

2022 Regular Session

HOUSE BILL NO. 950

BY REPRESENTATIVE BOYD

FINANCIAL INSTITUTIONS: Provides relative to mortgage companies

1 AN ACT

2 To enact R.S. 6:1105, relative to residential mortgage lenders; to provide for the liability of  
3 residential mortgage lenders for the acts of certain persons; to provide for the scope  
4 of liability; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 6:1105 is hereby enacted to read as follows:

7 §1105. Residential mortgage lender liability to consumers for acts of employees and  
8 certain others

9 A residential mortgage lender shall be liable for the damages sustained by a  
10 consumer caused by any act or omission of any person engaged in residential  
11 mortgage lending activity including but not limited to facilitating the closing of a  
12 residential mortgage loan, executing a residential loan transaction on behalf of the  
13 lender, engaging in mortgage servicing, providing services as a mortgage loan  
14 originator or a registered mortgage loan originator, or acting as a mortgage broker  
15 or residential mortgage broker whether such person is acting on behalf of the  
16 residential mortgage lender in the employment capacity of an hourly or wage  
17 employee, a salary employee, a subcontractor, or an independent contractor.

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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)]

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HB 950 Original

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Boyd

**Abstract:** Provides for liability of residential mortgage lenders for damages from the acts of persons engaged in certain activities on behalf of the lender.

Proposed law requires that residential mortgage lenders be liable for the acts or omissions of its employees, contractors, or subcontractors, whether hourly or salary workers, when such acts or omissions cause damage to a consumer and the acts were done while the employee or other similar person was engaged in residential mortgage lending activity on behalf of the residential mortgage lender.

(Adds R.S. 6:1105)