

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WITHDRAWN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 "implement this chapter." and insert "**the**
- 2 **extent necessary to organize the unit.**".
- 3 Page 2, line 27, delete "shall" and insert "**may**".
- 4 Page 2, after line 42, begin a new line block indented and insert:
- 5 "**(10) Local law enforcement agencies.**".
- 6 Page 3, delete lines 22 through 25.
- 7 Page 3, line 26, delete "10." and insert "**9.**".
- 8 Page 3, line 30, delete "IC 24-9-8." and insert "**IC 24-9-9.**".
- 9 Page 9, line 21, delete "IC 24-9-8." and insert "**IC 24-9-9.**".
- 10 Page 12, line 15, delete "This" and insert "**Except for the provisions**
- 11 **of IC 24-9-3-7(3), this**".
- 12 Page 12, line 19, delete "saving" and insert "**savings**".
- 13 Page 12, between line 28 and 29, begin a new line double block
- 14 indented and insert:
- 15 "**(D) to be made or guaranteed by the United States**
- 16 **Department of Agriculture Rural Housing Service;**".
- 17 Page 12, line 29, delete "(D)" and insert "**(E)**".
- 18 Page 12, line 31, delete "(E)" and insert "**(F)**".
- 19 Page 14, line 4, after "7." insert "**(a)**".
- 20 Page 14, line 6, delete "person:" and insert "**person at the time of**
- 21 **the transaction knowingly or intentionally.**".
- 22 Page 14, line 7, delete "knowingly or intentionally".
- 23 Page 14, line 8, after ";" insert "**or**".

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

1 **the existence or nonexistence of a zero (0) interest rate or other**
 2 **subsidized low rate loan."**

3 Page 16, line 41, after "6." insert "(a)".

4 Page 17, between lines 3 and 4, begin a new paragraph and insert:

5 **"(b) For purposes of this section, "fee" does not include actual**
 6 **charges incurred by a creditor for express or priority delivery**
 7 **requested by the borrower of home loan documents to the**
 8 **borrower."**

9 Page 17, line 4, delete "creditor" and insert "person".

10 Page 17, line 10, after "loan;" insert "or".

11 Page 17, line 11, delete "when making" and insert "**in connection**
 12 **with**".

13 Page 17, line 11, delete "; or" and insert ".".

14 Page 17, delete lines 12 through 13, begin a new paragraph and
 15 insert:

16 **"Sec. 8. A person, in seeking to enforce the person's rights**
 17 **under section 7(3) of this chapter, may not knowingly or**
 18 **intentionally intimidate, coerce, or harass another person."**

19 Page 17, line 14, delete "8." and insert "9".

20 Page 17, between lines 41 and 42, begin a new line block indented
 21 and insert:

22 **"(5) A creditor shall not sell or otherwise assign a high cost**
 23 **home loan without furnishing the following statement to the**
 24 **purchaser or assignee:**

25 **"NOTICE: This is a loan subject to special rules under**
 26 **IC 24-9. Purchasers or assignees may be liable for all**
 27 **claims and defenses with respect to the loan that the**
 28 **borrower could assert against the lender."**

29 **(6) A mortgage or deed of trust that secures a high cost**
 30 **home loan at the time the mortgage or deed of trust is**
 31 **recorded must prominently display the following on the face**
 32 **of the instrument:**

33 **"This instrument secures a high cost home loan as**
 34 **defined in IC 24-9-2-8."**

35 Page 17, line 42, delete "(5)" and insert "(7)".

36 Page 23, line 28, delete "the".

37 Page 23, line 29, delete "borrower" and insert "**a person who is a**
 38 **party to the home loan transaction that gave rise to the violation**".

39 Page 23, line 30, delete "The" and insert "**A person**".

40 Page 23, line 31, delete "borrower".

41 Page 23, line 37, delete "borrower" and insert "**person**".

42 Page 23, line 41, delete "borrower" and insert "**person**".

43 Page 24, line 4, delete "borrower's" and insert "**person's**".

- 1 Page 24, line 7, delete "borrower" and insert **"person"**.
- 2 Page 24, line 9, delete "consumer." and insert **"person."**.
- 3 Page 24, line 10, delete "A consumer" and insert **"Except as**
 4 **provided in subsection (e), a person"**.
- 5 Page 24, between lines 11 and 12, begin a new paragraph and insert:
 6 **"(e) Before bringing an action regarding an alleged deceptive**
 7 **act under this chapter, a person must:**
- 8 **(1) notify the homeowner protection unit established by**
 9 **IC 4-6-12-2 of the alleged violation giving rise to the action;**
 10 **and**
- 11 **(2) allow the homeowner protection unit at least ninety (90)**
 12 **days to institute appropriate administrative and civil action**
 13 **to redress a violation."**
- 14 Page 24, line 12, delete "(e)" and insert **"(f)"**.
- 15 Page 24, line 13, delete "borrower" and insert **"person"**.
- 16 Page 24, line 16, delete "(f)" and insert **"(g)"**.
- 17 Page 25, between lines 13 and 14, begin a new paragraph and insert:
 18 **"Chapter 7. State Power to Regulate Lending**
- 19 **Sec. 1. The state solely shall regulate the business of**
 20 **originating, granting, servicing, and collecting loans and other**
 21 **forms of credit in Indiana and the manner in which any business**
 22 **is conducted. This regulation preempts all other regulation of**
 23 **these activities by any political subdivision.**
- 24 **Sec. 2. Political subdivisions may not:**
- 25 **(1) enact, issue, or enforce ordinances, resolutions,**
 26 **regulations, orders, requests for proposals, or requests for**
 27 **bids pertaining to financial or lending activities, including**
 28 **ordinances, resolutions, and rules disqualifying persons from**
 29 **doing business with a municipality that are based upon**
 30 **lending terms or practices; or**
- 31 **(2) impose reporting requirements or any other obligations**
 32 **upon persons regarding financial services or lending practices**
 33 **or upon subsidiaries or affiliates that:**
- 34 **(A) are subject to the jurisdiction of the department of**
 35 **financial institutions;**
- 36 **(B) are subject to the jurisdiction or regulatory**
 37 **supervision of the Board of Governors of the Federal**
 38 **Reserve System, the Office of the Comptroller of the**
 39 **Currency, the Office of Thrift Supervision, the National**
 40 **Credit Union Administration, the Federal Deposit**
 41 **Insurance Corporation, the Federal Trade Commission, or**
 42 **the United States Department of Housing and Urban**
 43 **Development;**

1 **(C) are chartered by the United States Congress to engage**
 2 **in secondary market mortgage transactions;**
 3 **(D) are created by the Indiana housing finance authority;**
 4 **or**
 5 **(E) originate, purchase, sell, assign, securitize, or service**
 6 **property interests or obligations created by financial**
 7 **transactions or loans made, executed, originated, or**
 8 **purchased by persons referred to in clauses (A), (B), (C),**
 9 **or (D)."**

10 Page 25, line 14, delete "7." and insert "8."

11 Page 25, delete lines 30 through 31.

12 Page 25, line 32, delete "(4)" and insert "(3)".

13 Page 25, line 35, delete "(5)" and insert "(4)".

14 Page 25, line 35, delete "fifteen" and insert "ten".

15 Page 25, line 36, delete "\$15,000" and insert "\$10,000".

16 Page 26, line 3, delete "8." and insert "9."

17 Page 26, line 23, delete "IC 4-6-12-10" and insert "IC 4-6-12-9".

18 Page 28, line 17, delete "IC 24-9-8-4." and insert "IC 24-9-9-3".

19 Page 29, between lines 14 and 15, begin a new paragraph and insert:

20 "SECTION 13. [EFFECTIVE UPON PASSAGE] **Notwithstanding**
 21 **IC 24-9-3 and IC 24-9-4, both as added by this act, a person is not**
 22 **subject to a prohibition or requirement of IC 24-9-3 and IC 24-9-4,**
 23 **both as added by this act, before January 1, 2005."**

24 Renummer all SECTIONS consecutively.

(Reference is to HB 1229 as printed January 30, 2004.)

Representative Bardon