

Adopted	Rejected
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# COMMITTEE REPORT

YES:	9
NO:	1

## MR. SPEAKER:

*Your Committee on Financial Institutions, to which was referred House Bill 1528, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1           Page 2, delete lines 14 through 42, begin a new paragraph and
- 2           insert:
- 3           "SECTION 3. IC 24-4.4-1-202, AS AMENDED BY P.L.35-2010,
- 4           SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5           UPON PASSAGE]: Sec. 202. This article does not apply to the
- 6           following:
- 7           (1) Extensions of credit to government or governmental agencies
- 8           or instrumentalities.
- 9           (2) A first lien mortgage transaction in which the debt is incurred
- 10          primarily for a purpose other than a personal, family, or
- 11          household purpose.
- 12          (3) An extension of credit primarily for a business, a commercial,
- 13          or an agricultural purpose.
- 14          (4) Except for IC 24-4.4-2-401(2), IC 24-4.4-2-402.3,
- 15          IC 24-4.4-2-405(4), and IC 24-4.4-2-405(5), a first lien mortgage
- 16          transaction made:

- 1 (a) in compliance with the requirements of; and  
 2 (b) by a community development corporation (as defined in  
 3 IC 4-4-28-2) acting as a subrecipient of funds from;  
 4 the Indiana housing and community development authority  
 5 established by IC 5-20-1-3.
- 6 (5) Except for IC 24-4.4-2-401(2), IC 24-4.4-2-402.3,  
 7 IC 24-4.4-2-405(4), and IC 24-4.4-2-405(5), a first lien mortgage  
 8 transaction made by an entity that exclusively uses funds provided  
 9 by the United States Department of Housing and Urban  
 10 Development under Title 1 of the federal Housing and  
 11 Community Development Act of 1974, Public Law 93-383, as  
 12 amended (42 U.S.C. 5301 et seq.).
- 13 (6) An extension of credit originated by:  
 14 (a) a depository institution;  
 15 (b) subsidiaries that are:  
 16 (i) owned and controlled by a depository institution; and  
 17 (ii) regulated by a federal banking agency; or  
 18 (c) an institution regulated by the Farm Credit Administration.
- 19 (7) Except for IC 24-4.4-2-401(2), IC 24-4.4-2-402.3,  
 20 IC 24-4.4-2-405(4), and IC 24-4.4-2-405(5), a credit union service  
 21 organization that is majority owned, directly or indirectly, by one  
 22 (1) or more credit unions.
- 23 (8) A first lien mortgage transaction originated by:  
 24 (a) a registered mortgage loan originator, when acting for an  
 25 entity described in subsection (6) or (7); or  
 26 (b) an individual who:  
 27 (i) performs the duties of a mortgage loan originator for  
 28 an entity described in subsection (6) or (7); and  
 29 (ii) is required to be registered with the NMLSR not  
 30 later than July 29, 2011.
- 31 ~~However,~~ A privately insured state chartered credit union shall  
 32 **also** comply with the system of mortgage loan originator  
 33 registration developed by the Federal Financial Institutions  
 34 Examinations Council under Section 1507 of the federal ~~Safe~~  
 35 **Secure** and Fair Enforcement for Mortgage Licensing Act of 2008  
 36 (SAFE).
- 37 (9) An individual who offers or negotiates terms of a mortgage  
 38 transaction with or on behalf of an immediate family member of

- 1 the individual.
- 2 (10) An individual who offers or negotiates terms of a mortgage
- 3 transaction secured by a dwelling that served as the individual's
- 4 residence.
- 5 (11) Unless the attorney is compensated by:
- 6 (a) a lender;
- 7 (b) a mortgage broker;
- 8 (c) another mortgage loan originator; or
- 9 (d) any agent of the lender, mortgage broker, or other
- 10 mortgage loan originator described in clauses (a) through (c);
- 11 a licensed attorney who negotiates the terms of a mortgage
- 12 transaction on behalf of a client as an ancillary matter to the
- 13 attorney's representation of the client.
- 14 ~~(12) Agencies, instrumentalities, and government owned~~
- 15 ~~corporations of The United States, any state or local~~
- 16 ~~government, or any agency or instrumentality of any~~
- 17 ~~governmental entity, including United States government~~
- 18 ~~sponsored enterprises.~~
- 19 **(13) A person in whose name a tablefunded transaction is**
- 20 **closed, as described in section 301(34)(a) of this chapter.**
- 21 **However, the exemption provided by this subsection does not**
- 22 **apply if:**
- 23 **(a) the transaction:**
- 24 **(i) is secured by a dwelling that is a mobile home, a**
- 25 **manufactured home, or a trailer; and**
- 26 **(ii) is not also secured by an interest in land; and**
- 27 **(b) the person in whose name the transaction is closed, as**
- 28 **described in section 301(34)(a) of this chapter, sells the**
- 29 **dwelling to the debtor through a retail installment contract**
- 30 **or other similar transaction."**
- 31 Delete page 3.
- 32 Page 4, delete lines 1 through 23.
- 33 Page 32, delete lines 33 through 42.
- 34 Delete page 33.
- 35 Page 34, delete lines 1 through 15.
- 36 Page 82, line 29, delete "IC 28-1-1-6." and insert "**IC 28-1-1-6, but**
- 37 **does not include a credit union."**
- 38 Page 116, delete lines 22 through 42, begin a new paragraph and

1 insert:

2 "SECTION 47. IC 28-7-1-10.6 IS ADDED TO THE INDIANA  
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
4 [EFFECTIVE UPON PASSAGE]: **Sec. 10.6. A credit union may issue**  
5 **shares in a revocable or irrevocable trust, subject to the following:**

6 **(1) If shares are issued in a revocable trust, at least one (1) of**  
7 **the settlors must be a member of the credit union in the**  
8 **settlor's own right.**

9 **(2) If shares are issued in an irrevocable trust, at least one (1):**

10 **(A) settlor; or**

11 **(B) beneficiary;**

12 **must be a member of the credit union in the settlor's or the**  
13 **beneficiary's own right.**

14 **(3) The name of each beneficiary must be listed for the trust,**  
15 **whether the trust is revocable or irrevocable."**

16 Page 117, delete lines 1 through 5.

17 Page 137, line 13, after "IC 28-2-18-29;" insert "IC 28-7-1-10.5;"

18 Renumber all SECTIONS consecutively.

(Reference is to HB 1528 as introduced.)

**and when so amended that said bill do pass.**

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Representative Burton