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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

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DIGEST

Duplessis (SB 105)

Proposed law creates the crime of mortgage fraud.

Proposed law provides that it is unlawful for a person, in connection with residential mortgage lending activity, to knowingly do any of the following:

1. Employ a device scheme, or artifice with intent to defraud.
2. Make an untrue statement of material fact with intent to defraud.
3. Receive any portion of the purchase, sale, or loan proceeds, or any other consideration paid or generated in connection with the closing of a residential mortgage loan when the recipient knows that the proceeds or other funds were paid as a result of a violation of proposed law.

Proposed law provides that any person who violates the provisions of proposed law shall be imprisoned, with or without hard labor, for not more than 10 years, or may be fined not more than \$100,000, or both.

Proposed law further provides that a person convicted under the provisions of proposed law shall be ordered to make full restitution to the victim and any other person who has suffered a financial loss as a result of the offense.

Effective August 15, 2009.

(Adds R.S. 14:71.3)