BEFORE THE DEPARTMENT OF ADMINISTRATION
OF THE STATE OF MONTANA

In the matter of the amendment of
ARM 2.59.1743 and 2.59.1753
pertaining to report due dates for
mortgage servicers and when initial
mortgage license applications are
deemed abandoned

NOTICE OF PROPOSED
AMENDMENT

TO: All Concerned Persons

1. On August 29, 2020, the Department of Administration proposes to amend
the above-stated rules.

2. The Department of Administration will make reasonable accommodations
for persons with disabilities who wish to participate in this rulemaking process or
need an alternative accessible format of this notice. If you require an
accommodation, contact the Department of Administration no later than 5:00 p.m. on
July 22, 2020, to advise us of the nature of the accommodation that you need.
Please contact Heather Hardman, Division of Banking and Financial Institutions,
P.O. Box 200546, Helena, Montana 59620-0546; telephone (406) 841-2922; TDD
(406) 841-2974; facsimile (406) 841-2930; or e-mail to banking@mt.gov.

3. The rules as proposed to be amended provide as follows, new matter
underlined:

2.59.1743  REPORTING FORMS FOR MORTGAGE SERVICERS
(1) through (3) remain the same.
(4) The deadline for submitting the reports listed in (1) is extended by 30
days to allow reports to be submitted within a total of 75 days after the end of each
quarter for the quarters ending June 30, 2020, September 30, 2020, December 31,
2020, and March 31, 2021. This section sunsets on June 1, 2021.

AUTH: 32-9-130, MCA
IMP: 32-9-170, MCA

STATEMENT OF REASONABLE NECESSITY: On March 24, 2020, the department
published a temporary emergency rule, MAR Notice Number 2-59-597, extending
the due date to submit the Quarterly Statement of Montana Mortgage Servicing
Activity report for first quarter 2020 by 30 days. The reason for the extension was to
allow mortgage servicers more time to provide information due to COVID-19 related
closures.

As of June 12, 2020, the Centers for Disease Control and Prevention (CDC)
reported that the number of COVID-19 cases reported to the CDC is cumulative and
continues to increase. Based on this information, the department proposes to
extend the due dates for the Quarterly Statement of Montana Mortgage Servicing Activity reports by 30 days until June 1, 2021.

2.59.1753 APPLICATIONS FOR INITIAL LICENSE NEAR YEAR-END; WHEN APPLICATION FOR INITIAL LICENSE MAY BE DEEMED ABANDONED
(1) through (4) remain the same.
(5) The period for applicants to provide documents or information requested by the department listed in (3) is extended by 60 days to allow additional documents or information to be submitted within a total of 120 days of notification to the applicant of deficiencies. This section sunsets on June 1, 2021.

AUTH: 32-9-120, MCA
IMP: 32-9-120, MCA

STATEMENT OF REASONABLE NECESSITY: On March 24, 2020, the department published a temporary emergency rule, MAR Notice Number 2-59-597, extending the amount of time to submit documentation and information regarding application deficiencies by an additional 60 days. The reason for the extension was due to the department receiving reports from applicants, licensees, and other regulators of difficulty in completing applications and making reports due to COVID-19 restrictions. The department understands applicants may not be able to respond to department requests for information as quickly as before given the upheaval in the working lives of applicants due to COVID-19.

Licensees and applicants showing symptoms consistent with COVID-19 may be directed to avoid the workplace and follow recommendations of medical professionals and public health authorities to self-quarantine for specified periods. While the federal government's social distancing guidelines expired on April 30, 2020, people 65 years and older and individuals at higher risk for severe illness from COVID-19, continue to be advised to practice social distancing.

On June 1, 2020, Prometric Test Centers were allowed to resume testing in a limited or full capacity for all programs in numerous states and regions in the U.S. and Canada. However, depending on the number of COVID-19 cases in their respective region, some Prometric Test Centers continue to only offer essential services programs and/or programs with a limited capacity. These facilities and services are necessary for mortgage license applicants to take the necessary tests and complete their applications.

This rule amendment will allow applicants two additional months before their licenses are abandoned, which would require them to reapply and pay another fee. A sixty-day extension was chosen to balance the department's need to receive this information in a timely manner with the need to allow applicants more time to provide information due to COVID-19 related closures and challenges.

Since the number of COVID-19 cases reported to the CDC continues to increase, the department proposes to continue to extend the due date to submit the requirements for deficient applications by an additional 60 days until June 1, 2020.

4. Concerned persons may present their data, views, or arguments concerning the proposed action to Kelly O'Sullivan, Legal Counsel, Division of
Banking and Financial Institutions, P.O. Box 200546, Helena, Montana 59620-0546; faxed to the office at (406) 841-2930; or e-mailed to banking@mt.gov; and must be received no later than 5:00 p.m., August 7, 2020.

5. If persons who are directly affected by the proposed actions wish to express their data, views, or arguments orally or in writing at a public hearing, they must make written request for a hearing and submit this request along with any written comments to the person listed in 4 above no later than 5:00 p.m., July 22, 2020.

6. If the Division of Banking and Financial Institutions receives requests for a public hearing on the proposed action from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed action; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register. Ten percent of those directly affected has been determined to be 19 persons based on the 185 existing mortgage servicer licensees or 549 persons based on the 5,482 existing mortgage brokers, lenders, servicers, and loan originators.

7. An electronic copy of this proposal notice is available through the department's website at http://doa.mt.gov/administrativerules. The department strives to make its online version of the notice conform to the official published version but advises all concerned persons that if a discrepancy exists between the official version and the department's online version, only the official text will be considered. In addition, although the department works to keep its website accessible at all times, concerned persons should be aware that the website may be unavailable during some periods, due to system maintenance or technical problems.

8. The Division of Banking and Financial Institutions maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this division. Persons who wish to have their name added to the mailing list shall make a written request that includes the name, mailing address, and e-mail address of the person to receive notices and specifies that the person wishes to receive notices regarding division rulemaking actions. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written requests may be mailed or delivered to Heather Hardman, Division of Banking and Financial Institutions, 301 S. Park, Ste. 316, P.O. Box 200546, Helena, Montana 59620-0546; faxed to the office at (406) 841-2930; e-mailed to banking@mt.gov; or may be made by completing a request form at any rules hearing held by the department.

9. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

10. The department has determined that under 2-4-111, MCA, the proposed amendment of the above-stated rules will not significantly and directly impact small businesses.