
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1754 Session of
1985

INTRODUCED BY DUFFY, VAN HORNE, F. E. TAYLOR AND GAMBLE,
OCTOBER 15, 1985

REFERRED TO COMMITTEE ON BUSINESS AND COMMERCE,
OCTOBER 15, 1985

AN ACT

1 Authorizing the Department of Banking to license and supervise
2 certain mortgage lenders; and granting certain powers and
3 duties upon the department.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Definitions.

7 The following words and phrases when used in this act shall
8 have the meanings given to them in this section unless the
9 context clearly indicates otherwise:

10 "Department." The Department of Banking of the Commonwealth.

11 "Mortgage lender." Any person in the business of creating or
12 servicing residential mortgage loans for facilities housing up
13 to four-family dwelling units. The term does not include any
14 institution supervised or licensed by the Federal Government or
15 the Commonwealth.

16 Section 2. Powers and duties of department.

17 (a) Licensing.--The department shall license and supervise

1 all mortgage lenders doing business in this Commonwealth.

2 (b) Supervision.--The department shall have supervisory
3 authority over mortgage lenders which shall include, but not be
4 limited to, investigations, accounting and operation procedures.

5 (c) Regulations.--The department shall have the authority to
6 promulgate rules and regulations to carry out this act.

7 Section 3. Escrow accounts.

8 (a) Escrow regulations.--The department shall establish
9 regulations governing amounts escrow accounts shall contain
10 which shall include establishment of tax and insurance deposits.

11 (b) Interest.--Any mortgage lender who requires that a
12 residential mortgage debtor pay into an escrow account, held by
13 the lender, sums for the payment of property taxes or
14 assessments or property insurance premiums, shall pay interest
15 on such escrow account at a rate established by the department.

16 Section 4. Application forms and fees.

17 The department shall make available application forms to
18 mortgage lenders. The form shall be approved by the Secretary of
19 Banking. The department shall establish a fee for the licensure
20 of mortgage lenders.

21 Section 5. Effective date.

22 This act shall take effect in 60 days.