

HB0856



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB0856

Introduced 2/10/2009, by Rep. Kevin Joyce

SYNOPSIS AS INTRODUCED:

205 ILCS 635/3-7

from Ch. 17, par. 2323-7

Amends the Residential Mortgage Licensing Act of 1997. Provides that whenever a licensee seeks to transfer or sell the servicing of a residential mortgage, the licensee must retain a 25% interest in the servicing of the residential mortgage. Effective immediately.

LRB096 09404 MJR 19561 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning financial regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Residential Mortgage License Act of 1987 is
5 amended by changing Section 3-7 as follows:

6 (205 ILCS 635/3-7) (from Ch. 17, par. 2323-7)

7 Sec. 3-7. Transfer of servicing; notices; retention of
8 interest in servicing. ~~Transfer of Servicing; Notices.~~

9 (a) Whenever the servicing of a residential mortgage is
10 transferred or sold by a licensee, notice shall be given to the
11 mortgagor simultaneous with such transfer and shall include, at
12 the minimum, where and to whom to address the mortgagor's
13 questions relating to the residential mortgage, the exact name,
14 address and telephone number to whom at least the next 3 months
15 payments are to be submitted and the total amount required of
16 the mortgagor by the servicer for each of the months referred
17 to herein.

18 (b) Whenever a licensee seeks to transfer or sell the
19 servicing of a residential mortgage, the licensee must retain a
20 25% interest in the servicing of the residential mortgage.

21 (Source: P.A. 86-137.)

22 Section 99. Effective date. This Act takes effect upon

1 becoming law.