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SENATE BILL NO. 197

Offered January 17, 1996

A BILL to amend and reenact § 6.1-411 of the Code of Virginia, relating to persons exempt from the Mortgage Lender and Broker Act.

Patron—Miller, Y.B.

Referred to the Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:**1. That § 6.1-411 of the Code of Virginia is amended and reenacted as follows:**

§ 6.1-411. Persons exempt from chapter.

The following shall be exempt from the licensing and other provisions of this chapter:

1. Lenders making ten or fewer mortgage loans in any period of twelve consecutive months;

2. Any person subject to the general supervision of or subject to examination by the Commissioner pursuant to Chapter 2 (§ 6.1-3 et seq.), Chapter 3.01 (§ 6.1-194.1 et seq.), Chapter 4.01 (§ 6.1-225.1 et seq.), Chapter 5 (§ 6.1-227 et seq.) or Chapter 13 (§ 6.1-381 et seq.) of this title;

3. Any lender authorized to engage in business as a bank, savings institution or credit union under the laws of the United States, any state or territory of the United States, or the District of Columbia, and subsidiaries and affiliates of such entities which lender, subsidiary or affiliate is subject to the general supervision or regulation of or subject to audit or examination by a regulatory body or agency of the United States, any state or territory of the United States, or the District of Columbia;

4. Nonprofit corporations making mortgage loans to promote home ownership or improvements for the disadvantaged;

5. Agencies of the federal government, or any state or municipal government, or any quasi-governmental agency making *or brokering* mortgage loans under the specific authority of the laws of any state or the United States; ~~including without limitation the Virginia Housing Development Authority and its agents and representatives with respect to their activities in offering, accepting, completing and processing mortgage loan applications under its programs;~~

6. Persons acting as fiduciaries with respect to any employee pension benefit plan qualified under the Internal Revenue Code who make mortgage loans solely to plan participants from plan assets;

7. Any insurance company;

~~8. [Repealed.]~~

98. Persons licensed by the Commonwealth as attorneys, real estate brokers, or real estate salesmen, not actively and principally engaged in negotiating, placing or finding mortgage loans, when rendering services as an attorney, real estate broker or real estate salesman; however, a real estate broker or real estate salesman who receives any fee, commission, kickback, rebate or other payment for directly or indirectly negotiating, placing or finding a mortgage loan for others shall not be exempt from the provisions of this chapter;

~~109.~~ Persons acting in a fiduciary capacity conferred by authority of any court; ~~and~~

~~110.~~ Persons licensed as small business investment companies by the Small Business Administration; *and*

11. *The Virginia Housing Development Authority and persons who (i) are approved by the Virginia Housing Development Authority pursuant to its rules and regulations to act as field originators with respect to mortgage loans made under its programs and (ii) are not engaged in any other activities for which a license is required to be obtained under this chapter.*

INTRODUCED

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