

way, something that the elderly find to be a valuable way of getting a living income during their elderly years when, let's say, they have no interest in keeping the home in the family upon death.

SENATOR PIRSCH: So the property stays then in the property owner's name until their death or until the house is sold, and they are responsible for property taxes?

SENATOR LANDIS: Let me ask Senator...

SENATOR PIRSCH: How would this affect homestead exemption, for instance?

SENATOR LANDIS: Well, this is Senator Lindsay's bill and I will pass off some of the technical questions on that score to him. But I'm going to guess that it depends on the terms of the reverse mortgage. Those terms are not limited by law. They could go...they could be written either way. What happens is in the reverse mortgage the person who borrows the money stays in the home, lives in the home, and then ultimately the way you collect the loan is the taking over the control of the house. What rules you would adopt in the interim, who pays property taxes or whatever, I'm going to...I don't recall being written in the form of the legislation and I'm going to guess they're part of the agreements back and forth just as in a mortgage the responsibility to pay taxes are written in and the mortgagor, the mortgagee, rather, usually pays those property taxes. But there isn't, that I know of, a term that tells who has to do that.

SENATOR PIRSCH: Okay. That...and I...Senator Lindsay isn't paying attention. Senator Lindsay, could you answer those questions?

SENATOR HALL Senator Lindsay.

SENATOR PIRSCH: Would...this would still be in the name of the proper owner. They would still be eligible for a homestead exemption if that were the case, some of those things. And do you think this is adequate protection for that homeowner?

SENATOR LINDSAY: I do, yes. It's a...certainly, it's a voluntary...it's a voluntary relationship between the homeowner and the lender. So there is certainly that...certainly that