

Proposed 2007 Session Legislation

Agency Name: Agency No:

Priority Number: Filename:

Short Title:

Agency Contact Person/Phone:

1. Purpose:
 The proposed legislation will establish regulation, including licensing and examination of residential mortgage lenders. Presently, non-bank mortgage lenders are not regulated. This legislation provides reasonable standards for licensing and business practices to ensure mortgage lenders are operating without unfair, deceptive, and fraudulent practices and will protect Montana borrowers.

2. Background:
 Mortgage fraud and predatory lending is on the rise in the United States. Montana is one of only eight states that does not have a mortgage lending statute to protect borrowers.

3. Fiscal Impact by Fund Type: *This impact should be as specific as possible.*
 Special revenue will be created from licensing and examination fees. Civil money penalties will be deposited into the general fund.

4. Summary Checklist [Check & complete all that apply]--

Housekeeping Only
 Federal Requirement
 Audit Recommendation (Audit No.)
 Major Legislation
 Anticipated to be Controversial Legislation
 Bill Draft has been included in Legislation Submittal (if available)
 Supports Submitted EPP Item Number:
 Local Government Fiscal Impact
 Increases FTE, or
 Decreases FTE by

List FTE amount and program
 There will be 3.00 FTE's needed for licensing, examination and consumer complaints.

Increases Existing Revenue
 Tax
 Fee
 Penalty [amount in #3]
 Decreases Existing Revenue
 Tax
 Fee
 Penalty [amount in #3]
 Establishes New Revenue
 Tax
 Fee
 Penalty [amount in #3]

Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):

Legislation would affect other state agencies (list):

Special Interest Groups Affected (list):
 Residential Mortgage Lenders

Other: