

State of South Dakota

SEVENTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 1998

400B0217

HOUSE BILL NO. 1041

Introduced by: The Committee on Commerce at the request of the Department of Commerce
and Regulation

1 FOR AN ACT ENTITLED, An Act to authorize the Banking Commission to promulgate certain
2 administrative rules regarding the mortgage lending business.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 54-14-1 be amended to read as follows:

5 54-14-1. Terms as used in this chapter mean:

- 6 (1) "Director," the director of the Division of Banking of the ~~State~~ Department of
7 Commerce and Regulation;
- 8 (2) "Division," the Division of Banking of the ~~State~~ Department of Commerce and
9 Regulation;
- 10 (3) "License," the license provided by this chapter;
- 11 (4) "Licensee," the person holding a license provided by this chapter;
- 12 (5) "Mortgage," any interest in land created by a written instrument providing security for
13 the performance of a duty or the payment of a debt;
- 14 (6) "Mortgage banker," any person who, for valuable consideration, engages in the
15 business of dealing in mortgage loans including their placement and refinancing;

1 (7) "Mortgage loan," loans of money secured by a mortgage on real estate;

2 (8) "Mortgage broker," any person who acts as an intermediary between borrower and
3 lender in securing a mortgage loan, or places loans with investors for a consideration;

4 (9) "Commission," the State Banking Commission.

5 Section 2. That § 54-14-2 be amended to read as follows:

6 54-14-2. Any person who engages in the business of a mortgage banker or mortgage broker
7 shall obtain an original license to engage in such business under the terms and conditions of this
8 chapter, shall apply therefor under oath, on forms prescribed by the division, and shall pay an
9 original, nonrefundable license fee ~~of two hundred fifty dollars~~. If the application is approved,
10 a license shall be issued ~~and a fee of two hundred fifty dollars shall be paid and renewed on an~~
11 ~~annual basis~~. Licenses shall be renewed annually on the first day of July. The commission shall
12 establish a license fee by rules pursuant to chapter 1-26. The maximum fee for a license is two
13 hundred fifty dollars.

14 Section 3. That § 54-14-10 be amended to read as follows:

15 54-14-10. The ~~director shall have the power to adopt~~ commission may promulgate all
16 necessary rules, pursuant to chapter 1-26, for the management and administration of licensees
17 under this chapter, over which ~~he~~ it has jurisdiction as set forth in this chapter, and to regulate
18 the procedure and practice of the division.