

HB1085_L.001

HOUSE COMMITTEE OF REFERENCE REPORT

 Chairman of Committee

 Date
Committee on Business Affairs and Labor.

After consideration on the merits, the Committee recommends the following:

HB09-1085 be amended as follows:

- 1 Amend printed bill, page 20, line 4, strike "borrower;" and substitute
- 2 "borrower, BUT THE MORTGAGE LOAN ORIGINATOR SHALL NOT BE DEEMED
- 3 TO VIOLATE THIS SECTION IF THE BORROWER CONCEALS OR
- 4 MISREPRESENTS RELEVANT INFORMATION;";
- 5 line 15, strike "shall" and substitute "shall MAY";
- 6 line 16, after "applicant", insert "OR LICENSEE".
- 7 Page 22, line 11, strike "(I)";
- 8 line 15, strike "9." and substitute "9;";
- 9 strike lines 16 through 27.
- 10 Page 24, line 25, strike "SUBJECT TO" and substitute "WHO, AFTER AN";
- 11 line 26, strike "PART 9" and substitute "PART 9, IS FOUND TO BE IN
- 12 VIOLATION OF A PROVISION OF THIS PART 9", and strike "COSTS" and
- 13 substitute "REASONABLE AND NECESSARY COSTS OF THE DIVISION".
- 14 Page 25, line 8, strike "~~person~~ INDIVIDUAL," and substitute "person,".
- 15 Page 27, line 2, after "licensee", insert "OR APPLICANT".
- 16 Page 29, line 2, strike "~~person~~ INDIVIDUAL" and substitute "person WHO



1 IS", and strike "9;" and substitute "9";

2 line 8, strike "country." and substitute "country OR IS NOT REGISTERED IN
3 COMPLIANCE WITH THE FEDERAL "SECURE AND FAIR ENFORCEMENT FOR
4 MORTGAGE LICENSING ACT OF 2008", 12 U.S.C. SEC. 5101 ET SEQ.;"

5 Page 43, line 19, strike "Except as" and substitute "Except as";

6 strike lines 20 through 23 and substitute the following:

7 "required by paragraph (c) of subsection (2) of this section, this
8 subsection (1) shall not be construed to require disclosure of the
9 distribution or breakdown of loan fees, discounts, or points between the
10 mortgage broker LOAN ORIGINATOR and any MORTGAGE lender or
11 investor."

12 Page 50, line 8, after "38-40-105", insert "(1) (f), (1.5), and", and strike
13 "is" and substitute "are";

14 strike line 12 and substitute the following:

15 "(1) The following acts by any mortgage broker, mortgage originator,
16 mortgage lender, mortgage loan applicant, real estate appraiser, or closing
17 agent, other than a person who provides closing or settlement services
18 subject to regulation by the division of insurance, with respect to any loan
19 that is secured by a first or subordinate mortgage or deed or trust lien
20 against a dwelling are prohibited:

21 (f) ~~To knowingly facilitate the consummation of a mortgage loan~~
22 ~~transaction that violates, or that is connected with a violation of,~~
23 ~~subsection (1.5) of this section.~~

24 (1.5) (a) ~~A mortgage broker or the broker's agent shall provide the~~
25 ~~borrower with draft copies of the mortgage loan agreement and all other~~
26 ~~documents material to the transaction, completed to the extent possible in~~
27 ~~accordance with good-faith estimates, at least one business day before~~
28 ~~closing. There shall be no blank spaces remaining on the agreement form~~
29 ~~and no change to any material term of the agreement or of any~~
30 ~~accompanying document during this time.~~

31 (b) ~~As used in this subsection (1.5), "documents material to the~~



1 ~~transaction" include, without limitation, the deed of conveyance, except~~
2 ~~in the case of a refinancing, the loan agreement, and the title documents~~
3 ~~if requested by the borrower.~~

4 (7) As used in this section, unless the context otherwise requires:".

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