SENATE BILL REPORT
SB 5077

As of January 11, 2021

Title: An act relating to 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.

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 and Mullet; by request of Department of Financial Institutions.

Brief History:
Committee Activity: Business, Financial Services & Trade: 1/12/21.

Brief Summary of Bill

- Provides mortgage loan originators the flexibility to work from their residence under certain circumstances.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES & TRADE

Staff: Clinton McCarthy (786-7319)

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 was originated from someone's residence, it would be a violation of the Consumer Loan Act, unless the residence is licensed for mortgage loan origination.

Summary of Bill: 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

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- work is conducted through the licensed company's secure operating system.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.