair practice or otherwise violate state laws.

To handle this issue in the most efficient and consistent manner possible, a bi-partisan multistate group has been formed to address issues common to a large number of states. The group is composed of state attorneys general and state bank and mortgage regulators. Currently 49 state attorneys general have joined this coordinated multistate effort. State bank and mortgage regulators are participating both individually and through their Multistate Mortgage Committee, which represents mortgage regulators from all 50 states. In Hawai'i, the Office of Consumer Protection is investigating the conduct of the lenders and their servicers.

The multistate group has begun inquiring whether individual mortgage servicers have improperly submitted affidavits or other documents in support of a foreclosure in our states. The facts uncovered in our review will dictate the scope of our inquiry.

A list of the participating states is attached below.

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Participating Attorneys General

Alaska

Arizona

Arkansas

California

Colorado

Connecticut

Delaware

Florida

Georgia

Hawaii Department of the Attorney General / Hawaii Office of Consumer Protection

Idaho

Illinois

Indiana

Iowa

Kansas

Kentucky

Louisiana

Maine

Maryland

Massachusetts

Michigan

Minnesota

Mississippi

Missouri

Montana

Nebraska

Nevada

New Hampshire

New Jersey

New Mexico

New York

North Carolina

North Dakota

Ohio

Oklahoma

Oregon

Pennsylvania

Rhode Island

South Carolina

South Dakota

Tennessee

Texas

Utah

Vermont

Virginia

Washington

West Virginia

Wisconsin

Wyoming

Participating State Bank and Mortgage Regulators

Arizona Department of Financial Institutions
Arkansas Securities Department
Connecticut Department of Banking
D.C. Department of Insurance Securities and Banking
Florida Office of Financial Regulation
Idaho Department of Finance
Illinois Secretary of Financial and Professional Regulation
Indiana Department of Financial Institutions
Iowa Division of Banking
Kentucky Department of Financial Institutions
Louisiana Office of Financial Institutions
Maine Bureau of Consumer Credit Protection
Maine Bureau of Financial Institutions
Maryland Office of the Commissioner of Financial Regulation
Division of Banks, Commonwealth of Massachusetts
Michigan Office of Financial & Insurance Regulation
Minnesota Department of Commerce
Mississippi Department of Banking and Consumer Finance
Montana Division of Banking and Financial Institutions
Nebraska Department of Banking and Finance
Nevada Financial Institutions Division and Mortgage Lending Division
New Hampshire Banking Department
New Jersey Department of Banking & Insurance – Office of Consumer Finance
New York State Banking Department
North Carolina Commissioner of Banks
North Dakota Department of Financial Institutions
Ohio Division of Financial Institutions
Oregon Department of Consumer and Business Services – Division of Finance
and Corporate Securities
Pennsylvania Department of Banking
Rhode Island Department of Business Regulation - Division of Banking
South Carolina Department of Consumer Affairs
Tennessee Department of Financial Institutions
Texas Department of Banking
Texas Finance Commission and Consumer Credit Commissioner
Vermont Department of Banking, Insurance, Securities and Health Care Administration
Washington State Department of Financial Institutions
West Virginia Division of Banking
Wisconsin Department of Banking
Wyoming Division of Banking