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

LC 0339/01

Hause BILL NO. 209 INTRODUCED BY

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."

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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 lending institution shall allow a borrower under a mortgage 13 14 or trust indenture of real property, if the borrower desires, to service the loan with a lending institution or 15 other business located within the state. Servicing the loan 16 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 for21 this service.

22 <u>NEW SECTION.</u> 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].

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<u>NEW SECTION.</u> 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]

6 applies to any mortgage contract made or trust indenture

7 executed after September 30, 1989.

-End-

-2- INTRODUCED BILL HB 209

51st Legislature

HB 0209/02

APPROVED BY COMM. ON BUSINESS AND ECONOMIC DEVELOPMENT

1 HOUSE BILL NO. 209 2 INTRODUCED BY HANNAH 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 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." 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12 NEW SECTION. Section 1. Borrower under mortgage or 13 14 trust indenture allowed to service-loan-locally HAVE LOCAL 15 LENDER SERVE AS INTERMEDIARY. (1) A lending institution 16 shall allow--a-borrower-under-a-mortgage-or-trust-indenture 17 of-real-property7-if-the-borrower-desires7--to--service--the loan--with--a--lending-institution-or-other-business-located 18 19 within-the-state---Servicing-the-loan-includes--but--is--not 20 limited--to-accepting-payment-of-any-obligation-owing-on-the 21 toan--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

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-End-



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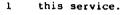
HB 0209/02

1	HOUGE BILL NO. 200
Ŧ	HOUSE BILL NO. 209
2	INTRODUCED BY HANNAH
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4	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A LENDING
5	INSTITUTION TO ALLOWA-DORROWER-UNDER-A-MORTGAGE-OR-TRUST
6	INDENTURE-OF-REALPROPERTYTOSERVICETHEBOANWITHA
7	LendingInstitutionorotherbusiness-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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-End-

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