

FINAL BILL REPORT

SB 5077

C 15 L 21
Synopsis as Enacted

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.

Senate Committee on Business, Financial Services & Trade
House Committee on Consumer Protection & Business

Background: Under existing statute, mortgage loan originators licensed by the Department of Financial Institutions must originate mortgage loans from a licensed location. If a mortgage loan originates from someone's residence, it is a violation of the Consumer Loan Act, unless the residence is licensed for mortgage loan origination.

Summary: Mortgage loan originators are provided the flexibility to work from their home without licensing their home as a branch location, provided:

- state security requirements are in place;
- physical business records may not be kept at the residence; and
- work is conducted through the licensed company's secure operating system.

Votes on Final Passage:

Senate	49	0
House	98	0

Effective: July 25, 2021

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.