



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
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**NOTIFICATION TO ALL STATE OF RHODE ISLAND LICENSED LENDERS
AND LOAN BROKERS CONCERNING CHANGES OF RHODE ISLAND
LICENSING LAWS RELATING TO RECENTLY ENACTED ARTICLE 16
SUBSTITUTE A OF THE 2008 BUDGET AND COMPANION SENATE BILL
2007 S 104 SUBSTITUTE A AS AMENDED**

On June 21, 2007 and July 3, 2007 respectively, the Rhode Island legislature passed into law Article 16 of the 2008 Budget and Senate Bill 2007 S 104 Relating to Financial Institutions – Licensed Activities, relative to Chapter 14 of Title 19 of the General Laws of Rhode Island.

All licensees should obtain a copy of the newly enacted laws and review the changes to R. I. Gen. Laws § 19-14-1 Definitions; R. I. Gen. Laws § 19-14-2 License Required; R. I. Gen. Laws § 19-14-3 Application for License; R. I. Gen. Laws § 19-14-4 Annual Fee; R. I. Gen. Laws § 19-14-6 Bond of Applicant; R. I. Gen. Laws § 19-14-7 Issuance or Denial of License; R. I. Gen. Laws § 19-14-9 Contents of License – Posting; R. I. Gen. Laws § 19-14-22, Reporting Requirements; R. I. Gen. Laws § 19-14-23 Examination and Investigation; R. I. Gen. Laws § 19-14-30 Rules and Regulations; R. I. Gen. Laws § 19-14-33 Compliance with Federal Laws governing licensed activities; and R. I. Gen. Laws § 19-14.1-10 Special Exemptions, to ensure compliance with the recently enacted and amended statutes, which took effect on passage.

Changes have also been made to R. I. Gen. Laws §§ 34-25.2-7 and 34-25.2-11 relating to the Rhode Island Home Loan Protection Act.

The budget article and senate bill requires mortgage loan originator registration by March 31, 2008 and full licensing, including pre-licensing training and continuing education and regulatory responsibility and supervision for mortgage loan originators by January 1, 2009. The Division of Banking is in the process of developing the protocols, which will be used for mortgage loan originator registration and licensing.

Special attention should be directed to the increase in Lender bonding requirements from \$25,000 to **\$50,000** and Loan Broker bonding requirements from \$10,000 to **\$20,000**. Copies of enacted bills can be viewed on the Legislative Website at <http://www.rilin.state.ri.us/Genmenu/>.

Licensees should review the Department of Business Regulation's website at <http://www.dbr.ri.gov> for further information regarding updated licensee information.

August 1, 2007
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& Superintendent of Banking