

HOUSE BILL 209

Introduced by Hannah

1/16	Introduced
1/17	Referred to Business & Economic Development
2/03	Hearing
2/03	Committee Report--Bill Passed as Amended
2/07	2nd Reading Passed
2/09	3rd Reading Passed

Transmitted to Senate

2/10	Referred to Business & Industry
3/01	Hearing
3/07	Committee Report--Bill Not Concurred
3/07	Adverse Committee Report Adopted

1 HOUSE BILL NO. 209
2 INTRODUCED BY Hard
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A LENDING
5 INSTITUTION TO ALLOW A BORROWER UNDER A MORTGAGE OR TRUST
6 INDENTURE OF REAL PROPERTY TO SERVICE THE LOAN WITH A
7 LENDING INSTITUTION OR OTHER BUSINESS LOCATED WITHIN THE
8 STATE; AND PROVIDING AN APPLICABILITY DATE."
9

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 NEW SECTION. Section 1. Borrower under mortgage or
12 trust indenture allowed to service loan locally. (1) A
13 lending institution shall allow a borrower under a mortgage
14 or trust indenture of real property, if the borrower
15 desires, to service the loan with a lending institution or
16 other business located within the state. Servicing the loan
17 includes but is not limited to accepting payment of any
18 obligation owing on the loan and managing the reserve
19 account.

20 (2) The borrower may be charged a reasonable fee for
21 this service.

22 NEW SECTION. Section 2. Extension of authority. Any
23 existing authority to make rules on the subject of the
24 provisions of [this act] is extended to the provisions of
25 [this act].

1 NEW SECTION. Section 3. Codification instruction.
2 [Section 1] is intended to be codified as an integral part
3 of Title 71, chapter 1, part 1, and the provisions of Title
4 71, chapter 1, part 1, apply to [section 1].
5 NEW SECTION. Section 4. Applicability. [This act]
6 applies to any mortgage contract made or trust indenture
7 executed after September 30, 1989.

-End-

APPROVED BY COMM. ON BUSINESS
AND ECONOMIC DEVELOPMENT

HOUSE BILL NO. 209

INTRODUCED BY HANNAH

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A LENDING INSTITUTION TO ~~ALLOW--A-BORROWER-UNDER-A-MORTGAGE-OR-TRUST~~ ~~INDENTURE-OF-REAL-PROPERTY--TO--SERVICE--THE--LOAN--WITH--A~~ ~~LENDING--INSTITUTION--OR--OTHER--BUSINESS-LOCATED-WITHIN-THE~~ STATE ACT AS INTERMEDIARY BETWEEN A MORTGAGE BORROWER AND THE PURCHASER OF A MORTGAGE ON THE SECONDARY MARKET IF THE BORROWER CHOOSES; AND PROVIDING AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Borrower under mortgage or trust indenture allowed to service-loan-locally HAVE LOCAL LENDER SERVE AS INTERMEDIARY. (1) A lending institution shall ~~allow--a-borrower-under-a-mortgage-or-trust-indenture~~ ~~of-real-property,if-the-borrower-desires,--to--service--the~~ ~~loan--with--a--lending-institution-or-other-business-located~~ ~~within-the-state.--Servicing-the-loan-includes--but--is--not~~ ~~limited--to-accepting-payment-of-any-obligation-owing-on-the~~ ~~loan--and--managing--the--reserve---account.~~ ACT AS AN INTERMEDIARY BETWEEN THE BORROWER UNDER A MORTGAGE OR TRUST INDENTURE AND A PURCHASER OF THE MORTGAGE OR TRUST INDENTURE ON THE SECONDARY MARKET, IF THE BORROWER CHOOSES.

(2) The borrower may be charged a reasonable fee for

this service.

NEW SECTION. Section 2. Extension of authority. Any existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of [this act].

NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 71, chapter 1, part 1, and the provisions of Title 71, chapter 1, part 1, apply to [section 1].

NEW SECTION. Section 4. Applicability. [This act] applies to any mortgage contract made or trust indenture executed after September 30, 1989.

-End-

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A LENDING
5 INSTITUTION TO ALLOW--A-BORROWER-UNDER-A-MORTGAGE-OR-TRUST
6 INDENTURE-OF-REAL-PROPERTY-TO-SERVICE--THE--LOAN--WITH--A
7 LENDING--INSTITUTION--OR--OTHER--BUSINESS-LOCATED-WITHIN-THE
8 STATE ACT AS INTERMEDIARY BETWEEN A MORTGAGE BORROWER AND
9 THE PURCHASER OF A MORTGAGE ON THE SECONDARY MARKET IF THE
10 BORROWER CHOOSES; AND PROVIDING AN APPLICABILITY DATE."

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15 LENDER SERVE AS INTERMEDIARY. (1) A lending institution
16 shall allow--a-borrower-under-a-mortgage-or-trust-indenture
17 of-real-property,-if-the-borrower-desires,-to--service--the
18 loan--with--a--lending-institution-or-other-business-located
19 within-the-state--Servicing-the-loan-includes--but--is--not
20 limited--to-accepting-payment-of-any-obligation-owing-on-the
21 loan--and--managing--the--reserve--account: ACT AS AN
22 INTERMEDIARY BETWEEN THE BORROWER UNDER A MORTGAGE OR TRUST
23 INDENTURE AND A PURCHASER OF THE MORTGAGE OR TRUST INDENTURE
24 ON THE SECONDARY MARKET, IF THE BORROWER CHOOSES.

25 (2) The borrower may be charged a reasonable fee for

1 this service.

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