

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1229 be amended to read as follows:

- 1 Page 2, line 26, delete "to implement this chapter." and insert "**to the**
- 2 **extent necessary to organize the unit.**".
- 3 Page 3, delete lines 22 through 25.
- 4 Page 3, line 26, delete "10." and insert "9."
- 5 Page 3, line 30, delete "IC 24-9-8." and insert "**IC 24-9-9.**".
- 6 Page 9, line 21, delete "IC 24-9-8." and insert "**IC 24-9-9.**".
- 7 Page 12, line 15, delete "This" and insert "**Except for the provisions**
- 8 **of IC 24-9-3-7(3), this**".
- 9 Page 12, between line 28 and 29, begin a new line double block
- 10 indented and insert:
- 11 "**(D) to be made or guaranteed by the United States**
- 12 **Department of Agriculture Rural Housing Service;**".
- 13 Page 12, line 29, delete "(D)" and insert "(E)".
- 14 Page 12, line 31, delete "(E)" and insert "(F)".
- 15 Page 14, line 4, after "7." insert "(a)".
- 16 Page 14, line 6, delete "person:" and insert "**person at the time of**
- 17 **the transaction knowingly or intentionally.**".
- 18 Page 14, line 7, delete "knowingly or intentionally".
- 19 Page 14, line 8, after ";" insert "**or**".
- 20 Page 14, line 9, delete "knowingly or intentionally".
- 21 Page 14, line 10, delete "; or" and insert ".".
- 22 Page 14, delete lines 11 through 15, begin a new paragraph and

- 1 insert:
- 2 **"(b) For purposes of this section, "knowingly" means having**
- 3 **actual knowledge at the time of the transaction."**
- 4 Page 14, line 21, after "by a" delete ":".
- 5 Page 14, line 22, delete "(1)".
- 6 Page 14, run in lines 21 through 22.
- 7 Page 14, line 25, delete "(A)", begin a new line block indented and
- 8 insert **"(1)"**.
- 9 Page 14, line 27, delete "(B)", begin a new line block indented and
- 10 insert **"(2)"**.
- 11 Page 14, line 28, delete "dwelling; or" and insert **"dwelling."**
- 12 Page 14, delete lines 29 through 42.
- 13 Page 15, delete lines 1 through 14.
- 14 Page 15, line 15, delete "11." and insert **"10."**
- 15 Page 15, line 21, after "name." insert **"As used in this subdivision,**
- 16 **"compensation" does not include a payment included in**
- 17 **subdivision (1)."**
- 18 Page 15, between lines 25 and 26, begin a new line block indented
- 19 and insert:
- 20 **"(3) Reasonable fees paid to an affiliate of the creditor.**
- 21 **Sec. 11. "Political subdivision" means a municipality, school**
- 22 **district, public library, local housing authority, fire protection**
- 23 **district, public transportation corporation, local building authority,**
- 24 **local hospital authority or corporation, local airport authority,**
- 25 **special service district, special taxing district, or any other type of**
- 26 **local governmental corporate entity."**
- 27 Page 16, line 12, after "not" insert **"knowingly or intentionally"**.
- 28 Page 16, between lines 25 and 26, begin a new paragraph and insert:
- 29 **"(c) Each mortgage or deed of trust securing a zero (0) interest**
- 30 **rate or other subsidized low rate loan executed after January 1,**
- 31 **2005, must prominently display the following on the face of the**
- 32 **instrument:**
- 33 **"This instrument secures a zero (0) interest rate or other**
- 34 **subsidized low rate loan subject to IC 24-9-3-2."**
- 35 **(d) A creditor may reasonably rely on the presence or absence**
- 36 **of the statement described in subsection (c) on the face of an**
- 37 **instrument executed after January 1, 2005, as conclusive proof of**
- 38 **the existence or nonexistence of a zero (0) interest rate or other**
- 39 **subsidized low rate loan."**
- 40 Page 16, line 41, after "6." insert **"(a)"**.
- 41 Page 17, between lines 3 and 4, begin a new paragraph and insert:
- 42 **"(b) For purposes of this section, "fee" does not include actual**
- 43 **charges incurred by a creditor for express or priority delivery**
- 44 **requested by the borrower of home loan documents to the**

- 1 **borrower."**
- 2 Page 17, line 4, delete "creditor" and insert "**person**".
- 3 Page 17, line 11, delete "when making" and insert "**in connection**
- 4 **with**".
- 5 Page 17, delete lines 12 through 13, begin a new paragraph and
- 6 insert:
- 7 "**Sec. 8. A person, in seeking to enforce the person's rights**
- 8 **under this article, may not knowingly or intentionally intimidate,**
- 9 **coerce, or harass another person."**
- 10 Page 17, line 14, delete "8." and insert "9."
- 11 Page 17, between lines 41 and 42, begin a new line block indented
- 12 and insert:
- 13 "**(5) A creditor shall not sell or other otherwise assign a high**
- 14 **cost home loan without furnishing the following statement to**
- 15 **the purchaser or assignee:**
- 16 "**NOTICE: This is a loan subject to special rules under**
- 17 **IC 24-9. Purchasers or assignees may be liable for all**
- 18 **claims and defenses with respect to the loan that the**
- 19 **borrower could assert against the lender."**
- 20 **(6) A mortgage or deed of trust that secures a high cost**
- 21 **home loan at the time the mortgage or deed of trust is**
- 22 **recorded must prominently display the following on the face**
- 23 **of the instrument:**
- 24 "**This instrument secures a high cost home loan as**
- 25 **defined in IC 24-9-2-8."**
- 26 Page 17, line 42, delete "(5) and insert "(7)".
- 27 Page 23, line 28, delete "the".
- 28 Page 23, line 29, delete "borrower" and insert "**a person who is a**
- 29 **party to the home loan transaction that gave rise to the violation**".
- 30 Page 23, line 30, delete "The".
- 31 Page 23, line 31, delete "borrower" and insert "**A person**".
- 32 Page 23, line 37, delete "borrower" and insert "**person**".
- 33 Page 23, line 41, delete "borrower" and insert "**person**".
- 34 Page 24, line 4, delete "borrower's" and insert "**person's**".
- 35 Page 24, line 7, delete "borrower" and insert "**person**".
- 36 Page 24, line 9, delete "consumer." and insert "**person**".
- 37 Page 24, line 10, delete "A consumer" and insert "**Except as**
- 38 **provided in subsection (e), a person**".
- 39 Page 24, between lines 11 and 12, begin a new paragraph and insert:
- 40 "**(e) Before bringing an action regarding an alleged deceptive**
- 41 **act under this chapter, a person must:**
- 42 **(1) notify the homeowner protection unit established by**
- 43 **IC 4-6-12-2 of the alleged violation giving rise to the action;**

1 **and**
 2 **(2) allow the homeowner protection unit at least ninety (90)**
 3 **days to institute appropriate administrative and civil action**
 4 **to redress a violation."**

5 Page 24, line 12, delete "(e)" and insert "**(f)**".

6 Page 24, line 13, delete "borrower" and insert "**person**".

7 Page 24, line 16, delete "(f)" and insert "**(g)**".

8 Page 25, between lines 13 and 14, begin a new paragraph and insert:
 9 **"Chapter 7. State Power to Regulate Lending**

10 **Sec. 1. The state solely shall regulate the business of**
 11 **originating, granting, servicing, and collecting loans and other**
 12 **forms of credit in Indiana and the manner in which any business**
 13 **is conducted. This regulation preempts all other regulation of**
 14 **these activities by any political subdivision.**

15 **Sec. 2. Political subdivisions may not:**

16 **(1) enact, issue, or enforce ordinances, resolutions,**
 17 **regulations, orders, requests for proposals, or requests for**
 18 **bids pertaining to financial or lending activities, including**
 19 **ordinances, resolutions, and rules disqualifying persons from**
 20 **doing business with a municipality that are based upon**
 21 **lending terms or practices; or**

22 **(2) impose reporting requirements or any other obligations**
 23 **upon persons regarding financial services or lending practices**
 24 **or upon subsidiaries or affiliates that:**

25 **(A) are subject to the jurisdiction of the department of**
 26 **financial institutions;**

27 **(B) are subject to the jurisdiction or regulatory**
 28 **supervision of the Board of Governors of the Federal**
 29 **Reserve System, the Office of the Comptroller of the**
 30 **Currency, the Office of Thrift Supervision, the National**
 31 **Credit Union Administration, the Federal Deposit**
 32 **Insurance Corporation, the Federal Trade Commission, or**
 33 **the United States Department of Housing and Urban**
 34 **Development;**

35 **(C) are chartered by the United States Congress to engage**
 36 **in secondary market mortgage transactions;**

37 **(D) are created by the Indiana housing finance authority;**
 38 **or**

39 **(E) originate, purchase, sell, assign, securitize, or service**
 40 **property interests or obligations created by financial**
 41 **transactions or loans made, executed, originated, or**
 42 **purchased by persons referred to in clauses (A), (B), (C),**
 43 **or (D)."**

- 1 Page 25, line 14, delete "7." and insert "8."
- 2 Page 25, delete lines 30 through 31.
- 3 Page 25, line 32, delete "(4)" and insert "(3)".
- 4 Page 25, line 35, delete "(5)" and insert "(4)".
- 5 Page 25, line 35, delete "fifteen" and insert "ten".
- 6 Page 25, line 36, delete "(\$15,000)" and insert "(\$10,000)".
- 7 Page 26, line 3, delete "8." and insert "9."
- 8 Page 26, line 23, delete "IC 4-6-12-10" and insert "IC 4-6-12-9".
- 9 Page 28, line 17, delete "IC 24-9-8-4." and "insert "IC 24-9-9-3".
- 10 Page 29, between lines 14 and 15, begin a new paragraph and insert:
- 11 "SECTION 13. [EFFECTIVE UPON PASSAGE] **Notwithstanding**
- 12 **IC 24-9-3 and IC 24-9-4, as added by this act, a person is not**
- 13 **subject to a prohibition or requirement of IC 24-9-3 and IC 24-9-4,**
- 14 **as added by this act, before January 1, 2005."**
- 15 Renumber all SECTIONS consecutively.
(Reference is to HB 1229 as printed January 30, 2004.)

Representative Bardon