

MINUTES
HOUSE BUSINESS COMMITTEE

DATE: Tuesday, February 11, 2020

TIME: 1:30 P.M.

PLACE: Room EW41

MEMBERS: Chairman Dixon, Vice Chairman DeMordaunt, Representatives Collins, Crane, Palmer, Barbieri, Stevenson, Armstrong, Clow, Andrus, Furniss, Nichols, Raymond, Kiska, Smith, Berch, Green

**ABSENT/
EXCUSED:** Rep. Palmer

GUESTS: Anthony Polidori, Bureau Chief, Idaho Dept. of Finance (IDOF); John Watts, Idaho Collectors Association; Patty Highley, IDOF; Richard Scherrick, IDOF; MiChell Bird, Real Estate Commission (REC); Alexa Bird; Teri Ottens, Idaho Association of Mortgage Professionals

Chairman Dixon called the meeting to order at 1:31 p.m.

MOTION: **Rep. Kiska** made a motion to approve the minutes of February 7, 2020. **Motion carried by voice vote.**

H 477: **Rep. Syme** presented **H 477**, explaining The Commission seeks an amendment clarifying that all sales associates must provide copies of signed real estate transaction documents to their broker by the end of the next business day. This update benefits consumers by increasing broker supervision of their licensees' activities. Rep. Syme declared Rule 80.

MOTION: **Rep. DeMordaunt** made a motion to send **H 477** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Syme** will sponsor the bill on the floor.

H 478: **Rep. Syme** presented **H 478**, and turned the time over to **Michelle Bird, REC**. Consistent with the Governor's Licensing Freedom Act, this bill would reduce barriers to licensure and burdens on current licensees of the Real Estate Commission. The changes would reduce the minimum number of hours required in individual accredited courses, eliminate unnecessary requirements to mark rejected offers, and have a written agency office policy. The proposed legislation also clarifies language about calling meetings of the Commission and removes a citation to a rule that was allowed to expire. Rep. Syme declared Rule 80.

MOTION: **Rep. Raymond** made a motion to send **H 478** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Syme** will sponsor the bill on the floor.

H 399: **Rep. Green** presented **H 399**, and introduced Bureau Chief **Anthony Polidori, IDOF**, who explained the legislation to add a provision to allow collection agencies to collect incidental charges included in the contract between the creditor and the debtor. Additionally, the legislation makes the licensing process for collection agents, debt counselors, credit counselors, and credit repair entities similar to other entities licensed by the IDOF by requiring the use of a nationwide system of licensing and allowing for reinstatement of expired applications. Further, the legislation removes branch registration requirements and extends licensing requirements to branch locations and increases license and renewal application fees. Finally, the legislation eliminates quarterly agent reporting requirements and the associated fees for quarterly reporting.

MOTION: Rep. DeMordaunt made a motion to send **H 399** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.**

SUBSTITUTE MOTION: Rep. Berch made a substitute motion to send **H 399** to the floor with no recommendation. **Motion failed by voice vote.** Rep. Berch requested to be recorded as voting **AYE.**

VOTE ON ORIGINAL MOTION: Chairman Dixon called for a vote on the original motion to send **H 399** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** Rep. Berch is recorded as voting **NAY.** Rep. Green will sponsor the bill on the floor.

H 400: Rep. Armstrong presented **H 400**, and turned the time over to **Anthony Polidori**, IDOF. The purpose of this legislation is to make the licensing process for regulated lenders and payday lenders similar to other entities licensed by the IDOF by requiring the use of a nationwide system of licensing. Additionally, the legislation modifies provisions related to administrative and civil remedies applicable to persons offering consumer credit in Idaho. Finally, the legislation reduces licensing requirements applicable to regulated lenders and payday lenders.

MOTION: Rep. DeMordaunt made a motion to send **H 400** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** Rep. Berch is recorded as voting **NAY.** Rep. Armstrong will sponsor the bill on the floor.

H 401: Rep. Green presented **H 401**, legislation to amend the definition of mortgage lender to include entities engaged in mortgage servicing activities, and to eliminate duplicative licensing and compliance requirements for the activity of servicing residential mortgage loans. The legislation revises definitions to exclude commercial construction lending from applicable licensing requirements. Further, the legislation expands an exemption for de minimis lending activity conducted for investment purposes, reduces licensing requirements for licensees and applicants, and eliminates associated prohibited practices. Finally, the legislation grants temporary authority to originate residential mortgage loans to covered persons who have applied for a license as an individual mortgage loan originator. Rep. Green turned the time over to **Anthony Polidori**, IDOF. The proposed changes reduce unnecessary burdens on licensees and license applicants and supports reasonable supervision of residential mortgage activities.

MOTION: Rep. DeMordaunt made a motion to send **H 401** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** Rep. Green will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:11 p.m.

Representative Dixon
Chair

Jayne Feik
Secretary