

1st Sub. S.B. 178

MORTGAGE BROKER AMENDMENTS

Representative **J. Morgan Philpot** proposes the following amendments:

1. *Page 1, Line 11:*

11 ▶ defines terms;

▶ **enacts provisions related to the regulation of certain mortgage lenders by the Department of Financial Institutions;**

2. *Page 3, Line 66:*

66 ENACTS:

7-25-101, Utah Code Annotated 1953

7-25-102, Utah Code Annotated 1953

7-25-103, Utah Code Annotated 1953

3. *Page 3, Line 84:*

84 *Be it enacted by the Legislature of the state of Utah:*

= **Section 1. Section 7-25-101 is enacted to read:**

Chapter 25. Mortgage Lenders

7-25-101. Definitions.

As used in this chapter:

(1) "Mortgage lender" is as defined in Section 61-2c-102.

(2) "Business of residential mortgage loans" is as defined in Section 61-2c-102.

Section 2. Section 7-25-102 is enacted to read:

7-25-102. Registration of mortgage lender.

(1) Unless exempted from Title 61, Chapter 2c, Utah Residential Mortgage Practices Act, under Subsections 61-2c-105(2)(a) through (m), a mortgage lender may not transact the business of residential mortgage loans, as defined in Section 61-2c-102, without registering with the department under this section.

(2) To apply for registration under this section a mortgage lender shall submit to the department a registration statement that states:

(a) any name under which the mortgage lender will transact business in Utah;

(b) the address of the principal business location of the mortgage lender;

(c) the control persons of the mortgage lender;

(d) the name of any individual that transacts the business of residential mortgage loans on behalf

of the mortgage lender;

(e) if the mortgage lender does not maintain an office in Utah, a brief description of the manner in which the business is conducted;

(f) the name and address in Utah of a designated agent upon whom service of process may be made; and

(g) any other information required by the commissioner by rule made in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

(3) If information in a registration under this section becomes inaccurate after filing, the mortgage lender shall provide the department the accurate information on or before the following September 30, unless the commissioner requests that the mortgage lender provide the accurate information earlier.

(4) Each mortgage lender required to register under this section shall pay:

(a) an initial registration fee of \$100; and

(b) on or before September 30 of each year, an annual renewal fee established under Section 7-1-401.

Section 3. Section 7-25-103 is enacted to read:

7-25-103. Examination of mortgage lender.

(1) The department may examine the books, accounts, and records of a mortgage lender that is required to register under Section 7-25-102 and make investigations to determine compliance with this chapter and any other applicable state or federal law, including:

(a) Truth in Lending Act, 15 U.S.C. Sec. 1601 et seq.;

(b) Equal Credit Opportunity Act, 15 U.S.C. Sec 1691;

(c) Real Estate Settlement Procedures Act of 1974, 12 U.S.C. Sec. 2601 et seq.; and

(d) Regulation C, Home Mortgage Disclosure, 12 C.F.R. Sec. 203.1 et seq.

(2) In accordance with Section 7-1-401, a mortgage lender shall pay a fee for an examination conducted under Subsection (1).

Renumber remaining sections accordingly.

4. Page 6, Line 177:

177 (c) the Commonwealth of Puerto Rico.

(23) "Mortgage lender" means an entity:

(a) whose principal purpose or activity is lending money on residential mortgage loans;

(b) approved as a seller or servicer by the:

(i) Federal National Mortgage Association; or

(ii) Federal Home Loan Mortgage Corporation; and

(c) approved as a supervised or nonsupervised mortgagee by the:

(i) Department of Housing and Urban Development; and

(ii) Department of Veterans Affairs.

5. Page 15, Line 437:

437 (l) a court appointed fiduciary; ~~[[or]]~~

6. Page 15, Line 442:

442 attorney ~~[[or]]~~ **; or**
(n) a mortgage lender.