Department Director in Cynthia Milligan. This last year her staff discovered some difficulties in dealing with a few outstate mortgage bankers. Mortgage bankers participate in the secondary mortgage market by buying up the paper mortgages, if you will, that have been made by first-time lenders. And it creates a problem for a consumer when you have had your mortgage sold because the original escrow requirements you might have made with the lender of first course might get changed by the second owner, and what we had was a limited set of problems created by a limited number of these bankers, most of them, no problem, a few of them, a problem. Director Milligan did not want to chart the path of public policy here but she did want to call this to the attention of the body, so what she did is she pulled out mortgage bankers from the usury law and from another important act that they had previously had an exemption from. It got their attention. They came to the committee, and as oftentimes happen, the place was filled with mortgage bankers who were not the problem, the good guys, the ones who'd not created difficulties. They admitted that there were other members of the fraternity who were not as scrupulous in their dealings with the consumers, that there were some difficulties. They would have no difficulty in entering into a process of negotiation with the Department of Banking to find a reasonable accommodation that would give the state some kind of disciplinary control over mortgage bankers. We first concluded that it was unnecessary to add a new form of license if this institution was licensed in Nebraska under one of the other financial institution licenses that we grant. So we exempted out a bunch of people. Why? Because we have clout with them anyway under existing law. Having taken those people out of the bill, we then dealt with people that we did not have a licensure or registration control over and negotiated a body of rules and rights for consumers and for mortgage bankers. The bill permits and authorizes the licensure of mortgage bankers, provides for criminal penalties for violations of the act, requires fidelity bonds to be filed, if they are not filing a fidelity bond under one of the other authorities that the department has, and tells licensees that they must disburse funds held in escrow accounts according to those terms and for the payment of insurance premiums and real estate taxes; they must give consumers annual escrow analysis to tell them what they did with their escrow; they have to give consumers notice of changes in escrow; and they must be prepared to answer requests by borrowers for payoff information, as well as, execute and deliver a release for a reconveyance once payoff has been made on a loan. These are