

HB 2134 -- Agency Relationship with Mortgage Brokers

Sponsor: Zweifel

This bill requires mortgage brokers to disclose whether or not they are acting as an agent for any person they are attempting to obtain a mortgage loan for before obtaining any personal information from the borrower.

A mortgage broker with an agency relationship with a borrower must:

- (1) Act in the borrower's best interest and use reasonable care in performing duties;
- (2) Carry out all lawful instructions;
- (3) Disclose all material facts that might reasonably affect the intended benefit from the mortgage loan; and
- (4) Disclose fees charged and any of the borrower's moneys or property received by the broker for acting as the agent.

Any mortgage broker who violates the provisions of the bill will be guilty of a class B misdemeanor and liable for damages caused to the borrower.