

Fiscal Estimate Narratives

DFI 10/13/2009

LRB Number	09-3180/1	Introduction Number	AB-0471	Estimate Type	Original
Description Mortgage broker duties and agency relationships					

Assumptions Used in Arriving at Fiscal Estimate

This bill significantly changes the relationship between a mortgage broker and a borrower, creating an "agency" relationship which requires the broker to act in the borrower's best interest.

The fiscal effect of this legislation to the Department is limited. While it is likely there will be additional inquiries and complaints, it is anticipated the increase in contacts can be handled with current resources.

There may be a decrease in the number of licensees from mortgage brokers who choose not to be licensed under the new requirements. However, it is not expected that the small reduction will significantly affect revenue.

Long-Range Fiscal Implications