

31-LS0275\U
Bannister
3/13/19

HOUSE BILL NO.
IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-FIRST LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE WILSON

Introduced:
Referred:

A BILL
FOR AN ACT ENTITLED

**"An Act relating to exemptions from mortgage loan originator licensing requirements;
and providing for an effective date."**

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

*** Section 1.** AS 06.60.015(b) is amended to read:

(b) The following [INDIVIDUALS] are exempt from the mortgage loan originator licensing requirements of this chapter:

(1) an individual who is a registered mortgage loan originator, when acting for an entity described in (a)(1), (2), or (3) of this section;

(2) an individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual; in this paragraph, "immediate family member" means a spouse, child, stepchild, sibling, stepsibling, parent, stepparent, grandparent, or grandchild;

(3) a [AN INDIVIDUAL] seller, including a natural person, estate, trust, corporation, or another entity, that [WHO] offers or negotiates the terms of a

1 residential mortgage loan for the sale of residential property owned by the seller, if

2 (A) the loan is secured by a dwelling on the property;

3 (B) the seller self-finances the loan;

4 (C) during any 12-month period, the seller finances five or
5 fewer sales under this paragraph;

6 (D) in the ordinary course of a business of the seller, the
7 seller has not

8 (i) constructed the dwelling that secures the loan on
9 the property; or

10 (ii) acted as a contractor for the construction of the
11 dwelling that secures the loan on the property;

12 (E) the loan has an interest rate that is fixed for the full
13 term of the loan;

14 (F) the loan does not

15 (i) have a payment schedule that results in negative
16 amortization; or

17 (ii) allow or impose a prepayment penalty; and

18 (G) the seller determines that the purchaser has a
19 reasonable ability to repay the loan [THAT SERVES AS THE
20 INDIVIDUAL'S RESIDENCE];

21 (4) an individual who is a licensed attorney who negotiates the terms
22 of a residential mortgage loan on behalf of a client as an ancillary matter to the
23 attorney's representation of the client, unless the attorney is compensated by a lender,
24 a mortgage broker, or another mortgage loan originator or by an agent of a lender, a
25 mortgage broker, or another mortgage loan originator.

26 * Sec. 2. The uncoded law of the State of Alaska is amended by adding a new section to
27 read:

28 RETROACTIVITY. This Act is retroactive to July 1, 2008.

29 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).