

Regular Session, 2012

HOUSE BILL NO. 508

BY REPRESENTATIVE PONTI

MORTGAGES: Provides relative to the La. S.A.F.E. Residential Mortgage Lending Act

1 AN ACT

2 To enact R.S. 6:1083(24) and 1086(D), relative to residential mortgages; to define "regularly
3 engaged"; to exempt from licensure as a mortgage loan originator or a mortgage
4 broker or lender those persons not regularly engaged in residential mortgage lending;
5 to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 6:1083(24) and 1086(D) are hereby enacted to read as follows:

8 §1083. Definitions

9 As used in this Chapter:

10 * * *

11 (24) The term "regularly engaged" means either of the following:

12 (a) Engaged in residential mortgage lending activity, during the previous or
13 current calendar year, as a mortgage loan originator in connection with more than ten
14 residential mortgage loans or in connection with any residential mortgage loan
15 having a principal amount exceeding twenty-five thousand dollars, or whose
16 employer meets the thresholds set forth in Subparagraph (b) of this Paragraph.

17 (b) Engaged in residential mortgage lending activity, during the previous or
18 current calendar year, as a mortgage loan broker, lender, or both, separately or
19 combined, in connection with residential mortgage loans for which the combined
20 original principal balance exceeds two hundred fifty thousand dollars or in

- (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))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Made technical changes.