

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 2121
OFFERED BY MR. STIVERS OF OHIO**

Strike all after the enacting clause and insert the following:

1 **SECTION 1. ELIMINATING BARRIERS TO JOBS FOR LOAN**
2 **ORIGINATORS.**

3 (a) IN GENERAL.—The S.A.F.E. Mortgage Licensing
4 Act of 2008 (12 U.S.C. 5101 et seq.) is amended by add-
5 ing at the end the following:

6 **“SEC. 1518. EMPLOYMENT TRANSITION OF LOAN ORIGINA-**
7 **TORS.**

8 “(a) TEMPORARY AUTHORITY TO ORIGINATE LOANS
9 FOR LOAN ORIGINATORS MOVING FROM A DEPOSITORY
10 INSTITUTION TO A NON-DEPOSITORY INSTITUTION.—

11 “(1) IN GENERAL.—Upon employment by a
12 State-licensed mortgage company, an individual who
13 is a registered loan originator shall be deemed to
14 have temporary authority to act as a loan originator
15 in an application State for the period described in
16 paragraph (2) if the individual—

17 “(A) has not had an application for a loan
18 originator license denied, or had such a license

1 revoked or suspended in any governmental ju-
2 risdiction;

3 “(B) has not been subject to or served
4 with a cease and desist order in any govern-
5 mental jurisdiction or as described in section
6 1514(c);

7 “(C) has not been convicted of a felony
8 that would preclude licensure under the law of
9 the application State;

10 “(D) has submitted an application to be a
11 State-licensed loan originator in the application
12 State; and

13 “(E) was registered in the Nationwide
14 Mortgage Licensing System and Registry as a
15 loan originator during the 12-month period pre-
16 ceding the date of submission of the informa-
17 tion required under section 1505(a).

18 “(2) PERIOD.—The period described in para-
19 graph (1) shall begin on the date that the individual
20 submits the information required under section
21 1505(a) and shall end on the earliest of—

22 “(A) the date that the individual with-
23 draws the application to be a State-licensed
24 loan originator in the application State;

1 “(B) the date that the application State
2 denies, or issues a notice of intent to deny, the
3 application;

4 “(C) the date that the application State
5 grants a State license; or

6 “(D) the date that is 120 days after the
7 date on which the individual submits the appli-
8 cation, if the application is listed on the Nation-
9 wide Mortgage Licensing System and Registry
10 as incomplete.

11 “(b) TEMPORARY AUTHORITY TO ORIGINATE LOANS
12 FOR STATE-LICENSED LOAN ORIGINATORS MOVING
13 INTERSTATE.—

14 “(1) IN GENERAL.—A State-licensed loan origi-
15 nator shall be deemed to have temporary authority
16 to act as a loan originator in an application State
17 for the period described in paragraph (2) if the
18 State-licensed loan originator—

19 “(A) meets the requirements of subpara-
20 graphs (A), (B), (C), and (D) of subsection
21 (a)(1);

22 “(B) is employed by a State-licensed mort-
23 gage company in the application State; and

24 “(C) was licensed in a State that is not the
25 application State during the 30-day period pre-

1 ceding the date of submission of the informa-
2 tion required under section 1505(a) in connec-
3 tion with the application submitted to the appli-
4 cation State.

5 “(2) PERIOD.—The period described in para-
6 graph (1) shall begin on the date that the State-li-
7 censed loan originator submits the information re-
8 quired under section 1505(a) in connection with the
9 application submitted to the application State and
10 end on the earliest of—

11 “(A) the date that the State-licensed loan
12 originator withdraws the application to be a
13 State-licensed loan originator in the application
14 State;

15 “(B) the date that the application State
16 denies, or issues a notice of intent to deny, the
17 application;

18 “(C) the date that the application State
19 grants a State license; or

20 “(D) the date that is 120 days after the
21 date on which the State-licensed loan originator
22 submits the application, if the application is
23 listed on the Nationwide Mortgage Licensing
24 System and Registry as incomplete.

25 “(c) APPLICABILITY.—

1 “(1) Any person employing an individual who is
2 deemed to have temporary authority to act as a loan
3 originator in an application State pursuant to this
4 section shall be subject to the requirements of this
5 title and to applicable State law to the same extent
6 as if such individual was a State-licensed loan origi-
7 nator licensed by the application State.

8 “(2) Any individual who is deemed to have tem-
9 porary authority to act as a loan originator in an ap-
10 plication State pursuant to this section and who en-
11 gages in residential mortgage loan origination activi-
12 ties shall be subject to the requirements of this title
13 and to applicable State law to the same extent as if
14 such individual was a State-licensed loan originator
15 licensed by the application State.

16 “(d) DEFINITIONS.—In this section, the following
17 definitions shall apply:

18 “(1) STATE-LICENSED MORTGAGE COMPANY.—
19 The term ‘State-licensed mortgage company’ means
20 an entity licensed or registered under the law of any
21 State to engage in residential mortgage loan origina-
22 tion and processing activities.

23 “(2) APPLICATION STATE.—The term ‘applica-
24 tion State’ means a State in which a registered loan

