1st Sub. S.B. 143 MORTGAGE AND FINANCIAL AFFAIRS AMENDMENTS

HOUSE FLOOR AMENDMENTS

AMENDMENT 1

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Representative LaVar Christensen proposes the following amendments:

- 1. Page 1, Lines 15 through 16:
 - 15 \rightarrow \{\frac{\text{limits the requirements described in this bill to beneficiaries that are also financial}}
 - 16 <u>institutions</u>} <u>excludes, under certain circumstances, a beneficiary that is a small business from the requirements described in this bill ;</u>
- 2. *Page 2, Lines 31 through 32:*
 - 31 (a) {"Beneficiary" means a financial institution that is the record owner of the beneficial
 - 32 <u>interest under a trust deed, including successors in interest</u>} <u>"Affiliate" is as defined in Section</u>
 16-10a-102 .
- 3. Page 2, Line 37 through Page 3, Line 60:
 - 37 {-(d) "Financial institution" means:
 - 38 (i) a state or federally chartered:
 - 39 <u>(A) bank;</u>
 - 40 (B) savings and loan association;
 - 41 (C) savings bank;
 - 42 (D) industrial bank; or
 - 43 (E) credit union; or
 - 44 (ii) any other entity under the jurisdiction of the commissioner of financial institutions
 - 45 as provided in Title 7, Financial Institutions Act.
 - 46 [(b)] {-(e)} (d) "Foreclosure relief" means a mortgage modification program or other
 - 47 foreclosure relief option offered by a beneficiary or servicer.
 - 48 [(c)] {(f)} (e) "Loan" means an obligation incurred for personal, family, or household
 - 49 purposes, evidenced by a promissory note or other credit agreement for which a trust deed
 - 50 encumbering owner-occupied residential property is given as security.
 - [(d)] $\{\underline{\text{(g)}}\}$ "Owner-occupied residential property" means real property that is occupied by
 - its owner as the owner's primary residence.
 - 53 [(e)] {(h)} (g) "Servicer" means an entity, retained by the beneficiary:
 - 54 (i) for the purpose of receiving a scheduled periodic payment from a borrower pursuant
 - 55 to the terms of a loan; or
 - 56 (ii) that meets the definition of servicer under 12 U.S.C. Sec. 2605(i)(2) with respect to
 - 57 residential mortgage loans.

- 58 {-(f)} "Single point of contact" means [a person] an individual {-or the individual's
- 59 replacement who, as the designated representative of the beneficiary or servicer, is authorized
- 60 to:
- 4. *Page 3, Lines 67 through 68:*
 - 67 [(ii) direct] (iii) coordinate, access and be informed of the status and procedural details of all foreclosure
 - proceedings initiated by the beneficiary or servicer relating to the trust property, including:
- 5. Page 3, Line 72:
 - 72 (C) the postponement of a trustee's sale under Section 57-1-27 or this section.
 - (i) (i) "Small business" means an entity that has fewer than 10 employees.
 - (ii) "Small business" does not include an entity that is a subsidiary or affiliate of another entity that has 10 or more employees.
- 6. Page 4, Lines 98 through 101:
 - 98 (4) A default trustor shall, within the time required by the beneficiary or servicer,
 - 99 provide {-all-} the financial and other information requested by the {+} single point of contact {+} on behalf of the
 - 100 <u>beneficiary or servicer</u> <u>that is reasonably necessary</u> to enable the beneficiary or servicer to determine whether the default
 - trustor qualifies for the foreclosure relief for which the default trustor applies.
- 7. Page 4, Line 114:
 - 114 (6) If a default trustor applies for foreclosure relief and provides {-all-} the information
- 8. Page 5, Lines 142 through 143:
 - 142 {+} (12) This section does not apply { if the beneficiary under } to a trust deed { securing a loan } that has a beneficiary that is:
 - 143 (a) an individual ; or
 - (b) <u>a small business, if a principal of the small business is available to communicate with the default trustor to the same extent as a single point of contact</u>. {+}
- 9. Page 6, Lines 151 through 153:
 - 151 \{\frac{\{(14)\}(13)\}{\text{The failure of a beneficiary or servicer to comply with a requirement of this}
 - 152 section does not affect the validity of a trustee's sale of the trust property [to a bona fide
 - 153 purchaser].