

State Corporation Commission 2012 Fiscal Impact Statement

1. Bill Number: HB570

House of Origin	<input type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input checked="" type="checkbox"/>	Enrolled

2. Patron: Marshall, D.W.

3. Committee: Passed Both House

4. Title: Mortgage loan originators; exempts from licensing employees of bona fide nonprofit organizations; technical changes.

5. Summary: Mortgage loan originators; exempts from licensing employees of bona fide nonprofit organizations; technical changes. Exempts employees of bona fide nonprofit organizations from licensing and registration requirements applicable to mortgage loan originators. The State Corporation Commission is directed to prescribe, by regulation, procedures and criteria to be used to determine whether an organization is a bona fide nonprofit organization. In doing so, the Commission shall consider criteria adopted by the Consumer Financial Protection Bureau or other federal agency with rulemaking authority under the Secure and Fair Enforcement for Mortgage Licensing Act. The measure includes technical changes. This measure is a recommendation of the Virginia Housing Commission.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Fiscal impact estimates are indeterminate. Final. See Item 8.

8. Fiscal Implications: The bill requires that the State Corporation Commission investigate and periodically examine the business activities, books, and records of any bona fide nonprofit organization as it may pertain to criteria to be established by the Commission through regulation. In establishing the criteria, the Commission shall give consideration to the criteria adopted by the new federal Consumer Financial Protection Bureau (CFPB) or other federal agency. At this time, the Commission cannot accurately determine the number of possible bona fide nonprofit organizations, nor which organizations may need to be investigated or examined. Also, it cannot determine the criteria to be established by the CFPB. Therefore, further data and analysis is needed to determine a more accurate, exact and final fiscal impact. However, it is anticipated at this time that any fiscal impact will be manageable and can be absorbed in the Commission's Bureau of Financial Institution's mortgage regulatory section's operating budget.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission

10. Technical Amendment Necessary: No.

11. Other Comments: Also see Senate Bill 75.

Date: 2/20/12 E. J. Face, Jr.