

Prior law provided for the purpose of the La. Secure and Fair Enforcement of Mortgage Licensing Act of 2009 (SAFE Act). New law revises prior law and makes the purpose applicable to mortgage loan servicers.

New law adds the definition of "mortgage servicing" and defines it as a means of collecting or remitting payment for another, or the right to collect or remit payments for another, relative to the principal, interest, tax, insurance, or other payment under a mortgage loan.

New law amends the definitions of "residential loan transaction" and "residential mortgage lending activity" as they were in prior law to include mortgage loan servicers or servicing of a mortgage loan.

Prior law provided licensure requirements under the SAFE Act. New law changes prior law and subjects mortgage servicers to the licensure requirements.

Prior law provided exemptions for certain employers and employees. New law changes prior law and adds mortgage servicers to the exemptions.

Prior law provided for application, renewal, and surety bond requirements for mortgage lenders and mortgage brokers. New law revises prior law and subjects mortgage servicers to the requirements.

Prior law prohibited mortgage lenders and mortgage loan originators from conducting mortgage lending activities under any name other than the one stated in its current record of information in the licensing system. New law revises prior law and subjects mortgage servicers to the prohibition.

New law adds the total outstanding principal balance as of the end of the previous calendar year for all residential mortgage loans serviced as a criterion to be used by the commissioner of the office of financial institutions (the commissioner) to determine the amount of a surety bond as it relates to mortgage loans originated by the applicant secured by immovable property in the state of La.

Prior law required mortgage lenders and originators to provide certain notification to the commissioner when there is a change in the location or name of the business, addition of offices, and other related changes. New law revises prior law and subjects mortgage servicers to the notification requirements.

Prior law provided certain restrictions for making and brokering mortgage loans as it relates to acquiring and controlling interest in a licensee. New law revises prior law and subjects the act of mortgage servicing to the restrictions.

Prior law applied certain suspension and revocation of licensure provisions to mortgage brokers, mortgage lenders, and mortgage loan originators. New law revises prior law and subjects mortgage loan servicers to those provisions.

Prior law subjected mortgage lenders, mortgage brokers, and mortgage loan originators to certain criminal penalties for knowingly operating without a license or while not exempt from licensing requirements. New law revises prior law and subjects mortgage loan servicers to those provisions.

Persons required by the provisions of this Act to obtain a license are required to do so on or before June 30, 2015.

Effective June 30, 2014.

(Amends R.S. 6:1082, 1083(18) and (20), 1086(A)(1), 1087(F)(intro. para.), 1088(D), (F), (G)(3)(intro. para.), and (J), 1088.2(A)(1) and (3), 1088.3(A)(1) and (3), (C)(2)(intro. para) and (b), and (D)(2), 1089(A), 1090(B)(1), 1092(B)(1)(e), (G), and (K), and 1099(F); Adds R.S. 6:1083(11.1) and 1088(G)(3)(d))