

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business Affairs & Labor.

HB24-1011 be amended as follows:

1 Amend printed bill, page 3, line 3, after "MEANS A" insert "WRITTEN".

2 Page 3, strike lines 17 through 19 and substitute "DESTROYED, A
3 BORROWER, AFTER CONSULTING WITH THE BORROWER'S CONTRACTOR,
4 SHALL CREATE A REPAIR PLAN OR REBUILD PLAN FOR THE RESIDENTIAL
5 PROPERTY. THE BORROWER SHALL SUBMIT THE REPAIR PLAN OR REBUILD
6 PLAN TO THE MORTGAGE SERVICER FOR APPROVAL. THE MORTGAGE
7 SERVICER SHALL INDICATE APPROVAL OR DENIAL OF THE PLAN WITHIN
8 THIRTY DAYS OF RECEIPT. THE REPAIR PLAN OR REBUILD PLAN MUST
9 INCLUDE SPECIFIC".

10 Page 4, strike lines 1 through 6 and substitute:

11 "(c) (I) IF A BORROWER IS NOT DELINQUENT IN MAKING PAYMENTS
12 ON THE MORTGAGE OR THE BORROWER IS LESS THAN THIRTY-ONE DAYS
13 DELINQUENT IN MAKING PAYMENTS ON THE MORTGAGE, A MORTGAGE
14 SERVICER SHALL DISBURSE THE INSURANCE PROCEEDS TO THE BORROWER
15 AS FOLLOWS:".

16 Page 4, strike lines 15 through 19 and substitute "SHALL DISBURSE THE
17 REMAINING PROCEEDS BASED ON PERIODIC INSPECTIONS AND PROGRESS ON
18 THE WORK IN ACCORDANCE WITH THE MILESTONES IN THE REPAIR PLAN OR
19 REBUILD PLAN DESCRIBED IN SUBSECTION (2)(b) OF THIS SECTION AND,
20 WHERE REQUIRED BY FEDERAL LAW OR REGULATION, AFTER APPROVAL BY
21 THE FEDERAL HOME LOAN BANKS OR APPLICABLE FEDERAL AGENCY.".

22 Page 4, strike lines 24 through 27.

23 Page 5, strike line 1 and substitute:

24 "(d) IF A BORROWER IS MORE THAN THIRTY-ONE DAYS DELINQUENT
25 IN MAKING PAYMENTS ON THE MORTGAGE, A MORTGAGE SERVICER SHALL
26 DISBURSE THE INSURANCE PROCEEDS TO THE BORROWER AS FOLLOWS:".

27 Page 5, after line 21 insert:

28 "(e) FOR THE PURPOSES OF DISBURSEMENT OF INSURANCE
29 PROCEEDS AS DESCRIBED IN SUBSECTIONS (2)(c) AND (2)(d) OF THIS
30 SECTION:

31 (I) A MORTGAGE SERVICER SHALL MAKE THE FIRST DISBURSEMENT
32 OF INSURANCE PROCEEDS TO THE BORROWER:

1 (A) WITHIN FOURTEEN DAYS AFTER THE MORTGAGE SERVICER
2 RECEIVES THE INSURANCE PROCEEDS IF THE MORTGAGE IS INSURED BY THE
3 FEDERAL GOVERNMENT OR SECURITIZED BY THE FEDERAL NATIONAL
4 MORTGAGE ASSOCIATION OR THE FEDERAL HOME LOAN MORTGAGE
5 CORPORATION; AND
6 (B) AS SOON AS REASONABLY POSSIBLE AND NO LATER THAN
7 THIRTY DAYS AFTER THE MORTGAGE SERVICER RECEIVES THE INSURANCE
8 PROCEEDS IF THE MORTGAGE IS NOT INSURED BY THE FEDERAL
9 GOVERNMENT OR SECURITIZED BY THE FEDERAL NATIONAL MORTGAGE
10 ASSOCIATION OR THE FEDERAL HOME LOAN MORTGAGE CORPORATION;
11 AND
12 (II) A MORTGAGE SERVICER MAY DISBURSE FUNDS DIRECTLY TO A
13 DESIGNEE OF A BORROWER SO LONG AS:
14 (A) THE DESIGNEE IS AGREED TO BY BOTH THE BORROWER AND
15 THE MORTGAGE SERVICER; AND
16 (B) THE DESIGNATION IS PERMITTED BY FEDERAL AND STATE LAW
17 AND ANY ASSOCIATED RULES."

18 Reletter succeeding paragraphs accordingly.

19 Page 6, line 12, strike "BORROWER" and substitute "BORROWER, IN
20 WRITING,".

21 Page 6, after line 16 insert:

22 "(5) NOTHING IN THIS SECTION:
23 (a) PROHIBITS A MORTGAGE SERVICER FROM RELEASING
24 INSURANCE PROCEEDS IN AMOUNTS GREATER THAN REQUIRED BY THIS
25 SECTION;
26 (b) PROHIBITS OR LIMITS A MORTGAGE SERVICER FROM
27 DISTRIBUTING ADDITIONAL MONEY THAT IS MADE AVAILABLE DURING A
28 DECLARED STATE OF EMERGENCY OR NATURAL DISASTER; OR
29 (c) PROHIBITS A MORTGAGE SERVICER FROM COMPLYING WITH
30 FEDERAL RULES AND REGULATIONS."

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