

The Senate Judiciary Committee offered the following substitute to HB 237:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 5 of Chapter 8 of Title 16 of the Official Code of Georgia Annotated,  
2 relating to residential mortgage fraud, so as revise the definition of "mortgage lending  
3 process"; to change provisions relating to the offense of mortgage fraud; to provide for  
4 related matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

6 Article 5 of Chapter 8 of Title 16 of the Official Code of Georgia Annotated, relating to  
7 residential mortgage fraud, is amended by revising paragraph (1) of Code Section 16-8-101,  
8 relating to definitions, as follows:  
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10 "(1) 'Mortgage lending process' means the process through which a person seeks or  
11 obtains a residential mortgage loan including, but not limited to, solicitation, application,  
12 or origination, negotiation of terms, third-party provider services, underwriting, signing  
13 and closing, and funding of the loan. Such term shall also include the execution of deeds  
14 under power of sale that are required to be recorded pursuant to Code Section 44-14-160  
15 and the execution of assignments that are required to be recorded pursuant to subsection  
16 (b) of Code Section 44-14-162. Documents involved in the mortgage lending process  
17 include, but ~~are~~ shall not be limited to, uniform residential loan applications or other loan  
18 applications; appraisal reports; HUD-1 settlement statements; supporting personal  
19 documentation for loan applications such as W-2 forms, verifications of income and  
20 employment, bank statements, tax returns, and payroll stubs; and any required  
21 disclosures."

**SECTION 2.**

22 Said article is further amended by revising the undesignated paragraph at the end of Code  
23 Section 16-8-102, relating to the offense of residential mortgage fraud, as follows:  
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25 "An offense of residential mortgage fraud shall not be predicated solely upon information  
26 lawfully disclosed under federal disclosure laws, regulations, and interpretations related to  
27 the mortgage lending process nor upon truthful information contained in documents filed  
28 with the official registrar of deeds of any county of this state for the stated purpose of  
29 correcting scrivener's errors, mistakes, inadvertent misstatements, or omissions contained  
30 in previously filed documents."

31 **SECTION 3.**

32 All laws and parts of laws in conflict with this Act are repealed.