

SECOND REGULAR SESSION

# SENATE BILL NO. 553

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WIELAND.

Pre-filed December 1, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

3654S.011

## 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 broker licensing.

*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Section A. Sections 443.717, 443.825, and 443.857, RSMo, are repealed  
2 and three new sections enacted in lieu thereof, to be known as sections 443.717,  
3 443.825, and 443.857, to read as follows:

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

- 5 (1) Three hours of federal law and regulations;
- 6 (2) Three hours of ethics, which shall include instruction on fraud,  
7 consumer protection, and fair lending issues; and
- 8 (3) Two hours of training related to lending standards for the  
9 nontraditional mortgage product marketplace.

10 2. For purposes of subsection 1 of this section, prelicensing approved  
11 education courses include courses reviewed and approved by the NMLSR based  
12 upon reasonable standards. Review and approval of a prelicensing education  
13 course shall include review and approval of the course provider.

14 3. Nothing in this section shall preclude any prelicensing education  
15 course, as approved by the NMLSR, that is provided by the employer of the  
16 applicant or person who is affiliated with the applicant by an agency contract, or  
17 any subsidiary or affiliate of such employer or person.

18 4. Prelicensing education may be offered in a classroom, online, or by any

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

19 other means approved by the NMLSR.

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

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

28           **7. A preclicensing education course completed by an individual**  
29 **shall not satisfy the education requirement if the course precedes an**  
30 **application by a certain time period as established by NMLSR.**

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

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

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

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

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

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

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

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

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

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

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

39 **5. For the purposes of this chapter and in order to reduce the**  
40 **points of contact which the Federal Bureau of Investigation may have**  
41 **to maintain, the director may use the NMLSR as an agent for**  
42 **requesting information from and distributing information to the United**  
43 **States Department of Justice or any other governmental agency.**

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

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