



Sen. John J. Cullerton

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LRB095 00150 AJ0 33651 a

1 AMENDMENT TO SENATE BILL 537

2 AMENDMENT NO. _____. Amend Senate Bill 537 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Mortgage Escrow Account Act is amended by
5 changing Sections 6 and 8 as follows:

6 (765 ILCS 910/6) (from Ch. 17, par. 4906)

7 Sec. 6. In lieu of the mortgage lender establishing an
8 escrow account or an escrow-like arrangement, a borrower may
9 (i) pledge an interest bearing time deposit with the mortgage
10 lender in an amount sufficient to secure the payment of
11 anticipated taxes or (ii) establish and maintain a savings
12 account for the purpose of payment of the taxes when due on the
13 residence covered by the mortgage.

14 (Source: P.A. 84-232.)

15 (765 ILCS 910/8) (from Ch. 17, par. 4908)

1 Sec. 8. If after terminating an escrow arrangement or
2 establishing a savings account under the terms ~~conditions~~ of
3 this Act, the borrower does not furnish to the lender
4 sufficient evidence of payment of the taxes when due on the
5 residence covered by the mortgage ~~with respect to which the~~
6 ~~escrow arrangement was established~~, the lender, after taking
7 reasonably good faith steps to verify nonpayment, may, within
8 thirty days after such payment is due, establish or reestablish
9 an escrow arrangement notwithstanding the provisions of this
10 Act.

11 (Source: P.A. 79-625.)".