

ENGROSSED HOUSE
BILL NO. 1574

By: Dorman of the House

and

Coffee of the Senate

An Act relating to professions and occupations; amending Section 8, Chapter 469, O.S.L. 2002 (59 O.S. Supp. 2002, Section 2092), which relates to the Mortgage Broker Licensure Act; deleting certain mortgage broker application requirement; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 8, Chapter 469, O.S.L. 2002 (59 O.S. Supp. 2002, Section 2092), is amended to read as follows:

Section 2092. A. The Administrator of consumer credit shall appoint the Mortgage Broker Advisory Committee to serve as a testing committee to create, periodically update and establish standards for passing a test for mortgage brokers and all mortgage loan originators. The test is subject to the approval of the Administrator.

B. Each applicant for an original license as a mortgage broker or as a mortgage loan originator, before issuance of the license, shall personally take and pass the written test given under the supervision of the Administrator. The test must reasonably examine the applicant's knowledge of:

1. The obligations between principal and agent, the applicable canons of business ethics, the provisions of the Mortgage Broker Licensure Act and the rules adopted under the Mortgage Broker Licensure Act;
2. The arithmetical computations common to mortgage brokerage;
3. The principles of real estate lending; and

4. The general purposes and legal effect of mortgages, deeds of trust and security agreements.

C. The Administrator shall administer the test to applicants for licenses not less than once every three (3) months. The Administrator shall reasonably prescribe the time, place and conduct of testing and collect a fee for administration of the test to be assessed to all persons taking the test. The fee is One Hundred Fifty Dollars (\$150.00) per testing. An applicant may not take the test more than two times within a twelve-month period.

D. All tests shall be given, conducted and graded in a fair and impartial manner and without unfair discrimination between individuals tested. The Administrator shall inform the applicant of the result of the test within thirty (30) business days.

E. For testing purposes, the Administrator shall prepare a handbook for mortgage brokers and mortgage loan originators and distribute the handbook to all applicants for a fee that shall not exceed the actual cost of producing and distributing the handbook.

F. For the purposes of this section, "applicant" means a person who has submitted a completed application in the form prescribed by law. ~~In the case of a mortgage broker, the application must be accompanied by a letter of inquiry to a surety company authorized to do business in this state regarding procurement of a bond pursuant to the requirements of the Mortgage Broker Licensure Act, to be issued upon completion of all requirements for the granting of a license under the Mortgage Broker Licensure Act.~~

SECTION 2. This act shall become effective July 1, 2003.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 10th day of March, 2003.

Presiding Officer of the House of
Representatives

Passed the Senate the ____ day of _____, 2003.

Presiding Officer of the Senate