



General Assembly

January Session, 2013

Raised Bill No. 826

LCO No. 2705



Referred to Committee on BANKS

Introduced by:
(BA)

**AN ACT CONCERNING THE STRENGTHENING OF CONSUMER
CREDIT LICENSE PROTECTIONS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 36a-2 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 As used in this title, unless the context otherwise requires:

4 (1) "Affiliate" of a person means any person controlling, controlled
5 by, or under common control with, that person;

6 (2) "Applicant" with respect to any license or approval provision
7 pursuant to this title means a person who applies for that license or
8 approval;

9 (3) "Automated teller machine" means a stationary or mobile
10 unattended device, including a satellite device but excluding a point of
11 sale terminal, at which banking transactions, including, but not limited
12 to, deposits, withdrawals, advances, payments or transfers, may be
13 conducted;

14 (4) "Bank" means a Connecticut bank or a federal bank;

15 (5) "Bank and trust company" means an institution chartered or
16 organized under the laws of this state as a bank and trust company;

17 (6) "Bank holding company" has the meaning given to that term in
18 12 USC Section 1841(a), as amended from time to time, except that the
19 term "bank", as used in 12 USC Section 1841(a) includes a bank or out-
20 of-state bank that functions solely in a trust or fiduciary capacity;

21 (7) "Capital stock" when used in conjunction with any bank or out-
22 of-state bank means a bank or out-of-state bank that is authorized to
23 accumulate funds through the issuance of its capital stock;

24 (8) "Client" means a beneficiary of a trust for whom the Connecticut
25 bank acts as trustee, a person for whom the Connecticut bank acts as
26 agent, custodian or bailee, or other person to whom a Connecticut
27 bank owes a duty or obligation under a trust or other account
28 administered by such Connecticut bank, regardless of whether such
29 Connecticut bank owes a fiduciary duty to the person;

30 (9) "Club deposit" means deposits to be received at regular intervals,
31 the whole amount deposited to be withdrawn by the owner or repaid
32 by the bank in not more than fifteen months from the date of the first
33 deposit, and upon which no interest or dividends need to be paid;

34 (10) "Commissioner" means the Banking Commissioner and, with
35 respect to any function of the commissioner, includes any person
36 authorized or designated by the commissioner to carry out that
37 function;

38 (11) "Company" means any corporation, joint stock company, trust,
39 association, partnership, limited partnership, unincorporated
40 organization, limited liability company or similar organization, but
41 does not include (A) any corporation the majority of the shares of
42 which are owned by the United States or by any state, or (B) any trust

43 which by its terms shall terminate within twenty-five years or not later
44 than twenty-one years and ten months after the death of beneficiaries
45 living on the effective date of the trust;

46 (12) "Connecticut bank" means a bank and trust company, savings
47 bank or savings and loan association chartered or organized under the
48 laws of this state;

49 (13) "Connecticut credit union" means a cooperative, nonprofit
50 financial institution that (A) is organized under chapter 667 and the
51 membership of which is limited as provided in section 36a-438a, (B)
52 operates for the benefit and general welfare of its members with the
53 earnings, benefits or services offered being distributed to or retained
54 for its members, and (C) is governed by a volunteer board of directors
55 elected by and from its membership;

56 (14) "Connecticut credit union service organization" means a credit
57 union service organization that is incorporated under the laws of this
58 state, located in this state and established by at least one Connecticut
59 credit union;

60 (15) "Consolidation" means a combination of two or more
61 institutions into a new institution; all institutions party to the
62 consolidation, other than the new institution, are "constituent"
63 institutions; the new institution is the "resulting" institution;

64 (16) "Control" has the meaning given to that term in 12 USC Section
65 1841(a), as amended from time to time;

66 (17) "Credit union service organization" means an entity organized
67 under state or federal law to provide credit union service organization
68 services primarily to its members, to Connecticut credit unions, federal
69 credit unions and out-of-state credit unions other than its members,
70 and to members of any such other credit unions;

71 (18) "Customer" means any person using a service offered by a

72 financial institution;

73 (19) "Demand account" means an account into which demand
74 deposits may be made;

75 (20) "Demand deposit" means a deposit that is payable on demand,
76 a deposit issued with an original maturity or required notice period of
77 less than seven days or a deposit representing funds for which the
78 bank does not reserve the right to require at least seven days' written
79 notice of the intended withdrawal, but does not include any time
80 deposit;

81 (21) "Deposit" means funds deposited with a depository;

82 (22) "Deposit account" means an account into which deposits may
83 be made;

84 (23) "Depositor" includes a member of a mutual savings and loan
85 association;

86 (24) "Director" means a member of the governing board of a
87 financial institution;

88 (25) "Equity capital" means the excess of a Connecticut bank's total
89 assets over its total liabilities, as defined in the instructions of the
90 federal Financial Institutions Examination Council for consolidated
91 reports of condition and income;

92 (26) "Executive officer" means every officer of a Connecticut bank
93 who participates or has authority to participate, otherwise than in the
94 capacity of a director, in major policy-making functions of such bank,
95 regardless of whether such officer has an official title or whether that
96 title contains a designation of assistant and regardless of whether such
97 officer is serving without salary or other compensation. The president,
98 vice president, secretary and treasurer of such bank are deemed to be
99 executive officers, unless, by resolution of the governing board or by
100 such bank's bylaws, any such officer is excluded from participation in

101 major policy-making functions, otherwise than in the capacity of a
102 director of such bank, and such officer does not actually participate in
103 such policy-making functions;

104 (27) "Federal agency" has the meaning given to that term in 12 USC
105 Section 3101, as amended from time to time;

106 (28) "Federal bank" means a national banking association, federal
107 savings bank or federal savings and loan association having its
108 principal office in this state;

109 (29) "Federal branch" has the meaning given to that term in 12 USC
110 Section 3101, as amended from time to time;

111 (30) "Federal credit union" means any institution chartered or
112 organized as a federal credit union pursuant to the laws of the United
113 States having its principal office in this state;

114 (31) "Fiduciary" means a person undertaking to act alone or jointly
115 with others primarily for the benefit of another or others in all matters
116 connected with its undertaking and includes a person acting in the
117 capacity of trustee, executor, administrator, guardian, assignee,
118 receiver, conservator, agent, custodian under the Connecticut Uniform
119 Gifts to Minors Act or the Uniform Transfers to Minors Act, and acting
120 in any other similar capacity;

121 (32) "Financial institution" means any Connecticut bank,
122 Connecticut credit union, or other person whose activities in this state
123 are subject to the supervision of the commissioner, but does not
124 include a person whose activities are subject to the supervision of the
125 commissioner solely pursuant to chapter 672a, 672b or 672c or any
126 combination thereof;

127 (33) "Foreign bank" has the meaning given to that term in 12 USC
128 Section 3101, as amended from time to time;

129 (34) "Foreign country" means any country other than the United

130 States and includes any colony, dependency or possession of any such
131 country;

132 (35) "Governing board" means the group of persons vested with the
133 management of the affairs of a financial institution irrespective of the
134 name by which such group is designated;

135 (36) "Holding company" means a bank holding company or a
136 savings and loan holding company, except, as used in sections 36a-180
137 to 36a-191, inclusive, "holding company" means a company that
138 controls a bank;

139 (37) "Insured depository institution" has the meaning given to that
140 term in 12 USC Section 1813, as amended from time to time;

141 (38) "Licensee" means any person who is licensed or required to be
142 licensed pursuant to the applicable provisions of this title;

143 (39) "Loan" includes any line of credit or other extension of credit;

144 (40) "Loan production office" means an office of a bank or out-of-
145 state bank, other than a foreign bank, whose activities are limited to
146 loan production and solicitation;

147 (41) "Merger" means the combination of one or more institutions
148 with another which continues its corporate existence; all institutions
149 party to the merger are "constituent" institutions; the merging
150 institution which upon the merger continues its existence is the
151 "resulting" institution;

152 (42) "Mutual" when used in conjunction with any institution that is a
153 bank or out-of-state bank means any such institution without capital
154 stock;

155 (43) "Mutual holding company" means a mutual holding company
156 organized under sections 36a-192 to 36a-199, inclusive, and unless
157 otherwise indicated, a subsidiary holding company controlled by a

158 mutual holding company organized under sections 36a-192 to 36a-199,
159 inclusive;

160 (44) "Out-of-state" includes any state other than Connecticut and
161 any foreign country;

162 (45) "Out-of-state bank" means any institution that engages in the
163 business of banking, but does not include a bank, Connecticut credit
164 union, federal credit union or out-of-state credit union;

165 (46) "Out-of-state credit union" means any credit union other than a
166 Connecticut credit union or a federal credit union;

167 (47) "Out-of-state trust company" means any company chartered to
168 act as a fiduciary but does not include a company chartered under the
169 laws of this state, a bank, an out-of-state bank, a Connecticut credit
170 union, a federal credit union or an out-of-state credit union;

171 (48) "Person" means an individual, company, including a company
172 described in subparagraphs (A) and (B) of subdivision (11) of this
173 section, or any other legal entity, including a federal, state or municipal
174 government or agency or any political subdivision thereof;

175 (49) "Point of sale terminal" means a device located in a commercial
176 establishment at which sales transactions can be charged directly to the
177 buyer's deposit, loan or credit account, but at which deposit
178 transactions cannot be conducted;

179 (50) "Prepayment penalty" means any charge or penalty for paying
180 all or part of the outstanding balance owed on a loan before the date
181 on which the principal is due and includes computing a refund of
182 unearned interest by a method that is less favorable to the borrower
183 than the actuarial method, as defined by Section 933(d) of the Housing
184 and Community Development Act of 1992, 15 USC 1615(d), as
185 amended from time to time;

186 (51) "Reorganized savings bank" means any savings bank

187 incorporated and organized in accordance with sections 36a-192 and
188 36a-193;

189 (52) "Reorganized savings and loan association" means any savings
190 and loan association incorporated and organized in accordance with
191 sections 36a-192 and 36a-193;

192 (53) "Reorganized savings institution" means any reorganized
193 savings bank or reorganized savings and loan association;

194 (54) "Representative office" has the meaning given to that term in 12
195 USC Section 3101, as amended from time to time;

196 (55) "Reserves for loan and lease losses" means the amounts
197 reserved by a Connecticut bank against possible loan and lease losses
198 as shown on the bank's consolidated reports of condition and income;

199 (56) "Retail deposits" means any deposits made by individuals who
200 are not "accredited investors", as defined in 17 CFR 230.501(a);

201 (57) "Satellite device" means an automated teller machine which is
202 not part of an office of the bank, Connecticut credit union or federal
203 credit union which has established such machine;

204 (58) "Savings account" means a deposit account, other than an
205 escrow account established pursuant to section 49-2a, into which
206 savings deposits may be made and which account must be evidenced
207 by periodic statements delivered at least semiannually or by a
208 passbook;

209 (59) "Savings and loan association" means an institution chartered or
210 organized under the laws of this state as a savings and loan
211 association;

212 (60) "Savings bank" means an institution chartered or organized
213 under the laws of this state as a savings bank;

214 (61) "Savings deposit" means any deposit other than a demand
215 deposit or time deposit on which interest or a dividend is paid
216 periodically;

217 (62) "Savings and loan holding company" has the meaning given to
218 that term in 12 USC Section 1467a, as amended from time to time;

219 (63) "Share account holder" means a person who maintains a share
220 account in a Connecticut credit union, federal credit union or out-of-
221 state credit union that maintains in this state a branch, as defined in
222 section 36a-435b;

223 (64) "State" means any state of the United States, the District of
224 Columbia, any territory of the United States, Puerto Rico, Guam,
225 American Samoa, the trust territory of the Pacific Islands, the Virgin
226 Islands and the Northern Mariana Islands;

227 (65) "State agency" has the meaning given to that term in 12 USC
228 Section 3101, as amended from time to time;

229 (66) "State branch" has the meaning given to that term in 12 USC
230 Section 3101, as amended from time to time;

231 (67) "Subsidiary" has the meaning given to that term in 12 USC
232 Section 1841(d), as amended from time to time;

233 (68) "Subsidiary holding company" means a stock holding company,
234 controlled by a mutual holding company, that holds one hundred per
235 cent of the stock of a reorganized savings institution;

236 (69) "Supervisory agency" means: (A) The commissioner; (B) the
237 Federal Deposit Insurance Corporation; (C) the Resolution Trust
238 Corporation; (D) the Office of Thrift Supervision; (E) the National
239 Credit Union Administration; (F) the Board of Governors of the
240 Federal Reserve System; (G) the United States Comptroller of the
241 Currency; (H) the Bureau of Consumer Financial Protection; and (I)
242 any successor to any of the foregoing agencies or individuals;

243 (70) "System" means the Nationwide Mortgage Lending System and
244 Registry, NMLS, NMLSR or such other name or acronym as may be
245 assigned to the multistate system developed by the Conference of State
246 Bank Supervisors and the American Association of Residential
247 Mortgage Regulators, owned and operated by the State Regulatory
248 Registry LLC, or any successor or affiliated entity, for the licensing and
249 registration of persons in the mortgage and other financial services
250 industries;

251 [(70)] (71) "Time account" means an account into which time
252 deposits may be made;

253 [(71)] (72) "Time deposit" means a deposit that the depositor or
254 share account holder does not have a right and is not permitted to
255 make withdrawals from within six days after the date of deposit,
256 unless the deposit is subject to an early withdrawal penalty of at least
257 seven days' simple interest on amounts withdrawn within the first six
258 days after deposit, subject to those exceptions permissible under 12
259 CFR Part 204, as amended from time to time;

260 [(72)] (73) "Trust bank" means a Connecticut bank organized to
261 function solely in a fiduciary capacity; and

262 [(73)] (74) "Uninsured bank" means a Connecticut bank that does
263 not accept retail deposits and for which insurance of deposits by the
264 Federal Deposit Insurance Corporation or its successor agency is not
265 required.

266 Sec. 2. Section 36a-3 of the general statutes is repealed and the
267 following is substituted in lieu thereof (*Effective from passage*):

268 Other definitions applying to this title or to specified parts thereof
269 and the sections in which they appear are:

T1 "Account". Sections 36a-155 and 36a-365.

T2 "Additional proceeds". Section 36a-746e.

- T3 "Administrative expense". Section 36a-237.
- T4 "Advance fee". Sections 36a-485, as amended by this act, and 36a-615.
- T5 "Advertise", "advertisement" or "advertising". Section 36a-485, as
- T6 amended by this act.
- T7 "Agency bank". Section 36a-285.
- T8 "Agent". Section 36a-494.
- T9 "Alternative mortgage loan". Section 36a-265.
- T10 "Amount financed". Section 36a-690.
- T11 "Annual percentage rate". Section 36a-690.
- T12 "Annual percentage yield". Section 36a-316.
- T13 "Annuities". Section 36a-455a.
- T14 "Applicant". Section 36a-736.
- T15 "APR". Section 36a-746a.
- T16 "Assessment area". Section 36a-37.
- T17 "Assets". Section 36a-70.
- T18 "Associate". Section 36a-184.
- T19 "Associated member". Section 36a-458a.
- T20 "Bank". Section 36a-30.
- T21 "Bankers' bank". Section 36a-70.
- T22 "Banking business". Section 36a-425.
- T23 "Basic services". Section 36a-437a.
- T24 "Billing cycle". Section 36a-565.
- T25 "Bona fide nonprofit organization". Sections 36a-487 and 36a-655.
- T26 "Branch". Sections 36a-145, 36a-410 and 36a-435b.
- T27 "Branch office". Section 36a-485, as amended by this act.
- T28 "Branch or agency net payment entitlement". Section 36a-428n.
- T29 "Branch or agency net payment obligation". Section 36a-428n.
- T30 "Broker". Section 36a-746a.
- T31 "Business and industrial development corporation". Section 36a-626.
- T32 "Business and property in this state". Section 36a-428n.
- T33 "Capital". Section 36a-435b.
- T34 "Cash advance". Section 36a-564.
- T35 "Cash price". Section 36a-770.
- T36 "Certificate of incorporation". Section 36a-435b.

- T37 "CHFA loan". Section 36a-760.
- T38 "Clerical or support duties". Section 36a-485, as amended by this act.
- T39 "Closely related activities". Sections 36a-250 and 36a-455a.
- T40 "Collective managing agency account". Section 36a-365.
- T41 "Commercial vehicle". Section 36a-770.
- T42 "Community bank". Section 36a-70.
- T43 "Community credit union". Section 36a-37.
- T44 "Community development bank". Section 36a-70.
- T45 "Community reinvestment performance". Section 36a-37.
- T46 "Connecticut holding company". Sections 36a-53 and 36a-410.
- T47 "Consolidate". Section 36a-145.
- T48 "Construction loan". Section 36a-458a.
- T49 "Consumer". Sections 36a-155, 36a-676 and 36a-695.
- T50 "Consumer Credit Protection Act". Section 36a-676.
- T51 "Consumer debtor" and "debtor". Sections 36a-645 and 36a-800.
- T52 "Consumer collection agency". Section 36a-800.
- T53 "Consummation". Section 36a-746a.
- T54 "Control person". Section 36a-485, as amended by this act.
- T55 "Controlling interest". Section 36a-276.
- T56 "Conventional mortgage rate". Section 36a-760.
- T57 "Corporate". Section 36a-435b.
- T58 "Credit". Sections 36a-645 and 36a-676.
- T59 "Credit manager". Section 36a-435b.
- T60 "Creditor". Sections 36a-676, 36a-695 and 36a-800.
- T61 "Credit card", "cardholder" and "card issuer". Section 36a-676.
- T62 "Credit clinic". Section 36a-700.
- T63 "Credit rating agency". Section 36a-695.
- T64 "Credit report". Section 36a-695.
- T65 "Credit sale". Section 36a-676.
- T66 "Credit union service organization". Section 36a-435b.
- T67 "Credit union service organization services". Section 36a-435b.
- T68 "De novo branch". Section 36a-410.
- T69 "Debt". Section 36a-645.
- T70 "Debt adjustment". Section 36a-655.

- T71 "Debt mutual fund". Sections 36a-275 and 36a-459a.
- T72 "Debt securities". Sections 36a-275 and 36a-459a.
- T73 "Debtor". Section 36a-655.
- T74 "Deliver". Section 36a-316.
- T75 "Deposit". Section 36a-316.
- T76 "Deposit account". Section 36a-316.
- T77 "Deposit account charge". Section 36a-316.
- T78 "Deposit account disclosures". Section 36a-316.
- T79 "Deposit contract". Section 36a-316.
- T80 "Deposit services". Section 36a-425.
- T81 "Depositor". Section 36a-316.
- T82 "Depository institution". Section 36a-485, as amended by this act.
- T83 "Derivative transaction". Section 36a-262.
- T84 "Director". Section 36a-435b.
- T85 "Dwelling". Section 36a-485, as amended by this act.
- T86 "Earning period". Section 36a-316.
- T87 "Electronic payment instrument". Section 36a-596.
- T88 "Eligible collateral". Section 36a-330.
- T89 "Eligible entity". Section 36a-34.
- T90 "Employee". Section 36a-485, as amended by this act.
- T91 "Entity". Section 36a-380.
- T92 "Equity mutual fund". Sections 36a-276 and 36a-459a.
- T93 "Equity security". Sections 36a-276 and 36a-459a.
- T94 "Executive officer". Sections 36a-263 and 36a-469c.
- T95 "Expedited Connecticut bank". Section 36a-70.
- T96 "Experience in the mortgage business". Section 36a-488.
- T97 "Federal banking agency". Section 36a-485, as amended by this act.
- T98 "Federal Credit Union Act". Section 36a-435b.
- T99 "Federal Home Mortgage Disclosure Act". Section 36a-736.
- T100 "FHA loan". Section 36a-760.
- T101 "Fiduciary". Section 36a-365.
- T102 "Filing fee". Section 36a-770.
- T103 "Finance charge". Sections 36a-690 and 36a-770.
- T104 "Financial institution". Sections 36a-41, 36a-44a, 36a-155, 36a-316, 36a-330,

- T105 36a-435b, 36a-736 and 36a-755.
- T106 "Financial records". Section 36a-41.
- T107 "First mortgage loan". Sections 36a-485, as amended by this act, 36a-705,
- T108 36a-715 and 36a-725.
- T109 "Foreign banking corporation". Section 36a-425.
- T110 "Fully indexed rate". Section 36a-760b.
- T111 "General facility". Section 36a-580.
- T112 "Global net payment entitlement". Section 36a-428n.
- T113 "Global net payment obligation". Section 36a-428n.
- T114 "Goods". Sections 36a-535 and 36a-770.
- T115 "Graduated payment mortgage loan". Section 36a-265.
- T116 "Guardian". Section 36a-365.
- T117 "High cost home loan". Section 36a-746a.
- T118 "Holder". Section 36a-596.
- T119 "Home banking services". Section 36a-170.
- T120 "Home banking terminal". Section 36a-170.
- T121 "Home improvement loan". Section 36a-736.
- T122 "Home purchase loan". Section 36a-736.
- T123 "Home state". Section 36a-410.
- T124 "Housing finance agency". Section 36a-487.
- T125 "Immediate family member". Sections 36a-435b and 36a-485, as
- T126 amended by this act.
- T127 "Independent contractor". Section 36a-485, as amended by this act.
- T128 "Individual". Section 36a-485, as amended by this act.
- T129 "Insider". Section 36a-454b.
- T130 "Installment loan contract". Sections 36a-535 and 36a-770.
- T131 "Insurance". Section 36a-455a.
- T132 "Insurance bank". Section 36a-285.
- T133 "Insurance department". Section 36a-285.
- T134 "Interest". Section 36a-316.
- T135 "Interest rate". Section 36a-316.
- T136 "Interim interest". Section 36a-746a.
- T137 "Lender". Sections 36a-746a, 36a-760 and 36a-770.
- T138 "Lessor". Section 36a-676.

- T139 "License". Section 36a-626.
- T140 "Licensee". Sections 36a-596 and 36a-626.
- T141 "Limited branch". Section 36a-145.
- T142 "Limited facility". Section 36a-580.
- T143 "Loan broker". Section 36a-615.
- T144 "Loan processor or underwriter". Section 36a-485, as amended by this act.
- T145 "Loss". Section 36a-330.
- T146 "Made in this state". Section 36a-770.
- T147 "Main office". Section 36a-485, as amended by this act.
- T148 "Managing agent". Section 36a-365.
- T149 "Manufactured home". Section 36a-457b.
- T150 "Material litigation". Section 36a-596.
- T151 "Member". Section 36a-435b.
- T152 "Member business loan". Section 36a-458a.
- T153 "Member in good standing". Section 36a-435b.
- T154 "Membership share". Section 36a-435b.
- T155 "Mobile branch". Sections 36a-145 and 36a-435b.
- T156 "Money order". Section 36a-596.
- T157 "Money transmission". Section 36a-365.
- T158 "Mortgage". Section 36a-760g.
- T159 "Mortgage broker". Sections 36a-485, as amended by this act,
- T160 36a-705 and 36a-760.
- T161 "Mortgage correspondent lender". Section 36a-485, as amended by this act.
- T162 "Mortgage insurance". Section 36a-725.
- T163 "Mortgage lender". Sections 36a-485, as amended by this act,
- T164 36a-705 and 36a-725.
- T165 "Mortgage loan". Sections 36a-261, 36a-265, 36a-457b and 36a-736.
- T166 "Mortgage loan originator". Section 36a-485, as amended by this act.
- T167 "Mortgage rate lock-in". Section 36a-705.
- T168 "Mortgage servicing company". Section 36a-715.
- T169 "Mortgagor". Section 36a-715.
- T170 "Motor vehicle". Section 36a-770.
- T171 "Multiple common bond membership". Section 36a-435b.
- T172 "Municipality". Section 36a-800.

- T173 "Net outstanding member business loan balance". Section 36a-458a.
- T174 "Net worth". Sections 36a-441a, 36a-458a and 36a-596.
- T175 "Network". Section 36a-155.
- T176 "Nonprime home loan". Section 36a-760.
- T177 "Nonrefundable". Section 36a-498.
- T178 "Nontraditional mortgage product". Section 36a-489a.
- T179 "Note account". Sections 36a-301 and 36a-456b.
- T180 "Office". Sections 36a-23, 36a-316 and 36a-485, as amended by this act.
- T181 "Officer". Section 36a-435b.
- T182 "Open-end credit plan". Section 36a-676.
- T183 "Open-end line of credit". Section 36a-760.
- T184 "Open-end loan". Section 36a-565.
- T185 "Organization". Section 36a-800.
- T186 "Out-of-state holding company". Section 36a-410.
- T187 "Outstanding". Section 36a-596.
- T188 "Passbook savings account". Section 36a-316.
- T189 "Payment instrument". Section 36a-596.
- T190 "Periodic statement". Section 36a-316.
- T191 "Permissible investment". Section 36a-596.
- T192 "Person". Sections 36a-184 and 36a-485, as amended by this act.
- T193 "Post". Section 36a-316.
- T194 "Prepaid finance charge". Section 36a-746a.
- T195 "Prime quality". Section 36a-596.
- T196 "Principal amount of the loan". Section 36a-485, as amended by this act.
- T197 "Processor". Section 36a-155.
- T198 "Public deposit". Section 36a-330.
- T199 "Purchaser". Section 36a-596.
- T200 "Qualified financial contract". Section 36a-428n.
- T201 "Qualified public depository" and "depository". Section 36a-330.
- T202 "Real estate". Section 36a-457b.
- T203 "Real estate brokerage activity". Section 36a-485, as amended by this act.
- T204 "Records". Section 36a-17.
- T205 "Registered mortgage loan originator". Section 36a-485, as
- T206 amended by this act.

- T207 "Related person". Section 36a-53.
- T208 "Relocate". Sections 36a-145 and 36a-462a.
- T209 "Residential mortgage loan". Section 36a-485, as amended by this act.
- T210 "Residential real estate". Section 36a-485, as amended by this act.
- T211 "Resulting entity". Section 36a-34.
- T212 "Retail buyer". Sections 36a-535 and 36a-770.
- T213 "Retail credit transaction". Section 42-100b.
- T214 "Retail installment contract". Sections 36a-535 and 36a-770.
- T215 "Retail installment sale". Sections 36a-535 and 36a-770.
- T216 "Retail seller". Sections 36a-535 and 36a-770.
- T217 "Reverse annuity mortgage loan". Section 36a-265.
- T218 "Sales finance company". Sections 36a-535 and 36a-770.
- T219 "Savings department". Section 36a-285.
- T220 "Savings deposit". Section 36a-316.
- T221 "Secondary mortgage loan". Section 36a-485, as amended by this act.
- T222 "Security convertible into a voting security". Section 36a-184.
- T223 "Senior management". Section 36a-435b.
- T224 "Settlement agent". Section 36a-494.
- T225 "Share". Section 36a-435b.
- T226 "Simulated check". Section 36a-485, as amended by this act.
- T227 "Single common bond membership". Section 36a-435b.
- T228 "Special mortgage". Section 36a-760c.
- T229 "Social purpose investment". Section 36a-277.
- T230 "Sponsored". Section 36a-485, as amended by this act.
- T231 "Standard mortgage loan". Section 36a-265.
- T232 ["System". Section 36a-485.]
- T233 "Table funding agreement". Section 36a-485, as amended by this act.
- T234 "Tax and loan account". Sections 36a-301 and 36a-456b.
- T235 "The Savings Bank Life Insurance Company". Section 36a-285.
- T236 "Time account". Section 36a-316.
- T237 "Travelers check". Section 36a-596.
- T238 "Troubled Connecticut credit union". Section 36a-448a.
- T239 "Unique identifier". Section 36a-485, as amended by this act.
- T240 "Unsecured loan". Section 36a-615.

T241 "Warehouse agreement". Section 36a-485, as amended by this act.

270 Sec. 3. Section 36a-485 of the general statutes is repealed and the
271 following is substituted in lieu thereof (*Effective from passage*):

272 As used in this section and sections 36a-486 to 36a-498f, inclusive,
273 36a-534a to 36a-534c, inclusive, unless the context otherwise requires:

274 (1) "Advance fee" means any consideration paid or given, directly or
275 indirectly, to a mortgage lender, mortgage correspondent lender or
276 mortgage broker required to be licensed pursuant to sections 36a-485
277 to 36a-498f, inclusive, and sections 36a-534a and 36a-534b, prior to the
278 closing of a residential mortgage loan to any person, including, but not
279 limited to, loan fees, points, broker's fees or commissions, transaction
280 fees or similar prepaid finance charges;

281 (2) "Advertise", "advertisement" or "advertising" means the use of
282 any announcement, statement, assertion or representation that is
283 placed before the public in a newspaper, magazine or other
284 publication, or in the form of a notice, circular, pamphlet, letter or
285 poster or over any radio or television station, by means of the Internet,
286 or by other electronic means of distributing information, by personal
287 contact, or in any other way;

288 (3) "Branch office" means a location other than the main office at
289 which a licensee or any person on behalf of a licensee acts as a
290 mortgage lender, mortgage correspondent lender or mortgage broker;

291 (4) "Control person" means an individual that directly or indirectly
292 exercises control over another person. Any person that (A) is a
293 director, general partner or executive officer; (B) directly or indirectly
294 has the right to vote ten per cent or more of a class of any voting
295 security or has the power to sell or direct the sale of ten per cent or
296 more of any class of voting securities; (C) in the case of a limited
297 liability company, is a managing member; or (D) in the case of a

298 partnership, has the right to receive upon dissolution, or has
299 contributed, ten per cent or more of the capital, is presumed to be a
300 control person. For purposes of this subdivision, "control" means the
301 power, directly or indirectly, to direct the management or policies of a
302 company, whether through ownership of securities, by contract or
303 otherwise;

304 (5) "Depository institution" has the same meaning as provided in
305 Section 3 of the Federal Deposit Insurance Act, 12 USC 1813, and
306 includes any Connecticut credit union, federal credit union or out-of-
307 state credit union;

308 (6) "Dwelling" has the same meaning as provided in Section 103 of
309 the Consumer Credit Protection Act, 15 USC 1602;

310 (7) "Employee" means an individual (A) whose manner and means
311 of work performance are subject to the right of control of, or are
312 controlled by, a person, and (B) whose compensation is reported or
313 required to be reported on a W-2 form issued by the controlling
314 person. For purposes of the definition of "registered mortgage loan
315 originator", "employee" has the foregoing meaning or such other
316 meaning as the federal banking agencies may issue in connection with
317 such agencies' implementation of such agencies' responsibilities under
318 the S.A.F.E. Mortgage Licensing Act of 2008, 12 USC 5101 et seq.;

319 (8) "Federal banking agency" means the Board of Governors of the
320 Federal Reserve System, the Comptroller of the Currency, the Director
321 of the Office of Thrift Supervision, the National Credit Union
322 Administration and the Federal Deposit Insurance Corporation;

323 (9) "First mortgage loan" means a residential mortgage loan that is
324 secured by a first mortgage;

325 (10) "Immediate family member" means a spouse, child, sibling,
326 parent, grandparent or grandchild and includes stepparents,
327 stepchildren, stepsiblings and adoptive relationships;

328 (11) "Independent contractor" means an individual retained on a
329 basis where the individual is not an employee of any person in
330 connection with the services such individual provides and whose
331 compensation is reported or required to be reported on an Internal
332 Revenue Service Form 1099 issued by the retaining person;

333 (12) "Individual" means a natural person;

334 (13) "Loan processor or underwriter" means an individual who
335 performs clerical or support duties. The term "clerical or support
336 duties" includes, subsequent to the receipt of an application, (A) the
337 receipt, collection, distribution and analysis of information common
338 for the processing or underwriting of a residential mortgage loan, and
339 (B) communication with a consumer to obtain the information
340 necessary for the processing or underwriting of a loan to the extent
341 that such communication does not include offering or negotiating loan
342 rates or terms or counseling consumers about residential mortgage
343 loan rates or terms;

344 (14) "Main office" means the main address designated on the
345 system;

346 (15) "Mortgage broker" (A) means a person who (i) for
347 compensation or gain or with the expectation of compensation or gain
348 (I) takes a residential mortgage loan application, or (II) offers or
349 negotiates terms of a residential mortgage loan, and (ii) is not the
350 prospective source of the funds for the residential mortgage loan, (B)
351 but does not include (i) an individual who is licensed as a mortgage
352 loan originator acting as a mortgage loan originator on behalf of such
353 mortgage loan originator's sponsoring mortgage lender, mortgage
354 correspondent lender, mortgage broker or exempt registrant, or (ii) an
355 individual exempt from mortgage loan originator licensure under
356 subdivision (2) of subsection (b) of section 36a-486, as amended by this
357 act, when acting within the scope of such exemption;

358 (16) "Mortgage correspondent lender" means a person engaged in

359 the business of making residential mortgage loans in such person's
360 own name where the loans are not held by such person for more than
361 ninety days and are funded by another person through a warehouse
362 agreement, table funding agreement or similar agreement;

363 (17) "Mortgage lender" means a person engaged in the business of
364 making residential mortgage loans in such person's own name
365 utilizing such person's own funds or by funding loans through a
366 warehouse agreement, table funding agreement or similar agreement;

367 (18) "Mortgage loan originator" means an individual who for
368 compensation or gain or with the expectation of compensation or gain,
369 either for such individual or for the person employing or retaining
370 such individual, (A) takes a residential mortgage loan application, or
371 (B) offers or negotiates terms of a residential mortgage loan. "Mortgage
372 loan originator" does not include (i) an individual engaged solely as a
373 loan processor or underwriter; (ii) a person who only performs real
374 estate brokerage activities and is licensed in accordance with chapter
375 392, unless the person is compensated by a mortgage lender, mortgage
376 correspondent lender, mortgage broker or other mortgage loan
377 originator or by any agent of such mortgage lender, mortgage
378 correspondent lender, mortgage broker or other mortgage loan
379 originator; (iii) a person solely involved in extensions of credit relating
380 to timeshare plans, as that term is defined in Paragraph 53D of 11 USC
381 101; or (iv) any individual who solely renegotiates terms for existing
382 mortgage loans on behalf of a mortgagee and who does not otherwise
383 act as a mortgage loan originator, unless the United States Department
384 of Housing and Urban Development, the Bureau of Consumer
385 Financial Protection or a court of competent jurisdiction determines
386 that the S.A.F.E. Mortgage Licensing Act of 2008, 12 USC Section 5101
387 et seq., requires such individual to be licensed as a mortgage loan
388 originator under state laws implementing said S.A.F.E. Mortgage
389 Licensing Act;

390 (19) "Office" means a branch office or a main office;

391 (20) "Person" means a natural person, corporation, company, limited
392 liability company, partnership or association;

393 (21) "Principal amount of the loan" means the gross amount the
394 borrower is obligated to repay including any prepaid finance charge
395 that is financed, and any other charge that is financed;

396 (22) "Real estate brokerage activity" means any activity that involves
397 offering or providing real estate brokerage services to the public,
398 including (A) acting as a real estate agent or real estate broker for a
399 buyer, seller, lessor or lessee of real property; (B) bringing together
400 parties interested in the sale, purchase, lease, rental or exchange of real
401 property; (C) negotiating, on behalf of any party, any portion of a
402 contract relating to the sale, purchase, lease, rental or exchange of real
403 property, other than in connection with providing financing with
404 respect to any such transaction; (D) engaging in any activity for which
405 a person engaged in the activity is required to be registered or licensed
406 as a real estate agent or real estate broker under any applicable law;
407 and (E) offering to engage in any activity, or act in any capacity,
408 described in this subdivision;

409 (23) "Registered mortgage loan originator" means any individual
410 who (A) meets the definition of mortgage loan originator and is an
411 employee of a depository institution, a subsidiary that is owned and
412 controlled by a depository institution and regulated by a federal
413 banking agency, or an institution regulated by the Farm Credit
414 Administration; and (B) is registered with and maintains a unique
415 identifier through the system;

416 (24) "Residential mortgage loan" means any loan primarily for
417 personal, family or household use that is secured by a mortgage, deed
418 of trust or other equivalent consensual security interest on a dwelling
419 or residential real estate upon which is constructed or intended to be
420 constructed a dwelling;

421 (25) "Residential real estate" means any real property located in this

422 state, upon which is constructed or intended to be constructed a
423 dwelling;

424 (26) "Secondary mortgage loan" means a residential mortgage loan
425 that is secured, in whole or in part, by a mortgage, provided such
426 property is subject to one or more prior mortgages;

427 (27) "Simulated check" means a document that imitates or resembles
428 a check but is not a negotiable instrument;

429 (28) "Sponsored" means employed or retained as an independent
430 contractor;

431 [(29) "System" means the Nationwide Mortgage Licensing System
432 and Registry developed and maintained by the Conference of State
433 Bank Supervisors and the American Association of Residential
434 Mortgage Regulators for the licensing and registration of mortgage
435 lenders, mortgage correspondent lenders, mortgage brokers, mortgage
436 loan originators and loan processors or underwriters;]

437 [(30)] (29) "Table funding agreement" means an agreement wherein
438 a person agrees to fund mortgage loans to be made in another person's
439 name and to purchase such loans after they are made;

440 [(31)] (30) "Unique identifier" means a number or other identifier
441 assigned by protocols established by the system; and

442 [(32)] (31) "Warehouse agreement" means an agreement to provide
443 credit to a person to enable the person to have funds to make
444 residential mortgage loans and hold such loans pending sale to other
445 persons.

446 Sec. 4. Subsections (d) to (f), inclusive, of section 36a-21 of the
447 general statutes are repealed and the following is substituted in lieu
448 thereof (*Effective from passage*):

449 (d) (1) [The provisions of subsections (a) and (b) of this section shall

450 not apply to the disclosure of any record provided to or maintained by
451 the commissioner with the system. Except as otherwise provided in
452 Section 1512 of the federal S.A.F.E. Mortgage Licensing Act of 2008,
453 any requirements under federal law or any law of this state, including
454 this section and chapter 14 and any privilege arising under federal law
455 or any law of this state, including the rules of any federal court or
456 court of this state that protect the disclosure of any record provided to
457 or maintained with the system, shall continue to apply to such record
458 after it has been disclosed to the system. Such record may be shared
459 with all state and federal regulatory officials that have oversight
460 authority over the mortgage industry without the loss of privilege or
461 the loss of confidentiality protections provided by federal law or the
462 laws of this state.] Except as otherwise provided in this section, the
463 requirements under any federal or state law regarding the privacy or
464 confidentiality of any information or material provided to the system,
465 as defined in section 36a-2, as amended by this act, and any privilege
466 arising under federal or state law, including the rules of any federal or
467 state court, with respect to such information or material, shall continue
468 to apply to such information or material after the information or
469 material has been disclosed to the system. Such information and
470 material may be shared with all federal and state regulatory officials
471 with mortgage or other financial services industry oversight authority
472 without the loss of privilege or the loss of confidentiality protections
473 provided by federal or state law. For purposes of this subsection, the
474 commissioner may enter into agreements or sharing arrangements
475 with other governmental agencies, the Conference of State Bank
476 Supervisors, the American Association of Residential Mortgage
477 Regulators or associations representing governmental agencies.

478 (2) Any information or material that is [protected from disclosure]
479 subject to privilege or confidentiality under subdivision (1) of this
480 subsection shall not be subject to (A) disclosure under any federal or
481 state law governing disclosure to the public of information held by an
482 officer or agency of the federal government or the respective state; or

483 (B) subpoena, discovery or admission into evidence in any private civil
484 action or administrative process, except a person may, at such person's
485 discretion, waive in whole or in part a privilege held by the system
486 concerning such information and material.

487 (3) Any law of this state relating to the disclosure of confidential
488 supervisory information or of any information or material described in
489 subdivision (1) of this subsection that is inconsistent with subdivision
490 (1) shall be superseded by the requirements of this subsection.

491 (e) The confidentiality provisions of this section shall not apply to
492 records relating to the employment history of, and publicly
493 adjudicated disciplinary and enforcement actions against, [mortgage
494 loan originators or loan processors or underwriters] persons that are
495 included in the system for access by the public.

496 [(f) For purposes of this section, "system" has the same meaning as
497 provided in section 36a-485.]

498 Sec. 5. Subsection (c) of section 36a-51 of the general statutes is
499 repealed and the following is substituted in lieu thereof (*Effective from*
500 *passage*):

501 (c) Any licensee may surrender any license issued by the
502 commissioner under any provision of the general statutes by
503 surrendering the license to the commissioner in person or by
504 registered or certified mail, provided, in the case of a license issued
505 [pursuant to part I of chapter 668] through the system, as defined in
506 section 36a-2, as amended by this act, such surrender shall be initiated
507 by filing a request to surrender on the system. [, as defined in section
508 36a-485, in accordance with section 36a-490.] No surrender on the
509 system shall be effective until the request for surrender is accepted by
510 the commissioner. Surrender of a license shall not affect the licensee's
511 civil or criminal liability, or affect the commissioner's ability to impose
512 an administrative penalty on the licensee pursuant to section 36a-50 for
513 acts committed prior to the surrender. If, prior to receiving the license,

514 or, in the case of a license issued [pursuant to part I of chapter 668]
515 through the system, prior to the filing of a request to surrender a
516 license, [under section 36a-490,] the commissioner has instituted a
517 proceeding to suspend, revoke or refuse to renew such license, such
518 surrender or request to surrender will not become effective except at
519 such time and under such conditions as the commissioner by order
520 determines. If no proceeding is pending or has been instituted by the
521 commissioner at the time of surrender, or, in the case of a license
522 issued [pursuant to part I of chapter 668] through the system, at the
523 time a request to surrender is filed, the commissioner may still institute
524 a proceeding to suspend, revoke or refuse to renew a license under
525 subsection (a) of this section up to the date one year after the date of
526 receipt of the license by the commissioner, or, in the case of a license
527 issued [pursuant to part I of chapter 668] through the system, up to the
528 date one year after the date of the acceptance by the commissioner of a
529 request to surrender a license. [under section 36a-490.]

530 Sec. 6. (NEW) (*Effective October 1, 2013*) (a) In addition to any other
531 duties imposed upon the Banking Commissioner by law, the
532 commissioner is authorized to require any person engaged in a
533 financial services industry subject to the commissioner's jurisdiction to
534 be licensed or registered through the system, as defined in section 36a-
535 2 of the general statutes, as amended by this act.

536 (b) In the event the commissioner elects to require system-based
537 licensure for a person engaged in a financial services industry subject
538 to the commissioner's jurisdiction, the commissioner shall require all
539 initial or renewal applications for such a license or registration in this
540 state to be made and processed through the system on and in such
541 form as the commissioner may prescribe, and the system shall be
542 authorized to receive and maintain records related to such license or
543 registration to the same extent allowed or required to be maintained by
544 the commissioner. For such purpose, the commissioner may establish
545 requirements by order as necessary for participation in the system,
546 including, but not limited to: (1) Background checks, including, in the

547 case of any form of business organization, criminal history checks on
548 the individuals comprising the ownership or management of such
549 organization, through (A) fingerprint submission to the Federal
550 Bureau of Investigation or other state, national or international
551 criminal databases, (B) civil, criminal or administrative records from
552 any governmental jurisdiction, (C) credit history, including an
553 independent credit report obtained from a consumer reporting agency
554 described in Section 603(p) of the Fair Credit Reporting Act, 15 USC
555 1681a, or (D) any other information as deemed necessary by the
556 system; (2) the payment of fees to apply for or renew a license or
557 registration through the system; (3) the setting or resetting of license
558 expiration, renewal or transition dates or reporting dates or forms; and
559 (4) the requirements for amending or surrendering a license or any
560 other such activities as the commissioner deems necessary for
561 participation in the system. Such information may thereafter be used
562 by the commissioner to determine the applicant's eligibility for
563 licensing under applicable law and any order issued by the
564 commissioner under this section. For the purpose of participating in
565 the system, the commissioner may by order, waive or modify, in whole
566 or in part, any applicable requirement of title 36a of the general
567 statutes and establish new requirements as reasonably necessary to
568 participate in the system. For the purposes of implementing an orderly
569 and efficient licensing process, the commissioner may adopt licensing
570 regulations, in accordance with the provisions of chapter 54 of the
571 general statutes, and interim procedures for licensing and acceptance
572 of applications.

573 (c) In the event the commissioner elects to require system-based
574 licensure for a person engaged in a financial services industry subject
575 to the commissioner's jurisdiction, the commissioner may report
576 regularly to the system any (1) violation of and enforcement action
577 under applicable law, and (2) other relevant information. The
578 commissioner may establish a relationship or enter into a contract with
579 the system or any other entity designated by the system to collect and

580 maintain records and process transaction fees or other fees related to
581 licensees or other persons required or permitted to be licensed or
582 registered on the system.

583 (d) To reduce the points of contact that the commissioner or the
584 Federal Bureau of Investigation may have to maintain in accordance
585 with title 36a of the general statutes, the commissioner may use the
586 system as a channeling agent for requesting information from and
587 distributing information to the United States Department of Justice,
588 any governmental agency and any other source as directed by the
589 commissioner.

590 (e) Any person required or permitted to be licensed or registered on
591 the system may challenge information entered into the system by the
592 commissioner. Such challenge shall (1) be made in writing to the
593 commissioner, (2) set forth the specific information being challenged,
594 and (3) include any evidence that supports the challenge. Challenges
595 shall be limited to the factual accuracy of information within the
596 system. If the commissioner determines that the information entered
597 into the system is factually inaccurate, the commissioner shall take
598 prompt action to correct such information. Nothing in this subdivision
599 shall be construed to permit a challenge under this section to the
600 merits or factual basis of any administrative action taken by the
601 commissioner pursuant to title 36a of the general statutes.

602 (f) Any person making any filing or submission of any information
603 on the system shall do so in accordance with the procedures and
604 requirements of the system and pay any applicable fees or charges to
605 the system. Each person required to obtain registration or licensure
606 through the system shall timely submit to the system accurate reports
607 that shall be in such form and contain such information as the system
608 may require. Failure to timely submit to the system accurate reports
609 shall constitute a violation of this provision.

610 (g) All fees paid for any initial application for a license or

611 registration or for a renewal application for a license or registration,
612 including, but not limited to, fees paid in connection with an
613 application that is denied or withdrawn prior to the issuance of the
614 license or registration, shall be nonrefundable. No fee shall be prorated
615 if the license or registration is surrendered, revoked or suspended
616 prior to the expiration of the period for which it was approved.

617 (h) The commissioner may automatically suspend a license or
618 registration of a person on the system if such person receives a
619 deficiency on the system indicating that a required payment was
620 Returned-ACH or returned pursuant to such other term as may be
621 utilized by the system to indicate that the payment was not accepted.
622 After a license or registration has been automatically suspended
623 pursuant to this subsection, the commissioner shall give such licensee
624 or registrant notice of the automatic suspension, pending proceedings
625 for revocation or refusal to renew and an opportunity for a hearing on
626 such action in accordance with section 36a-51 of the general statutes,
627 and require such licensee to take or refrain from taking such action
628 that, in the opinion of the commissioner, will effectuate the purposes of
629 this subsection.

630 (i) The commissioner may deem an application for a license or
631 registration on the system abandoned if the applicant fails to respond
632 to any request for required information. The commissioner shall notify
633 the applicant on the system that if such information is not submitted
634 not later than sixty days from the date of such request, the application
635 shall be deemed abandoned. An application filing fee paid prior to the
636 date an application is deemed abandoned pursuant to this subsection
637 shall not be refunded. Abandonment of an application pursuant to this
638 subsection shall not preclude the applicant from submitting a new
639 application for a license or registration.

640 (j) The commissioner may issue a temporary order to cease business
641 under a license or registration if the commissioner determines that
642 such license or registration was issued erroneously. The commissioner

643 shall give the licensee an opportunity for a hearing on such action in
644 accordance with section 36a-52 of the general statutes. Such temporary
645 order shall become effective upon receipt by the licensee and, unless
646 set aside or modified by a court, shall remain in effect until the
647 effective date of a permanent order or dismissal of the matters asserted
648 in the notice.

649 Sec. 7. Subdivision (2) of subsection (b) of section 36a-486 of the
650 general statutes is repealed and the following is substituted in lieu
651 thereof (*Effective October 1, 2013*):

652 (2) The following are exempt from this section: (A) A registered
653 mortgage loan originator or an employee of an institution or
654 subsidiary described in subdivision (23) of section 36a-485, as
655 amended by this act, who is not required to be registered under
656 Section 1507 of the S.A.F.E. Mortgage Licensing Act of 2008, 12 USC
657 Section 5101 et seq., when acting for such institution or subsidiary; (B)
658 an individual who offers or negotiates the terms of a residential
659 mortgage loan with or on behalf of an immediate family member of
660 such individual; (C) an individual who offers or negotiates the terms of
661 a residential mortgage loan secured by a dwelling that served as the
662 individual's residence, unless the context demonstrates that such
663 individual engaged in such activities with a degree of habitualness or
664 repetition; (D) a Connecticut licensed attorney who negotiates the
665 terms of a residential mortgage loan on behalf of a client as an ancillary
666 matter to the attorney's representation of the client, unless the attorney
667 is compensated by a mortgage lender, mortgage correspondent lender,
668 mortgage broker or other mortgage loan originator or by any agent of
669 such mortgage lender, mortgage correspondent lender, mortgage
670 broker or other mortgage loan originator; (E) an individual who takes
671 a residential mortgage loan application or offers or negotiates terms of
672 a residential mortgage loan as an employee of a federal, state or local
673 government agency or housing finance agency exempt from licensure
674 pursuant to section 36a-487, and who does so only pursuant to such
675 individual's official duties as an employee of such agency; (F) an

676 individual who takes a residential mortgage loan application or offers
677 or negotiates terms of a residential mortgage loan as an employee of an
678 organization that has obtained bona fide nonprofit status from the
679 commissioner and is exempt from licensure pursuant to section 36a-
680 487, and who does so only pursuant to such individual's official duties
681 as an employee of such organization; and (G) an individual who offers
682 or negotiates the terms of a residential mortgage loan secured by a
683 dwelling that is not the individual's residence but is owned by such
684 individual, unless the context demonstrates that such individual
685 engaged in such activities with a degree of habitualness or repetition.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	36a-2
Sec. 2	<i>from passage</i>	36a-3
Sec. 3	<i>from passage</i>	36a-485
Sec. 4	<i>from passage</i>	36a-21(d) to (f)
Sec. 5	<i>from passage</i>	36a-51(c)
Sec. 6	<i>October 1, 2013</i>	New section
Sec. 7	<i>October 1, 2013</i>	36a-486(b)(2)

Statement of Purpose:

To authorize the Banking Commissioner to use the Nationwide Mortgage Licensing System and Registry for licensing or registration of any person engaged in a financial services industry within the jurisdiction of the commissioner.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]