

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Mortgage Community Reinvestment
- 2) Code Citation: 38 Ill. Adm. Code 1055
- 3)

<u>Section Numbers:</u>	<u>Adopted Actions:</u>
1055.460	Amendment
1055.470	Amendment
- 4) Statutory Authority: Implementing and authorized by the Illinois Community Reinvestment Act [205 ILCS 735].
- 5) Effective Date of Rule: November 25, 2024
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the Adopted Rules, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.
- 9) Notice of Proposal published in the *Illinois Register*: 48 Ill. Reg. 10965; August 2, 2024
- 10) Has JCAR issued a Statement of Objections to this rulemaking? No
- 11) Differences between Proposal and Final Version: The Second Notice Changes made from the proposed version to this adopted version are as follows:

In Section 1055.460 a), after "total", "mortgage loan volume" was deleted from the proposed version and is replaced with "number of Illinois mortgage loans" in this adopted version (both in the opening paragraph and at the top of the fee table). In subsection d), the "November 1, 2024" date in the first sentence was deleted in the proposed version and replaced with "January 1, 2025" in this adopted version.
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any rulemakings pending on this Part? No

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

- 15) Summary and Purpose of Rulemaking: The adopted amendments replace the current \$2,200-per-examination-day fee in Section 1055.460 a) 1) with a standalone subsection a) that includes a schedule of annual fees for fiscal years 2025 and 2026 to be paid by covered mortgage licensees based on each licensee's total number of Illinois mortgage loans as shown by its Mortgage Call Reports for the previous calendar year. The adopted amendments also relabel existing Sections 1055.460 a) 2), a) 3), and b) to Section 1055.460 b) 1), b) 2), and c); respectively. Additionally, the amendments create a new subsection 1055.460 d) to specify that annual fees for fiscal year 2025 are due by January 1, 2025, and that annual fees thereafter are due within 30 days after the start of each fiscal year. Finally, the amended rule modifies Section 1055.470 c) to extend the earliest date on which examinations of covered mortgage licensees that made at least 100 home mortgage loans in the State in the prior calendar year may be initiated, from November 1, 2024, to February 1, 2025.
- 16) Information and questions regarding these adopted rules shall be directed to:

Department of Financial and Professional Regulation
Attention: Craig Cellini
320 West Washington, 2nd Floor
Springfield, Illinois 62786

(217) 785-0810
Fax: (217) 557-4451
Craig.Cellini@illinois.gov

The full text of the Adopted Amendments begins on the next page:

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

TITLE 38: FINANCIAL INSTITUTIONS

CHAPTER II: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

PART 1055

MORTGAGE COMMUNITY REINVESTMENT

SUBPART A: GENERAL

Section

- 1055.10 Authority, Purposes and Scope
1055.20 Definitions

SUBPART B: STANDARDS OF ASSESSING PERFORMANCE

Section

- 1055.200 Assessment Factors
1055.210 Performance Tests, Standards, and Ratings, in General
1055.220 Lending Test
1055.230 Service Test
1055.240 Assigned Ratings
1055.250 Effect of Record of Performance on Applications

SUBPART C: RECORDS, REPORTING, AND DISCLOSURE REQUIREMENTS;
EXAMINATIONS

Section

- 1055.400 Data Collection and Reporting
1055.410 Content and Availability of Public Information
1055.420 Publication of Planned Examination Schedule
1055.430 Alternative Examination Procedures
1055.440 Examination Authority and Cooperation
1055.450 Examination Frequency
1055.460 Examination Fees
1055.470 Implementation Period
1055.480 Enforcement

- 1055.APPENDIX A Ratings
1055.APPENDIX B CRA Notice

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

AUTHORITY: Implementing and authorized by the Illinois Community Reinvestment Act [205 ILCS 735].

SOURCE: Adopted at 48 Ill. Reg. 7172, effective May 1, 2024; amended at 48 Ill. Reg. 17558, effective November 25, 2024.

SUBPART C: RECORDS, REPORTING, AND DISCLOSURE REQUIREMENTS;
EXAMINATIONS

Section 1055.460 Examination Fees

- a) Annual fees. Each fiscal year, a covered mortgage licensee pursuant to Section 35-15 of the ILCRA shall pay an annual ILCRA fee to the Department based upon its total number of Illinois mortgage loans as shown by its Mortgage Call Reports for the previous calendar year, at the following rates:

<u>NO. OF ILLINOIS MORTGAGE LOANS</u>	<u>ILCRA ANNUAL FISCAL YEAR 2025 FEE</u>	<u>ILCRA ANNUAL FISCAL YEAR 2026 FEE</u>
<u>50-99</u>	<u>\$2,000</u>	<u>\$2,250</u>
<u>100-199</u>	<u>\$2,250</u>	<u>\$2,500</u>
<u>200-299</u>	<u>\$2,500</u>	<u>\$3,000</u>
<u>300-399</u>	<u>\$3,000</u>	<u>\$3,750</u>
<u>400-499</u>	<u>\$3,250</u>	<u>\$4,750</u>
<u>500-749</u>	<u>\$3,500</u>	<u>\$5,750</u>
<u>750-999</u>	<u>\$4,000</u>	<u>\$7,000</u>
<u>1000-1999</u>	<u>\$4,500</u>	<u>\$8,250</u>
<u>2000-2999</u>	<u>\$5,000</u>	<u>\$9,750</u>
<u>3000-3999</u>	<u>\$5,500</u>	<u>\$11,250</u>
<u>4000-4999</u>	<u>\$6,000</u>	<u>\$13,000</u>
<u>5000-5999</u>	<u>\$6,500</u>	<u>\$14,750</u>
<u>6000-6999</u>	<u>\$7,500</u>	<u>\$16,750</u>
<u>7000-7999</u>	<u>\$10,000</u>	<u>\$19,000</u>
<u>Over 8000</u>	<u>\$14,000</u>	<u>\$22,000</u>

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

- ~~b)a)~~ ~~Out~~Hourly rate and out-of-state travel expenses
- ~~1)~~ ~~For fiscal years 2025 and 2026, time expended in the conduct of any examination of a covered mortgage licensee pursuant to Section 35-15 of the ILCRA shall be billed by the Department at a rate of \$2,200 per day, up to a maximum of 20 days per examination. Fees will be billed following completion of the examination and shall be paid within 30 days after receipt of the billing.~~
- ~~1)2)~~ When out-of-state travel occurs in the conduct of any examination, the covered mortgage licensee shall make arrangements to reimburse the Department all charges for services such as travel expenses, including airfare, hotel and per diem incurred by the employee. These expenses are to be in accord with applicable travel regulations published by the Department of Central Management Services and approved by the Governor's Travel Control Board (80 Ill. Adm. Code 2800).
- ~~23)~~ For purposes of this Section, "fiscal year" means a period beginning on July 1 of any calendar year and ending on June 30 of the next calendar year.
- ~~c)b)~~ All fees received pursuant to this Part shall be deposited in the Residential Finance Regulatory Fund.
- ~~d)~~ The fee for fiscal year 2025 shall be due on January 1, 2025. The fee for each fiscal year thereafter shall be due within 30 days after the start of each fiscal year.

(Source: Amended at 48 Ill. Reg. 17558, effective November 25, 2024)

Section 1055.470 Implementation Period

- a) Covered mortgage licensees shall comply with the requirements of this Part by November 1, 2024.
- b) For covered mortgage licensees that made fewer than 100 home mortgage loans in the State in the last calendar year, the Secretary shall not cause an examination to be initiated under the ILCRA or this Part until November 1, 2025; provided that, the Secretary may conduct an examination at any time upon finding:

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

- 1) the covered mortgage licensee has been found to be in "substantial noncompliance" with another state's Community Reinvestment Act;
 - 2) substantial evidence of discriminatory or other illegal credit practices; or
 - 3) the Secretary otherwise finds sufficient cause.
- c) For covered mortgage licensees that made at least 100 home mortgage loans in the State in the last calendar year, the Secretary shall not cause an examination to be initiated under the ILCRA or this Part until February 1, 2025~~November 1, 2024~~.
- d) For purposes of Section 1055.450, with regard to the timing of the initial examination of a covered mortgage licensee under ILCRA, the "most recent prior exam under the ILCRA" shall be read as the most recent examination by another state regulator pursuant to that state's Community Reinvestment Act.

(Source: Amended at 48 Ill. Reg. 17558, effective November 25, 2024)