

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2188 **STATUS:** B Engrossed
SUBJECT: Relating to the mortgage transactions
GOVERNMENT UNIT AFFECTED: Department of Consumer and Business Services, Judicial
Department
PREPARED BY: Robin LaMonte
REVIEWED BY: Susie Jordan, John Borden
DATE: May 28, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES: See Analysis		

EFFECTIVE DATE: January 1, 2010

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: HB 2188 makes a number of changes mortgage lending practices. These changes result from discussions of the Governor's Mortgage Lending Work Group. The workload impact of this bill, in combination with HB 2189, is included in the budget for the Department of Consumer and Business Services (DCBS), which was approved by the Joint Committee on Ways and Means at a level to develop and maintain a two-year examination cycle. DCBS does not anticipate the workload associated with this bill and HB 2189 will require additional staff. Revenue for staff work related to this bill and HB 2189 will come from examination fees which were recently established at a level to cover costs at current staffing levels. If workload increases beyond the present capacity, DCBS may need to request additional resources at a future date.

The Judicial Department (OJD) could experience an increase in workload and court operations costs from potential increases in legal challenges from the provisions of the bill. That impact is indeterminate, as the actual number of new cases cannot be estimated. OJD notes that the average case processing cost per civil case is \$279, and that additional costs could be incurred should cases go to trial.