



## 2009 ASSEMBLY BILL 383

August 18, 2009 - Introduced by Representatives RICHARDS, BERCEAU, BALLWEG, PETERSEN, STASKUNAS, CLARK, A. WILLIAMS and BARCA, cosponsored by Senators KREITLOW, LEHMAN, LASSA and HANSEN. Referred to Committee on Consumer Protection.

- 1     **AN ACT** *to amend* 224.725 (3) (b) of the statutes; **relating to:** convictions  
2           disqualifying a person from holding a mortgage loan originator license.

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### *Analysis by the Legislative Reference Bureau*

In 2009 Wisconsin Act 2, provisions of the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008 were adopted into state law, including provisions establishing standards for the licensing of mortgage loan originators. A mortgage loan originator is, with specified exceptions, an individual who takes a residential mortgage loan application or offers or negotiates terms of a residential mortgage loan for compensation or gain. Beginning on January 1, 2010, the Division of Banking in the Department of Financial Institutions (division) may issue a mortgage loan originator license to an applicant only if the applicant satisfies certain criteria. The applicant must provide: fingerprints for submission to the Federal Bureau of Investigation for a state, national, and international criminal history background check; personal history information; and authorization for the release of information related to any administrative, civil, or criminal findings against the applicant. The division may not issue a mortgage loan originator license to an applicant if the applicant has previously had a mortgage loan originator license revoked. The division also may not issue a mortgage loan originator license to an applicant if the applicant has been convicted of a felony in a domestic, foreign, or military court as follows: 1) if the felony involved an act of fraud, dishonesty, breach of trust, or money laundering, the felony disqualifies the applicant from holding a mortgage loan originator's license regardless of when the felony conviction occurred; or 2) if the felony is not one described in item 1), above, the felony disqualifies the applicant from

