

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

Date

April 29, 2021

Committee on Business Affairs & Labor.

After consideration on the merits, the Committee recommends the following:

HB21-1282 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend printed bill, page 2, after line 18 insert:
 - 2 "(3) "LOANS HELD FOR SALE" MEANS LOANS ORIGINATED AND
 - 3 HELD FOR SALE FOR UP TO THREE HUNDRED SIXTY-FOUR DAYS AFTER EACH
 - 4 LOAN'S ORIGINATION."
- 5 Renumber succeeding subsections accordingly.
- 6 Page 3, line 4, strike "WHO" and substitute "OR MORTGAGE COMPANY
- 7 THAT".
- 8 Page 3, line 18, strike "LENDER" and substitute "LENDER, OTHER THAN A
- 9 SUPERVISED FINANCIAL ORGANIZATION AS DEFINED IN SECTION 5-1-301
- 10 (45)".
- 11 Page 3, line 21, strike "YEAR" and substitute "YEAR, EXCLUSIVE OF LOANS
- 12 HELD FOR SALE".
- 13 Page 4, line 3, strike "AND" and substitute "OR".
- 14 Page 4, strike lines 4 through 6 and substitute:
 - 15 "(j) A PERSON THAT SERVICES LOANS HELD FOR SALE."
- 16 Page 4, strike lines 18 and 19 and substitute "CONSTRUCTED A DWELLING

1 AS DEFINED BY SECTION 5-1-301 (18)."

2 Page 7, after line 19 insert:

3 "(3) ALL FINANCIAL RESPONSIBILITY REQUIREMENTS OF THIS
4 ARTICLE 21 SHALL BE PRESUMED TO BE MET IF A MORTGAGE SERVICER IS
5 CURRENTLY APPROVED TO SERVICE LOANS BY THE FEDERAL NATIONAL
6 MORTGAGE ASSOCIATION, FEDERAL HOME LOAN MORTGAGE
7 CORPORATION, OR GOVERNMENT NATIONAL MORTGAGE ASSOCIATION OR
8 IF IT MEETS PRUDENTIAL STANDARDS ESTABLISHED BY THE CONFERENCE
9 OF STATE BANK SUPERVISORS."

10 Page 8, strike lines 9 through 12 and substitute:

11 "(b) THE ADMINISTRATION MAY INITIATE AN INVESTIGATION OR
12 EXAMINATION WHERE THERE IS REASON TO BELIEVE THAT THERE IS A
13 POTENTIAL VIOLATION THAT RISKS CONSUMER HARM, WHERE A PERSON
14 WHO MAY BE SUBJECT TO THIS ARTICLE 21 MAY HAVE FAILED TO NOTIFY
15 THE ADMINISTRATOR, OR BASED ON A SUBSTANTIATED COMPLAINT. THE
16 ADMINISTRATOR MAY".

17 Page 10, strike lines 23 through 27.

18 Page 11, strike lines 1 through 13.

19 Renumber succeeding C.R.S. sections accordingly.

20 Page 12, line 17, strike "5-21-111," and substitute "5-21-110,".

21 Page 13, line 8, after "**administrator.**" insert "(1)".

22 Page 13, line 15, strike "5-21-111." and substitute "5-21-110.".

23 Page 13, line 19, after the period add "WHEN DETERMINING WHETHER TO
24 SEEK PENALTIES UNDER THIS SECTION, THE ADMINISTRATOR SHALL
25 CONSIDER WHETHER THE FEDERAL CONSUMER FINANCIAL PROTECTION
26 BUREAU HAS IMPOSED PENALTIES ON THE SAME SERVICER FOR THE SAME
27 VIOLATION, IN ORDER TO AVOID DUPLICATIVE PENALTIES.".

28 Page 13, after line 19 insert:



1 "(2) IN ADDITION TO THE REMEDIES SPECIFIED IN SUBSECTION (1)
2 OF THIS SECTION, A MORTGAGE SERVICER WHO FAILS TO MAKE
3 GOOD-FAITH EFFORTS TO COMPLY WITH ANY REQUIREMENT IMPOSED
4 UNDER THIS ARTICLE 21 WITH RESPECT TO A BORROWER IS LIABLE IN AN
5 AMOUNT EQUAL TO THE SUM OF:
6 (a) ACTUAL DAMAGES SUSTAINED BY THE BORROWER AS A RESULT
7 OF THE FAILURE;
8 (b) A MONETARY AWARD EQUAL TO THREE TIMES THE TOTAL
9 AMOUNT THE MORTGAGE SERVICER COLLECTED FROM THE BORROWER IN
10 VIOLATION OF THIS ARTICLE 21; AND
11 (c) PUNITIVE DAMAGES AS THE COURT MAY ALLOW.
12 (3) NOTHING IN THIS ARTICLE 21:
13 (a) CREATES A PRIVATE RIGHT OF ACTION; OR
14 (b) AFFECTS ANY REMEDY THAT A BORROWER MAY HAVE
15 PURSUANT TO LAW OTHER THAN THIS ARTICLE 21."

16 Page 15, strike lines 1 through 6.

17 Renumber succeeding sections accordingly.

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