



General Assembly

January Session, 2021

***Raised Bill No. 831***

LCO No. 2762



Referred to Committee on BANKING

Introduced by:

(BA)

***AN ACT CONCERNING COMMERCIAL MORTGAGE LOAN  
ORIGINATORS.***

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

1 Section 1. Section 31-76i of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2021*):

3 The provisions of sections 31-76b to 31-76j, inclusive, shall not apply  
4 with respect to [(a)] (1) any driver or helper, excluding drivers or helpers  
5 employed by exempt employers, with respect to whom the Interstate  
6 Commerce Commission or its successor agency or the Secretary of  
7 Transportation has power to establish qualifications and maximum  
8 hours of service pursuant to the provisions of applicable federal law or  
9 regulation of any employee of a carrier by air subject to the Railway  
10 Labor Act or any employee of any employer subject to said Railway  
11 Labor Act; [(b)] (2) any employee employed as a seaman; [(c)] (3) any  
12 employee employed as an announcer, a news editor or chief engineer by  
13 a radio station or television station; [(d)] (4) repealed by 1972, P.A. 116,  
14 S. 3, 6; [(e)] (5) any person employed in a bona fide executive,  
15 administrative or professional capacity as defined in the regulations of

16 the Labor Commissioner issued pursuant to section 31-60; [(f)] (6) any  
17 person employed in the capacity of outside salesman as defined in the  
18 regulations of the Federal Fair Labor Standards Act; [(g)] (7) any inside  
19 salesperson whose sole duty is to sell a product or service [(1)] (A)  
20 whose regular rate of pay is in excess of two times the minimum hourly  
21 rate applicable to him under section 31-58, [(2)] (B) more than half of  
22 whose compensation for a representative period, being not less than one  
23 month, represents commissions on goods or services, and [(3)] (C) who  
24 does not work more than fifty-four hours during a work week of seven  
25 consecutive calendar days. In determining the proportion of  
26 compensation representing commissions, all earnings resulting from the  
27 application of a bona fide commission rate shall be deemed  
28 commissions on goods or services without regard to whether the  
29 computed commissions exceed the draw or guarantee; [(h)] (8) any  
30 person employed as a taxicab driver by any employer engaged in the  
31 business of operating a taxicab, if such driver is paid forty per cent or  
32 more of the fares recorded on the meter of the taxicab operated by him;  
33 [(i)] (9) any person employed in the capacity of a household delivery  
34 route salesman engaged in delivering milk or bakery products to  
35 consumers and who is paid on a commission basis as defined in the  
36 regulations of the Labor Commissioner issued pursuant to section 31-  
37 60; [(j)] (10) any salesman primarily engaged in selling automobiles. For  
38 the purposes of this subdivision, "salesman" includes any person  
39 employed by a licensed new car dealer [(1)] (A) whose primary duty is  
40 to sell maintenance and repair services, [(2)] (B) whose regular rate of  
41 pay is in excess of two times the minimum hourly rate applicable to him  
42 under the provisions of section 31-58, [(3)] (C) more than half of whose  
43 compensation for a representative period, being not less than one  
44 month, represents commissions on goods or services, and [(4)] (D) who  
45 does not work more than fifty-four hours during a work week of seven  
46 consecutive days. In determining the proportion of compensation  
47 representing commissions, all earnings resulting from the application of  
48 a bona fide commission rate shall be deemed commissions on goods or  
49 services without regard to whether the computed commissions exceed  
50 the draw or guarantee; [(k)] (11) any person employed in agriculture;

51 [(l)] (12) any permanent paid members of the uniformed police force of  
52 municipalities and permanent paid members of the uniformed  
53 firefighters of municipalities; [(m)] (13) any person employed as a  
54 firefighter by a private nonprofit corporation which on May 24, 1984,  
55 has a valid contract with any municipality to extinguish fires and protect  
56 its inhabitants from loss by fire; [(n)] (14) any person, except a person  
57 paid on an hourly basis, employed as a beer delivery truck driver by a  
58 licensed distributor, as defined in section 12-433; [(o)] (15) any person  
59 employed as a mechanic primarily engaged in the servicing of motor  
60 vehicles, as defined in section 14-1, or farm implements, as defined in  
61 section 14-1, by a nonmanufacturing employer primarily engaged in the  
62 business of selling such vehicles or implements to consumers, to the  
63 extent that such employees are exempt under the federal Wage-Hour  
64 and Equal Pay Act, 29 USC 201 et seq. and 29 USC 213(b)(10), provided  
65 such person's actual weekly earnings exceed an amount equal to the  
66 total of [(1)] (A) such person's basic contractual hourly rate of pay times  
67 the number of hours such person has actually worked plus [(2)] (B) such  
68 person's basic contractual hourly rate of pay times one-half the number  
69 of hours such person has actually worked in excess of forty hours in  
70 such week. For the purposes of this section, "basic contractual hourly  
71 rate" means the compensation payable to a person at an hourly rate  
72 separate from and exclusive of any flat rate, incentive rate or any other  
73 basis of calculation; [or (p)] (16) any mortgage loan originator, as  
74 defined in section 36a-485, who is a highly compensated employee, as  
75 [defined] described in 29 CFR 541.601, provided this subdivision shall  
76 not apply to an individual who performs the functions of a mortgage  
77 loan originator solely from the office of such mortgage loan originator's  
78 employer. For purposes of this subdivision, an office in the mortgage  
79 loan originator's home shall not be considered the office of such  
80 mortgage loan originator's employer. Beginning on October 1, 2012, the  
81 total annual compensation for purposes of Subsection (a) of 29 CFR  
82 541.601 shall be increased annually, effective October first of each year,  
83 based on the percentage increase, from year to year, in the average of all  
84 workers' weekly earnings as determined by the Labor Commissioner  
85 pursuant to subdivision (1) of subsection (b) of section 31-309; or (17)

86 any commercial mortgage loan originator who is a highly compensated  
87 employee, as described in 29 CFR 541.601. For purposes of this  
88 subdivision, (A) "commercial mortgage loan originator" means an  
89 individual who for compensation or gain or with the expectation of  
90 compensation or gain, either for such individual or for the person  
91 employing or retaining such individual, (i) accepts a commercial  
92 mortgage loan application, or (ii) offers or negotiates the terms of a  
93 commercial mortgage loan, and (B) "commercial mortgage loan" means  
94 a mortgage loan not primarily for personal, family or household use.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2021	31-76i

**Statement of Purpose:**

To exempt certain commercial mortgage loan originators from the provisions of sections 31-76b to 31-76j, inclusive, of the general statutes.

*[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.]*