

## SENATE AMENDMENTS TO SENATE BILL 879

By COMMITTEE ON BUSINESS AND TRANSPORTATION

April 28

- 1 On page 1 of the printed bill, line 2, delete “86A.200 and”.
- 2 Delete lines 4 through 30 and delete pages 2 through 4 and insert:
- 3 “**SECTION 1.** ORS 86A.203 is amended to read:
- 4 “86A.203. (1) Except as provided in subsection (2) of this section, an individual may not engage
- 5 in business as a mortgage loan originator in this state without first:
- 6 “(a) Obtaining and maintaining a mortgage loan originator’s license under ORS 86A.212 or re-
- 7 newing a mortgage loan originator’s license under ORS 86A.218; and
- 8 “(b) Obtaining a unique identifier from the Nationwide Mortgage Licensing System and Registry.
- 9 “(2) Subsection (1) of this section does not apply to:
- 10 “(a) A registered mortgage loan originator who acts within the scope of the registered mortgage
- 11 loan originator’s employment;
- 12 “(b) An individual who offers or negotiates terms of a residential mortgage loan with or on be-
- 13 half of the individual’s spouse, child, sibling, parent, grandparent, grandchild or a relative in a sim-
- 14 ilar relationship with the individual that is created by law, marriage or adoption;
- 15 “(c) An individual who offers or negotiates terms of a residential mortgage loan that is secured
- 16 by a dwelling that served as the individual’s residence;
- 17 “(d) An individual who, as a seller during any 12-month period, offers or negotiates terms for
- 18 not more than three residential mortgage loans that are secured by a dwelling unit that did not
- 19 serve as the individual’s residence, unless the United States Consumer Financial Protection Bureau
- 20 expressly determines, on or after June 4, 2013, that the definition of loan originator in section 1503
- 21 of Title V of the Housing and Economic Recovery Act of 2008, P.L. 110-289, includes an individual
- 22 whose activities are described in this paragraph;
- 23 “(e) An attorney licensed or otherwise authorized to practice law in this state if the attorney:
- 24 “(A) Negotiates the terms of a residential mortgage loan [*as an ancillary matter*] in the
- 25 attorney’s representation of a client **that buys or sells a dwelling unit**; and
- 26 “(B) Does not receive compensation from a mortgage banker, mortgage broker, mortgage loan
- 27 originator or lender or an agent of the mortgage banker, mortgage broker, mortgage loan originator
- 28 or lender;
- 29 “(f) An individual who is licensed as a manufactured structure dealer under ORS 446.691 and
- 30 who:
- 31 “(A) Offers or negotiates terms of a residential mortgage loan related to a sale for occupancy
- 32 of a previously owned manufactured dwelling in a manufactured dwelling park three or fewer times
- 33 in any 12-month period; and
- 34 “(B) Uses a written sale agreement form with the purchaser that complies with the requirements
- 35 of ORS 646A.050, 646A.052 and 646A.054, with any rules adopted under ORS 646A.050, 646A.052 and

1 646A.054 and with any other applicable requirements for residential mortgages for manufactured  
2 dwellings; or

3 “(g) An individual who is licensed as a limited manufactured structure dealer under ORS 446.706  
4 and who:

5 “(A) Has an ownership interest in a manufactured dwelling park;

6 “(B) Offers or negotiates terms of a residential mortgage loan related to a sale for occupancy  
7 of a previously owned manufactured dwelling in any manufactured dwelling park in which the indi-  
8 vidual has an ownership interest, five or fewer times in any 12-month period; and

9 “(C) Uses a written sale agreement form with the purchaser that complies with the requirements  
10 of ORS 646A.050, 646A.052 and 646A.054, with any rules adopted under ORS 646A.050, 646A.052 and  
11 646A.054 and with any other applicable requirements for residential mortgages for manufactured  
12 dwellings.

13 “(3) An individual who offers or negotiates terms for a residential mortgage loan, and who  
14 claims an exemption under subsection (2)(c), (d) or (f) of this section from the requirements set forth  
15 in subsection (1) of this section, may not at any time hold more than eight residential mortgage  
16 loans without meeting the requirements set forth in subsection (1) of this section.

17 “(4) An individual who offers or negotiates terms for a residential mortgage loan, and who  
18 claims an exemption under subsection (2)(g) of this section from the requirements set forth in sub-  
19 section (1) of this section, may not at any time hold more than 12 residential mortgage loans without  
20 meeting the requirements set forth in subsection (1) of this section.

21 “(5) The Director of the Department of Consumer and Business Services by rule may exempt an  
22 individual from the requirement to obtain a mortgage loan originator’s license under ORS 86A.200  
23 to 86A.239 if the United States Consumer Financial Protection Bureau requires or permits the ex-  
24 emption under 12 U.S.C. 5101 et seq.

25 “(6) Notwithstanding the exemption from licensing for an individual described in subsection (2)(f)  
26 or (g) of this section, subsection (1) of this section applies to the individual if the United States  
27 Consumer Financial Protection Bureau determines, in a guideline, rule, regulation or interpretive  
28 letter, that the exemption is inconsistent with requirements set forth in 12 U.S.C. 5101 et seq.

29 “(7)(a) Except as provided in paragraph (b) of this subsection, an employee of a manufactured  
30 structure dealer licensed under ORS 446.691 is not subject to the provisions of ORS 86A.200 to  
31 86A.239 if the employee:

32 “(A) Performs only administrative or clerical tasks; and

33 “(B) Receives in connection with a sale or other transaction related to a manufactured struc-  
34 ture, as defined in ORS 446.003, only a salary or commission that is customary among dealers and  
35 employees of dealers.

36 “(b) An employee of a dealer is subject to the provisions of ORS 86A.200 to 86A.239 if the United  
37 States Consumer Financial Protection Bureau determines, in a guideline, rule, regulation or inter-  
38 pretive letter, that the exemption granted in paragraph (a) of this subsection is inconsistent with  
39 requirements set forth in 12 U.S.C. 5101 et seq.”.

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