

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend the Code of Virginia by adding a section numbered 6.2-1712.1, relating to mortgage*  
3 *loan originators; inactive licenses.*

4  
5 Approved

[H 125]

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That the Code of Virginia is amended by adding a section numbered 6.2-1712.1 as follows:**

8 **§ 6.2-1712.1. Inactive mortgage loan originator licenses.**

9 *A. Notwithstanding any other provision of this chapter, if the Commission finds that an individual*  
10 *has applied for a mortgage loan originator license and meets all applicable requirements for licensure*  
11 *except § 6.2-1703, then the Commission shall issue a mortgage loan originator license to the applicant.*  
12 *However, the license issued by the Commission shall be inactive by operation of law until the*  
13 *Commission has updated the licensee's status in the Registry pursuant to subsection D.*

14 *B. Notwithstanding any other provision of this chapter, if the Commission finds that an individual*  
15 *has requested renewal of his mortgage loan originator license in accordance with subsection C of*  
16 *§ 6.2-1711 and meets all applicable requirements for license renewal except § 6.2-1703, then the*  
17 *Commission shall renew the individual's mortgage loan originator license. However, the license renewed*  
18 *by the Commission shall be inactive by operation of law until the Commission has updated the licensee's*  
19 *status in the Registry pursuant to subsection D.*

20 *C. If at any time a licensee ceases to be covered by a surety bond meeting the requirements of*  
21 *§ 6.2-1703, then the individual's license shall be inactive by operation of law until the Commission has*  
22 *updated the licensee's status in the Registry pursuant to subsection D.*

23 *D. If a licensee's mortgage loan originator license or transitional mortgage loan originator license is*  
24 *inactive by operation of law pursuant to this section, then the licensee shall not engage in the business*  
25 *of a mortgage loan originator until (i) the Commission has determined that the licensee is covered by a*  
26 *surety bond meeting the requirements of § 6.2-1703 and (ii) based upon its determination, the*  
27 *Commission has updated the licensee's status in the Registry to indicate that the licensee may engage in*  
28 *the business of a mortgage loan originator.*

ENROLLED

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