



## About the MMBA

The Massachusetts Mortgage Bankers Association (MMBA) is the Commonwealth's trade association representing the real estate finance industry. Founded in 1974, the MMBA is the largest mortgage association in New England and is one of the most successful in the country. The association works to ensure the continued strength of the Commonwealth's residential real estate markets; to expand homeownership prospects through affordability; and to extend access to affordable housing. The MMBA promotes fair and ethical lending practices and promotes excellence and integrity among real estate finance professionals through a wide range of educational programs, advocacy and industry-wide publication.

The Massachusetts Mortgage Bankers Association (MMBA) represents 168 lending institutions made up of equal representation between depository institutions (banks and credit unions) and non-depository institutions (independent mortgage banker companies, mortgage brokers and all ancillary companies) which facilitate mortgage transactions throughout the Commonwealth.

## ADVOCACY ISSUES

- **Rent Control (Ballot Initiative)**
- **Artificial Intelligence (AI) in the Mortgage Industry**
- **Zoning Reform and Housing Production**
- **FTHB Savings Accounts**
- **Funding for Crumbling Foundations**
- **Funding Through Transfer Taxes/Affordable Housing Initiatives**

Massachusetts Mortgage Bankers Assoc.  
Deborah Sousa, Executive Director  
185 Devonshire Street, Suite 703  
Boston, MA 02110  
Phone: 617.570.9114  
[www.massmba.com](http://www.massmba.com)

## 2026 Beacon Hill Issues

May 4, 2026

### **Rent Control Ballot Initiative**

The MMBA supports solutions that increase housing supply, encourage responsible development, and protect both renters and homeowners. Rent control, as proposed in this ballot question, would instead undermine property values, strain local budgets, and reduce the quality and availability of housing across Massachusetts.

For these reasons, the **MMBA strongly opposes the rent control ballot question.**

At a time when many Massachusetts families are already struggling with rising costs, this proposal would place additional pressure on homeowners and small property owners, while doing little to solve the underlying shortage of housing.

**Action Needed: The MMBA STRONGLY OPPOSES rent control, and we ask legislators to speak out against rent control to their peers and constituents.**

### **Artificial Intelligence (AI) in the Mortgage Industry (H.81, H.94, H.97, S.35, S.264)**

AI has been used in mortgage lending for decades to improve efficiency, accuracy, and access to credit. These existing systems are well-regulated and deeply integrated into the financial services framework.

**Action Needed:**

- ✓ Support a **federal framework for AI** with strong state preemption to ensure consistency
- ✓ Focus legislation on **emerging risks from generative AI**, such as misleading or harmful content
- ✓ Avoid unnecessary regulation of **existing, well-established AI systems** used in mortgage lending

A targeted approach will allow continued innovation while addressing real risks—benefiting both consumers and the housing finance system. It is vital that state legislators continue to allow their federal counterparts to manage these systems and not create any unintended consequences through a patchwork of state laws.

### **Zoning Reform and Housing Production (H.4757)**

MA needs 222,000 new housing units to meet demand. Yet regulatory and zoning barriers often make modest, middle-scale projects financially infeasible. **H.4757, An Act Promoting Housing Opportunities and Access**, will increase housing production through zoning reform.

**Action Needed: The MMBA STRONGLY SUPPORTS H.4757 requiring municipalities with <10% multifamily housing to create by-right multifamily zoning (≥20 units/acre) on at least 1.5% of developable land; clarifies what land is developable, allows open space residential development by right, and reduces some zoning votes to a simple majority.**

### **First Time Home Buyers Savings Accounts**

(H.3192/S.2002 & H.3041)

These bills encourage establishing savings accounts for first time home buyers.

- H.3192/S.2002 establishes a new tax deduction for FTHB savings accounts for contributions towards the purchase of a single-family home. The tax deduction is limited to \$5,000 for individuals and \$10,000 for joint returns.
- H.3041 – contributions into an established savings account for a single-home purchase will be exempt from taxable income.

**Action Needed: The MMBA STRONGLY SUPPORTS H.3192/S.2002 & H.3041 encouraging the establishment of a savings account towards the purchase of a single-family home or condo in Massachusetts. We would also recommend consideration to also allow a two-family property or a single-family with an ADU.**

### **Support Funding for Crumbling Concrete Foundations** (H.1001, H.890/S.580 & H.983/S.642)

These bills deal with problem foundations due to the presence of pyrite or pyrrhotite. These chemicals cause concrete foundations to swell, crack, and crumble—eventually leading to structural collapse. Homeowners who have this issue must raise their home and replace the foundation which is extremely cost prohibitive.

These bills would identify a state funding method, provide financial support to homeowners and working groups would make recommendations for regulatory and legislative changes to address crumbling concrete foundations.

**Action: The MMBA STRONGLY SUPPORTS H.1001, H.890/S.580 & H.983/S.642 to help homeowners with crumbling foundations. The Working Group's final report recommended funding levels of \$20-\$30 million annually over a 5-10 year period.**

### **Funding Through Transfer Taxes**

There are currently several bills which would fund initiatives through taxes on the sale of a home. Our members are concerned with affordable housing but believe that funding these initiatives through transfer fees will create a barrier to homeownership.

We are deeply concerned about:

- **Affordability** as we are already one of the most expensive states to purchase a home.
- **Lack of consistency** across each municipality with respect to percentage of tax, responsibility of payment and exemptions. **Disparate impact** as municipalities may deny low-income or middle-income borrowers a transfer tax exemption.

- **Lack of clarity and confusion** to the consumers to determine the actual amount of transfer fees in a specific municipality.
- **Regulatory financial hardship** if closing cost disclosures provided to consumers are inaccurate.

#### **What is the answer?**

The MMBA believed that there are reasonable initiatives that can be done to create more homes and make housing more affordable:

- **Develop housing on unused state-owned land** that is currently vacant and unused.
- **MBTA Communities Law:** Ensure that MBTA communities implement the law to create new homes.
- **Strengthen the Community Preservation Act** to ensure communities are participating and using a higher percentage of CPA funding for the creation of affordable housing.

#### **What if transfer taxes are still a viable option?**

The MMBA strongly opposes transfer taxes, but if the legislators feel that this is the only viable solution then consider the following:

- The burden of paying this fee must be seller-paid and not buyer paid.
- The transfer tax must be reasonable and consistent. A minimal amount such as .25% fee and not ranges that are in current bills.
- The median sales price needs to correspond to the appropriate property type.
- Cap administrative costs to no more than 20% when establishing and maintaining an affordable housing trust fund.
- Define reasonable amount of time that a municipality has to produce affordable housing units or forfeit transfer tax revenue and the ability to assess transfer taxes.
- Exempt sellers from paying a transfer tax if they sell to a qualified first-time home buyer or low-to-moderate income borrower. Give low-to-moderate and first-time home buyers a chance to have their offers accepted instead of investor or cash sales.

**Action Needed: The MMBA STRONGLY OPPOSES transfer taxes that will hurt affordable housing more than help.**

Funding affordable housing should not rest upon a small percentage of consumers that are purchasing or selling properties. This is everyone's problem and should be shared across the Commonwealth. Please consider the MMBA as a resource!

***Thank you for your leadership in the Commonwealth and your thoughtful consideration of these critical housing and mortgage finance issues.***