

REVENUE: No revenue impact**FISCAL: No fiscal impact**

Action:	Do Pass
Vote:	5 - 0 - 0
Yeas:	Bonamici, Boquist, George, Monroe, Shields
Nays:	0
Exc.:	0
Prepared By:	Patrick Brennan, Administrator
Meeting Dates:	5/23

WHAT THE MEASURE DOES: Allows the Director of the Department of Consumer and Business Services to appoint an advisory committee that represents persons likely to be affected by mortgage lending rules that the Director adopts. Stipulates that the Director is to consider the advisory committee's suggestions. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Current use of advisory committees
- Current statutory requirements
- Measure *allows* formation of an advisory group but *requires* consideration of its comments

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: For most rulemaking activities conducted by the Department of Consumer and Business Services, an advisory committee is formed and comprised of a cross-section of stakeholders that would potentially be affected by the administrative rule. Current mortgage lending statutes require the Department to consult with equal numbers of mortgage lenders and mortgage bankers. However, membership requirements have not been revised since 1993, and major changes have taken place since the last statutory change, particularly with the efforts on both the state and federal level to strengthen the regulation of the mortgage lending industry and the diversity of businesses that engage in lending activities.

House Bill 2084 provides the Department with the ability to tailor the advisory committee's membership to include stakeholders who would be the most affected by a proposed rule.