



**93RD GENERAL ASSEMBLY**  
**State of Illinois**  
**2003 and 2004**

Introduced 2/4/2004, by Martin A. Sandoval

**SYNOPSIS AS INTRODUCED:**

205 ILCS 635/1-5

from Ch. 17, par. 2321-5

Amends the Residential Mortgage License Act of 1987. Increases the size of the Residential Mortgage Board by 2 members. Requires that at least two of the members shall represent consumer advocacy organizations of which one must be a statewide senior citizen membership based organization. Removes authority to pay per diem and expenses for members other than citizen members who shall be reimbursed for actual expenses. Effective immediately.

LRB093 15961 SAS 41584 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning the Residential Mortgage Board.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Residential Mortgage License Act of 1987 is  
5 amended by changing Section 1-5 as follows:

6 (205 ILCS 635/1-5) (from Ch. 17, par. 2321-5)

7 Sec. 1-5. Residential Mortgage Board.

8 (a) Board composition, compensation. There is created the  
9 Residential Mortgage Board composed of 7 ~~5~~ members appointed by  
10 the Commissioner of Banks and Real Estate. The majority of  
11 persons on the Board shall have no financial interest in any  
12 residential mortgage business and one member shall be a  
13 representative of the Mortgage Banking Trade Association and  
14 one member shall be a representative of the Mortgage Broker  
15 Trade Association. At least two of the members shall represent  
16 consumer advocacy organizations of which one shall be a  
17 statewide senior citizen membership based organization.  
18 Members of the Board serving on the effective date of this  
19 amendatory Act of 1996 shall continue to serve their unexpired  
20 terms as members of the Residential Mortgage Board. Thereafter,  
21 on or before January 15 of each year, the Commissioner shall  
22 appoint one or more board members, as shall be necessary to  
23 maintain a 5 member Board, whose terms shall be for 3 years  
24 commencing February 1 of the year in which they are  
25 respectively appointed.

26 If a vacancy occurs on the Residential Mortgage Board, the  
27 Commissioner shall within 60 days appoint a new member who  
28 shall hold office for the remainder of the vacated term.

29 The Board shall meet at the call of the chairman, who along  
30 with a Secretary, shall be selected by the Board from among its  
31 members.

32 Members of the Board shall serve without compensation or

1 reimbursement for expenses, except citizen members who shall  
2 receive compensation for actual expenses incurred in the  
3 performance of their duties.

4 ~~Members of the Board shall be entitled to receive a per~~  
5 ~~diem allowance of \$25 for each day or part of a day spent on~~  
6 ~~Board work and shall be entitled to their expenses actually and~~  
7 ~~necessarily incurred in the performance of their duties.~~ The  
8 members of the Board serve at the pleasure of the Commissioner.

9 (b) Duties of Board. The Residential Mortgage Board shall  
10 assist the Commissioner by:

11 (1) submitting recommendations to the Commissioner for  
12 the efficient administration of this Act; and

13 (2) performing other duties as are prescribed by the  
14 Commissioner.

15 (c) Conflict of interest declarations. Each member of the  
16 Residential Mortgage Board shall file annually, no later than  
17 February 1, with the Commissioner a statement of his or her  
18 current business transactions or other affiliations with any  
19 licensee under this Act. The Commissioner may adopt rules to  
20 avoid conflicts of interest on the part of members of the  
21 Residential Mortgage Board in connection with their position on  
22 the Board.

23 (Source: P.A. 89-355, eff. 8-17-95; 89-508, eff. 7-3-96.)

24 Section 99. Effective date. This Act takes effect upon  
25 becoming law.