

1.1 moves to amend H.F. No. 1941 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2013 Supplement, section 580.02, is amended to read:

1.4 **580.02 REQUISITES FOR FORECLOSURE.**

1.5 To entitle any party to make such foreclosure, it is requisite:

1.6 (1) that some default in a condition of such mortgage has occurred, by which the
1.7 power to sell has become operative;

1.8 (2) that no action or proceeding has been instituted at law to recover the debt then
1.9 remaining secured by such mortgage, or any part thereof, or, if the action or proceeding
1.10 has been instituted, that the same has been discontinued, or that an execution upon the
1.11 judgment rendered therein has been returned unsatisfied, in whole or in part;

1.12 (3) that the mortgage has been recorded and, if it has been assigned, that all
1.13 assignments thereof have been recorded; provided, that, if the mortgage is upon registered
1.14 land, it shall be sufficient if the mortgage and all assignments thereof have been duly
1.15 registered;

1.16 (4) ~~before the notice of pendency as required under section 580.032 is recorded,~~
1.17 ~~the party has complied with section 580.021; and~~ before or contemporaneous with the
1.18 notice of sale as required under section 580.03 is recorded, the party has recorded either
1.19 a fully executed opt-out notice or the affidavit of good faith in mediation as provided
1.20 in chapter 584, if applicable; and

1.21 (5) before the foreclosure sale, the party has complied with section 582.043, if
1.22 applicable.

1.23 Sec. 2. Minnesota Statutes 2012, section 581.03, is amended to read:

1.24 **581.03 JUDGMENT, TRANSCRIPT.**

2.1 Judgment shall be entered, under the direction of the court, adjudging the amount due,
2.2 with costs and disbursements, and the sale of the mortgaged premises, or some part thereof,
2.3 to satisfy such amount, and directing the sheriff to proceed to sell the same according to
2.4 the provisions of law relating to the sale of real estate on execution, and to make report to
2.5 the court. A certified transcript of the judgment shall be delivered to the sheriff, and shall
2.6 be the sheriff's authority for making the sale. Before judgment may be entered, the party
2.7 seeking judgment must provide the court with either a fully executed opt-out notice or the
2.8 affidavit of good faith in mediation as provided in chapter 584, if applicable.

2.9 Sec. 3. **[584.01] DEFINITIONS.**

2.10 Subdivision 1. **Applicability.** The definitions in this section apply to this chapter.

2.11 Subd. 2. **Authorized foreclosure prevention agency.** "Authorized foreclosure
2.12 prevention agency" means a government agency or a nonprofit agency funded, all or in
2.13 part, for foreclosure prevention services, by the Minnesota Housing Finance Agency
2.14 or the United States Department of Housing and Urban Development, or otherwise
2.15 approved by the United States Department of Housing and Urban Development to provide
2.16 foreclosure prevention counseling services.

2.17 Subd. 3. **Foreclosing entity.** "Foreclosing entity" means the person attempting to
2.18 foreclose a residential mortgage.

2.19 Subd. 4. **Homeowner.** "Homeowner" means the mortgagor who is an owner and
2.20 an occupant of the residential property subject to the residential mortgage sought to be
2.21 foreclosed by the foreclosing entity.

2.22 Subd. 5. **Loss mitigation.** "Loss mitigation" means a temporary or permanent loan
2.23 modification, a forbearance agreement, a repayment agreement, a principal reduction,
2.24 capitalizing arrears, or any other relief intended to prevent completion of the foreclosure.

2.25 Subd. 6. **Mediator.** "Mediator" means a mediator selected by the state Office of
2.26 Administrative Hearings, as provided in section 584.05.

2.27 Subd. 7. **Office of Administrative Hearings.** "Office of Administrative Hearings"
2.28 means the Office of Administrative Hearings as created by section 14.48.

2.29 Subd. 8. **Residential mortgage.** "Residential mortgage" means a mortgage on a
2.30 property consisting of one to four family dwelling units, one of which the owner occupies
2.31 as the owner's principal place of residency as of the date when the foreclosing entity sends
2.32 the notice required under section 584.03, subdivision 1.

2.33 Subd. 9. **Single point of contact.** "Single point of contact" means personnel
2.34 authorized by the foreclosing entity or subsequent lienholder to bind the foreclosing entity
2.35 or subsequent lienholder, and bind the owner of any loan note related to the mortgage

3.1 sought to be foreclosed, in mediation as to loss mitigation or other actions to resolve the
3.2 foreclosure. This single point of contact must be an easily accessible and reliable point
3.3 of contact for the homeowner throughout the mediation process who can perform the
3.4 duties imposed on servicers for continuity of contact in Code of Federal Regulations, title
3.5 12, section 1024.40, if applicable.

3.6 Subd. 10. **Subsequent lienholder.** "Subsequent lienholder" means any creditor
3.7 having a recorded legal or equitable lien upon the residential property subject to the
3.8 residential mortgage, or some part of it, that is junior to the lien held by the foreclosing
3.9 entity.

3.10 Sec. 4. **[584.02] APPLICABILITY.**

3.11 Subdivision 1. **Applicability.** This chapter applies to foreclosure of mortgages by
3.12 advertisement under chapter 580 and foreclosure of mortgages by actions under chapter
3.13 581 on a residential property. This chapter does not apply if the foreclosing entity, or any
3.14 parent, subsidiary, successor, or person similarly affiliated to the foreclosing entity, or the
3.15 servicer or agent of the foreclosing entity, has foreclosed less than 125 residential homes
3.16 in the year prior to the year of the notice of default.

3.17 Subd. 2. **Additional authority.** The Office of Administrative Hearings may enact
3.18 regulations to carry out the provisions of chapter 584. Until December 31, 2015, the Office
3.19 of Administrative Hearings may establish procedures and take other actions necessary
3.20 to create the residential foreclosure mediation program provided in chapter 584 without
3.21 complying with the rulemaking requirements of chapter 14.

3.22 Sec. 5. **[584.03] MEDIATION NOTICES.**

3.23 Subdivision 1. **Notice of requested mediation.** A foreclosing entity desiring to
3.24 foreclose a residential mortgage shall notify the Office of Administrative Hearings and
3.25 the Minnesota Homeownership Center of the proposed foreclosure. This notice shall be
3.26 sent by the foreclosing entity to the Office of Administrative Hearings and the Minnesota
3.27 Homeownership Center no earlier than 45 days after a homeowner's delinquency on the
3.28 mortgage. This notice must include the single point of contact, the address of the property
3.29 sought to be foreclosed, and the name and most recent telephone number of the homeowner.

3.30 Subd. 2. **Minnesota Homeownership Center.** The Minnesota Homeownership
3.31 Center shall appoint a mortgage foreclosure prevention counselor and shall send a written
3.32 notice to the Office of Administrative Hearings and the homeowner with the counselor's
3.33 contact information within seven days of reviewing the notice of default in subdivision

4.1 1. Any participating authorized foreclosure prevention agency must comply with federal
4.2 regulations governing housing counseling programs.

4.3 Subd. 3. **Office of Administrative Hearings notice of mediation.** Within 14 days
4.4 of receiving the notice of default in subdivision 1. The Office of Administrative Hearings
4.5 shall send a notice of the mediation to the homeowner, the foreclosing entity, and the
4.6 authorized foreclosure prevention agency. The notice shall include at least the following
4.7 information: the foreclosing entity's single point of contact, the address of the property
4.8 sought to be foreclosed, the name and most recent telephone number of the homeowner,
4.9 the name and contact information for the authorized foreclosure prevention agency, the
4.10 date and location of the mediation, and a copy of the homeowner opt-out form provided
4.11 for in section 584.04. The date of the mediation shall not be less than 21 days or more
4.12 than 60 days after the notice is sent by the Office of Administrative Hearings.

4.13 The notice must contain the following information related to the foreclosure
4.14 prevention agency:

4.15 [Name of authorized foreclosure agency] is a nonprofit agency and is an expert in
4.16 housing and foreclosure prevention counseling and assistance. They are experienced in
4.17 dealing with lenders and homeowners who are behind on mortgage payments and can help
4.18 you understand your options and work with you to address your delinquency. They are
4.19 approved by either the Minnesota Housing Finance Agency or the United States Department
4.20 of Housing and Urban Development. They are not connected with the foreclosing entity in
4.21 any way. They will accompany you to the mediation and can provide information and
4.22 assistance to reach an agreement with the foreclosing entity prior to the mediation.

4.23 Subd. 4. **Notice of mediation cancellation.** (a) If the authorized foreclosure
4.24 prevention agency notifies the Office of Administrative Hearings within 14 days of the
4.25 date of the scheduled mediation that it is unable to establish contact with a homeowner,
4.26 the Office of Administrative Hearings shall send the notice required in this section. The
4.27 notice shall be sent by regular and certified mail. The notice shall inform the homeowner
4.28 that the mediation will be canceled and the foreclosing entity will be permitted to proceed
4.29 with foreclosure if the homeowner does not contact the Office of Administrative Hearings
4.30 by a date that is at least two business days prior to the scheduled date of mediation.
4.31 The notice shall also inform the homeowner that the notice required in this section is
4.32 being sent to the homeowner because the authorized foreclosure prevention agency
4.33 has made four attempts to contact the homeowner and has been unable to confirm the
4.34 homeowner's appearance at the mediation. If the homeowner fails to contact the Office
4.35 of Administrative Hearings at least two business days prior to the scheduled date of

5.1 mediation, the Office of Administrative Hearings shall provide to the foreclosing entity an
5.2 opt-out notice under section 584.04, subdivision 2.

5.3 (b) The authorized foreclosure prevention agency selected by the Office of
5.4 Administrative Hearings to provide foreclosure counseling services to the homeowner
5.5 may inform the Office of Administrative Hearings that it is unable to establish contact
5.6 with the homeowner only if the authorized foreclosure prevention agency satisfies the
5.7 following requirements:

5.8 (1) the authorized foreclosure prevention agency has made four attempts to contact
5.9 the homeowner;

5.10 (2) at least one of the four attempts to contact the homeowner was by telephone;

5.11 (3) at least one of the attempts to contact the homeowner was in writing; and

5.12 (4) the authorized foreclosure prevention agency has stated in each written attempt
5.13 at contact that the purpose of counseling is to help the homeowner find a mortgage
5.14 workout agreement, that the authorized foreclosure prevention agency has been selected
5.15 by the Office of Administrative Hearings to provide foreclosure counseling services to the
5.16 homeowner if the homeowner wants those services, and the mediation may be canceled if
5.17 the homeowner does not communicate to either the Office of Administrative Hearings or
5.18 the authorized foreclosure prevention agency an intent to participate in mediation.

5.19 **Subd. 5. Foreclosing entity's disclosure of loss mitigation information. (a)**
5.20 Within 14 days of the date that the Office of Administrative Hearings sent the notice of
5.21 mediation provided in subdivision 3, the foreclosing entity shall send to the homeowner
5.22 and the Office of Administrative Hearings a notice of loss mitigation information.

5.23 (b) The notice of loss mitigation information shall include the following:

5.24 (1) a statement of all information the foreclosing entity currently has that has been or
5.25 may be used in a loss mitigation decision;

5.26 (2) a list of information that the foreclosing entity reasonably needs from the
5.27 homeowner to make a loss mitigation decision;

5.28 (3) a statement that the homeowner may request the equation used to make any
5.29 calculation concerning a loss mitigation decision; and

5.30 (4) the identity and contact information for the single point of contact.

5.31 (c) The notice required by this subdivision must be in 14-point boldface type and the
5.32 title of the notice must be in 20-point boldface type. The notice must appear substantially
5.33 as follows:

5.34 **"NOTICE OF INFORMATION NEEDED FOR MORTGAGE WORKOUT**
5.35 **AGREEMENT**

6.1 You are scheduled to appear for mortgage foreclosure mediation at [date, time,
6.2 and location of mediation]. We are required to send you this notice under the law of
6.3 the State of Minnesota.

6.4 Foreclosure mediation is a state-run program that provides eligible homeowners
6.5 with the opportunity to work with a neutral third party to modify their mortgage to avoid
6.6 foreclosure. An agent of [name of foreclosing entity] will be there to negotiate and modify
6.7 the terms of your loan. Mediations can result in a modification to your loan or other
6.8 solution to keep you in your house or allow a reasonable resolution to the foreclosure.

6.9 We have or may in the future use the following information that we currently
6.10 possess about you or your home:

6.11 [List of all such information].

6.12 [If homeowner information necessary] The mediation of the foreclosure on your
6.13 home is most likely to succeed in a mortgage workout agreement to help you stay in the
6.14 home if you provide the following information about you and your home:

6.15 [List of information and what documents can provide this information].

6.16 You should send this information to us and to the Office of Administrative Hearings.
6.17 You can send information to the Office of Administrative Hearings at [to be provided by
6.18 the Office of Administrative Hearings]. You can send the requested information to us, or
6.19 you can ask us any questions regarding this notice or the mediation process, as follows:

6.20 [Identity and contact information for single point of contact]."

6.21 Subd. 6. **Notice to subsequent lienholders.** (a) Within 14 days of the date that the
6.22 Office of Administrative Hearings sent the notice of mediation provided in subdivision
6.23 3, the foreclosing entity shall send to subsequent lienholders a notice identifying the
6.24 homeowner, the address of the property sought to be foreclosed, and the mediation time,
6.25 date, and location. The notice shall also state that the mediator may void the lien on the
6.26 property held by the subsequent lienholder if the subsequent lienholder fails to participate
6.27 in the mediation in good faith.

6.28 (b) The foreclosing entity shall provide the Office of Administrative Hearings a list
6.29 of all subsequent lienholders sent the notice required under this subdivision.

6.30 Subd. 7. **Notice of mediator.** The Office of Administrative Hearings shall notify
6.31 the foreclosing entity, the homeowner, and the subsequent lienholders of the name and
6.32 contact information of the assigned mediator.

6.33 Sec. 6. **[584.04] OPT-OUT FORM.**

6.34 Subdivision 1. **Opt-out forms.** The Office of Administrative Hearings shall create
6.35 two forms, a homeowner opt-out notice and an inability to contact opt-out notice. Only

7.1 one form of opt-out notice is needed to cancel the mediation and satisfy any requirement
7.2 for obtaining or recording an opt-out notice.

7.3 Subd. 2. **Homeowner opt-out.** The Office of Administrative Hearings shall provide
7.4 a notice to the homeowner that the homeowner can complete to decline participation
7.5 in the mediation process. If the Office of Administrative Hearings receives a signed
7.6 opt-out notice from the homeowner, the Office of Administrative Hearings shall cancel the
7.7 mediation and promptly provide a copy of this completed opt-out form to the foreclosing
7.8 entity. The foreclosing entity shall promptly provide a copy of the completed opt-out form
7.9 to subsequent lienholders previously sent a notice of the mediation by the foreclosing entity.

7.10 Subd. 3. **Inability to contact opt-out.** If the Office of Administrative Hearings
7.11 sends the notice of possible mediation cancellation required under section 584.03,
7.12 subdivision 4, and the homeowner fails to contact the Office of Administrative Hearings
7.13 at least two business days prior to the scheduled date of mediation, the Office of
7.14 Administrative Hearings shall cancel the mediation, complete an opt-out form, and
7.15 promptly provide the form to the foreclosing entity. The foreclosing entity shall promptly
7.16 provide a copy of the completed opt-out form to subsequent lienholders previously sent a
7.17 notice of the mediation by the foreclosing entity.

7.18 Sec. 7. **[584.05] MEDIATORS.**

7.19 Subdivision 1. **Mediator eligibility.** The Office of Administrative Hearings shall
7.20 establish the qualifications necessary for a person to serve as a mediator under this
7.21 chapter. Mediators cannot have a conflict of interest that prevents the mediator from being
7.22 impartial with any party involved in the mediation program.

7.23 Subd. 2. **Duties of the mediator.** At the mediation, the mediator shall:

7.24 (1) listen to the homeowner, foreclosing entity, and subsequent lienholders, if any;

7.25 (2) attempt to mediate between the homeowner, foreclosing entity, and subsequent
7.26 lienholders, if any;

7.27 (3) advise the homeowner, foreclosing entity, and subsequent lienholders, if any, of
7.28 assistance programs available and known to the mediator;

7.29 (4) attempt to arrive at an agreement to fairly adjust, refinance, or pay the mortgage;
7.30 and

7.31 (5) advise, counsel, and assist the homeowner, foreclosing entity, and subsequent
7.32 lienholders, if any, in attempting to arrive at an agreement for the future conduct of the
7.33 financial relations among them.

7.34 Subd. 3. **Mediator liability and immunity.** (a) A mediator is immune from civil
7.35 liability for actions within the scope of the position as mediator. A mediator does not have

8.1 a duty to advise the homeowner, foreclosing entity, or subsequent lienholders, if any,
8.2 about the law or to encourage or assist the homeowner, foreclosing entity, or subsequent
8.3 lienholders, if any, in reserving or establishing legal rights. This subdivision is an addition
8.4 to and not a limitation of immunity otherwise accorded to a mediator under any law.

8.5 (b) A mediator cannot be examined about a communication or document, including
8.6 work notes, made or used in the course of or because of mediation under this chapter. This
8.7 paragraph does not apply to the parties in the dispute in an application to a court by a
8.8 party to have a mediated settlement agreement set aside or reformed. A communication
8.9 or document otherwise not privileged does not become privileged because it is used in
8.10 the cause of mediation. This paragraph is not intended to limit the privilege accorded to
8.11 communication during mediation under any law.

8.12 **Sec. 8. [584.06] HOMEOWNER'S RIGHT TO REQUEST LOSS MITIGATION**
8.13 **FORMULA.**

8.14 At any time after the notice of requested mediation is sent by the foreclosing entity,
8.15 the homeowner has the right to request from the foreclosing entity the formula and
8.16 information used in deciding whether the homeowner is eligible for a loan modification,
8.17 loss mitigation, or other mortgage workout option to help the homeowner resolve the
8.18 foreclosure. The single point of contact must respond to the homeowner's request within
8.19 seven days of the request.

8.20 **Sec. 9. [584.07] GOOD FAITH IN MEDIATION REQUIRED.**

8.21 Subdivision 1. **Obligation of good faith.** The homeowner and the foreclosing entity
8.22 must engage in mediation in good faith.

8.23 Subd. 2. **Determination of good faith.** A party may is not participating in good
8.24 faith if the party:

8.25 (1) fails to attend or participate in mediation sessions without good cause;

8.26 (2) fails to provide information regarding the financial obligations of the parties and
8.27 other creditors including providing the information required under this section, section
8.28 584.03, or section 584.08, subdivision 2, without reasonable justification;

8.29 (3) fails to provide a single point of contact for the mediation process;

8.30 (4) fails to provide the formula used in deciding whether the homeowner is eligible
8.31 for a loss mitigation program to help resolve the foreclosure, as required by section
8.32 584.06, if the formula is requested by the homeowner; or

8.33 (5) other similar behavior that evidences a lack of good faith by either party.

9.1 A failure to agree to modify, reduce, restructure, refinance, or forgive debt is not, in
9.2 itself, evidence of lack of good faith by the foreclosing entity.

9.3 Subd. 3. **Affidavit of good faith in mediation.** (a) If the mediator determines
9.4 that the foreclosing entity participated in the mediation in good faith, the mediator shall
9.5 promptly provide to all parties a affidavit attesting to this determination. If the mediator
9.6 determines that the foreclosing entity has not participated in the mediation in good faith,
9.7 the mediator shall provide to all parties within one week of the end of the mediation a
9.8 report attesting to this determination and the reason for the determination.

9.9 (b) If the mediator determines that the homeowner is not participating in the
9.10 mediation in good faith, the mediator may cancel subsequent scheduled mediations and
9.11 provide the foreclosing entity and any subsequent lienholder an affidavit of good faith to
9.12 allow the foreclosing entity to proceed on the foreclosure.

9.13 Subd. 4. **Lack of good faith.** If the homeowner does not execute an opt-out form
9.14 and the mediator does not provide the foreclosing entity a affidavit of good faith in
9.15 mediation following a mediation, all actions taken and documents recorded as part of the
9.16 foreclosure process are void, and the foreclosing entity shall be prohibited from taking any
9.17 action to initiate a new foreclosure for one year from the date of mediation.

9.18 **Sec. 10. [584.08] MEDIATION PROCESS.**

9.19 Subdivision 1. **Appearances.** There will be one mediation session unless the
9.20 mediator determines that a subsequent session is needed and may be helpful to a
9.21 successful mediation. The mediator can schedule no more than one subsequent mediation.
9.22 The Office of Administrative Hearings may allow the parties to appear through remote
9.23 communication. The Office of Administrative Hearings may reschedule the time or
9.24 location of the mediation if reasonably necessary for the participation of a party. A
9.25 subsequent or rescheduled session may take place outside of the time period provided
9.26 in section 584.03, subdivision 3.

9.27 Subd. 2. **Documents required at mediation.** The foreclosing entity shall bring to
9.28 the mediation the following documents:

9.29 (1) a valid copy of the mortgage and note, and each assignment or endorsement of
9.30 the mortgage and note;

9.31 (2) an accurate statement containing the balance of the loan within seven days
9.32 of the date of mediation;

9.33 (3) an accurate statement of any arrearage and an itemized statement of the arrearages;

10.1 (4) the payment history and schedule for the preceding 12 months, or since
10.2 default, whichever is longer, including a breakdown of all fees and charges claimed and
10.3 outstanding; and

10.4 (5) any appraisal or valuation estimate relied upon by the foreclosing entity in
10.5 making a loan mitigation decision.

10.6 Subd. 3. **Mediation agreement.** The foreclosing entity, homeowner, and, if any,
10.7 subsequent lienholders who are parties to an agreement reached in mediation are bound
10.8 by the terms of the agreement, may enforce the mediation agreement as a legal contract,
10.9 and may use the mediation agreement as a defense against an action contrary to the
10.10 mediation agreement.

10.11 Sec. 11. **[584.09] SUBSEQUENT LIENHOLDERS GOOD FAITH IN**
10.12 **MEDIATION REQUIRED.**

10.13 Subdivision 1. **Requirement of good faith.** A subsequent lienholder must
10.14 participate in mediation in good faith. A subsequent lienholder does not participate in
10.15 good faith if the subsequent lienholder:

10.16 (1) fails to attend and participate in mediation sessions without good cause;

10.17 (2) fails to designate a single point of contact with authority to make binding
10.18 commitments to participate in the mediation;

10.19 (3) fails to provide a written explanation for not agreeing to a loss mitigation;

10.20 (4) or other similar behavior which evidences lack of good faith by a subsequent
10.21 lienholder.

10.22 A failure to agree to modify, reduce, restructure, refinance, or forgive debt is not, in
10.23 itself, evidence of lack of good faith by the subsequent lienholder.

10.24 Subd. 2. **Failure to participate in good faith.** If the mediator determines that a
10.25 subsequent lienholder has not participated in good faith in the mediation, the mediator
10.26 shall provide to all parties within one week of the end of the mediation a affidavit attesting
10.27 to this determination. The homeowner may record this affidavit, which shall have
10.28 the effect of making void the lien of the subsequent lienholder determined to have not
10.29 participated in good faith. This subdivision only applies to subsequent lienholders with a
10.30 lien value of more than \$5,000.

10.31 Sec. 12. **[584.10] MORTGAGE FORECLOSURE MEDIATION PROGRAM**
10.32 **DATA.**

11.1 Subdivision 1. **Requirement to maintain data.** The Office of Administrative
11.2 Hearings shall create an annual report on the success rate of the foreclosure mediation
11.3 program.

11.4 Subd. 2. **Mediator reports.** The reports of mediators under section 584.07,
11.5 subdivision 3, are classified as private data on individuals under section 13.02, subdivision
11.6 12, or nonpublic data under section 13.02, subdivision 9.

11.7 Subd. 3. **Confidentiality of data created by the Office of Administrative Hearings**
11.8 **in foreclosure mediation.** (a) All data regarding the finances of homeowners, foreclosing
11.9 entities, and subsequent lienholders created, collected, and maintained by the mediators or
11.10 the Office of Administrative Hearings are classified as private data on individuals under
11.11 section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9.

11.12 (b) All data and reports created by the Office of Administrative Hearings in
11.13 complying with subdivision 1 shall be classified as public data not on individuals under
11.14 section 13.02, subdivision 14.

11.15 Sec. 13. **APPROPRIATION; OFFICE OF ADMINISTRATIVE HEARINGS.**

11.16 \$..... is appropriated in fiscal year 2015 from the general fund to the Office of
11.17 Administrative Hearings for the operation of the foreclosure mediation program under
11.18 Minnesota Statutes, chapter 584.

11.19 Sec. 14. **[584.12] EXCLUSION OF GOVERNMENT LIENS.**

11.20 Liens held by federal government, state government, or a local or municipal
11.21 government are exempt from the requirements of this chapter and those entities do not
11.22 have to provide a fully executed opt-out notice or the affidavit of good faith in mediation
11.23 to proceed on a foreclosure by advertisement or judgment."