

CHAPTER 89
HB 520 - FINAL VERSION

22Mar2023... 0811h
04/13/2023 1311s

2023 SESSION

23-0729
09/10

HOUSE BILL ***520***

AN ACT relative to escrow accounts maintained by licensed nondepository mortgage bankers, brokers, and servicers.

SPONSORS: Rep. Hunt, Ches. 14; Rep. McAleer, Carr. 2

COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill changes the interest rate credited to escrow accounts maintained by licensed nondepository mortgage bankers, brokers, and servicers to be consistent with rates credited by depository entities.

This bill is a request of the banking department.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struck through.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT relative to escrow accounts maintained by licensed nondepository mortgage bankers, brokers, and servicers.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 89:1 Nondepository Mortgage Bankers, Brokers, and Servicers; Escrow Accounts. Amend RSA 397-
2 A:9, IV to read as follows:

3 IV. Persons subject to this chapter that require or accept moneys for deposit in escrow accounts
4 maintained for the payment of taxes or insurance premiums related to loans on single family homes
5 secured by real estate mortgages on property located in New Hampshire shall ~~[credit each such escrow~~
6 ~~account with interest on all existing and future escrow accounts at a rate set for a 6-month period by the~~
7 ~~commissioner on February 1 and August 1 of each year which shall be one percent below the mean~~
8 ~~interest rate paid by New Hampshire chartered depository banks on regular savings accounts. The~~
9 ~~commissioner shall post the rate on the department's website] **pay interest on the moneys so held in such**~~
10 ~~**accounts. During the 6-month period beginning on April 1 of each year, such interest shall be paid at a**~~
11 ~~**rate of not less than the National Deposit Rate for Savings Accounts as published in the month of January**~~
12 ~~**of the same year by the Federal Deposit Insurance Corporation. During the 6-month period beginning on**~~
13 ~~**October 1 of each year, such interest shall be paid at a rate of not less than the National Deposit Rate for**~~
14 ~~**Savings Accounts as published in the month of July of the same year by the Federal Deposit Insurance**~~
15 ~~**Corporation.**~~

16 89:2 Loans and Investments. Amend RSA 383-B:3-303, (a)(7)(E) to read as follows:

17 (E) Any depository bank which requires or accepts moneys for deposit in escrow
18 accounts maintained for the payment of taxes or insurance premiums related to loans on property secured
19 by real estate mortgages shall ~~[credit each escrow account with interest at a rate no lower than the~~
20 ~~highest target federal funds interest rate in the range set by the Federal Open Market Committee, minus~~
21 ~~one percent] **pay interest in the moneys so held in such accounts. During the 6-month period beginning**~~
22 ~~**on April 1 of each year, such interest shall be paid at a rate of not less than the National Deposit Rate for**~~
23 ~~**Savings Accounts as published in the month of January of the same year by the Federal Deposit**~~
24 ~~**Insurance Corporation. During the 6-month period beginning on October 1 of each year, such interest**~~
25 ~~**shall be paid at a rate of not less than the National Deposit Rate for Savings Accounts as published in the**~~
26 ~~**month of July of the same year by the Federal Deposit Insurance Corporation.**~~

89:3 Effective Date. This act shall take effect upon its passage.

Approved: June 20, 2023
Effective Date: June 20, 2023