

By: Ford

To: Banks and Banking

HOUSE BILL NO. 141

1 AN ACT TO REENACT SECTION 81-20-1, MISSISSIPPI CODE OF 1972,  
2 WHICH AUTHORIZES THE COMMISSIONER OF BANKING AND CONSUMER FINANCE  
3 TO INVESTIGATE COMPLAINTS AGAINST MORTGAGE COMPANIES; TO AMEND  
4 REENACTED SECTION 81-20-1, MISSISSIPPI CODE OF 1972, TO EXTEND THE  
5 REPEALER; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 SECTION 1. Section 81-20-1, Mississippi Code of 1972, is  
8 reenacted and amended as follows:

9 81-20-1. (1) For purposes of this section, the following  
10 terms shall have the following meanings:

11 (a) "Mortgage company" means any person or entity that  
12 directly or indirectly solicits, processes, places or negotiates  
13 mortgage loans for others, or offers to solicit, process, place or  
14 negotiate mortgage loans for others, or who closes mortgage loans,  
15 whether or not in the mortgage company's own name.

16 (b) "Mortgage loan" means a loan or agreement to extend  
17 credit made to a natural person, which loan is secured by a deed  
18 to secure debt, security deed, mortgage, security instrument, deed  
19 of trust or other document representing a security interest or  
20 loan upon any interest in a lot intended for residential purposes,  
21 or single- to four-family residential property located in  
22 Mississippi, regardless of where made, including the renewal or

23 refinancing of any loan.

24           (c) "Residential property" means improved real property  
25 or lot used or occupied, or intended to be used or occupied, as a  
26 residence by a natural person.

27           (2) The Commissioner of Banking and Consumer Finance is  
28 authorized to investigate and resolve consumer complaints and  
29 disputes against mortgage companies. The commissioner or his duly  
30 authorized representative, for the purpose of resolving any  
31 consumer complaint or dispute against a mortgage company, may  
32 examine the mortgage company and all relevant books, records and  
33 papers employed by the mortgage company in the transaction of its  
34 business, and may summon witnesses and examine them under oath  
35 concerning matters relating to the business of the mortgage  
36 company or such other matters as may be relevant to resolving the  
37 consumer complaint or dispute against the mortgage company.

38           (3) This section shall stand repealed on July 1, 2001.

39           SECTION 2. This act shall take effect and be in force from  
40 and after July 1, 2000.