

State of South Dakota

SEVENTY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 1997

400A0262

HOUSE BILL NO. 1051

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

1 FOR AN ACT ENTITLED, An Act to transfer the regulation of mortgage brokers from the Real
2 Estate Commission to the Division of Banking.

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

4 Section 1. That chapter 54-14 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 The regulation of mortgage brokers is transferred from the Real Estate Commission to the
7 Division of Banking of the Department of Commerce and Regulation. Upon application, the
8 Division of Banking shall renew a mortgage broker's license at the end of its term. Any license
9 fees shall be prorated on a per month basis to the end of the next licensing term.

10 Section 2. That § 54-14-4 be amended to read as follows:

11 54-14-4. No bank, bank holding company or subsidiary thereof, trust company, national bank
12 or savings and loan association or licensee under chapter 54-4 authorized to do business in this
13 state or ~~mortgage real estate~~ broker licensed under chapter ~~36-21~~ 36-21-A is required to obtain
14 a license under this chapter.

15 Section 3. That § 36-21A-8 be repealed.

1 ~~36-21A-8. For the purposes of this chapter, a mortgage broker is any person, other than a~~
2 ~~licensed real estate broker, licensed securities broker or dealer, licensed commodity broker or~~
3 ~~dealer, bank or trust company, savings and loan association, insurance company, federal land~~
4 ~~bank or state or federal agency and their employees, who for compensation or consideration,~~
5 ~~sells or offers for sale, buys or offers to buy, or negotiates the purchase or sale or exchange of~~
6 ~~mortgages upon real property for others, as whole or partial vocation. The term mortgages as~~
7 ~~used in this chapter does not include leasehold interests. Any person loaning his own funds is not~~
8 ~~a mortgage broker.~~