
DIGEST

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Ponti

HB No. 508

Abstract: Exempts from licensure as a mortgage loan originator or a mortgage broker or lender those persons not regularly engaged in residential mortgage lending.

Present law provides for the La. S.A.F.E. Residential Mortgage Lending Act which regulates residential mortgage loan originators and mortgage brokers and lenders.

Proposed law retains present law.

Proposed law defines the term "regularly engaged" as a person who:

- (1) Engaged in residential mortgage lending activity, during the previous or current calendar year, as a mortgage loan originator in connection with more than 10 residential mortgage loans or in connection with any residential mortgage loan having a principal amount exceeding \$25,000, or whose employer meets the thresholds set forth in proposed law.
- (2) Engaged in residential mortgage lending activity, during the previous or current calendar year, as a mortgage loan broker, lender, or both, separately or combined, in connection with residential mortgage loans for which the combined original principal balance exceeds \$250,000 or in connection with any residential mortgage loan having a principal amount exceeding \$25,000.

Present law prohibits any person from engaging in any residential mortgage lending activity in this state without first obtaining and maintaining annually a license and registration as a mortgage loan originator or a license as a mortgage lender or broker.

Proposed law retains present law and further provides that a person shall not be considered to be engaged in residential mortgage lending activity in this state unless that person is regularly engaged in residential mortgage lending activity.

Proposed law provides that proposed law shall have no effect if the federal Consumer Financial Protection Bureau determines that the provisions of the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (P.L. 110-289) do not allow an exception from coverage for those not so regularly engaged.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 6:1083(24) and 1086(D))