

1081-S

Sponsor(s): House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Hunter, Benson, Schual-Berke, Newhouse, Cooper, Roach and Simpson)

Brief Description: Providing funds to deter, investigate, and prosecute real estate fraud crimes. Revised for 1st Substitute: Providing funds to investigate and prosecute mortgage lending fraud.

HB 1081-S - DIGEST

(DIGEST AS ENACTED)

Provides that a surcharge of one dollar shall be charged by the county auditor at the time of recording of each deed of trust, which will be in addition to any other charge authorized by law. The auditor may retain up to five percent of the funds collected to administer collection.

Requires the remaining funds to be transmitted monthly to the state treasurer who will deposit the funds into the mortgage lending fraud prosecution account created in this act.

Provides that the department of financial institutions is responsible for the distribution of the funds in the account and shall, in consultation with the attorney general and local prosecutors, develop rules for the use of these funds to pursue criminal prosecution of fraudulent activities within the mortgage lending process.

Declares that the surcharge imposed in this act does not apply to assignments or substitutions of previously recorded deeds of trust.

Requires that, before December 31st of every year, the department of financial institutions shall provide the senate and house of representatives committees that address matters related to financial institutions with a written report outlining the activity of the mortgage lending fraud prosecution account.

Expires June 30, 2006.