



General Assembly

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Amendment

LCO No. 4440

SB0036104440SD0

Offered by:

SEN. DUFF, 25th Dist.

REP. BARRY, 12th Dist.

To: Subst. Senate Bill No. 361

File No. 256

Cal. No. 168

**"AN ACT CONCERNING IMPLEMENTATION OF THE S.A.F.E.
MORTGAGE LICENSING ACT."**

1 In line 63, after "commissioner" insert ", which date shall be
2 published by the commissioner in information provided to the system
3 and on the department's Internet web site not later than sixty days
4 prior to such date"

5 In line 77, after "commissioner," insert "which date shall be
6 published by the commissioner in information provided to the system
7 and on the department's Internet web site not later than sixty days
8 prior to such date,"

9 In line 79, strike "on" and insert in lieu thereof "as of"

10 In line 80, strike "on" and insert in lieu thereof "as of"

11 In line 163, after "commissioner" insert ", which date shall be
12 published by the commissioner in information provided to the system
13 and on the department's Internet web site not later than sixty days

14 prior to such date"

15 In line 188, after "commissioner," insert "which date shall be
16 published by the commissioner in information provided to the system
17 and on the department's Internet web site not later than sixty days
18 prior to such date,"

19 In line 189, strike "on" and insert in lieu thereof "as of"

20 In line 234, after "bond" insert "for licensed mortgage lenders and
21 mortgage correspondent lenders shall be not less than one hundred
22 thousand dollars, and the penal sum of the bond for mortgage brokers"

23 In line 249, after "than" insert "one hundred thousand dollars for an
24 exempt registrant under subsection (a) of section 36a-487 and not less
25 than"

26 In line 250, after "dollars" insert "for an exempt registrant under
27 subsection (b) of section 36a-487"

28 Strike lines 344 to 355, inclusive, in their entirety and insert the
29 following in lieu thereof:

30 "(1) (A) For mortgage lender licensees, mortgage correspondent
31 lender licensees and exempt registrants under subsection (a) of section
32 36a-487: (i) If the aggregate dollar amount of all residential mortgage
33 loans originated by such licensee or exempt registrant in the preceding
34 calendar year is less than thirty million dollars, the penal sum of the
35 bond shall be one hundred thousand dollars; (ii) if the aggregate dollar
36 amount of all residential mortgage loans originated by such licensee or
37 exempt registrant in the preceding calendar year is thirty million
38 dollars or more but less than one hundred million dollars, the penal
39 sum of the bond shall be two hundred thousand dollars; (iii) if the
40 aggregate dollar amount of all residential mortgage loans originated
41 by such licensee or exempt registrant in the preceding calendar year is
42 one hundred million dollars or more but less than two hundred fifty
43 million dollars, the penal sum of the bond shall be three hundred

44 thousand dollars; and (iv) if the aggregate dollar amount of all
45 residential mortgage loans originated by such licensee or exempt
46 registrant in the preceding calendar year is two hundred fifty million
47 dollars or more, the penal sum of the bond shall be five hundred
48 thousand dollars.

49 (B) For mortgage broker licensees and exempt registrants under
50 subsection (b) of section 36a-487: (i) If the aggregate dollar amount of
51 all residential mortgage loans originated by such licensee or exempt
52 registrant in the preceding calendar year is less than thirty million
53 dollars, the penal sum of the bond shall be fifty thousand dollars; (ii) if
54 the aggregate dollar amount of all residential mortgage loans
55 originated by such licensee or exempt registrant in the preceding
56 calendar year is thirty million dollars or more but less than fifty
57 million dollars, the penal sum of the bond shall be one hundred
58 thousand dollars; and (iii) if the aggregate dollar amount of all
59 residential mortgage loans originated by such licensee or exempt
60 registrant in the preceding calendar year is fifty million dollars or
61 more, the penal sum of the bond shall be one hundred fifty thousand
62 dollars.

63 Strike lines 357 and 358 in their entirety and insert in lieu thereof "all
64 residential mortgage loans originated by such licensee or exempt
65 registrant in the preceding calendar year includes residential mortgage
66 loan originations by third parties and shall be"

67 In line 367, strike "the" and insert in lieu thereof "all"

68 In line 367, strike "by all"

69 In line 368, strike "mortgage loan originator licensees"

70 In line 593, bracket "(i)"

71 In line 594, after "dollars" insert "; ["

72 In line 598, after "2010;" insert a closing bracket

- 73 In line 602, bracket "(iii)" and insert in lieu thereof "(iv)"
- 74 In line 608, before "contract" insert "most recent"
- 75 In line 611, bracket "week" and after the closing bracket insert
76 "weekly period"
- 77 In line 612, bracket "week" and after the closing bracket insert
78 "weekly period"
- 79 In line 612, after "." insert the following: "For purposes of
80 determining the beginning of each weekly period, the first day of each
81 weekly period shall be the effective date of the applicable average
82 prime offer rate, as of the date the interest rate is set."
- 83 After line 620, insert the following:
- 84 "(iii) For purposes of this clause and clause (i) of this subparagraph,
85 the date the interest rate is set shall be the last date on which the rate is
86 set if the rate is adjusted on or before consummation."
- 87 In line 621, bracket "(iii)" and after the closing bracket insert "(iv)"
- 88 In line 623, before "The" insert an opening bracket
- 89 In line 625, after "." insert a closing bracket
- 90 After the last section, add the following and renumber sections and
91 internal references accordingly:
- 92 "Sec. 501. Section 36a-760j of the 2010 supplement to the general
93 statutes is repealed and the following is substituted in lieu thereof
94 (*Effective from passage*):
- 95 No person shall influence real estate appraisals of residential
96 property. For the purposes of this section, "influence residential real
97 estate appraisals" means to directly or indirectly coerce, influence or
98 otherwise encourage an appraiser to misstate or misrepresent the
99 value of residential property and includes, but is not limited to: (1)

100 Refusal, or intentional failure, to pay an appraiser for an appraisal that
101 reflects a fair market value estimate that is less than the sale contract
102 price; or (2) refusal, or intentional failure, to utilize, or encouraging
103 other mortgage brokers not to utilize, an appraiser based solely on the
104 fact that the appraiser provided an appraisal reflecting a fair market
105 value estimate that was less than the sale contract price.

106 Sec. 502. Subsection (h) of section 36a-498 of the 2010 supplement to
107 the general statutes is repealed and the following is substituted in lieu
108 thereof (*Effective from passage*):

109 (h) No mortgage lender or mortgage correspondent lender shall
110 include in a residential mortgage loan for which an application is
111 received by such lender on or after October 1, 2009, a provision that
112 increases the interest rate as a result of a default other than (1) a failure
113 to comply with a provision to maintain an automatic electronic
114 payment feature where such maintenance provision has been provided
115 in return for an interest rate reduction and the increase is no greater
116 than such reduction, or (2) a provision included in connection with the
117 refinancing of a troubled loan or loan modification where the interest
118 rate is reduced or eliminated, provided the borrower complies with the
119 terms of the refinanced or modified loan obligation.

120 Sec. 503. Section 36a-299 of the general statutes is repealed and the
121 following is substituted in lieu thereof (*Effective from passage*):

122 (a) A Connecticut bank may permit unlimited transfers by
123 negotiable withdrawal order from a savings account consisting of
124 savings deposits deposited to the credit of, or in which the entire
125 beneficial interest is held by, one or more individuals, or by a
126 corporation, partnership, association or other organization operated
127 primarily for religious, philanthropic, charitable, educational, political,
128 or other similar purposes and not operated for profit or from deposits
129 of public funds by an officer, employee or agent of the United States or
130 of any state, county, municipality or political subdivision thereof.

131 (b) A Connecticut bank may permit transfers by negotiable

132 withdrawal order from savings accounts in which any beneficial
133 interest is held by a corporation, partnership, association or other
134 organization operated for profit, provided under the terms of the
135 deposit contract or by practice of such bank, the depositor may make
136 no more [than three] transfers [by negotiable withdrawal order or
137 check made by the depositor during any month or statement cycle of at
138 least four weeks. The limitation on transfers in this subsection does not
139 apply to (1) preauthorized or automatic transfers made by a means
140 other than negotiable withdrawal order or check made by the
141 depositor; (2) telephone transfers; (3) transfers to the bank at which the
142 savings account is held to repay loans and associated expenses and to
143 cover overdrafts; or (4) transfers to another account the depositor has
144 at the bank and withdrawals when the transfers or withdrawals are
145 made by mail, messenger, automated teller machine or in person] than
146 the number permitted under Section 204.2 (d)(2) of Regulation D of the
147 Federal Reserve Board, 12 CFR 204, as amended from time to time."