

# STATE CORPORATION COMMISSION

## 2001 Fiscal Impact Statement

1. **Bill Number** HB2708

**House of Origin** ☐ Introduced ☐ Substitute ☐ Engrossed  
**Second House** ☐ In Committee ☐ Substitute ☒ Enrolled

2. **Patron** Clement

3. **Committee** Passed Both Houses

4. **Title** Mortgage loans; prohibited practices.

5. **Summary/Purpose:**

Mortgage loans; prohibited practices. Prohibits mortgage lenders and brokers from flipping mortgage loans. "Flipping" a mortgage loan means refinancing a mortgage loan within 12 months after the refinanced loan was originated, when the new loan does not result in any benefit to the borrower considering all of the circumstances. The Attorney General, the State Corporation Commission or any party to a mortgage loan may enforce the prohibitions. In some instances, the judge may allow reasonable attorney's fees for the borrower.

6. No Fiscal Impact on state agencies.

7. Budget amendment necessary: None.

8. Fiscal implications: None.

9. Specific agency or political subdivisions affected: State Corporation Commission's Bureau of Financial Institutions and the Office of the Attorney General.

10. Technical amendment necessary: None.

11. Other comments: None

**Date:** 03/02/2001

**Analyst:** Joe Face

cc: Secretary of Commerce and Trade

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