TO: The Honorable Members of the PA House of Representatives

FROM: Allie Kutz, Manager, Government Affairs

DATE: October 27, 2025

RE: **PA Chamber memo: Oppose H.B. 1882 - Ambiguous Licensing Standards for Mortgage & Banking Industry**

I write on behalf of the PA Chamber of Business and Industry to express our concerns about House Bill 1882, which is slated for consideration on the House floor. We respectfully urge lawmakers to oppose this legislation.

House Bill 1882's definition of "branch manager" is unclear and open to multiple interpretations. It could require all branch managers involved in mortgage lending, regardless of institution type, to be licensed as mortgage originators, representing a major and problematic shift in current practice. Alternatively, it could apply only to those formally designated by licensed lenders or brokers. The bill also appears to exempt branch managers at bank and credit union affiliates or subsidiaries, conflicting with its own licensing requirement. These inconsistencies make it unclear who the bill covers and how it would be enforced.

Additionally, while mandating 16-point font for reverse mortgage contracts is intended to improve readability, this blanket requirement may actually reduce clarity by making documents cumbersome, especially on electronic platforms. The recently revised definition of "conspicuous" in 13 Pa.C.S. §1201(b)(10) and related commentary in the Uniform Commercial Code already provide an effective standard for highlighting key terms.

We urge lawmakers to oppose House Bill 1882 and instead pursue a collaborative process to clarify its intent, evaluate whether changes to current law are necessary, and craft solutions that protect consumers without burdening Pennsylvania's financial institutions.

For questions or further discussion, please contact Allie Kutz at **717-439-4829** or akutz@pachamber.org.

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