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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1845 Session of  
2011

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INTRODUCED BY DAVIS, V. BROWN, BROWNLEE, CALTAGIRONE, D. COSTA,  
DALEY, DAVIDSON, DeLUCA, DONATUCCI, FABRIZIO, GERGELY,  
HARHAI, JOSEPHS, W. KELLER, KORTZ, MAHONEY, MUNDY, MURPHY,  
MYERS, PASHINSKI, PAYTON, RAVENSTAHL, READSHAW, SAMUELSON,  
SWANGER, VULAKOVICH, WAGNER, YOUNGBLOOD, KULA, GALLOWAY AND  
QUINN, SEPTEMBER 19, 2011

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REFERRED TO COMMITTEE ON FINANCE, SEPTEMBER 19, 2011

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AN ACT

1 Amending the act of January 30, 1974 (P.L.13, No.6), entitled  
2 "An act regulating agreements for the loan or use of money;  
3 establishing a maximum lawful interest rate in the  
4 Commonwealth; providing for a legal rate of interest;  
5 detailing exceptions to the maximum lawful interest rate for  
6 residential mortgages and for any loans in the principal  
7 amount of more than fifty thousand dollars and Federally  
8 insured or guaranteed loans and unsecured, noncollateralized  
9 loans in excess of thirty-five thousand dollars and business  
10 loans in excess of ten thousand dollars; providing  
11 protections to debtors to whom loans are made including the  
12 provision for disclosure of facts relevant to the making of  
13 residential mortgages, providing for notice of intention to  
14 foreclose and establishment of a right to cure defaults on  
15 residential mortgage obligations, provision for the payment  
16 of attorney's fees with regard to residential mortgage  
17 obligations and providing for certain interest rates by banks  
18 and bank and trust companies; clarifying the substantive law  
19 on the filing of and execution on a confessed judgment;  
20 prohibiting waiver of provisions of this act, specifying  
21 powers and duties of the Secretary of Banking, and  
22 establishing remedies and providing penalties for violations  
23 of this act," providing for single point of contact for  
24 residential mortgage debtor.

25 The General Assembly of the Commonwealth of Pennsylvania  
26 hereby enacts as follows:

27 Section 1. The act of January 30, 1974 (P.L.13, No.6),

1 referred to as the Loan Interest and Protection Law, is amended  
2 by adding a section to read:

3 Section 403.1. Single Point of Contact for Residential  
4 Mortgage Debtor.--(a) A residential mortgage lender shall  
5 assign one case manager to each residential mortgage debtor.

6 (b) The case manager assigned under subsection (a) shall be  
7 an individual who meets all of the following criteria:

8 (1) Manages the communications between the residential  
9 mortgage lender and the residential mortgage debtor.

10 (2) Has access to any records necessary to conduct business  
11 with the residential mortgage debtor, including all  
12 communications between the residential mortgage lender and  
13 residential mortgage debtor.

14 (3) Is well versed in matters concerning loan modifications  
15 or alternatives to foreclosure.

16 (4) Is available to communicate with the residential  
17 mortgage debtor by telephone and e-mail during business hours.

18 (5) Remains assigned to the residential mortgage debtor  
19 until the earliest of:

20 (i) the date on which the residential mortgage debtor  
21 accepts a loan modification or an alternative to foreclosure;

22 (ii) the date on which the residential mortgage lender  
23 forecloses on the mortgage of the residential mortgage debtor;

24 or

25 (iii) the date on which a release of the mortgage of the  
26 residential mortgage debtor is recorded in the appropriate  
27 office of recorder of deeds.

28 (c) A residential mortgage lender may assign an employee to  
29 assist a case manager assigned under subsection (a) if the case  
30 manager remains available to communicate with the residential

1 mortgage debtor by telephone and e-mail.

2 (d) In no event shall a residential mortgage debtor be  
3 without a case manager. If the original case manager becomes  
4 unavailable, the residential mortgage lender shall assign a new  
5 case manager immediately and notify the residential mortgage  
6 debtor of the replacement.

7 Section 2. This act shall take effect in 60 days.