

Introduced: 2/9/87
Referred: Labor & Commerce
and Finance

5-0456A

1 IN THE HOUSE

BY PHILLIPS

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HOUSE BILL NO. 112

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the servicing of certain residen-

7

tial housing mortgage loans purchased by the Alaska

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Housing Finance Corporation."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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* Section 1. AS 18.56 is amended by adding a new section to read:

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Sec. 18.56.135. LOAN SERVICING REQUIREMENTS. (a) If the ser-

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vicings of a loan is sold to another person, the seller shall notify

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the mortgagor of the sale within 10 days after the actual date of the

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sale. The notification must include

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(1) the name, address, and telephone number of the person

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who will assume responsibility for the servicing and accept payments

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for the loan;

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(2) a detailed written financial breakdown of the loan,

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including the interest rate, monthly payment amount, and current

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escrow balance.

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(b) The purchaser of loan servicing under (a) of this section

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shall

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(1) issue to the mortgagor corrected coupon or payment

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books, if used;

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(2) within 20 days after the due date of the first payment

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to be made to the purchaser,

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(A) notify the mortgagor of the name, address, and

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telephone number of the person from whom the mortgagor can re-

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ceive information regarding the servicing of the loan;

1 (B) inform the mortgagor of changes made regarding the
2 loan escrow account or servicing requirements, including the
3 interest rate, monthly payment amount, and current escrow
4 balance.

5 (c) A loan servicing agent shall respond within 15 business days
6 to a written request for information from the mortgagor. The written
7 response must include the telephone number of the agent's representa-
8 tive who can assist the mortgagor.

9 (d) If a mortgagor of a loan is required to maintain funds in an
10 escrow account to cover the payment of the tax or insurance obliga-
11 tions for the mortgaged property, the loan servicing agent shall make
12 each tax or insurance payment in a timely manner as the obligations
13 become due if the funds in the account are sufficient to cover the
14 payment. If the funds in the account are insufficient to make the
15 payment, the loan servicing agent shall promptly notify the mortgagor
16 of the shortage and may make the payment on behalf of the mortgagor.

17 (e) If a person wilfully or negligently fails to comply with
18 this section, the person is liable to the mortgagor for

- 19 (1) the actual damages caused by the failure; and
20 (2) \$500 for each failure to comply.

21 (f) In this section

22 (1) "loan" means a mortgage loan purchased by the corpo-
23 ration under a residential housing loan program authorized by this
24 chapter;

25 (2) "loan servicing agent" means the person who services a
26 loan.