

One Hundred Second Legislature - First Session - 2011

Introducer's Statement of Intent

LB75

Chairperson: Senator Rich Pahls

Committee: Banking, Commerce and Insurance

Date of Hearing: January 24, 2011

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 75 is a bill introduced at the request of the Nebraska Department of Banking and Finance (Department). Its primary purpose is to update laws relating to mortgage loan originator registrants and licensees and to amend the definition of "loan broker" in the Loan Brokers Act.

The bill would provide for the following changes:

Section 1 would amend Section 8-702 of the state-federal cooperation acts to extend the deadline for registration of mortgage loan originators employed by banking institutions to within one hundred eighty days past the date that the Nationwide Mortgage Licensing System and Registry is capable of accepting such registration. This will comport with a final rule adopted by the federal banking agencies in mid-2010 providing the one hundred eighty-day window for registration.

Sections 2 and 3 would amend the loan brokers statutes by changing the term "advanced" to "advance" in Section 45-189, and by revising the definition of "loan broker" in Section 45-190 to provide that persons who, for consideration, arrange or attempt to arrange loans, or assist a borrower in making a loan application, are loan brokers. The amendment will provide the Department with improved enforcement authority.

Section 4 would revise Section 45-742 of the Residential Mortgage Licensing Act to allow the Department to issue notices of expiration of mortgage loan originator licenses if the licensees do not renew or pay the renewal fee, rather than commence revocation procedures, which can be costly and time consuming.

Section 5 is the amendatory repeal provision for the bill.

Section 6 provides the emergency clause for the bill.

Principal Introducer: _____

Senator Rich Pahls

