

2001 DRAFTING REQUEST

Senate Amendment (SA-SSA1-SB55)

Received: 06/15/2001

Received By: malaigm

Wanted: Soon

Identical to LRB:

For: Senate Democratic Caucus 6-2257

By/Representing: Keckhaver

This file may be shown to any legislator: NO

Drafter: malaigm

May Contact:

Addl. Drafters:

Subject: Discrimination - housing

Extra Copies:

Submit via email: NO

Requester's email:

Pre Topic:

SDC:.....Keckhaver - CN6523,

Topic:

Grant for investigation of predatory lending practices in Milwaukee County

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	malaigm 06/16/2001	jdye 06/16/2001		_____			
/1			rschluet 06/16/2001	_____	lrb_docadmin 06/16/2001		

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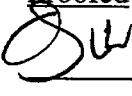
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1/?	malaigm	1 6/18 jld					
			6-16-9				

FE Sent For:

<END>

GMM

Fair Housing Council Demonstration Grant

CN6523 60956

Agency: DWD

Description: Provide \$150,000 GPR to DWD, Equal Rights Division, for a demonstration grant to the Milwaukee Metro Fair Housing Council to undertake fair lending enforcement activities designed to identify and combat so-called "predatory" lending practices in Milwaukee. The MMFHC shall utilize the grant funds to conduct a comprehensive investigation into predatory lending as well as other forms of fair lending violations.

Fiscal Effect: \$150,000 GPR in a biennial appropriation

Similar to provisions drafted as LRBb0274/1 but with a different funding level and a different target area.

(New Provision)

2001

Date (time) needed Soon

LRB b 0956 / 11

AMDT TO BUDGET SUB AMDT

GMM : jld :

See form AMENDMENTS — COMPONENTS & ITEMS.

SENATE AMENDMENT
~~TO SENATE AMENDMENT~~
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2001 SENATE BILL 55

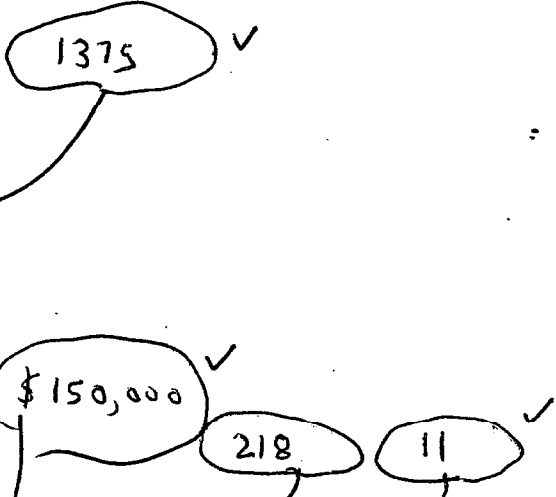
At the locations indicated, amend the substitute amendment ~~amendment~~ as follows:

- ~~#. Page , line :~~
- ~~#. Page , line :~~
- ~~#. Page , line :~~
- ~~#. Page , line :~~
- ~~#. Page , line :~~
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~~SENATE AMENDMENT,
TO 2001 SENATE BILL 55~~

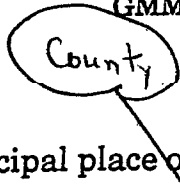


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~~At the locations indicated, amend the bill as follows:~~

1. Page ~~400~~, line 5: increase the dollar amount for fiscal year 2001-02 by ~~\$200,000~~ for the purpose of providing a grant to the Milwaukee Metropolitan Fair Housing Council, Inc., for the investigation of predatory residential real estate lending practices *in Milwaukee County*

2. Page ~~1780~~, line 16: after that line insert:
“(10c) PREDATORY RESIDENTIAL REAL ESTATE LENDING PRACTICES INVESTIGATION.
(a) *Grant for investigation of predatory residential real estate lending practices.*
From the appropriation under section 20.445 (1) (a) of the statutes, the department of workforce development shall award a grant of ~~\$200,000~~ in fiscal year 2001-02 to the Milwaukee Metropolitan Fair Housing Council, Inc., for the investigation of predatory practices of lenders in the making of loans that are secured by a first lien real estate mortgage on, or an equivalent security interest in, a one-family to



County

1 4-family dwelling that the borrower uses as his or her principal place of residence.

2 The investigation shall examine the practices of lenders only in ~~the counties of~~

3 ~~Brown, Dane, Fond Du Lac, Milwaukee, Outagamie, Racine, and Winnebago.~~ The

4 investigation shall examine the practices of making loans based upon the equity in

5 a property rather than on the particular borrower's ability to repay the loan,

6 including credit insurance and other financial products as part of or in association

7 with loans, and inducing borrowers to repeatedly refinance their loans, and shall

8 examine any other unfair, deceptive, false, misleading, or unconscionable practices

9 within the scope of the investigation.

10 (b) *Report on predatory residential real estate lending practices.* By January
11 1, 2004, the Milwaukee Metropolitan Fair Housing Council, Inc., shall submit a
12 report evaluating the results of its investigation under paragraph (a) to the secretary
13 of workforce development, and by February 1, 2004, the secretary of workforce
14 development shall forward copies of the report to the appropriate standing
15 committees of the legislature in the manner provided under section 13.172 (3) of the
16 statutes, to the secretary of financial institutions, and to the governor. The report
17 shall indicate the number of predatory practices discovered during the investigation,
18 and, for each loan with regard to which a predatory practice is discovered, a
19 description of the practice, the total amount of the loan, the cost to the borrower as
20 a result of the practice, the income level, age, race, national origin, and gender of the
21 borrower, and a description of the census block in which the real estate securing the
22 loan is located.”

23 (END)

SDC:.....Keckhaver – CN6523, Grant for investigation of predatory lending practices in Milwaukee County

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT

TO SENATE SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 218, line 11: increase the dollar amount for fiscal year 2001–02 by
3 \$150,000 for the purpose of providing a grant to the Milwaukee Metropolitan Fair
4 Housing Council, Inc., for the investigation of predatory residential real estate
5 lending practices in Milwaukee County.

6 **2.** Page 1375, line 17: after that line insert:

7 “(10c) PREDATORY RESIDENTIAL REAL ESTATE LENDING PRACTICES INVESTIGATION.

8 (a) *Grant for investigation of predatory residential real estate lending practices.*

9 From the appropriation under section 20.445 (1) (a) of the statutes, the department
10 of workforce development shall award a grant of \$150,000 in fiscal year 2001–02 to

1 the Milwaukee Metropolitan Fair Housing Council, Inc., for the investigation of
2 predatory practices of lenders in the making of loans that are secured by a first lien
3 real estate mortgage on, or an equivalent security interest in, a one-family to
4 4-family dwelling that the borrower uses as his or her principal place of residence.
5 The investigation shall examine the practices of lenders only in Milwaukee County.
6 The investigation shall examine the practices of making loans based upon the equity
7 in a property rather than on the particular borrower's ability to repay the loan,
8 including credit insurance and other financial products as part of or in association
9 with loans, and inducing borrowers to repeatedly refinance their loans, and shall
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11 within the scope of the investigation.

12 (b) *Report on predatory residential real estate lending practices.* By January
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20 and, for each loan with regard to which a predatory practice is discovered, a
21 description of the practice, the total amount of the loan, the cost to the borrower as
22 a result of the practice, the income level, age, race, national origin, and gender of the
23 borrower, and a description of the census block in which the real estate securing the
24 loan is located.”

25 (END)