

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 780 Session of 2017

INTRODUCED BY MACKENZIE, THOMAS, ELLIS, MILLARD, SOLOMON, A. HARRIS, WARD AND DeLUCA, MARCH 10, 2017

AS REPORTED FROM COMMITTEE ON COMMERCE, HOUSE OF REPRESENTATIVES, AS AMENDED, APRIL 5, 2017

AN ACT

1 Amending Title 7 (Banks and Banking) of the Pennsylvania
2 Consolidated Statutes, in mortgage loan industry licensing
3 and consumer protection, further providing for definitions,
4 for license requirements, for exceptions to license
5 requirements, for general requirements, for powers conferred
6 on certain licensees engaged in the mortgage loan business,
7 for mortgage loan business prohibitions, for application for
8 license, for license fees and for licensee requirements AND <--
9 PROVIDING FOR THE PROMULGATION OF REGULATIONS TO EFFECTIVELY
10 INCORPORATE FEDERAL REGULATIONS.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. The definitions of "administrative or clerical
14 tasks," "billing cycle," "clerical or support duties," "mortgage
15 loan business," "mortgage loan correspondent," "qualifying
16 individual" and "service mortgage loan" in section 6102 of Title
17 7 of the Pennsylvania Consolidated Statutes are amended and the
18 section is amended by adding definitions to read:

19 § 6102. Definitions.

20 The following words and phrases when used in this chapter
21 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Administrative or clerical tasks." The receipt, collection
3 and distribution of information common for the processing,
4 servicing or underwriting of a mortgage loan and communication
5 with a consumer to obtain information necessary for the
6 processing, servicing or underwriting of a mortgage loan.

7 * * *

8 "Billing cycle." In respect to open-end mortgage loans, the
9 time interval between periodic billing dates as established by
10 the mortgage note and subsequent modification to the obligation.
11 A billing cycle shall be considered to be a monthly cycle if the
12 closing date of the cycle is the same date each month or does
13 not vary by more than four days from that date.

14 * * *

15 "Clerical or support duties." Any of the following:

16 (1) The receipt, collection, distribution and analysis
17 of information common for the processing, servicing or
18 underwriting of a mortgage loan.

19 (2) Communicating with a consumer to obtain the
20 information necessary for the processing, servicing or
21 underwriting of a mortgage loan, to the extent that the
22 communication does not include:

23 (i) offering or negotiating mortgage loan rates or
24 terms; [or]

25 (ii) counseling consumers about mortgage loan rates
26 or terms[.]; or

27 (iii) offering or negotiating mortgage servicing
28 terms.

29 * * *

30 "Delinquent." The date when an amount sufficient to cover a

1 periodic payment of principal, interest and, if applicable,
2 escrow becomes due and unpaid, and lasts until the time no
3 periodic payment is due and unpaid, notwithstanding if the
4 borrower is afforded a period after the due date to pay before
5 the servicer assesses a late fee.

6 * * *

7 "Loss mitigation option." An alternative to foreclosure
8 offered by the owner, holder or assignee of a delinquent
9 mortgage loan that is made available through the servicer to the
10 borrower.

11 * * *

12 "Mortgage loan business." [The business of advertising,
13 causing to be advertised, soliciting, negotiating or arranging
14 in the ordinary course of business or offering to make or making
15 mortgage loans.] The business of:

16 (1) advertising, causing to be advertised, soliciting,
17 negotiating or arranging in the ordinary course of business
18 or offering to make or making mortgage loans; or

19 (2) servicing mortgage loans.

20 "Mortgage loan correspondent." A person who engages in the
21 mortgage loan business by directly or indirectly originating and
22 closing mortgage loans in his or her own name utilizing funds
23 provided by a wholesale table funder or other funding sources
24 under the circumstances described under section [6123(6)]
25 6123(a)(6) (relating to mortgage loan business prohibitions) and
26 simultaneously assigning the mortgage loans to the wholesale
27 table funder.

28 * * *

29 "Mortgage servicer." A person who engages in the mortgage
30 loan business by directly or indirectly servicing a mortgage

1 loan.

2 * * *

3 "Qualifying individual." An individual identified by a
4 mortgage broker, mortgage lender, mortgage servicer or mortgage
5 loan correspondent in the Nationwide Mortgage Licensing System
6 and Registry who:

7 (1) Is a mortgage originator or meets the licensing
8 requirements of a mortgage originator.

9 (2) Is a management-level officer assigned to the
10 principal place of business of a mortgage broker, mortgage
11 lender, mortgage servicer or mortgage loan correspondent.

12 * * *

13 "Service mortgage loan." A collecting or remitting payment
14 [for another,] or the right to collect or remit payments [for
15 another,] of principal, interest, tax, insurance or other
16 payment under a mortgage loan.

17 "Single point of contact." An individual or team of
18 personnel, each of whom has the ability and authority to discuss
19 mortgage loan mitigation options with a borrower on behalf of a
20 mortgage servicer. The mortgage servicer shall ensure that each
21 member of the team is knowledgeable about the borrower's
22 situation and current status.

23 * * *

24 Section 2. Section 6111(a) and (b) of Title 7 are amended to
25 read:

26 § 6111. License requirements.

27 (a) General rule.--Except as provided under subsections (b)
28 and (c) and section 6112 (relating to exceptions to license
29 requirements), on and after the effective date of this section,
30 no person shall engage in the mortgage loan business in this

1 Commonwealth without being licensed as a mortgage broker,
2 mortgage lender, mortgage servicer, mortgage loan correspondent
3 or mortgage originator as provided under this chapter. A
4 mortgage originator may not engage in the mortgage loan business
5 unless the mortgage originator is sponsored in the Nationwide
6 Mortgage Licensing System and Registry by a licensed mortgage
7 broker, mortgage lender, mortgage servicer or mortgage loan
8 correspondent, person excepted from this chapter or person
9 excepted from licensure under section 6112 and is under the
10 direct supervision and control of the sponsoring licensee or
11 excepted person.

12 (b) Licensed activity exceptions.--

13 (1) A mortgage lender may [act as a mortgage broker or
14 mortgage loan correspondent without a separate mortgage
15 broker or mortgage loan correspondent license.]:

16 (i) Act as a mortgage broker or mortgage loan
17 correspondent without a separate mortgage broker or
18 mortgage loan correspondent license.

19 (ii) Act as a mortgage servicer without a separate
20 mortgage servicer license for mortgage loans the mortgage
21 lender has originated, negotiated and owns.

22 (2) A mortgage loan correspondent may act as a mortgage
23 broker without a separate mortgage broker license.

24 (3) A person licensed as a mortgage broker may only
25 perform the services of a mortgage broker.

26 (4) A person only licensed as a mortgage servicer may
27 only perform the services of a mortgage servicer.

28 * * *

29 Section 3. Section 6112(2), (3), (6), (7) and (8) of Title 7
30 are amended and the section is amended by adding a paragraph to

1 read:

2 § 6112. Exceptions to license requirements.

3 The following persons shall not be required to be licensed
4 under this chapter in order to conduct the mortgage loan
5 business:

6 * * *

7 (2) An attorney at law not otherwise engaged in or
8 holding himself or herself out to the public as being engaged
9 in the mortgage loan business who acts as a mortgage broker
10 or a mortgage originator in negotiating or placing a mortgage
11 loan in the normal course of legal practice. The exception
12 under this paragraph shall not apply if the attorney is
13 compensated by any of the following:

14 (i) A mortgage broker.

15 (ii) A mortgage lender.

16 (iii) A mortgage loan correspondent.

17 (iv) A person excepted from licensure under this
18 section.

19 (v) A mortgage originator.

20 (v.1) A mortgage servicer.

21 (vi) An agent of a person listed in subparagraphs
22 (i), (ii), (iii), (iv) [and (v)], (v) and (v.1).

23 (3) A person who originates, services or negotiates less
24 than four mortgage loans in a calendar year, unless
25 determined to be engaged in the mortgage loan business by the
26 department.

27 * * *

28 (6) Consumer discount companies, except that a consumer
29 discount company that acts as a mortgage broker, mortgage
30 lender, mortgage servicer or mortgage loan correspondent,

1 shall be subject to the provisions of Subchapter C (relating
2 to mortgage loan business restrictions and requirements) and
3 sections 6131(c) (2), (3) and (5), 6135, 6138 (relating to
4 authority of department) and 6140(b) (relating to penalties).
5 Employees or individuals under the direct supervision and
6 control of licensees under the act of April 8, 1937 (P.L.262,
7 No.66), known as the Consumer Discount Company Act, that act
8 as mortgage originators shall be subject to the licensing
9 requirements of this chapter. Consumer discount companies
10 that employ or directly supervise and control mortgage
11 originators shall be subject to the same requirements as
12 mortgage lenders in regard to the employment and supervision
13 of mortgage originators.

14 (7) Affiliates of banking institutions and subsidiaries
15 and affiliates of federally chartered or State-chartered
16 credit unions. The exception under this paragraph does not
17 apply to consumer discount companies. Notwithstanding the
18 exception under this paragraph, subsidiaries and affiliates
19 of federally chartered or State-chartered credit unions and
20 affiliates of banking institutions shall:

21 (i) be subject to the provisions of [Subchapter C
22 and] sections 6121(1), (2), (3), (4), (5), (6), (7), (8),
23 (9), (10), (11), (12), (13) and (14) (relating to general
24 requirements), 6122(a) and (b) (relating to powers
25 conferred on certain licensees engaged in the mortgage
26 loan business), 6123(a) (relating to mortgage loan
27 business prohibitions), 6124 (relating to prohibited
28 clauses in mortgage loan documents), 6125 (relating to
29 mortgage lending authority), 6126 (relating to
30 requirements as to open-end loans), 6135(a) (2), (3) and

1 (4), (b) and (c), 6138 and 6140(b);

2 (ii) deliver as required to the department annually
3 copies of financial reports made to all supervisory
4 agencies;

5 (iii) be registered with the department;

6 (iv) in the same manner as a mortgage lender, obtain
7 and maintain bond coverage for mortgage originators
8 consistent with section 6131(c)(5); and

9 (v) ensure employees required to be licensed as
10 mortgage originators have completed the requirements
11 under section 6131.1 (relating to prelicensing and
12 continuing education) and have obtained the required
13 mortgage originator license.

14 (8) Employees or individuals under the direct
15 supervision and control of a mortgage broker, mortgage
16 lender, mortgage servicer or mortgage loan correspondent, or
17 a person excepted from licensure under this section, who are
18 not otherwise required to be licensed as mortgage
19 originators.

20 * * *

21 (17) An individual or entity licensed under the act of
22 September 2, 1965 (P.L.490, No.249), referred to as the Money
23 Transmission Business Licensing Law, if the individual or
24 entity only engages in the mortgage loan business to the
25 extent funds are transmitted from a mortgagor to make
26 mortgage payments on behalf of the mortgagor in order to
27 exceed regularly scheduled minimum payment obligations under
28 the terms of the indebtedness.

29 Section 4. Section 6121 of Title 7 is amended by adding a
30 paragraph to read:

1 § 6121. General requirements.

2 A licensee shall do all of the following:

3 * * *

4 ~~(15) For a mortgage servicer, all of the following:~~ <--

5 ~~(i) Safeguard and account for money handled for the~~
6 ~~borrower.~~

7 ~~(ii) Follow reasonable and lawful instructions from~~
8 ~~the borrower.~~

9 ~~(iii) Act with reasonable skill, care and diligence.~~

10 ~~(iv) File with the department upon request a report~~
11 ~~in a form and format specified by the department.~~

12 ~~(v) At the time the mortgage servicer accepts~~
13 ~~assignment of servicing rights for a mortgage loan,~~
14 ~~disclose to the borrower:~~

15 ~~(A) Notice required under Federal law or~~
16 ~~regulation.~~

17 ~~(B) A schedule of the ranges and categories of~~
18 ~~the mortgage servicer's costs and fees for servicing~~
19 ~~related activities.~~

20 ~~(vi) Promptly notify the borrower in the event~~
21 ~~mortgage servicing rights are transferred.~~

22 ~~(vii) In the event of a delinquency or other act of~~
23 ~~default on the part of the borrower, act in good faith to~~
24 ~~inform the borrower of the facts concerning the mortgage~~
25 ~~loan, the nature and extent of the delinquency or default~~
26 ~~and loss mitigation options, if available or appropriate,~~
27 ~~to the borrower.~~

28 ~~(viii) If IF a mortgage loan is paid in full and, in~~ <--
29 ~~the case of an open-end mortgage, a mortgage lender is no~~
30 ~~longer obligated to make future advances to the consumer,~~

1 the mortgage servicer shall act in good faith to do all
2 of the following:

3 ~~(A) Request the mortgage holder release the lien~~ <--

4 (I) REQUEST THE MORTGAGE HOLDER RELEASE THE LIEN on <--

5 the dwelling or residential real estate and cancel the
6 same of record and, at the time the mortgage loan
7 agreement or promissory note evidencing the mortgage loan
8 is returned, deliver to the consumer good and sufficient
9 assignment, releases or other certificate, instrument or
10 document as may be necessary to evidence the release.

11 ~~(B) Request the mortgage holder cancel any~~ <--

12 (II) REQUEST THE MORTGAGE HOLDER CANCEL ANY <--

13 insurance provided in connection with the mortgage loan
14 and refund to the borrower, in accordance with
15 regulations promulgated by the Insurance Department, any
16 unearned portion of the premium for the insurance.

17 ~~(C) If a mortgage holder has delegated the~~ <--

18 (III) IF A MORTGAGE HOLDER HAS DELEGATED THE <--

19 responsibility to record satisfaction of security
20 instruments to a mortgage servicer, the mortgage servicer
21 shall be treated as a mortgage holder for purposes of
22 satisfying the conditions of clause (A) or (B) <--

23 SUBPARAGRAPH (I) OR (II). <--

24 Section 5. Section 6122(a) of Title 7 is amended by adding a
25 paragraph and the section is amended by adding a subsection to
26 read:

27 § 6122. Powers conferred on certain licensees engaged in the
28 mortgage loan business.

29 (a) Mortgage lenders.--If they are in compliance with the
30 provisions of this chapter, mortgage lenders shall have the

1 power and authority:

2 * * *

3 (8) To service first and secondary mortgage loans that
4 are originated, negotiated and owned by the mortgage lender.

5 * * *

6 (c) Mortgage servicers.--If a mortgage servicer is in
7 compliance with this chapter, the mortgage servicer shall have
8 the power and authority to collect and remit for a lender,
9 mortgagee, note owner, note holder, trustee or primary
10 beneficiary of a residential mortgage loan payment of principal,
11 interest or an amount to be placed into escrow for any
12 combination of the payment of insurance, hazard insurance or
13 taxes.

14 Section 6. Sections 6123 introductory paragraph and 6131(a)
15 (1) of Title 7 are amended and the sections are amended by
16 adding subsections to read:

17 § 6123. Mortgage loan business prohibitions.

18 (a) Mortgage loan business prohibitions.--A licensee
19 engaging in the mortgage loan business shall not:

20 * * *

21 (b) Mortgage loan servicer prohibitions.--A licensee
22 engaging in the mortgage servicer business shall not:

23 ~~(1) Fail to comply with applicable Federal and State~~
24 ~~laws, rules and regulations related to mortgage servicing.~~

25 ~~(2) Fail to provide written notice to a borrower upon~~
26 ~~taking action to place hazard insurance, or flood insurance~~
27 ~~on the mortgaged property or to place the insurance when the~~
28 ~~mortgage servicer knows or has reason to know that there is~~
29 ~~insurance in effect.~~

30 ~~(3) Place hazard insurance or flood insurance on a~~

<--

1 ~~mortgaged property for an amount that exceeds either the~~
2 ~~value of the insurable improvements or the last known~~
3 ~~coverage amount of insurance, whichever amount is of lesser~~
4 ~~value.~~

5 ~~(4) Fail to provide to the borrower a refund of unearned~~
6 ~~premium paid by a borrower or charged to the borrower for~~
7 ~~hazard or flood insurance placed by a mortgage lender or~~
8 ~~mortgage servicer if the borrower provides reasonable proof~~
9 ~~that the borrower has obtained coverage so that the forced~~
10 ~~placement is no longer necessary and the property is insured.~~
11 ~~If the borrower provides reasonable proof within 12 months of~~
12 ~~the placement that no lapse in coverage occurred so that the~~
13 ~~forced placement was not necessary, the mortgage servicer~~
14 ~~shall refund the entire premium.~~

15 ~~(5) Fail to make payments from an escrow account held~~
16 ~~for the borrower for insurance, taxes and other charges with~~
17 ~~respect to the property in a timely manner to ensure that~~
18 ~~late penalties are not assessed or other negative~~
19 ~~consequences will not result regardless of whether the~~
20 ~~mortgage loan is delinquent unless there are not sufficient~~
21 ~~funds in the account to cover the payments and the mortgage~~
22 ~~servicer has a reasonable basis to believe that recovery of~~
23 ~~the funds will not be possible.~~

24 ~~(6) Fail~~ FAIL to establish or attempt to establish a <--
25 ~~single point of contact with whom a borrower can communicate~~
26 ~~about foreclosure matters or loss mitigation options later~~
27 ~~than the 36th day of a borrower's delinquency, unless contact~~
28 ~~is inconsistent with applicable bankruptcy law or court~~
29 ~~order.~~

30 ~~(7) Fail to apply payments to the oldest outstanding~~ <--

1 ~~periodic payment.~~

2 ~~(8) Fail to maintain policies and procedures to achieve~~
3 ~~the objective of facilitating the communication of~~
4 ~~information during a transfer of mortgage servicing rights~~
5 ~~from one person to another person, except as provided in~~
6 ~~paragraph (9), including:~~

7 ~~(i) Implementing a posttransfer process for~~
8 ~~validating data to ensure the data is transferred~~
9 ~~correctly and is functional, including developing~~
10 ~~procedures for identifying and addressing data errors for~~
11 ~~inbound mortgage loans.~~

12 ~~(ii) Organizing and coding incoming information,~~
13 ~~including ensuring that the transferee servicer uses~~
14 ~~transferred information before seeking information from~~
15 ~~borrowers.~~

16 ~~(iii) Conducting periodic calls with transferor~~
17 ~~servicers to identify mortgage loan level issues and to~~
18 ~~research and resolve those issues within 10 days,~~
19 ~~excluding legal holidays, Saturdays and Sundays, of~~
20 ~~issues being identified.~~

21 ~~(9) Transfers meeting the criteria enumerated in 12 CFR~~
22 ~~1024.33(b)(2) (relating to mortgage servicing transfers)~~
23 ~~shall not be subject to the provisions of paragraph (8).~~

24 § 6131. Application for license.

25 (a) Contents.--An application for a license under this
26 chapter shall be on a form prescribed and provided by the
27 department. Consistent with sections 202 E and 405 F(1) of the
28 act of May 15, 1933 (P.L.565, No.111), known as the Department
29 of Banking and Securities Code, all applicants and licensees
30 shall use the Nationwide Mortgage Licensing System and Registry

1 to obtain and maintain licenses under this chapter.

2 (1) In the case of a mortgage broker, mortgage lender,
3 mortgage servicer or mortgage loan correspondent, the
4 application shall include the following:

5 (i) The name of the applicant.

6 (ii) The address of the principal place of business
7 and any branches of the applicant.

8 (iii) The full name, official title and business
9 address of each director and principal officer of the
10 mortgage loan business.

11 (iv) Any other information that may be required by
12 the department.

13 * * *

14 (k) Mortgage servicer license.--The department shall issue a
15 mortgage servicer license under this chapter if the applicant
16 has:

17 (1) Been approved by or meets the current eligibility
18 criteria for approval as a residential mortgage loan servicer
19 of at least one Federal Government-sponsored entity,
20 government corporation or Federal agency.

21 (2) Established a minimum net worth of \$250,000 at the
22 time of application and maintains the minimum net worth.

23 (3) Been approved for and maintains as a licensee
24 fidelity bond coverage in accordance with the guidelines
25 established by the Federal National Mortgage Association or
26 the Federal Home Loan Mortgage Corporation.

27 (4) Obtained and maintains a surety bond in an amount
28 that will provide coverage for the mortgage servicer in a
29 form acceptable to the department prior to the issuance of
30 the license, from a surety company authorized to do business

1 in this Commonwealth. The following shall apply:

2 (i) The amount of the bond shall be \$500,000.

3 (ii) The bond shall run to the Commonwealth and

4 shall be for the use of the Commonwealth and for the use
5 of consumer who is injured by the acts or omissions of
6 the licensee's mortgage originators that are related to
7 the mortgage loan business regulated under this chapter.

8 A bond shall not comply with the requirements of this
9 section unless the bond contains a provision that the
10 bond shall not be canceled for any cause unless notice of
11 intention to cancel is given to the department at least
12 30 days, excluding legal holidays, Saturdays and Sundays,
13 before the day upon which cancellation shall take effect.

14 Cancellation of the bond shall not invalidate the bond
15 regarding the period of time the bond was in effect.

16 (5) Designated an individual as the qualifying
17 individual for the principal place of business.

18 Section 7. Sections 6132(a), (b) and (d) and 6135(a)(3) of
19 Title 7 are amended to read:

20 § 6132. License fees.

21 (a) Initial application fees.--Except as set forth in
22 subsection (d)(1), an applicant shall pay to the department at
23 the time an application is filed an initial nonrefundable
24 application fee as set forth under this subsection.

25 (1) For mortgage lenders and mortgage loan
26 correspondents, \$1,500 for the principal place of business
27 and an additional fee of \$1,500 for each branch office.

28 (2) For mortgage brokers, \$1,000 for the principal place
29 of business and an additional fee of \$250 for each branch
30 office.

1 (3) For mortgage originators, \$200.

2 (4) For mortgage servicers, \$2,500 for the principal
3 place of business and an additional fee of \$1,250 for each
4 branch location.

5 (b) Renewal fees.--Prior to each annual renewal of a
6 license, except as set forth in subsection (d)(2), a licensee
7 shall pay to the department a nonrefundable license renewal fee
8 as set forth under this subsection.

9 (1) For mortgage lenders and mortgage loan
10 correspondents, \$750 for the principal place of business and
11 an additional fee of \$750 for each branch office.

12 (2) For mortgage brokers, \$500 for the principal place
13 of business and an additional fee of \$250 for each branch
14 office.

15 (3) For mortgage originators, \$100.

16 (4) For mortgage servicers, \$1,000 for the principal
17 place of business and an additional fee of \$500 for each
18 branch location.

19 * * *

20 (d) Exception to mortgage originator license fees.--

21 (1) An applicant shall not be required to pay the fee
22 for a mortgage originator license as provided in subsection
23 (a) if the applicant is also individually a mortgage lender
24 applicant, mortgage loan correspondent applicant, mortgage
25 servicer applicant or mortgage broker applicant.

26 (2) A licensee shall not be required to pay the fee for
27 a mortgage originator license as provided in subsection (b)
28 if the licensee is also individually a mortgage lender
29 licensee, mortgage loan correspondent licensee or mortgage
30 broker licensee.

1 § 6135. Licensee requirements.

2 (a) Requirements of licensee.--

3 * * *

4 (3) A mortgage broker, mortgage lender [or], mortgage
5 servicer, mortgage loan correspondent, or a mortgage
6 originator that is required to obtain and maintain its own
7 bond coverage under section 6131(f)(4) (relating to
8 application for license), shall file periodically, as
9 determined by the department, a report with the department or
10 the Nationwide Mortgage Licensing System and Registry, as
11 determined by the department, setting forth such information
12 as the department shall require concerning the first or
13 secondary mortgage loan business conducted by the licensee.
14 Licensees who fail to file the required report at the date
15 required by the department may be subject to a penalty of
16 \$100 for each day after the due date until the report is
17 filed.

18 * * *

19 ~~Section 8. This act shall take effect in 90 days.~~ <--

20 SECTION 8. TITLE 7 IS AMENDED BY ADDING A SECTION TO READ: <--

21 § 6141. MORTGAGE SERVICERS.

22 (A) REGULATORY COORDINATION.--IN ORDER TO IMPLEMENT THIS
23 CHAPTER AS APPLICABLE TO MORTGAGE SERVICERS, THE FOLLOWING
24 APPLY:

25 (1) SUBJECT TO PARAGRAPH (2), THE DEPARTMENT SHALL
26 PROMULGATE REGULATIONS WHICH EFFECTIVELY INCORPORATE THE
27 CONSUMER FINANCIAL PROTECTION BUREAU'S MORTGAGE SERVICER
28 REGULATIONS AT 12 CFR PT. 1024, SUBPT. C (RELATING TO
29 MORTGAGE SERVICING), OTHER THAN 12 CFR § 1024.30 (RELATING TO
30 SCOPE).

1 (2) WHEN THE FEDERAL REGULATIONS UNDER PARAGRAPH (1) ARE
2 ALTERED, THE DEPARTMENT SHALL PROMULGATE REGULATIONS MAKING
3 THE APPROPRIATE INCORPORATION.

4 (3) REGULATIONS UNDER THIS SUBSECTION SHALL NOT BE
5 SUBJECT TO ANY OF THE FOLLOWING:

6 (I) SECTIONS 201, 202, 203, 204 AND 205 OF THE ACT
7 OF JULY 31, 1968 (P.L.769, NO.240), REFERRED TO AS THE
8 COMMONWEALTH DOCUMENTS LAW.

9 (II) SECTIONS 204(B) AND 301(10) OF THE ACT OF
10 OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS THE
11 COMMONWEALTH ATTORNEYS ACT.

12 (III) THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
13 KNOWN AS THE REGULATORY REVIEW ACT.

14 (B) FAILURE OF REGULATORY COORDINATION.--IF AN ALTERATION OF
15 FEDERAL REGULATIONS UNDER SUBSECTION (A) (2) RESULTS IN A
16 COMPLETE LACK OF FEDERAL REGULATIONS IN THE AREA, ALL OF THE
17 FOLLOWING APPLY:

18 (1) THE VERSION OF THE PENNSYLVANIA REGULATIONS IN
19 EFFECT AT THE TIME OF THE ALTERATION SHALL REMAIN IN EFFECT
20 FOR TWO YEARS.

21 (2) DURING THE TIME PERIOD UNDER PARAGRAPH (1), THE
22 DEPARTMENT SHALL PROMULGATE REPLACEMENT REGULATIONS.

23 SECTION 9. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

24 (1) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
25 IMMEDIATELY:

26 (I) THE ADDITION OF 7 PA.C.S. § 6141.

27 (II) THIS SECTION.

28 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT UPON THE
29 EFFECTIVE DATE OF REGULATIONS PROMULGATED UNDER 7 PA.C.S. §
30 6141.