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### **FISCAL IMPACT REPORT**

SPONSOR:	McKibben	DATE TYPED:	02/09/00	HB	
SHORT TITLE:	Regulation of Mortgage Servicing Fees			SB	142
				ANALYST:	Kehoe

### **APPROPRIATION**

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
NFI					

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to

### **SOURCES OF INFORMATION**

New Mexico Mortgage Finance Authority (MFA)

### **SUMMARY**

Synopsis of Bill

Senate Bill 142 authorizes the MFA to regulate the servicing fees or percentages of loan amounts to be paid by the authority to mortgage lenders for servicing mortgage loans, or for purchasing or transferring the servicing of mortgage loans.

Significant Issues

Senate Bill 142 would reduce the service fees and monthly payments of persons participating in MFA's mortgage program.

**ADMINISTRATIVE IMPLICATIONS**

According to the MFA Board of Directors, this bill is unnecessary because the specificity of the proposed legislation takes away the board's flexibility to meet market demands and could result in failure of the programs.

**TECHNICAL ISSUES**

According to DFA, SB 142 does not pertain to a fiscal matter. Therefore, the bill requires a message from the Governor to be considered germane during this 30-day legislative session.

LMK/gm