

1 AN ACT concerning business.

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

4 Section 5. The High Risk Home Loan Act is amended by
5 changing Section 115 as follows:

6 (815 ILCS 137/115)

7 Sec. 115. Report of default and foreclosure rates on
8 conventional loans.

9 (a) On or before October 1 and April 1 of each year, each
10 servicer of Illinois residential mortgage loans shall report to
11 the Secretary of Financial and Professional Regulation, the
12 Director of the Division of Banking, or the Director of the
13 Division of Financial Institutions ~~Commissioner or the~~
14 ~~Director~~ the default and foreclosure data of conventional loans
15 for the 6-month periods ending June 30 and December 31,
16 respectively.

17 (b) Each servicer shall report the following information:

18 (1) The average quarterly dollar amount of
19 conventional one to 4 family mortgage loans secured by
20 Illinois real estate.

21 (2) The average quarterly number of conventional one to
22 4 family mortgage loans secured by Illinois real estate.

23 (3) The average quarterly dollar amount of
24 conventional one to 4 family mortgage loans secured by
25 Illinois real estate that are in default over 90 days.

26 (4) The average quarterly number of conventional one to
27 4 family mortgage loans secured by Illinois real estate
28 that are in default over 90 days.

29 (5) The dollar amount of foreclosures on one to 4
30 family conventional loans completed during the reporting
31 period.

32 (6) The number of foreclosures on one to 4 family

1 conventional loans completed during the reporting period.

2 (7) Whether any of the loans where a foreclosure was
3 completed were originated less than 18 months before the
4 completed foreclosure.

5 (8) Whether any of the loans where a foreclosure was
6 completed had a note rate greater than 10% for first lien
7 mortgage loans or greater than 12% in the case of a junior
8 lien.

9 (c) An officer of the servicer shall sign the form.

10 (d) On or before October 1, 2006, but following the report
11 due pursuant to this Section for the 6-month period ending June
12 30, 2006, the reporting requirements of this Section shall not
13 apply to a bank chartered under the Illinois Banking Act, a
14 savings bank chartered under the Savings Bank Act, a savings
15 and loan association chartered under the Illinois Savings and
16 Loan Act of 1985, or a credit union chartered under the
17 Illinois Credit Union Act. The Secretary of Financial and
18 Professional Regulation, the Director of the Division of
19 Banking, or the Director of the Division of Financial
20 Institutions may impose the reporting requirements on an
21 individual bank, savings bank, savings and loan association, or
22 credit union whenever the Secretary or either Director has
23 cause to believe that the financial institution has experienced
24 a rate of defaults or foreclosures on residential mortgage
25 loans that substantially exceeds the rate of defaults or
26 foreclosures experienced by other financial institutions in
27 Illinois. Such a belief by the Secretary or either Director may
28 be based on examination findings and on data submitted by
29 financial institutions under this Section on or before October
30 1, 2006. The Department of Financial and Professional
31 Regulation may adopt reasonable rules to implement and
32 administer this subsection (d) by establishing the terms and
33 conditions for the imposition of such a reporting requirement
34 on a financial institution.

35 (Source: P.A. 93-561, eff. 1-1-04.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.