
**Consumer Protection & Business
Committee**

SB 5077

Brief Description: Providing authority to licensed companies to allow licensed mortgage loan originators to work from their residences without the company licensing the residence as a branch office of the company.

Sponsors: Senators Dozier, Mullet, Brown, Das, Warnick and Wilson, C.; by request of Department of Financial Institutions.

Brief Summary of Bill

- Allows mortgage loan originators to work from home under certain circumstances.

Hearing Date: 3/10/21

Staff: Serena Dolly (786-7150).

Background:

The Department of Financial Institutions (DFI) licenses and regulates mortgage loan originators. A mortgage loan originator is a person who takes residential mortgage loan applications, offers or negotiates the terms of residential mortgage loans, or performs residential loan modification services. A mortgage loan originator must originate loans from a licensed location, and originating a mortgage loan from an unlicensed residence is a violation of the Consumer Loan Act.

Summary of Bill:

Mortgage loan originators may originate loans from their unlicensed residences so long as they

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comply with all state and federal information security requirements and any other requirements established by rule.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.