SB 235 -- RESIDENTIAL REAL ESTATE LOAN REPORTING

This bill changes the laws regarding residential real estate loan reporting. In its main provisions, the bill:

(1) Repeals the provisions requiring the directors of the Division of Finance and the Division of Credit Unions within the Department of Insurance, Financial Institutions and Professional Registration to examine and determine the number and total dollar amount of residential real estate loans originated, purchased, or foreclosed and the number of residential real estate loan applications denied by a financial institution with an office in a county or city with a population over 250,000. The bill requires the division directors to report specified information annually to the Governor and the department director with regard to state financial institutions in each county or city with a population of more than 250,000. The report must include the number and type of violations, a statement of enforcement actions taken, the names of institutions found upon a hearing to be in violation, the number and nature of all complaints received, and the action taken on each complaint. The report must be maintained by each division as a public document for five years; and

(2) Changes the provisions regarding the required hearing when a person alleges to have been aggrieved as a result of a violation of the specified provisions regarding residential loans. Currently, each division director must conduct a hearing when he or she on the basis of an examination, an investigation of a complaint that has not been resolved by negotiation, a report by the financial institution as required under Section 408.592, RSMo, or any public document or information has reason to believe that a violation has occurred or does exist. The bill requires the division director to conduct the hearing if he or she has reason to believe that a violation has occurred or does exist.