

(v) Four members who are affiliated with recognized consumer protection groups or agencies.

(c) The President of the Senate and the Speaker of the House of Delegates shall each appoint a co-chairman of the Task Force.

(d) Staff support for the Task Force shall be provided by the Department of Fiscal Services and the Department of Legislative Reference.

(e) The purposes and responsibilities of the Task Force are to:

(1) Examine the incidence and scope of fraudulent practices by originators of loans which involve falsification of loan underwriting information and documents;

(2) Examine the effectiveness and enforcement of the laws of Maryland, in light of applicable federal laws and programs, to combat fraudulent practices in the mortgage origination industry, including practices undertaken solely for the benefit of the originator;

(3) Examine possible efforts to combat fraudulent practices, including the licensing of individual loan officers and additional disclosure requirements;

(4) Examine the legal relationship between mortgage lenders, mortgage brokers, and borrowers;

(5) Examine the maximum amount of fees, including points, loan origination fees, loan discount fees, and similar fees, that can be charged and collected at the time a secondary mortgage loan, including a revolving credit plan and a closed end credit plan, is entered into by a borrower; and

(6) Examine any other issue pertaining to the business of mortgage lending or brokering that the Task Force identifies as warranting examination.

(f) The Task Force shall develop recommendations and propose legislative, regulatory, and other changes required to implement the recommendations.

(g) On or before December 1, 1997, the Task Force shall submit a report on its findings and recommendations to:

(1) The Senate Finance Committee and the House Commerce and Government Matters Committee; and

(2) The Governor and, subject to the provisions of § 2-1312 of the State Government Article, the General Assembly.

(h) The members of the Task Force may not receive compensation but are entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(i) The Task Force shall terminate on January 31, 1998.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 1997.