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.


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.

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Dennis F. Ziroli
Associate Director
& Superintendent of Banking