

SENATE BILL NO. 318—SENATOR COFFIN

MARCH 19, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Creates and revises provisions related to mortgage lending. (BDR 54-69)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to mortgage lending; exempting mortgage loan servicers from chapter 645A of NRS; creating a new “mortgage banking agent” license; creating a new “mortgage loan servicer” license; allowing the Division of Mortgage Lending of the Department of Business and Industry to enforce the relevant provisions of chapter 107 of NRS; allowing the Division to seek records and conduct examinations of mortgage loan servicers; allowing the Division to enforce the relevant provisions of federal and state law relating to mortgage loan servicing to the extent authorized by federal law, exempting mortgage loan servicers from chapter 692A of NRS; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law creates a license for a mortgage banker. (NRS 645E.200) **Sections 3 and 5-8** of this bill create a new “mortgage banking agent” license category. **Sections 4 and 9-14** of this bill create a new “mortgage loan servicer” license category.

Existing law allows for the Division of Mortgage Lending of the Department of Business and Industry to enforce laws and regulations related to mortgage banking. (NRS 645E.300-645E.390, 645E.620, 645E.630, 645E.670, 645E.680, 645E.710) **Sections 15-17** of this bill allow the Division to enforce the relevant provisions of chapter 107 of NRS, seek records and conduct examinations of mortgage loan servicers, and enforce the relevant provisions of federal and state law relating to mortgage loan servicing to the extent authorized by federal law.

**Sections 18-47** of this bill make changes throughout chapters 645E and 645F in order to be consistent with the two new license categories.



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**Section 1** of this bill exempts a mortgage loan servicer from the provisions of chapter 645A of NRS (Escrow Agencies and Agents). **Section 48** of this bill exempts a mortgage loan servicer from the provisions of chapter 692A of NRS (Title Insurance).

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** NRS 645A.015 is hereby amended to read as follows:

645A.015 The provisions of this chapter do not apply to:

1. Any person:

(a) Doing business under the laws of this State or the United States relating to banks, mutual savings banks, trust companies, savings and loan associations, common and consumer finance companies or industrial loan companies; or

(b) Licensed pursuant to chapter 692A of NRS.

2. An attorney at law rendering services in the performance of his duties as attorney at law, except an attorney actively engaged in conducting an escrow agency.

3. Any firm or corporation which lends money on real or personal property and is subject to licensing, supervision or auditing by an agency of the United States or of this State.

4. Any person doing any act under order of any court.

*5. A mortgage loan servicer, licensed pursuant to chapter 645E of NRS, rendering services in the performance of his duties as a mortgage loan servicer.*

**Sec. 2.** Chapter 645E of NRS is hereby amended by adding thereto the provisions set forth as sections 3 to 17, inclusive, of this act.

**Sec. 3. 1. “Mortgage banking agent” means a natural person who:**

*(a) Is an employee or independent contractor of a mortgage banker who is required to be licensed pursuant to this chapter; and*

*(b) Is authorized by the mortgage banker to engage in, on behalf of the mortgage banker, any activity that would require the person, if he were not an employee or independent contractor of the mortgage banker, to be licensed as a mortgage banker pursuant to this chapter.*

**2. The term does not include a person who:**

*(a) Is licensed as a mortgage banker;*

*(b) Is a general partner, officer or director of a mortgage banker; or*



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(c) *Performs only clerical or ministerial tasks for a mortgage banker.*

**Sec. 4. 1.** *“Mortgage loan servicer” means a person who directly or indirectly engages in the collection of payments and the performance of related services in connection with a loan secured by a lien on real property.*

**2.** *The term does not include a person who is licensed as:*

(a) *An escrow agent, pursuant to chapter 645A of NRS;*

(b) *A mortgage broker or mortgage agent, pursuant to chapter 645B of NRS;*

(c) *An appraiser, pursuant to chapter 645C of NRS;*

(d) *A certified inspector, pursuant to chapter 645D of NRS;*

(e) *A mortgage banker or mortgage banking agent, pursuant to this chapter; or*

(f) *A title agent, title insurer or escrow officer, pursuant to chapter 692A of NRS.*

**Sec. 5.** *A person shall not act as or provide any of the services of a mortgage banking agent or otherwise engage in, carry on or hold himself out as engaging in or carrying on the activities of a mortgage banking agent unless the person has a license as a mortgage banker or mortgage banking agent, as applicable, issued pursuant to this chapter.*

**Sec. 6. 1.** *To obtain a license as a mortgage banking agent, a person must:*

(a) *Be a natural person;*

(b) *File a written application for a license as a mortgage banking agent with the Office of the Commissioner;*

(c) *Comply with the applicable requirements of this chapter; and*

(d) *Pay an application fee pursuant to NRS 645E.280.*

**2.** *An application for a license as a mortgage banking agent must:*

(a) *Be verified;*

(b) *State the name and residence address of the applicant;*

(c) *Include a provision by which the applicant gives his written consent to an investigation of his credit history, criminal history and background;*

(d) *Include a complete set of fingerprints which the Division may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;*

(e) *Include a verified statement from the mortgage banker with whom the applicant will be associated that expresses the intent of that mortgage banker to associate the applicant with the mortgage*



1 *banker and to be responsible for the activities of the applicant as a*  
2 *mortgage banking agent; and*

3 *(f) Include any other information or supporting materials*  
4 *required pursuant to the regulations adopted by the Commissioner*  
5 *or by an order of the Commissioner. Such information or*  
6 *supporting materials may include, without limitation, other forms*  
7 *of identification of the person.*

8 *3. Except as may be otherwise provided in this chapter, the*  
9 *Commissioner shall issue a license as a mortgage banking agent*  
10 *to an applicant if:*

11 *(a) The application complies with the applicable requirements*  
12 *of this chapter; and*

13 *(b) The applicant:*

14 *(1) Has not been convicted of, or entered a plea of nolo*  
15 *contendere to, a felony relating to the practice of mortgage*  
16 *banking agents or any crime involving fraud, misrepresentation or*  
17 *moral turpitude;*

18 *(2) Has not had a financial services license suspended or*  
19 *revoked within the immediately preceding 10 years;*

20 *(3) Has not made a false statement of material fact on his*  
21 *application;*

22 *(4) Has not violated any provision of this chapter or*  
23 *chapter 645B of NRS, a regulation adopted pursuant thereto or an*  
24 *order of the Commissioner; and*

25 *(5) Has a good reputation for honesty, trustworthiness and*  
26 *integrity and displays competence to transact the business of a*  
27 *mortgage banking agent in a manner which safeguards the*  
28 *interests of the general public. The applicant must submit*  
29 *satisfactory proof of these qualifications to the Commissioner.*

30 *4. Money received by the Commissioner pursuant to this*  
31 *section must be deposited in the Fund for Mortgage Lending*  
32 *created by NRS 645F.270.*

33 **Sec. 7. 1.** *A person licensed as a mortgage banking agent*  
34 *pursuant to this chapter may not be associated with or employed*  
35 *by more than one mortgage banker at the same time.*

36 *2. A mortgage banker shall not associate with or employ a*  
37 *person as a mortgage banking agent or authorize a person to be*  
38 *associated with the mortgage banker as a mortgage banking agent*  
39 *if the mortgage banking agent is not licensed with the Division*  
40 *pursuant to this chapter.*

41 *3. If a mortgage banking agent terminates his association or*  
42 *employment with a mortgage banker for any reason, the mortgage*  
43 *banker shall, not later than the third business day following the*  
44 *date of termination:*



(a) *Deliver to the mortgage banking agent or send by certified mail to the last known residence address of the mortgage banking agent a written statement which advises him that his termination is being reported to the Division; and*

(b) *Deliver or send by certified mail to the Division:*

(1) *The license or license number of the mortgage banking agent;*

(2) *A written statement of the circumstances surrounding the termination; and*

(3) *A copy of the written statement that the mortgage banker delivers or mails to the mortgage banking agent pursuant to paragraph (a).*

**Sec. 8. 1.** *A mortgage banker shall exercise reasonable supervision over the activities of his mortgage banking agents. Such reasonable supervision must include, as appropriate:*

(a) *The establishment of written or oral policies and procedures for his mortgage banking agents; and*

(b) *The establishment of a system to review, oversee and inspect the activities of his mortgage banking agents, including, without limitation:*

(1) *Transactions handled by his mortgage banking agents pursuant to this chapter;*

(2) *Communications between his mortgage banking agents and a party to such a transaction;*

(3) *Documents prepared by his mortgage banking agents that may have a material effect upon the rights or obligations of a party to such a transaction; and*

(4) *The handling by his mortgage banking agents of any fee, deposit or money paid to the mortgage banker or his mortgage banking agents or held in trust by the mortgage banker or his mortgage banking agents pursuant to this chapter.*

2. *The Commissioner shall allow a mortgage banker to take into consideration the total number of mortgage banking agents associated with or employed by the mortgage banker when the mortgage banker determines the form and extent of the policies and procedures for those mortgage banking agents and the system to review, oversee and inspect the activities of those mortgage banking agents.*

3. *The Commissioner may adopt regulations prescribing standards for determining whether a mortgage banker has exercised reasonable supervision over the activities of a mortgage banking agent pursuant to this section.*

**Sec. 9. 1.** *A person who wishes to be licensed as a mortgage loan servicer must file a written application for a license with the Office of the Commissioner and pay the fee required by NRS*



1 *645E.280. An application for a license as a mortgage loan servicer*  
2 *must:*

3 *(a) Be verified.*

4 *(b) State the name, residence address and business address of*  
5 *the applicant and the location of each principal office, branch*  
6 *office or out-of-state office at which the mortgage loan servicer*  
7 *will conduct business within this State.*

8 *(c) State the name under which the applicant will conduct*  
9 *business as a mortgage loan servicer.*

10 *(d) List the name, residence address and business address of*  
11 *each person who will:*

12 *(1) If the applicant is not a natural person, have an interest*  
13 *in the mortgage loan servicer as a principal, partner, officer,*  
14 *director or trustee, specifying the capacity and title of each such*  
15 *person.*

16 *(2) Be associated with or employed by the mortgage loan*  
17 *servicer.*

18 *(e) Include a general business plan and a description of the*  
19 *policies and procedures that the mortgage loan servicer and his*  
20 *employees will follow to arrange and service loans and to conduct*  
21 *business pursuant to this chapter.*

22 *(f) State the length of time the applicant has been engaged in*  
23 *the business of a mortgage loan servicer.*

24 *(g) Include all information required to complete the*  
25 *application.*

26 *(h) Include any other information required pursuant to the*  
27 *regulations adopted by the Commissioner or an order of the*  
28 *Commissioner.*

29 *2. If a mortgage loan servicer will conduct business at one or*  
30 *more branch offices, the mortgage loan servicer must apply for a*  
31 *license for each such branch office.*

32 *3. Except as otherwise provided in this chapter, the*  
33 *Commissioner shall issue a license to an applicant as a mortgage*  
34 *loan servicer if:*

35 *(a) The application complies with the requirements of this*  
36 *chapter; and*

37 *(b) The applicant and each general partner, officer or director*  
38 *of the applicant, if the applicant is a partnership, corporation or*  
39 *unincorporated association:*

40 *(1) Has a good reputation for honesty, trustworthiness and*  
41 *integrity and displays competence to transact the business of a*  
42 *mortgage loan servicer in a manner which safeguards the interests*  
43 *of the general public. The applicant must submit satisfactory proof*  
44 *of these qualifications to the Commissioner.*



1       (2) *Has not been convicted of, or entered a plea of nolo*  
2 *contendere to, a felony relating to the practice of mortgage loan*  
3 *servicers or any crime involving fraud, misrepresentation or moral*  
4 *turpitude.*

5       (3) *Has not made a false statement of material fact on his*  
6 *application.*

7       (4) *Has not had a license that was issued pursuant to the*  
8 *provisions of this chapter or chapter 645A of NRS suspended or*  
9 *revoked within the 10 years immediately preceding the date of his*  
10 *application.*

11       (5) *Has not had a license that was issued in any other state,*  
12 *district or territory of the United States or any foreign country*  
13 *suspended or revoked within the 10 years immediately preceding*  
14 *the date of his application.*

15       (6) *Has not violated any provision of this chapter or*  
16 *chapter 645A of NRS, a regulation adopted pursuant thereto or an*  
17 *order of the Commissioner.*

18       4. *If an applicant is a partnership, corporation or*  
19 *unincorporated association, the Commissioner may refuse to issue*  
20 *a license to the applicant if any member of the partnership or any*  
21 *officer or director of the corporation or unincorporated*  
22 *association has committed any act or omission that would be cause*  
23 *for refusing to issue a license to a natural person.*

24       5. *A person may apply for a license for an office or other*  
25 *place of business located outside this State from which the*  
26 *applicant will conduct business in this State if the applicant*  
27 *submits with the application for a license a statement signed by the*  
28 *applicant which states that the applicant agrees to:*

29       (a) *Make available at a location within this State the books,*  
30 *accounts, papers, records and files of the office or place of*  
31 *business located outside this State to the Commissioner or a*  
32 *representative of the Commissioner; or*

33       (b) *Pay the reasonable expenses for travel, meals and lodging*  
34 *of the Commissioner or a representative of the Commissioner*  
35 *incurred during any investigation or examination made at the*  
36 *office or place of business located outside this State.*

37       ↪ *The Commissioner shall choose between paragraph (a) or (b) in*  
38 *regards to the applicant complying with the provisions of this*  
39 *subsection.*

40       **Sec. 10.** *The Commissioner may refuse to issue a license as a*  
41 *mortgage loan servicer to an applicant if the Commissioner has*  
42 *reasonable cause to believe that the applicant or any general*  
43 *partner, officer or director of the applicant has, after January 1,*  
44 *2008, employed or proposed to employ a person or authorized or*  
45 *proposed to authorize a person to be associated with a mortgage*





1 *loan servicer at a time when the applicant or the general partner,*  
2 *officer or director knew or, in light of all the surrounding facts*  
3 *and circumstances, reasonably should have known that the*  
4 *person:*

5 *1. Had been convicted of, or entered a plea of nolo*  
6 *contendere to:*

7 *(a) A felony relating to the practice of mortgage loan servicers;*  
8 *or*

9 *(b) Any crime involving fraud, misrepresentation or moral*  
10 *turpitude; or*

11 *2. Had a financial services license or registration suspended*  
12 *or revoked within the immediately preceding 10 years.*

13 **Sec. 11.** *1. If an applicant for a license as a mortgage loan*  
14 *servicer is a natural person, the Commissioner may refuse to issue*  
15 *a license to the applicant if the Commissioner has reasonable*  
16 *cause to believe that the applicant would be subject to control by a*  
17 *relative who would be ineligible to be licensed pursuant to this*  
18 *chapter.*

19 *2. If an applicant is a partnership, corporation or*  
20 *unincorporated association, the Commissioner may refuse to issue*  
21 *a license to the applicant if:*

22 *(a) Any member of the partnership or any officer or director of*  
23 *the corporation or unincorporated association has committed any*  
24 *act or omission that would be cause for refusing to issue a license*  
25 *to a natural person; or*

26 *(b) The Commissioner has reasonable cause to believe that*  
27 *any member of the partnership or any officer or director of the*  
28 *corporation or unincorporated association would be subject to*  
29 *control by a relative who would be ineligible to be licensed*  
30 *pursuant to this chapter.*

31 **Sec. 12.** *The provisions of sections 10 and 11 of this act do*  
32 *not limit the authority of the Commissioner to refuse to issue a*  
33 *license as a mortgage loan servicer to an applicant for any other*  
34 *lawful reason or pursuant to any other provision of law.*

35 **Sec. 13.** *1. A mortgage loan servicer shall post each license*  
36 *in a conspicuous place in the office to which it pertains.*

37 *2. A mortgage loan servicer may not transfer or assign a*  
38 *license to another person, unless the Commissioner gives his*  
39 *written approval.*

40 **Sec. 14.** *Each mortgage loan servicer shall pay the*  
41 *assessment levied pursuant to NRS 645F.180 and cooperate fully*  
42 *with the audits and examinations performed pursuant thereto.*

43 **Sec. 15.** *The Division may enforce the provisions of chapter*  
44 *107 of NRS as they relate to licensees of this chapter.*





1     **Sec. 16. 1.** *Each mortgage loan servicer shall keep and*  
2 *maintain at all times at each location where the mortgage loan*  
3 *servicer conducts business in this State complete and suitable*  
4 *records of all transactions made by the mortgage loan servicer at*  
5 *that location. Each mortgage loan servicer shall also keep and*  
6 *maintain at all times at each such location all original books,*  
7 *papers and data, or copies thereof, clearly reflecting the financial*  
8 *condition of the business of the mortgage loan servicer.*

9     2. *The Commissioner may adopt regulations prescribing*  
10 *accounting procedures for mortgage loan servicers handling trust*  
11 *accounts and the requirements for keeping records relating to*  
12 *such accounts.*

13     3. *A mortgage loan servicer who operates outside this State*  
14 *an office or other place of business which is licensed pursuant to*  
15 *this chapter shall:*

16     (a) *Make available at a location within this State the books,*  
17 *accounts, papers, records and files of the office or place of*  
18 *business located outside this State to the Commissioner or a*  
19 *representative of the Commissioner within 30 days after a request*  
20 *from the Commissioner or representative of the Commissioner; or*

21     (b) *Pay the reasonable expenses for travel, meals and lodging*  
22 *of the Commissioner or a representative of the Commissioner*  
23 *incurred during any investigation or examination made at the*  
24 *office or place of business located outside this State.*

25     ↪ *The Commissioner shall choose between paragraph (a) or (b) in*  
26 *regards to the licensee complying with the provisions of this*  
27 *subsection.*

28     4. *A mortgage loan servicer must adhere to any collection,*  
29 *loss mitigation or foreclosure procedures contained in any*  
30 *agreement or transaction to which the mortgage loan servicer is a*  
31 *party.*

32     5. *The information that the Commissioner or a representative*  
33 *of the Commissioner may require a mortgage loan servicer to*  
34 *disclose includes, without limitation:*

35     (a) *The identity of any investor of any loan being served; and*

36     (b) *Records related to the collection, loss mitigation and*  
37 *foreclosure procedures of any agreement or transaction to which*  
38 *the mortgage loan servicer is a party.*

39     **Sec. 17.** *The Division may enforce the provisions of any*  
40 *federal law or regulation which is related to mortgage loan*  
41 *servicing and which allows for such enforcement.*

42     **Sec. 18.** *NRS 645E.010 is hereby amended to read as follows:*

43     645E.010 *As used in this chapter, unless the context otherwise*  
44 *requires, the words and terms defined in NRS 645E.020 to*



645E.100, inclusive, *and sections 3 and 4 of this act* have the meanings ascribed to them in those sections.

**Sec. 19.** NRS 645E.020 is hereby amended to read as follows:

645E.020 “Applicant” means a person who applies for licensure as a mortgage banker , *mortgage banking agent or mortgage loan servicer* pursuant to this chapter.

**Sec. 20.** NRS 645E.090 is hereby amended to read as follows:

645E.090 “Licensee” means a person who is licensed as a mortgage banker , *mortgage banking agent or mortgage loan servicer* pursuant to this chapter.

**Sec. 21.** NRS 645E.130 is hereby amended to read as follows:

645E.130 The provisions of this chapter do not:

1. Limit any statutory or common-law right of a person to bring a civil action against a mortgage banker , *mortgage banking agent or mortgage loan servicer* for any act or omission involved in the transaction of business by or on behalf of the mortgage banker ~~to~~ , *mortgage banking agent or mortgage loan servicer*;

2. Limit the right of the State to punish a person for the violation of any law, ordinance or regulation; or

3. Establish a basis for a person to bring a civil action against the State or its officers or employees for any act or omission in carrying out the provisions of this chapter, including, without limitation, any act or omission relating to the disclosure of information or the failure to disclose information pursuant to the provisions of this chapter.

**Sec. 22.** NRS 645E.160 is hereby amended to read as follows:

645E.160 1. A person who claims an exemption from the provisions of this chapter pursuant to subsection 1 of NRS 645E.150 must:

(a) File a written application for a certificate of exemption with the Office of the Commissioner;

(b) Pay the fee required pursuant to NRS 645E.280; and

(c) Include with the written application satisfactory proof that the person meets the requirements of subsection 1 of NRS 645E.150.

2. The Commissioner may require a person who claims an exemption from the provisions of this chapter pursuant to subsections 2 to 9, inclusive, of NRS 645E.150 to:

(a) File a written application for a certificate of exemption with the Office of the Commissioner;

(b) Pay the fee required pursuant to NRS 645E.280; and

(c) Include with the written application satisfactory proof that the person meets the requirements of at least one of those exemptions.



3. A certificate of exemption expires automatically if, at any time, the person who claims the exemption no longer meets the requirements of at least one exemption set forth in the provisions of NRS 645E.150.

4. If a certificate of exemption expires automatically pursuant to this section, the person shall not provide any of the services of a mortgage banker, *mortgage banking agent or mortgage loan servicer, as applicable*, or otherwise engage in, carry on or hold himself out as engaging in or carrying on the business of a mortgage banker, *mortgage banking agent or mortgage loan servicer, as applicable*, unless the person applies for and is issued:

(a) A license as a mortgage banker, *mortgage banking agent or mortgage loan servicer* pursuant to this chapter; or

(b) Another certificate of exemption.

5. The Commissioner may impose upon a person who is required to apply for a certificate of exemption or who holds a certificate of exemption an administrative fine of not more than \$10,000 for each violation that he commits, if the person:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the person possesses and which, if submitted by him, would have rendered the person ineligible to hold a certificate of exemption; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner that applies to a person who is required to apply for a certificate of exemption or who holds a certificate of exemption.

**Sec. 23.** NRS 645E.200 is hereby amended to read as follows:

645E.200 1. A person who wishes to be licensed as a mortgage banker must file a written application for a license with the Office of the Commissioner and pay the fee required pursuant to NRS 645E.280. An application for a license as a mortgage banker must:

(a) Be verified.

(b) State the name, residence address and business address of the applicant and the location of each principal office and branch office at which the mortgage banker will conduct business in this State, including, without limitation, any office or other place of business located outside this State from which the mortgage banker will conduct business in this State.

(c) State the name under which the applicant will conduct business as a mortgage banker.

(d) If the applicant is not a natural person, list the name, residence address and business address of each person who will



1 have an interest in the mortgage banker as a principal, partner,  
2 officer, director or trustee, specifying the capacity and title of each  
3 such person.

4 (e) Indicate the general plan and character of the business.

5 (f) State the length of time the applicant has been engaged in the  
6 business of a mortgage banker.

7 (g) Include a financial statement of the applicant.

8 (h) Include any other information required pursuant to the  
9 regulations adopted by the Commissioner or an order of the  
10 Commissioner.

11 2. If a mortgage banker will conduct business in this State at  
12 one or more branch offices, the mortgage banker must apply for a  
13 license for each such branch office.

14 3. Except as otherwise provided in this chapter, the  
15 Commissioner shall issue a license to an applicant as a mortgage  
16 banker if:

17 (a) The application complies with the requirements of this  
18 chapter; and

19 (b) The applicant and each general partner, officer or director of  
20 the applicant, if the applicant is a partnership, corporation or  
21 unincorporated association:

22 (1) Has a good reputation for honesty, trustworthiness and  
23 integrity and displays competence to transact the business of a  
24 mortgage banker in a manner which safeguards the interests of the  
25 general public. The applicant must submit satisfactory proof of these  
26 qualifications to the Commissioner.

27 (2) Has not been convicted of, or entered a plea of nolo  
28 contendere to, a felony relating to the practice of mortgage bankers  
29 or any crime involving fraud, misrepresentation or moral turpitude.

30 (3) Has not made a false statement of material fact on his  
31 application.

32 (4) Has not had a license that was issued pursuant to the  
33 provisions of this chapter or chapter 645B of NRS suspended or  
34 revoked within the 10 years immediately preceding the date of his  
35 application.

36 (5) Has not had a license *as a mortgage banker or mortgage*  
37 *banking agent* that was issued in any other state, district or territory  
38 of the United States or any foreign country suspended or revoked  
39 within the 10 years immediately preceding the date of his  
40 application.

41 (6) Has not violated any provision of this chapter or chapter  
42 645B of NRS, a regulation adopted pursuant thereto or an order of  
43 the Commissioner.

44 4. If an applicant is a partnership, corporation or  
45 unincorporated association, the Commissioner may refuse to issue a



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1 license to the applicant if any member of the partnership or any  
2 officer or director of the corporation or unincorporated association  
3 has committed any act or omission that would be cause for refusing  
4 to issue a license to a natural person.

5 5. A person may apply for a license for an office or other place  
6 of business located outside this State from which the applicant will  
7 conduct business in this State if the applicant or a subsidiary or  
8 affiliate of the applicant has a license issued pursuant to this chapter  
9 for an office or other place of business located in this State and if  
10 the applicant submits with the application for a license a statement  
11 signed by the applicant which states that the applicant agrees to:

12 (a) Make available at a location within this State the books,  
13 accounts, papers, records and files of the office or place of business  
14 located outside this State to the Commissioner or a representative of  
15 the Commissioner; or

16 (b) Pay the reasonable expenses for travel, meals and lodging of  
17 the Commissioner or a representative of the Commissioner incurred  
18 during any investigation or examination made at the office or place  
19 of business located outside this State.

20 ➔ The ~~{applicant must be allowed to}~~ *Commissioner shall* choose  
21 between paragraph (a) or (b) in *regards to the applicant* complying  
22 with the provisions of this subsection.

23 **Sec. 24.** NRS 645E.210 is hereby amended to read as follows:

24 645E.210 1. In addition to any other requirements set forth in  
25 this chapter:

26 (a) A natural person who applies for the issuance of a license ~~{as~~  
27 ~~a mortgage banker}~~ *pursuant to this chapter* shall include the social  
28 security number of the applicant in the application submitted to the  
29 Commissioner.

30 (b) A natural person who applies for the issuance or renewal of a  
31 license ~~{as a mortgage banker}~~ shall submit to the Commissioner the  
32 statement prescribed by the Division of Welfare and Supportive  
33 Services of the Department of Health and Human Services pursuant  
34 to NRS 425.520. The statement must be completed and signed by  
35 the applicant.

36 2. The Commissioner shall include the statement required  
37 pursuant to subsection 1 in:

38 (a) The application or any other forms that must be submitted  
39 for the issuance or renewal of the license; or

40 (b) A separate form prescribed by the Commissioner.

41 3. The Commissioner shall not issue or renew a license ~~{as a~~  
42 ~~mortgage banker}~~ if the applicant is a natural person who:

43 (a) Fails to submit the statement required pursuant to subsection  
44 1; or



(b) Indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

4. If an applicant indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Commissioner shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

**Sec. 25.** NRS 645E.210 is hereby amended to read as follows:

645E.210 1. In addition to any other requirements set forth in this chapter, a natural person who applies for the issuance or renewal of a license ~~[as a mortgage banker]~~ *pursuant to this chapter* shall submit to the Commissioner the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.

2. The Commissioner shall include the statement required pursuant to subsection 1 in:

(a) The application or any other forms that must be submitted for the issuance or renewal of the license; or

(b) A separate form prescribed by the Commissioner.

3. The Commissioner shall not issue or renew a license ~~[as a mortgage banker]~~ if the applicant is a natural person who:

(a) Fails to submit the statement required pursuant to subsection 1; or

(b) Indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

4. If an applicant indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Commissioner shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.



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**Sec. 26.** NRS 645E.220 is hereby amended to read as follows:

645E.220 1. A mortgage banker shall post each license *as a mortgage banker* in a conspicuous place in the office for which the license has been issued.

2. A mortgage banker may not transfer or assign a license to another person, unless the Commissioner gives his written approval.

**Sec. 27.** NRS 645E.230 is hereby amended to read as follows:

645E.230 1. A license *as a mortgage banker* entitles a licensee to engage only in the activities *of a mortgage banker* authorized by this chapter.

2. The provisions of this chapter do not prohibit a licensee *as a mortgage banker* from:

(a) Holding a license as a mortgage broker pursuant to chapter 645B of NRS; or

(b) Conducting the business of a mortgage banker and the business of a mortgage broker in the same office or place of business.

**Sec. 28.** NRS 645E.280 is hereby amended to read as follows:

645E.280 1. A license issued ~~[to a mortgage banker]~~ pursuant to this chapter expires each year on December 31, unless it is renewed. To renew a license, the licensee must submit to the Commissioner on or before December 31 of each year:

(a) An application for renewal that complies with the requirements of this chapter; and

(b) The fee required to renew the license pursuant to this section.

2. If the licensee fails to submit any item required pursuant to subsection 1 to the Commissioner on or before December 31 of any year, the license is cancelled. The Commissioner may reinstate a cancelled license if the licensee submits to the Commissioner:

(a) An application for renewal that complies with the requirements of this chapter;

(b) The fee required to renew the license pursuant to this section; and

(c) A reinstatement fee of \$200.

3. Except as otherwise provided in NRS 645E.160, a certificate of exemption issued pursuant to this chapter expires each year on December 31, unless it is renewed. To renew a certificate of exemption, a person must submit to the Commissioner on or before December 31 of each year:

(a) An application for renewal that complies with the requirements of this chapter; and

(b) The fee required to renew the certificate of exemption.

4. If the person fails to submit any item required pursuant to subsection 3 to the Commissioner on or before December 31 of any



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1 year, the certificate of exemption is cancelled. Except as otherwise provided in NRS 645E.160, the Commissioner may reinstate a cancelled certificate of exemption if the person submits to the Commissioner:

(a) An application for renewal that complies with the requirements of this chapter;

(b) The fee required to renew the certificate of exemption; and

(c) A reinstatement fee of \$100.

5. ~~[A]~~ *Except as otherwise provided in subsection 8, a person must pay the following fees to apply for, to be issued or to renew a license ~~as a mortgage banker~~ for a principal office or branch office pursuant to this chapter:*

(a) To file an original application for a license, \$1,500 for the principal office and \$40 for each branch office. The person must also pay such additional expenses incurred in the process of investigation as the Commissioner deems necessary.

(b) To be issued a license, \$1,000 for the principal office and \$60 for each branch office.

(c) To renew a license, \$500 for the principal office and \$100 for each branch office.

6. A person must pay the following fees to apply for or to renew a certificate of exemption pursuant to this chapter:

(a) To file an application for a certificate of exemption, \$200.

(b) To renew a certificate of exemption, \$100.

7. To be issued a duplicate copy of any license or certificate of exemption, a person must make a satisfactory showing of its loss and pay a fee of \$10.

8. *A mortgage banking agent must pay the fee determined by the Commissioner.*

9. *To change the mortgage banker with whom a mortgage banking agent is associated, the mortgage banking agent must pay a fee of \$10.*

10. Except as otherwise provided in this chapter, all fees received pursuant to this chapter must be deposited in the Fund for Mortgage Lending created by NRS 645F.270.

**Sec. 29.** NRS 645E.300 is hereby amended to read as follows:

645E.300 1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise general supervision and control over mortgage bankers, *mortgage banking agents and mortgage loan servicers* doing business in this State.

2. In addition to the other duties imposed upon him by law, the Commissioner shall:

(a) Adopt any regulations that are necessary to carry out the provisions of this chapter, except as to loan fees.



(b) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.

(c) Conduct an annual examination of each mortgage banker *or mortgage loan servicer* doing business in this State.

(d) Conduct such other examinations, periodic or special audits, investigations and hearings as may be necessary and proper for the efficient administration of the laws of this State regarding mortgage bankers ~~H~~, *mortgage banking agents or mortgage loan servicers*.

(e) Classify as confidential certain records and information obtained by the Division when those matters are obtained from a governmental agency upon the express condition that they remain confidential. This paragraph does not limit examination by:

(1) The Legislative Auditor; or

(2) The Department of Taxation if necessary to carry out the provisions of chapter 363A of NRS.

(f) Conduct such examinations and investigations as are necessary to ensure that mortgage bankers , *mortgage banking agents and mortgage loan servicers* meet the requirements of this chapter for obtaining a license, both at the time of the application for a license and thereafter on a continuing basis.

3. For each special audit, investigation or examination, a mortgage banker *or mortgage loan servicer* shall pay a fee based on the rate established pursuant to NRS 645F.280.

**Sec. 30.** NRS 645E.320 is hereby amended to read as follows:

645E.320 Each mortgage banker *and mortgage loan servicer* shall pay the assessment levied pursuant to NRS 645F.180 and cooperate fully with the audits and examinations performed pursuant thereto.

**Sec. 31.** NRS 645E.350 is hereby amended to read as follows:

645E.350 1. Each mortgage banker shall keep and maintain at all times at each location where the mortgage banker conducts business in this State complete and suitable records of all mortgage transactions made by the mortgage banker at that location. Each mortgage banker shall also keep and maintain at all times at each such location all original books, papers and data, or copies thereof, clearly reflecting the financial condition of the business of the mortgage banker.

2. Each mortgage banker shall submit to the Commissioner each month a report of the mortgage banker's activity for the previous month. The report must:

(a) Specify the volume of loans made by the mortgage banker for the month or state that no loans were made in that month;



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(b) Include any information required pursuant to the regulations adopted by the Commissioner; and

(c) Be submitted to the Commissioner by the 15th day of the month following the month for which the report is made.

3. The Commissioner may adopt regulations prescribing accounting procedures for mortgage bankers handling trust accounts and the requirements for keeping records relating to such accounts.

4. A licensee who operates outside this State an office or other place of business which is licensed pursuant to this chapter shall:

(a) Make available at a location within this State the books, accounts, papers, records and files of the office or place of business located outside this State to the Commissioner or a representative of the Commissioner; or

(b) Pay the reasonable expenses for travel, meals and lodging of the Commissioner or a representative of the Commissioner incurred during any investigation or examination made at the office or place of business located outside this State.

➔ The ~~{licensee must be allowed to}~~ *Commissioner shall* choose between paragraph (a) or (b) in *regards to the licensee* complying with the provisions of this subsection.

**Sec. 32.** NRS 645E.370 is hereby amended to read as follows:

645E.370 1. Except as otherwise provided in this section or by specific statute, all papers, documents, reports and other written instruments filed with the Commissioner pursuant to this chapter are open to public inspection.

2. The Commissioner may withhold from public inspection or refuse to disclose to a person, for such time as the Commissioner considers necessary, any information that, in his judgment, would:

(a) Impede or otherwise interfere with an investigation that is currently pending against a mortgage banker ~~{}~~, *mortgage banking agent or mortgage loan servicer*; or

(b) Have an undesirable effect on the welfare of the public or the welfare of any mortgage banker.

**Sec. 33.** NRS 645E.620 is hereby amended to read as follows:

645E.620 1. Whether or not a complaint has been filed, the Commissioner may investigate a ~~{mortgage-banker}~~ *licensee* or other person if, for any reason, it appears that:

(a) The ~~{mortgage-banker}~~ *licensee* is conducting business in an unsafe and injurious manner or in violation of any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

(b) The person is offering or providing any of the services of a mortgage banker, *mortgage banking agent or mortgage loan servicer, as applicable*, or otherwise engaging in, carrying on or holding himself out as engaging in or carrying on the business of a



1 mortgage banker , *mortgage banking agent or mortgage loan*  
2 *servicer, as applicable*, without being licensed or exempt from  
3 licensing pursuant to the provisions of this chapter; or

4 (c) The person is violating any other provision of this chapter, a  
5 regulation adopted pursuant to this chapter or an order of the  
6 Commissioner.

7 2. If, upon investigation, the Commissioner has reasonable  
8 cause to believe that the ~~{mortgage banker}~~ *licensee* or other person  
9 has engaged in any conduct or committed any violation described in  
10 subsection 1, the Commissioner may:

11 (a) Advise the district attorney of the county in which the  
12 conduct or violation occurred, and the district attorney shall cause  
13 the appropriate legal action to be taken against the ~~{mortgage~~  
14 ~~banker}~~ *licensee* or other person to enjoin the conduct or the  
15 operation of the business or prosecute the violation; and

16 (b) Bring a civil action to:

17 (1) Enjoin the ~~{mortgage banker}~~ *licensee* or other person  
18 from engaging in the conduct, operating the business or committing  
19 the violation; and

20 (2) Enjoin any other person who has encouraged, facilitated,  
21 aided or participated in the conduct, the operation of the business or  
22 the commission of the violation, or who is likely to engage in such  
23 acts, from engaging in or continuing to engage in such acts.

24 3. If the Commissioner brings a civil action pursuant to  
25 subsection 2, the district court of any county of this state is hereby  
26 vested with the jurisdiction in equity to enjoin the conduct, the  
27 operation of the business or the commission of the violation and  
28 may grant any injunctions that are necessary to prevent and restrain  
29 the conduct, the operation of the business or the commission of the  
30 violation. During the pendency of the proceedings before the district  
31 court:

32 (a) The court may issue any temporary restraining orders as may  
33 appear to be just and proper;

34 (b) The findings of the Commissioner shall be deemed to be  
35 prima facie evidence and sufficient grounds, in the discretion of the  
36 court, for the ex parte issuance of a temporary restraining order; and

37 (c) The Commissioner may apply for and on due showing is  
38 entitled to have issued the court's subpoena requiring forthwith the  
39 appearance of any person to:

40 (1) Produce any documents, books and records as may  
41 appear necessary for the hearing of the petition; and

42 (2) Testify and give evidence concerning the conduct  
43 complained of in the petition.



**Sec. 34.** NRS 645E.630 is hereby amended to read as follows:

645E.630 1. In addition to any other action that is permitted pursuant to this chapter, if the Commissioner has reasonable cause to believe that:

(a) The assets or capital of a mortgage banker *or mortgage loan servicer* are impaired; or

(b) A mortgage banker *or mortgage loan servicer* is conducting business in an unsafe and injurious manner that may result in danger to the public,

➔ the Commissioner may immediately take possession of all the property, business and assets of the mortgage banker *or mortgage loan servicer* that are located in this state and retain possession of them pending further proceedings provided for in this chapter.

2. If the licensee, the board of directors or any officer or person in charge of the offices of the mortgage banker *or mortgage loan servicer* refuses to permit the Commissioner to take possession of the property of the mortgage banker *or mortgage loan servicer* pursuant to subsection 1:

(a) The Commissioner shall notify the Attorney General; and

(b) The Attorney General shall immediately bring such proceedings as may be necessary to place the Commissioner in immediate possession of the property of the mortgage banker ~~or~~ *or mortgage loan servicer*.

3. If the Commissioner takes possession of the property of the mortgage banker ~~or~~ *or the mortgage loan servicer*, the Commissioner shall:

(a) Make or have made an inventory of the assets and known liabilities of the mortgage banker ~~or~~ *or mortgage loan servicer*; and

(b) File one copy of the inventory in his office and one copy in the office of the clerk of the district court of the county in which the principal office of the mortgage banker *or mortgage loan servicer* is located and shall mail one copy to each stockholder, partner, officer, director or associate of the mortgage banker *or mortgage loan servicer* at his last known address.

4. The clerk of the court with which the copy of the inventory is filed shall file it as any other case or proceeding pending in the court and shall give it a docket number.

**Sec. 35.** NRS 645E.640 is hereby amended to read as follows:

645E.640 1. If the Commissioner takes possession of the property of a mortgage banker *or mortgage loan servicer* pursuant to NRS 645E.630, the licensee, officers, directors, partners, associates or stockholders of the mortgage banker *or mortgage loan servicer* may, within 60 days after the date on which the Commissioner takes possession of the property, make good any deficit in the assets or capital of the mortgage banker *or mortgage*



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1 *loan servicer* or remedy any unsafe and injurious conditions or  
2 practices of the mortgage banker ~~H~~ *or mortgage loan servicer*.

3 2. At the expiration of the 60-day period, if the deficiency in  
4 assets or capital has not been made good or the unsafe and injurious  
5 conditions or practices remedied, the Commissioner may apply to  
6 the court to be appointed receiver and proceed to liquidate the assets  
7 of the mortgage banker *or mortgage loan servicer* which are located  
8 in this State in the same manner as now provided by law for  
9 liquidation of a private corporation in receivership.

10 3. No other person may be appointed receiver by any court  
11 without first giving the Commissioner ample notice of his  
12 application.

13 4. The inventory made by the Commissioner and all claims  
14 filed by creditors are open at all reasonable times for inspection, and  
15 any action taken by the receiver upon any of the claims is subject to  
16 the approval of the court before which the cause is pending.

17 5. The expenses of the receiver and compensation of counsel,  
18 as well as all expenditures required in the liquidation proceedings,  
19 must be fixed by the Commissioner subject to the approval of the  
20 court and, upon certification of the Commissioner, must be paid out  
21 of the money in his hands as the receiver.

22 **Sec. 36.** NRS 645E.670 is hereby amended to read as follows:

23 645E.670 1. For each violation committed by an applicant,  
24 whether or not he is issued a license, the Commissioner may impose  
25 upon the applicant an administrative fine of not more than \$10,000,  
26 if the applicant:

27 (a) Has knowingly made or caused to be made to the  
28 Commissioner any false representation of material fact;

29 (b) Has suppressed or withheld from the Commissioner any  
30 information which the applicant possesses and which, if submitted  
31 by him, would have rendered the applicant ineligible to be licensed  
32 pursuant to the provisions of this chapter; or

33 (c) Has violated any provision of this chapter, a regulation  
34 adopted pursuant to this chapter or an order of the Commissioner in  
35 completing and filing his application for a license or during the  
36 course of the investigation of his application for a license.

37 2. For each violation committed by a licensee, the  
38 Commissioner may impose upon the licensee an administrative fine  
39 of not more than \$10,000, may suspend, revoke or place conditions  
40 upon his license, or may do both, if the licensee, whether or not  
41 acting as such:

42 (a) Is insolvent;

43 (b) Is grossly negligent or incompetent in performing any act for  
44 which he is required to be licensed pursuant to the provisions of this  
45 chapter;



(c) Does not conduct his business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;

(d) Is in such financial condition that he cannot continue in business with safety to his customers;

(e) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the licensee knew or, by the exercise of reasonable diligence, should have known;

(g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the licensee possesses and which, if submitted by him, would have rendered the licensee ineligible to be licensed pursuant to the provisions of this chapter;

(h) Has failed to account to persons interested for all money received for a trust account;

(i) Has refused to permit an examination by the Commissioner of his books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;

(j) Has been convicted of, or entered a plea of nolo contendere to, a felony relating to the practice of mortgage bankers, *mortgage banking agents or mortgage loan servicers, as applicable*, or any crime involving fraud, misrepresentation or moral turpitude;

(k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the licensee is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

(l) Has failed to pay a tax as *may be* required pursuant to the provisions of chapter 363A of NRS;

(m) Has failed to satisfy a claim made by a client which has been reduced to judgment;

(n) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(o) Has commingled the money or other property of a client with his own or has converted the money or property of others to his own use; or

(p) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice.



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3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

**Sec. 37.** NRS 645E.680 is hereby amended to read as follows:

645E.680 1. If the Commissioner receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a license as a mortgage banker, *mortgage banking agent or mortgage loan servicer*, the Commissioner shall deem the license issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Commissioner receives a letter issued to the holder of the license by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the license has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

2. The Commissioner shall reinstate a license as a mortgage banker, *mortgage banking agent or mortgage loan servicer* that has been suspended by a district court pursuant to NRS 425.540 if the Commissioner receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose license was suspended stating that the person whose license was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

**Sec. 38.** NRS 645E.900 is hereby amended to read as follows:

645E.900 It is unlawful for any person to offer or provide any of the services of a mortgage banker, *mortgage banking agent or mortgage loan servicer* or otherwise to engage in, carry on or hold himself out as engaging in or carrying on the business of a mortgage banker, *mortgage banking agent or mortgage loan servicer* without first obtaining a license as a mortgage banker, *mortgage banking agent or mortgage loan servicer, as applicable*, pursuant to this chapter, unless the person:

1. Is exempt from the provisions of this chapter; and

2. Complies with the requirements for that exemption.

**Sec. 39.** NRS 645E.910 is hereby amended to read as follows:

645E.910 It is unlawful for any foreign corporation, association or business trust to conduct any business as a mortgage banker *or mortgage loan servicer* within this State, unless it:

1. Qualifies under chapter 80 of NRS; and

2. Complies with the provisions of this chapter or, if it claims an exemption from the provisions of this chapter, complies with the requirements for that exemption.



1     **Sec. 40.** Chapter 645F of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 41 and 42 of this act.

3     **Sec. 41.** *“Mortgage banking agent” has the meaning*  
4 *ascribed to it in section 3 of this act.*

5     **Sec. 42.** *“Mortgage loan servicer” has the meaning ascribed*  
6 *to is in section 4 of this act.*

7     **Sec. 43.** NRS 645F.010 is hereby amended to read as follows:

8     645F.010 As used in this chapter, unless the context otherwise  
9 requires, the words and terms defined in NRS 645F.020 to  
10 645F.060, inclusive, *and sections 41 and 42 of this act* have the  
11 meanings ascribed to them in those sections.

12     **Sec. 44.** NRS 645F.160 is hereby amended to read as follows:

13     645F.160 The Commissioner shall not, either directly or  
14 indirectly, be interested in any escrow agency, mortgage broker ,  
15 *mortgage loan servicer* or mortgage banker to which chapters  
16 645A, 645B and 645E of NRS apply, nor engage in business as a  
17 personal loan broker.

18     **Sec. 45.** NRS 645F.180 is hereby amended to read as follows:

19     645F.180 1. The Commissioner may appoint deputy  
20 commissioners of mortgage lending, examiners, assistants, clerks,  
21 stenographers and other employees necessary to assist him in the  
22 performance of his duties pursuant to this chapter, chapters 645A,  
23 645B and 645E of NRS or any other law. These employees shall  
24 perform such duties as are assigned to them by the Commissioner.

25     2. The Commissioner may employ or contract with a certified  
26 public accountant to review and conduct independent audits and  
27 examinations of escrow agencies, mortgage brokers , *mortgage loan*  
28 *servicers* and mortgage bankers. The Commissioner shall levy an  
29 assessment upon each licensed escrow agency, mortgage broker ,  
30 *mortgage loan servicer* and mortgage banker to cover all the costs  
31 related to the employment of or the contract with the certified public  
32 accountant and the performance of the audits and examinations.

33     3. Assessments collected by the Commissioner pursuant to  
34 subsection 2 must be deposited in the State Treasury for deposit to  
35 the Fund for Mortgage Lending created by NRS 645F.270 and  
36 accounted for separately. The Commissioner shall use the money for  
37 the purposes specified in subsection 2.

38     **Sec. 46.** NRS 645F.280 is hereby amended to read as follows:

39     645F.280 1. The Commissioner shall establish by regulation  
40 rates to be paid by escrow agencies, mortgage agents, mortgage  
41 brokers , *mortgage loan servicers* and mortgage bankers for  
42 supervision and examinations by the Commissioner or the Division.

43     2. In establishing a rate pursuant to subsection 1, the  
44 Commissioner shall consider:



(a) The complexity of the various examinations to which the rate applies;

(b) The skill required to conduct the examinations;

(c) The expenses associated with conducting the examination and preparing a report; and

(d) Any other factors the Commissioner deems relevant.

**Sec. 47.** NRS 645F.290 is hereby amended to read as follows:

645F.290 1. The Commissioner shall collect an assessment pursuant to this section from each:

(a) Escrow agency that is supervised pursuant to chapter 645A of NRS;

(b) Mortgage broker that is supervised pursuant to chapter 645B of NRS; ~~and~~

(c) Mortgage banker that is supervised pursuant to chapter 645E of NRS ~~and~~; and

*(d) Mortgage loan servicer that is supervised pursuant to chapter 645E of NRS.*

2. The Commissioner shall determine the total amount of all assessments to be collected from the entities identified in subsection 1, but that amount must not exceed the amount necessary to recover the cost of legal services provided by the Attorney General to the Commissioner and to the Division. The total amount of all assessments collected must be reduced by any amounts collected by the Commissioner from an entity for the recovery of the costs of legal services provided by the Attorney General in a specific case.

3. The Commissioner shall collect from each entity identified in subsection 1 an assessment that is based on:

(a) An equal basis; or

(b) Any other reasonable basis adopted by the Commissioner.

4. The assessment required by this section is in addition to any other assessment, fee or cost required by law to be paid by an entity identified in subsection 1.

5. Money collected by the Commissioner pursuant to this section must be deposited in the Fund for Mortgage Lending created by NRS 645F.270.

**Sec. 48.** Chapter 692A of NRS is hereby amended by adding thereto a new section to read as follows:

*The provisions of this chapter do not apply to a mortgage loan servicer as defined in section 4 of this act.*

**Sec. 49.** 1. This section and sections 1 to 24, inclusive, and 26 to 48, inclusive, of this act become effective on January 1, 2008.

2. Sections 24 and 37 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to



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1 withhold or suspend, or to restrict the use of professional,  
2 occupational and recreational licenses of persons who:

3 (a) Have failed to comply with a subpoena or warrant relating to  
4 a proceeding to determine the paternity of a child or to establish or  
5 enforce an obligation for the support of a child; or

6 (b) Are in arrears in the payment for the support of one or more  
7 children,

8 ➤ are repealed by the Congress of the United States.

9 3. Section 25 of this act:

10 (a) Becomes effective on the date on which the provisions of 42  
11 U.S.C. § 666 requiring each state to establish procedures under  
12 which the state has authority to withhold or suspend, or to restrict  
13 the use of professional, occupational and recreational licenses of  
14 persons who:

15 (1) Have failed to comply with a subpoena or warrant  
16 relating to a proceeding to determine the paternity of a child or to  
17 establish or enforce an obligation for the support of a child; or

18 (2) Are in arrears in the payment for the support of one or  
19 more children,

20 ➤ are repealed by the Congress of the United States; and

21 (b) Expires by limitation 2 years after the effective date pursuant  
22 to paragraph (a).

