

**LOUISIANA OFFICE OF FINANCIAL INSTITUTIONS
NON-DEPOSITORY DIVISION
2014 Legislation Summary**

OFI BILL:

Act 260 (HB 807) is effective June 30, 2014; however, mortgage servicers have until June 30, 2015 to obtain a Louisiana license pursuant to the Louisiana Secure and Fair Enforcement of Mortgage Licensing Act of 2009 (SAFE Act).

This Act adds licensure requirement for persons engaged in residential mortgage servicing. Present law provides for the purpose of the Louisiana Secure and Fair Enforcement of Mortgage Licensing Act of 2009 (SAFE Act) and makes the purpose applicable to residential mortgage servicers.

The Act defines "mortgage servicing" 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. The Act also amends the definition of "residential loan transaction" and "residential mortgage lending activity" and adds the definition of "mortgage servicing".

The Act subjects mortgage servicers to the same licensure requirements as well as the application, renewal, and surety bond requirements as other mortgage brokers and lenders. Mortgage servicers are required to obtain a license on or before June 30, 2015 utilizing the online Nationwide Mortgage Licensing System.

If an entity is currently licensed in Louisiana for mortgage brokering or lending activities, there is no requirement for an additional license to perform mortgage servicing. However, if an entity performs mortgage servicing for Louisiana consumers, the entity is required to designate mortgage servicing as a "business activity" of their Louisiana license in the NMLS online licensing system (Nationwide Mortgage Licensing System).

Potential mortgage servicers can apply for the residential mortgage license at any time and request the license be issued at a future date, but not later than June 30, 2015, once the application is complete. Should the applicant choose a date in 2014 to be licensed, the applicant would be required to renew the license for 2015 and pay all applicable fees on or before 12/31/2014. In addition, if a mortgage servicer is negotiating terms of loans, such as a refinance or a modification, the entity should ensure that the individuals who are performing the functions of a residential mortgage loan originator for Louisiana consumers, should also apply and obtain a Louisiana residential mortgage originators license.

cancellation has been mailed to the insured from an insurance premium finance company, the insurance premium finance company may effect cancellation of the insurance contract, or contracts, or endorsements by sending to the insurer, by depositing in the mail or with a private carrier, or via electronic mail, within five business days after the date of cancellation, except when the payment has been returned uncollected, a copy of the notice of cancellation together with other statements of specified certification relative to the effect of cancellation.