

## **CS/HB 1281 — Loan Origination**

by Insurance, Business, and Financial Affairs Policy Committee; and Rep. Workman and others (CS/SB 2548 by the Banking and Insurance Committee and Senator Detert)

This bill defines a “loan processor” as an individual licensed as a loan originator but only performing clerical or support duties. This definition is consistent with federal law. If the individual wishes to work for multiple employers, (s)he must file a “declaration of intent to engage solely in loan processing” with the Office of Financial Regulation.

A loan processor may be employed by a company other than a mortgage broker or mortgage lender. This bill provides an exception to Florida Statutes, which prohibit the payment of fees or commissions in any mortgage loan transactions to any person or entity other than a licensed or exempt mortgage broker or lender.

The bill removes the current statutory requirement that mortgage lenders file a new license application upon a change of control in the business.

The bill provides clarifications as to disclosures provided as part of the good faith estimate process and requires that the borrower acknowledge receipt of the disclosure by signing and dating the document. Additionally, the bill removes the requirement that mortgage lenders file a new license application because of a change of control in the business.

The bill also reenacts s. 494.00255(1)(m), F.S., thereby providing a basis for disciplinary action by the Office of Financial Regulation for violating provisions of the federal Real Estate Settlement Procedures Act, the federal Truth in Lending Act, or any regulations adopted under such acts, regarding mortgage transactions.

If approved by the Governor, these provisions take effect October 1, 2010.

*Vote: Senate 38-0; House 114-0*