

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	7 - 0 - 1
Yeas:	Conger, Doherty, Hoyle, Johnson, Matthews, Kennemer, Schaufler
Nays:	0
Exc.:	Esquivel
Prepared By:	Theresa Van Winkle, Administrator
Meeting Dates:	2/4, 2/25

WHAT THE MEASURE DOES: Exempts from disclosure mortgage loan documents that the Department of Consumer and Business Services obtains during a mortgage lending examination. Allows individuals whose mortgage loan documents are included in an examination to access their file. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Overview of the mortgage lender examination process
- Cost savings to the Department of Consumer and Business Services if the measure is enacted
- Number of Department staff dedicated to conducting exams
- Privacy level of borrowers versus the need for the public and media to access items

EFFECT OF COMMITTEE AMENDMENT: Allows individuals whose mortgage loan documents are included in an examination to access their file.

BACKGROUND: One of the duties of the Department of Consumer and Business Services is general supervision over mortgage loan originators, mortgage bankers and mortgage brokers that reside or perform business in Oregon and that are engaged in an activity that is subject to statutes related to mortgage lending. Current statute authorizes the Department, as a means of ensuring that a mortgage lender is complying with law, to conduct examinations of the lender that includes a review of the lender's loan files.

After completion of the exam, the reviewed loan files become part of the examination report and are subject to disclosure under the state's public records law. Information contained in these files includes borrowers' personal information, such as addresses, general income and debt levels, and the identity of a borrower's employer, and only specific information of this nature can be redacted under current statute. House Bill 2083-A exempts loan records that are part of the examination report from disclosure under public records law, but allows individuals whose documents are included in an examination to access their personal file.