

Regular Session, 2010

HOUSE BILL NO. 335

BY REPRESENTATIVE ARNOLD

LICENSING: Provides for changes to licensing requirements for mortgage loan originators

1 AN ACT

2 To amend and reenact R.S. 6:1088(E)(3) and 1094(A)(1)(introductory paragraph) and  
3 (B)(1)(introductory paragraph) and to repeal R.S. 6:1094(A)(1)(d), (B)(1)(d), (C),  
4 (D), (E), and (G), relative to the licensing requirements of mortgage loan originators;  
5 to provide for changes to the minimum requirements for licensure of a mortgage loan  
6 originator; to provide for changes to the pre- and post-licensing continuing education  
7 requirements of mortgage loan originators; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 6:1088(E)(3) and 1094(A)(1)(introductory paragraph) and  
10 (B)(1)(introductory paragraph) are hereby amended and reenacted to read as follows:

11 §1088. Application for licensure; surety bond

12 \* \* \*

13 E. Notwithstanding any other law to the contrary, the commissioner may not  
14 issue a mortgage loan originator license, unless the commissioner finds that the  
15 applicant has the following minimum requirements:

16 \* \* \*

17 (3) Has not been convicted of, pleaded guilty, or nolo contendere to ~~and has~~  
18 ~~been adjudicated guilty of~~ a felony in a domestic, foreign, or military court during  
19 the ~~seven-year~~ seven-year period preceding the date of application for licensing and  
20 registration or at any time preceding such date of application if such felony involved

1 an act of fraud, dishonesty, or a breach of trust, or money laundering; provided  
2 however that any conviction for which an individual has received a pardon, the effect  
3 of which, according to the law of the jurisdiction granting the pardon, is to void the  
4 fact of the conviction, shall not be deemed a conviction for the purposes of this  
5 Subsection.

6 \* \* \*

7 §1094. Professional education required for licensure; continuing education

8 A.(1) In order to meet the pre-licensing education requirements pursuant to  
9 R.S. 6:1088, a person shall complete at least ~~twenty-four~~ twenty hours of education  
10 approved in accordance with this Section, which shall include all of the following  
11 minimum requirements:

12 \* \* \*

13 B.(1) In order to meet the annual continuing education requirements pursuant  
14 to R.S. 6:1088.3, a licensed mortgage loan originator shall complete at least ~~ten~~ eight  
15 hours of continuing education approved in accordance with Paragraph (2) of this  
16 Subsection, which shall include all of the following minimum requirements:

17 \* \* \*

18 Section 2. R.S. 6:1094(A)(1)(d), (B)(1)(d), (C), (D), (E), and (G) are hereby repealed  
19 in their entirety.

---

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

---

Arnold

HB No. 335

**Abstract:** Changes the licensing requirements on the application and continuing education of mortgage loan originators.

Present law provides that the commissioner of the Office of Financial Institutions may not issue a mortgage loan originator license, unless the commissioner finds that the applicant has not been convicted of, pleaded guilty, or nolo contendere to and has been adjudicated guilty of a felony in a domestic, foreign, or military court during the seven-year period preceding the date of application for licensing and registration.

Proposed law retains present law but removes the provision that the person was adjudicated guilty.

Present law requires a person to complete at least 24 hours of pre-licensing education.

Proposed law changes present law from 24 hours to 20 hours of pre-licensing education.

Present law allows for four of the 24 hours of pre-licensing education to be Nationwide Mortgage Licensing System and Registry (NMLS&R) approved courses offered by the Mortgage Bankers Association or the National Association of Mortgage Brokers.

Proposed law repeals present law.

Present law requires a licensed mortgage loan originator to complete at least 10 hours of annual continuing education.

Proposed law changes present law from 10 hours to eight hours of annual continuing education.

Present law allows for two of the 10 hours of the annual continuing education requirement of a licensed mortgage loan originator to be NMLS&R approved courses offered by the Mortgage Bankers Association or the National Association of Mortgage Brokers.

Proposed law repeals present law.

Present law requires that all persons applying for reinstatement or renewal of their mortgage broker, mortgage lender, or originator license to have completed eight hours of continuing professional education in order to reinstate or renew their license.

Proposed law repeals present law.

Present law requires a nonresident applying for a license to conduct residential mortgage lending activities in La. to demonstrate that he has completed the educational requirements established in present law or is entitled to certification by reciprocity.

Proposed law repeals present law.

Present law provides that beginning in the year 2001, any person receiving certification by reciprocity or examination on July 1 or later shall not be required to have the 10 hours of continuing professional education required for license renewal until Dec. 31 of the following year.

Proposed law repeals present law.

Present law provides that no person shall hold himself out as being or advertise as a certified mortgage broker, mortgage lender, or originator unless such person has completed the educational requirements established in present law.

Proposed law repeals present law.

Present law provides that any person engaged in residential mortgage lending on or before Aug. 15, 2003, may obtain a license without completing the professional education or examination requirements, if they pay all applicable fees and submit completed applications on or before Jan. 1, 2004.

Proposed law repeals present law.

(Amends R.S. 6:1088(E)(3) and 1094(A)(1)(intro. para.) and (B)(1)(intro. para.); Repeals R.S. 6:1094(A)(1)(d), (B)(1)(d), (C), (D), (E), and (G))