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## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

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**2009 Assembly Bill 658**

**Assembly Amendment 1**

*Memo published:* February 26, 2010

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Generally, under *current law*, the Department of Financial Institutions (DFI) may issue or renew a mortgage loan originator license only if the applicant satisfies certain criteria. In particular, an applicant must demonstrate financial responsibility, character, and general fitness as to command the confidence of the community that the applicant will operate honestly, fairly, and efficiently in order for DFI to issue a mortgage loan originator license.

Under current law, an individual has shown that he or she is not financially responsible if he or she has shown a disregard in the management of his or her own financial condition, including any of the following items:

- Current outstanding judgments other than those resulting from medical expenses.
- Current outstanding tax liens or other government liens and filings.
- Within the past three years, foreclosures or any pattern of seriously delinquent accounts.

*2009 Assembly Bill 658* would delete foreclosures from the list of items that indicate an applicant is not financially responsible for purposes of licensure as a mortgage loan originator.

*Assembly Amendment 1* would modify DFI's licensure authority with regard to financial responsibility to give the department permissive authority to consider outstanding judgments, liens, and patterns of delinquent accounts, in contrast to the mandatory consideration of those items under current law and Assembly Bill 658.

### Legislative History

The Assembly Committee on Financial Institutions introduced Assembly Amendment 1. On February 24, 2010, the committee recommended adoption of Assembly Amendment 1 and passage of Assembly Bill 658, as amended, by successive votes of Ayes, 10; Noes, 0.

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