

SE COND REGULAR SESSION

HOUSE BILL NO. 2092

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BONDON.

4307H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 443.717, 443.825, and 443.857, RSMo, and to enact in lieu thereof three new sections relating to mortgage loan originators.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 443.717, 443.825, and 443.857, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 443.717, 443.825, and 443.857, to read as follows:

443.717. 1. Mortgage loan originators shall satisfy a prelicensing education requirement through approved education courses of at least twenty hours approved in accordance with subsection 2 of this section, which shall include at least:

- (1) Three hours of federal law and regulations;
 - (2) Three hours of ethics, which shall include instruction on fraud, consumer protection, and fair lending issues; and
 - (3) Two hours of training related to lending standards for the nontraditional mortgage product marketplace.
2. For purposes of subsection 1 of this section, prelicensing approved education courses include courses reviewed and approved by the NMLSR based upon reasonable standards. Review and approval of a prelicensing education course shall include review and approval of the course provider.
3. Nothing in this section shall preclude any prelicensing education course, as approved by the NMLSR, that is provided by the employer of the applicant or person who is affiliated with the applicant by an agency contract, or any subsidiary or affiliate of such employer or person.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 4. Prelicensing education may be offered in a classroom, online, or by any other means
17 approved by the NMLSR.

18 5. The prelicensing education requirements approved by the NMLSR in subdivisions (1)
19 to (3) of subsection 1 of this section for any state shall be accepted as credit towards completion
20 of prelicensing education requirements in Missouri.

21 6. A person previously licensed under sections 443.701 to 443.893 applying to be
22 licensed again shall prove that they have completed all of the continuing education requirements,
23 if any, for the year in which the license was last held.

24 **7. A prelicensing education course completed by an individual shall not satisfy the**
25 **prelicensing education requirement if the course precedes an application by a certain**
26 **period as established by the NMLSR.**

443.825. 1. Application for a residential mortgage loan broker license shall be made as
2 provided in sections 443.833 and 443.835. The application shall be in writing, made under oath,
3 and on a form provided by the director.

4 2. The director may, by rule, revise and conform the residential mortgage loan broker
5 license application and renewal process, and the licensing dates and periods under sections
6 443.701 to 443.893 to a system of licensing residential mortgage loan brokers administered in
7 cooperation with the NMLSR.

8 3. The application shall contain the name and complete business and residential address
9 or addresses of the applicant. If the applicant is a form of business organization, the application
10 shall contain the names and complete business and residential addresses of each member,
11 director and principal officer of such person. Such application shall also include a description
12 of the activities of the applicant, in such detail and for such periods as the director may require,
13 including all of the following:

14 (1) An affirmation of financial solvency noting such capitalization requirements as may
15 be required by the director, and access to such credit as may be required by the director;

16 (2) An affirmation that the applicant or the applicant's members, directors or principals,
17 as may be appropriate, are at least eighteen years of age;

18 (3) Information that would support findings under subdivision (4) of section 443.821 as
19 to the character, fitness, financial and business responsibility, background, experience and
20 criminal records of any:

21 (a) Person or ultimate equitable owner that owns or controls, directly or indirectly, ten
22 percent or more of any class of stock of the applicant;

23 (b) Person or ultimate equitable owner that is not a depository institution that lends,
24 provides or infuses, directly or indirectly, in any way, funds to or into an applicant, in an amount
25 equal to, or more than, ten percent of the applicant's net worth;

26 (c) Person or ultimate equitable owner that controls, directly or indirectly, the election
27 of twenty-five percent or more of the members of the board of directors of the applicant; and

28 (d) Person or ultimate equitable owner that the director finds influences management of
29 the applicant.

30 **4. All persons listed under subdivision (3) of subsection 3 of this section shall**
31 **furnish fingerprints to the NMLSR for submission to the Federal Bureau of Investigation**
32 **and any governmental agency or person authorized to receive such information for a state,**
33 **national, and international criminal history background check.**

34 **5. For the purposes of this chapter and in order to reduce the points of contact**
35 **which the Federal Bureau of Investigation may have to maintain, the director may use the**
36 **NMLSR as an agent for requesting information from and distributing information to the**
37 **Department of Justice or any other governmental agency.**

443.857. Each residential mortgage loan broker shall maintain, in the state of Missouri,
2 at least one full-service office with staff reasonably adequate to efficiently handle all matters
3 relating to any proposed or existing home mortgage with respect to which such residential
4 mortgage loan broker is performing services; except that, this provision may be waived by the
5 director for persons providing mortgage loan servicing ~~[under section 443.812]~~ **or exclusively**
6 **engaged in the business of loan processing or underwriting as defined in this chapter.**

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