

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 275 MRA**Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***Prepared by: Tim Walker
Reviewed by: Matt Stayner
Date: 04/27/2015**Measure Description:**

Requires mortgage loan servicers to obtain license or endorsement and requires other persons that engage in business as mortgage loan servicers to obtain endorsement.

Government Unit(s) Affected:

Department of Consumer and Business Services (DCBS)

Summary of Expenditure Impact:

Other Funds	152,474	181,936
Federal Funds		
Total Funds	\$152,474	\$181,936
Positions	1	1
FTE	0.88	1.00

Summary of Revenue Impact

	2015-17 Biennium	2017-19 Biennium
General Fund		
Lottery Funds		
Other Funds	288,000	207,000
Federal Funds		
Total Funds	\$288,000	\$207,000

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: This bill would require the licensure of certain mortgage loan servicers that service residential loans where the borrower or real property is located in Oregon. By requiring mortgage servicers to obtain a mortgage lending license, DCBS would have the authority to investigate and examine loan servicers.

DCBS anticipates that up to 100 companies with a total of 200 branch locations would need to be licensed and compliance examinations conducted. With additional licensees, DCBS estimates an additional 200 complaints per year. The additional workload would require one additional Financial Examiner 2 (1.00 FTE). DCBS currently charges \$960 for the initial main office license and \$330 for each branch office. Renewal fees are \$480 for the main office and \$165 for each branch office. DCBS estimates an additional \$288,000 in revenue for 2015-17 biennium and \$207,000 in the 2017-19 biennium. Revenue would be more in the 2015-17 biennium due to the increased fees due to initial licensure.

The MRA amendment requires DCBS to go to court to request the appointment of a receiver, modifies trustee reference, exempts the Oregon Department of Veterans Affairs, and changes definition of consumer finance license, mortgage broker, or broker license to clarify they are not subject to the requirements of this bill. The amendment does not change the fiscal impact of the bill.