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H.575

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Introduced by Representative Koch of Barre Town

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Referred to Committee on

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Date:

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Subject: Banking and insurance; licensed lenders; owner financing

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Statement of purpose: This bill proposes to provide an exemption from

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Vermont's licensed lender requirements for sellers of owner-financed real

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estate.

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An act relating to owner-financed real estate sales

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It is hereby enacted by the General Assembly of the State of Vermont:

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Sec. 1. 8 V.S.A. § 2201 is amended to read:

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§ 2201. LICENSES REQUIRED

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(d) No lender license, mortgage broker license, or sales finance company

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license shall be required of:

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(1) a state agency, political subdivision, or other public instrumentality

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of the state;

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(2) a federal agency or other public instrumentality of the United States;

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(3) a gas or electric utility subject to the jurisdiction of the public service

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board engaging in energy conservation or safety loans;

- 1 (4) a depository institution;
- 2 (5) a pawnbroker;
- 3 (6) an insurance company;
- 4 (7) a seller of residential real estate, goods, or services that finances the
- 5 sale of such residential real estate, goods, or services, ~~other than a residential~~
- 6 ~~mortgage loan~~;

7 \* \* \*

- 8 (e) No mortgage loan originator license shall be required of:
- 9 (1) Registered mortgage loan originators, when acting for an entity
- 10 described in subdivision 2200(19) of this chapter.
- 11 (2) Any individual who offers or negotiates terms of a residential
- 12 mortgage loan with or on behalf of an immediate family member of the
- 13 individual.
- 14 (3) Any individual who offers or negotiates terms of a residential
- 15 mortgage loan secured by a dwelling ~~that served as the individual's residence~~
- 16 or residential real estate owned by the individual.

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18 Sec. 2. EFFECTIVE DATE

19 This act shall take effect on July 1, 2012.