

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 380

Introduced by Pahls, 31

Read first time January 16, 2007

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to the Mortgage Bankers Registration and
2 Licensing Act; to amend sections 45-705 and 45-706,
3 Revised Statutes Cumulative Supplement, 2006; to change a
4 license application requirement; to harmonize provisions;
5 and to repeal the original sections.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 45-705, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 45-705 (1) No person shall act as a mortgage banker or
4 use the title mortgage banker in this state unless he, she, or it
5 is licensed or has registered with the department as provided in
6 the Mortgage Bankers Registration and Licensing Act or is licensed
7 under the Nebraska Installment Loan Act.

8 (2) Applicants for a license as a mortgage banker shall
9 submit to the department an application on forms provided by the
10 department. The application shall include, but not be limited to,
11 (a) the applicant's corporate name and no more than one trade name
12 or doing business as designation, if applicable, (b) all addresses
13 at which business is to be conducted, (c) the names and titles
14 of each director and principal officer of the applicant, (d) the
15 names of all shareholders, partners, or members of the applicant,
16 (e) a description of the activities of the applicant in such detail
17 as the department may require, and (f) if the applicant is an
18 individual, his or her social security number.

19 (3) The application required by this section shall
20 include or be accompanied by, in a manner as prescribed by
21 the director, (a) the name and street address in this state of a
22 registered agent appointed by the licensee for receipt of service
23 of process and (b) the written consent of the registered agent
24 to the appointment. A post office box number may be provided in
25 addition to the street address.

1 (4) The application required by this section shall be
2 accompanied by an application fee of four hundred dollars.

3 (5) A license granted under the Mortgage Bankers
4 Registration and Licensing Act shall not be assignable.

5 Sec. 2. Section 45-706, Revised Statutes Cumulative
6 Supplement, 2006, is amended to read:

7 45-706 (1) Upon the filing of an application for a
8 license, if the director finds that the character and general
9 fitness of the applicant, the members thereof if the applicant
10 is a partnership, limited liability company, association, or other
11 organization, and the officers, directors, and principal employees
12 if the applicant is a corporation are such that the business
13 will be operated honestly, soundly, and efficiently in the public
14 interest consistent with the purposes of the Mortgage Bankers
15 Registration and Licensing Act, the director shall issue a license
16 as a mortgage banker to the applicant. The director shall approve
17 or deny an application for a license within ninety days after the
18 filing of the application and delivery of the bond required under
19 section 45-709 and payment of the required fee.

20 (2) If the director determines that the license should be
21 denied, the director shall notify the applicant in writing of the
22 denial and of the reasons for the denial. The director shall not
23 deny an application for a license because of the failure to submit
24 information required under the act or rules and regulations adopted
25 and promulgated under the act without first giving the applicant

1 an opportunity to correct the deficiency by supplying the missing
2 information. A decision of the director denying a license pursuant
3 to the act may be appealed, and the appeal shall be in accordance
4 with the Administrative Procedure Act. The director may deny an
5 application for a license if an officer, director, shareholder
6 owning five percent or more of the voting shares of the applicant,
7 partner, or member was convicted of, pleaded guilty to, or was
8 found guilty after a plea of nolo contendere to (a) a misdemeanor
9 under any state or federal law which involves dishonesty or fraud
10 or which involves any aspect of the mortgage banking business,
11 financial institution business, or installment loan business or (b)
12 any felony under state or federal law.

13 (3) All initial licenses shall remain in full force and
14 effect until the next succeeding March 1. Thereafter, licenses may
15 be renewed annually by filing with the director an application for
16 renewal containing such information as the director may require to
17 indicate any material change in the information contained in the
18 original application or succeeding renewal applications, including
19 the information ~~required by~~ submitted under subsection (3) of
20 section 45-705. For the annual renewal of an original license
21 to conduct mortgage banking business under the Mortgage Bankers
22 Registration and Licensing Act, the fee shall be two hundred
23 dollars.

24 (4) The director may require a licensee to maintain a
25 minimum net worth, proven by an audit conducted by a certified

1 public accountant, if the director determines that the financial
2 condition of the licensee warrants such a requirement or that the
3 requirement is in the public interest.

4 Sec. 3. Original sections 45-705 and 45-706, Revised
5 Statutes Cumulative Supplement, 2006, are repealed.