

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WITHDRAWN	Noes _____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       Renumber all SECTIONS consecutively.  
      (Reference is to HB 1229 as printed January 30, 2004.)

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Representative Bardon