



Rep. Karen A. Yarbrough

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09400HB1428ham002

LRB094 08916 BDD 43944 a

1 AMENDMENT TO HOUSE BILL 1428

2 AMENDMENT NO. _____. Amend House Bill 1428, AS AMENDED, by
3 replacing the title with the following:

4 "AN ACT concerning property."; and

5 by replacing everything after the enacting clause with the
6 following:

7 "Section 5. The Mortgage Escrow Account Act is amended by
8 changing Sections 2 and 4 and by adding Section 15 as follows:

9 (765 ILCS 910/2) (from Ch. 17, par. 4902)

10 Sec. 2. As used in this Act, unless the context requires
11 otherwise:

12 (a) "Escrow Account" means any account established by the
13 mortgage lender in conjunction with a mortgage loan on a
14 residence, into which the borrower is required to make regular
15 periodic payments and out of which the lender pays the taxes on
16 the property covered by the mortgage.

17 (b) "Borrower" means the person obligated under the
18 mortgage loan.

19 (c) "Mortgage Lender" means any bank, savings bank, savings
20 and loan association, credit union, mortgage banker, ~~building~~
21 ~~and loan association~~ or other institution, association,
22 partnership, corporation or person who extends the loan of
23 monies for the purpose of enabling another to purchase a

1 residence or who services the loan, including successors in
2 interest of the foregoing.

3 (d) "Escrow-like Arrangement" means any arrangement the
4 intent of which is to serve the same purposes as an escrow
5 account but which does not require the formal establishment of
6 an account.

7 (Source: P.A. 79-625.)

8 (765 ILCS 910/4) (from Ch. 17, par. 4904)

9 Sec. 4. On or after the effective date of this Act, each
10 mortgage lender in conjunction with the granting or servicing
11 of a mortgage on a single-family owner occupied residential
12 property, shall comply with the provisions of this Act.

13 (Source: P.A. 79-625.)

14 (765 ILCS 910/15 new)

15 Sec. 15. Notice of tax payments.

16 (a) When any mortgage lender pays the property tax from an
17 escrow account, the mortgage lender must give the borrower
18 written notice of the following, within 45 business days after
19 the tax payment:

20 (1) the date the taxes were paid;

21 (2) the amount of taxes paid; and

22 (3) the permanent index number used for assessment and
23 taxation purposes under the Property Tax Code.

24 (b) The notice required in subsection (a) may be included
25 on or with other documents, notices, or statements provided to
26 the borrower. If more than one borrower is obligated on the
27 loan, only one borrower who is primarily liable on the loan
28 need be given notice. Notice may be delivered, mailed, or
29 transmitted by any usual means of communication.

30 (c) Notwithstanding the requirements in subsection (a), a
31 mortgage lender that provides notice to a borrower in the
32 manner provided in subsection (b) of a means of communication

1 for the borrower to access the information set forth in
2 subsection (a) by telephone, facsimile, e-mail, Internet
3 access, or other means of communication, is deemed to be in
4 compliance with subsection (a).

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.".