

IC 4-6-12

Chapter 12. Homeowner Protection Unit

IC 4-6-12-1

Establishment of unit

Sec. 1. As used in this chapter, "unit" refers to the homeowner protection unit established under this chapter.

As added by P.L. 73-2004, SEC.4.

IC 4-6-12-2

Purposes

Sec. 2. The attorney general shall establish a homeowner protection unit to enforce IC 24-9 and to carry out this chapter.

As added by P.L. 73-2004, SEC.4.

IC 4-6-12-3

Duties

Sec. 3. (a) Beginning July 1, 2005, the unit shall do the following:

(1) Investigate deceptive acts in connection with mortgage lending.

(2) Investigate violations of IC 24-9.

(3) Institute appropriate administrative and civil actions to redress:

(A) deceptive acts in connection with mortgage lending; and

(B) violations of IC 24-5-0.5 and IC 24-9.

(4) Cooperate with federal, state, and local law enforcement agencies in the investigation of the following:

(A) Deceptive acts in connection with mortgage lending.

(B) Criminal violations involving deceptive acts in connection with mortgage lending.

(C) Violations of IC 24-5-0.5 and IC 24-9.

(D) Violations of:

(i) the federal Truth in Lending Act (15 U.S.C. 1601 et seq.);

(ii) the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.); and

(iii) any other federal laws or regulations concerning mortgage lending.

To the extent authorized by federal law, the unit may enforce compliance with the federal statutes or regulations described in this clause or refer suspected violations of the statutes or regulations to the appropriate federal regulatory agencies.

(5) Enforce violations of IC 32-25.5-3 by homeowners associations.

(b) The attorney general shall adopt rules under IC 4-22-2 to the extent necessary to organize the unit.

As added by P.L. 73-2004, SEC.4. Amended by P.L. 230-2007, SEC.1; P.L. 231-2013, SEC.1.

IC 4-6-12-3.5

"Residential real estate transaction"; unit to establish or designate toll free telephone number; staffing; sharing of information; uniform procedures; publicizing number

Sec. 3.5. (a) As used in this chapter, "residential real estate transaction" includes:

- (1) mortgage lending practices;
- (2) real estate appraisals; and
- (3) other practices;

performed or undertaken in connection with a single family residential mortgage transaction or the refinancing of a single family residential mortgage transaction.

(b) Not later than July 1, 2008, the unit shall:

- (1) establish a new toll free telephone number; or
- (2) designate an existing toll free telephone number operated or sponsored by the office of the attorney general;

to receive calls from persons having information about suspected fraudulent residential real estate transactions.

(c) The toll free telephone number required by this section shall be staffed by:

- (1) employees or investigators of the unit who have knowledge of the laws concerning residential real estate transactions;
- (2) representatives of any of the entities described in section 4(a)(8) through 4(a)(10) of this chapter who have knowledge of the laws concerning residential real estate transactions; or
- (3) a combination of persons described in subdivisions (1) and (2).

The attorney general shall designate persons to staff the toll free telephone number as required by this subsection.

(d) Unless otherwise prohibited by law, the unit shall ensure that information received from callers to the toll free telephone number is shared with any entity described in section 4 of this chapter that has jurisdiction over the matter not later than fifteen (15) business days after the date the unit determines the appropriate entity to which the information should be referred. The unit shall establish uniform procedures for:

- (1) responding to calls received;
- (2) protecting:
 - (A) the anonymity of callers who wish to report information anonymously; or
 - (B) the identity of callers who request that their identity not be disclosed;
- (3) documenting and verifying information reported by callers; and
- (4) transmitting reported information to the appropriate entities described in section 4 of this chapter within the time required by this subsection.

(e) The unit shall publicize the availability of the toll free telephone number established or designated under this section in a manner reasonably designed to reach members of the public.

As added by P.L.145-2008, SEC.1. Amended by P.L.1-2009, SEC.8.

IC 4-6-12-4

Interagency cooperation

Sec. 4. (a) The following may cooperate with the unit to implement this chapter:

- (1) The Indiana professional licensing agency and the appropriate licensing boards with respect to persons licensed under IC 25.
- (2) The department of financial institutions.
- (3) The department of insurance with respect to the sale of insurance in connection with mortgage lending.
- (4) The securities division of the office of the secretary of state.
- (5) The supreme court disciplinary commission with respect to attorney misconduct.
- (6) The Indiana housing and community development authority.
- (7) The department of state revenue.
- (8) The state police department.
- (9) A prosecuting attorney.
- (10) Local law enforcement agencies.
- (11) The lieutenant governor.

(b) Notwithstanding IC 5-14-3, the entities listed in subsection (a) may share information with the unit.

As added by P.L. 73-2004, SEC.4. Amended by P.L. 1-2006, SEC.59; P.L. 181-2006, SEC.13; P.L. 1-2007, SEC.14.

IC 4-6-12-5

Filing complaints with other entities

Sec. 5. The attorney general may file complaints with any of the entities listed in section 4 of this chapter to carry out this chapter and IC 24-9.

As added by P.L. 73-2004, SEC.4.

IC 4-6-12-6

Jurisdiction of other entities not limited

Sec. 6. The establishment of the unit and the unit's powers does not limit the jurisdiction of an entity described in section 4 of this chapter.

As added by P.L. 73-2004, SEC.4.

IC 4-6-12-7

Investigations; issuance of subpoenas; application to courts

Sec. 7. The attorney general and an investigator of the unit may do any of the following when conducting an investigation under section 3 of this chapter:

- (1) Issue and serve a subpoena for the production of records, including records stored in electronic data processing systems, for inspection by the attorney general or the investigator.
- (2) Issue and serve a subpoena for the appearance of a person to provide testimony under oath.
- (3) Apply to a court with jurisdiction to enforce a subpoena described in subdivision (1) or (2).

As added by P.L.73-2004, SEC.4.

IC 4-6-12-8

Home ownership education programs

Sec. 8. The unit shall cooperate with the Indiana housing and community development authority in the development and implementation of the home ownership education programs established under IC 5-20-1-4(d).

As added by P.L.73-2004, SEC.4. Amended by P.L.235-2005, SEC.51; P.L.181-2006, SEC.14; P.L.145-2008, SEC.2.

IC 4-6-12-9

Homeowner protection unit account

Sec. 9. (a) The homeowner protection unit account within the general fund is established to support the operations of the unit. The account is administered by the attorney general.

(b) The homeowner protection unit account consists of fees collected under IC 24-9-9.

(c) The expenses of administering the homeowner protection unit account shall be paid from money in the account.

(d) The treasurer of state shall invest the money in the homeowner protection unit account not currently needed to meet the obligations of the account in the same manner as other public money may be invested.

(e) Money in the homeowner protection unit account at the end of a state fiscal year does not revert to the state general fund.

As added by P.L.73-2004, SEC.4. Amended by P.L.64-2007, SEC.1.

IC 4-6-12-10

Annual report to legislative council

Sec. 10. (a) Beginning in 2008, the unit shall, after June 30 and before November 1 of each year, report to the legislative council on the following:

- (1) The unit's budget for the most recent state fiscal year.
- (2) The unit's actual income and expenses during the most recent state fiscal year.
- (3) The projected budget required by the unit to carry out its duties under this chapter during the current state fiscal year.
- (4) The unit's staffing during the most recent fiscal year, including information on:
 - (A) the number of employees employed by the unit and a description of their responsibilities; and
 - (B) any vacant positions.
- (5) The unit's projected staffing needs during the current state fiscal year.
- (6) The number and types of complaints received by the unit, including a description of:
 - (A) the number of complaints resolved; and
 - (B) the number of complaints outstanding.
- (7) Any recommendations for legislation needed to address

mortgage lending or deceptive acts in connection with mortgage lending.

(b) A report to the legislative council under this section must be in an electronic format under IC 5-14-6.

As added by P.L.230-2007, SEC.2.