

Senate Bill No. 47—Committee on  
Commerce, Labor and Energy

CHAPTER.....

AN ACT relating to mortgage lending; defining certain terms and revising certain definitions relating to mortgage lending; revising provisions exempting certain nonprofit agencies and organizations from the licensing requirements of mortgage brokers and mortgage agents; revising provisions governing the renewal of a license as a mortgage agent; revising provisions prohibiting certain acts by mortgage brokers and mortgage agents; revising provisions exempting certain attorneys from the licensing requirements of foreclosure consultants and foreclosure purchasers; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law does not define the term “employee” with respect to a mortgage agent who is required to be employed by certain persons under certain circumstances. (Chapter 645B of NRS) **Section 1** of this bill defines the term “employee” in the same manner that the term is defined under federal law in the context of mortgage lending. (12 C.F.R. § 1008 et seq.) **Sections 3 and 4** of this bill revise the definitions of the terms “licensee” and “residential mortgage loan originator” for the purposes of the statutory provisions governing the licensing and regulation of mortgage brokers and mortgage agents. (NRS 645B.0123, 645B.01325)

Existing law exempts certain nonprofit agencies and organizations from the statutory provisions governing mortgage brokers and mortgage agents. (NRS 645B.015) **Section 5** of this bill requires such nonprofit agencies and organizations to maintain tax exempt status under section 501(c)(3) of the Internal Revenue Code of 1986.

Existing law prohibits a mortgage agent from providing any services of a mortgage agent unless he or she meets certain criteria. (NRS 645B.400) **Section 6** of this bill clarifies the employment, association and sponsorship requirements that a mortgage agent must satisfy under certain circumstances.

Existing law establishes procedures for the renewal of a license as a mortgage agent. (NRS 645B.430) **Section 7** of this bill clarifies the circumstances under which the Commissioner of Mortgage Lending may renew a license.

**Sections 8-10** of this bill revise existing law to provide that a mortgage agent must be under the control, in addition to the reasonable supervision, of mortgage brokers and mortgage bankers who employ the mortgage agent. (NRS 645B.460, 645B.670, 645E.291) **Sections 8 and 10** also remove the discretion of a mortgage broker or a mortgage banker to establish written or oral policies and procedures for mortgage agents, and instead require the establishment of written policies and procedures. **Section 9** also: (1) prohibits a mortgage broker from paying any remuneration to a mortgage agent under certain circumstances; and (2) prohibits a mortgage agent from receiving any remuneration for his or her services as a mortgage agent under certain circumstances. **Section 9** further provides that the co-brokering of a commercial loan through the cooperation of two or more mortgage brokers is not prohibited so long as such a transaction is not inconsistent with any other provision governing mortgage brokers and mortgage agents.



Existing law exempts certain attorneys from being licensed as a foreclosure consultant or foreclosure purchaser. (NRS 645F.380) **Section 11** of this bill provides that such attorneys must be licensed to practice law in this State and not be engaged in a practice comprised primarily of providing a covered service to his or her clients.

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

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

**Section 1.** Chapter 645B of NRS is hereby amended by adding thereto a new section to read as follows:

***“Employee” means a natural person:***

***1. Whose manner and means of performance of work are subject to the right of control of, or are controlled by, another person; and***

***2. Whose compensation for federal income tax purposes is reported, or required to be reported, on Form W-2 issued by the controlling person.***

**Sec. 2.** NRS 645B.010 is hereby amended to read as follows:

645B.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 645B.0104 to 645B.0135, inclusive, ***and section 1 of this act*** have the meanings ascribed to them in those sections.

**Sec. 3.** NRS 645B.0123 is hereby amended to read as follows:

645B.0123 “Licensee” means a person who is licensed ***or required to be licensed*** as a mortgage broker pursuant to this chapter. The term does not include a person issued a license as a mortgage agent pursuant to NRS 645B.410 ~~†~~ ***who is acting properly within the scope of that license.***

**Sec. 4.** NRS 645B.01325 is hereby amended to read as follows:

645B.01325 “Residential mortgage loan originator” means a natural person who takes a residential mortgage loan application or offers or negotiates terms of a residential mortgage loan for compensation or other pecuniary gain. The term does not include:

1. A ***loan processor, underwriter or other natural*** person who performs clerical or ministerial tasks as an employee at the direction of and subject to the supervision and instruction of a person licensed or exempt from licensing under this chapter, unless the person who performs such clerical or ministerial tasks is an independent contractor; or



2. A person solely involved in extensions of credit relating to timeshare plans, as that term is defined in 11 U.S.C. § 101(53D).

**Sec. 5.** NRS 645B.015 is hereby amended to read as follows:

645B.015 Except as otherwise provided in NRS 645B.016, the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, 12 U.S.C. §§ 5101 et seq., and any regulations adopted pursuant thereto and other applicable law, the provisions of this chapter do not apply to:

1. Any person doing business under the laws of this State, any other state or the United States relating to banks, savings banks, trust companies, savings and loan associations, industrial loan companies, credit unions, thrift companies or insurance companies, including, without limitation, a subsidiary or a holding company of such a bank, company, association or union.

2. A real estate investment trust, as defined in 26 U.S.C. § 856, unless the business conducted in this State is not subject to supervision by the regulatory authority of the other jurisdiction, in which case licensing pursuant to this chapter is required.

3. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is made directly from money in the plan by the plan's trustee.

4. An attorney at law rendering services in the performance of his or her duties as an attorney at law.

5. A real estate broker rendering services in the performance of his or her duties as a real estate broker.

6. Any person doing any act under an order of any court.

7. Any one natural person, or husband and wife, who provides money for investment in commercial loans secured by a lien on real property, on his or her own account, unless such a person makes a loan secured by a lien on real property using his or her own money and assigns all or a part of his or her interest in the loan to another person, other than his or her spouse or child, within 3 years after the date on which the loan is made or the deed of trust is recorded, whichever occurs later.

8. A natural person who only offers or negotiates terms of a residential mortgage loan:

(a) With or on behalf of an immediate family member of the person; or

(b) Secured by a dwelling that served as the person's residence.

9. Agencies of the United States and of this State and its political subdivisions, including the Public Employees' Retirement System.



10. A seller of real property who offers credit secured by a mortgage of the property sold.

11. A nonprofit agency or organization:

(a) Which provides self-help housing for a borrower who has provided part of the labor to construct the dwelling securing the borrower's loan;

(b) Which does not charge or collect origination fees in connection with the origination of residential mortgage loans;

(c) Which only makes residential mortgage loans at an interest rate of 0 percent per annum;

(d) Whose volunteers, if any, do not receive compensation for their services in the construction of a dwelling; ~~and~~

(e) Which does not profit from the sale of a dwelling to a borrower ~~H~~; and

*(f) Which maintains tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, 26 U.S.C. § 501(c)(3).*

12. A housing counseling agency approved by the United States Department of Housing and Urban Development.

**Sec. 5.5.** NRS 645B.189 is hereby amended to read as follows:

645B.189 1. If, in carrying on his or her business, a mortgage broker uses an advertisement that is designed, intended or reasonably likely to solicit money from private investors, the mortgage broker shall include in each such advertisement a statement of disclosure in substantially the following form:

Money invested through a mortgage broker is not guaranteed to earn any interest or return and is not insured.

2. A mortgage broker shall include in each advertisement that the mortgage broker uses in carrying on his or her business any statements of disclosure required pursuant to the regulations adopted by the Commissioner or required pursuant to an order of the Commissioner entered in accordance with subsections 7 and 8 of NRS 645B.185.

3. Each mortgage broker who has received an initial license within the past 12 months shall submit any proposed advertisement that the mortgage broker intends to use in carrying on his or her business to the Commissioner for approval.

4. In addition to the requirements set forth in this chapter, each advertisement that a mortgage broker uses in carrying on his or her business must comply with the requirements of:

(a) NRS 598.0903 to 598.0999, inclusive, concerning deceptive trade practices; and



(b) Any applicable federal statute or regulation concerning deceptive advertising and the advertising of interest rates.

5. If a mortgage broker violates any provision of NRS 598.0903 to 598.0999, inclusive, concerning deceptive trade practices or any federal statute or regulation concerning deceptive advertising or the advertising of interest rates, in addition to any sanction or penalty imposed by state or federal law upon the mortgage broker for the violation, the Commissioner may take any disciplinary action set forth in *paragraph (b) of* subsection ~~12~~ *1* of NRS 645B.670 against the mortgage broker.

6. The Commissioner may adopt any regulations that are necessary to carry out the provisions of this section.

**Sec. 6.** NRS 645B.400 is hereby amended to read as follows:

645B.400 A person shall not act as or provide any of the services of a mortgage agent or otherwise engage in, carry on or hold himself or herself out as engaging in or carrying on the activities of a mortgage agent unless the person:

1. Has a license as a mortgage agent issued pursuant to NRS 645B.410.

2. Is :

*(a) If the person is not a loan processor who is an independent contractor, an employee of ~~for associated with~~ a mortgage broker or mortgage banker ~~1~~ ; or*

*(b) An employee of or associated with a person who holds a certificate of exemption pursuant to NRS 645B.016.*

3. If the person is required to register with the Registry ~~1~~ *is* :

*(a) Is an employee of and whose sponsorship has been entered with the Registry by a mortgage broker, mortgage banker or person who holds a certificate of exemption pursuant to NRS 645B.016 as required by subsection 2 of NRS 645B.450; and*

*(b) Is registered with and provides any identifying number issued by the Registry.*

**Sec. 7.** NRS 645B.430 is hereby amended to read as follows:

645B.430 1. A license as a mortgage agent issued pursuant to NRS 645B.410 expires each year on December 31, unless it is renewed. To renew a license as a mortgage agent, the holder of the license must continue to meet the requirements of subsection 3 of NRS 645B.410 and must submit to the Commissioner on or after November 1 and on or before December 31 of each year, or on a date otherwise specified by the Commissioner by regulation:

(a) An application for renewal;

(b) Except as otherwise provided in this section, satisfactory proof that the holder of the license as a mortgage agent attended at



least 10 hours of certified courses of continuing education during the 12 months immediately preceding the date on which the license expires; and

(c) A renewal fee set by the Commissioner of not more than \$170.

2. In lieu of the continuing education requirement set forth in paragraph (b) of subsection 1, the holder of a license as a mortgage agent who, pursuant to subsection 1 of NRS 645F.267, is not required to register or renew with the Registry and who has not voluntarily registered or renewed with the Registry must submit to the Commissioner satisfactory proof that he or she attended at least 5 hours of certified courses of continuing education during the 12 months immediately preceding the date on which the license expires. The hours of continuing education required by this subsection must include:

(a) At least 3 hours relating to the laws and regulations of this State; and

(b) At least 2 hours relating to ethics.

3. If the holder of the license as a mortgage agent fails to submit any item required pursuant to subsection 1 or 2 to the Commissioner on or after November 1 and on or before December 31 of any year, unless a different date is specified by the Commissioner by regulation, the license is cancelled as of December 31 of that year. The Commissioner may reinstate a cancelled license if the holder of the license submits to the Commissioner on or before February 28 of the following year:

(a) An application for renewal;

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

(c) A reinstatement fee of \$75.

4. To change the mortgage broker with whom the mortgage agent is associated, a person must pay a fee of \$10.

5. Money received by the Commissioner pursuant to this section is in addition to any fee that must be paid to the Registry and must be deposited in the Account for Mortgage Lending created by NRS 645F.270.

6. The Commissioner may require a licensee to submit an item or pay a fee required by this section directly to the Division or, if the licensee is required to register or voluntarily registers with the Registry, to the Division through the Registry.

7. *Nothing in this section shall be construed as preventing the Commissioner from renewing the license of a mortgage agent who*



*does not satisfy the criteria set forth in paragraph (e) of subsection 1 of NRS 645B.410 at the time of the application for renewal.*

8. As used in this section, "certified course of continuing education" has the meaning ascribed to it in NRS 645B.051.

**Sec. 8.** NRS 645B.460 is hereby amended to read as follows:

645B.460 1. A mortgage broker shall exercise reasonable supervision *and control* over the activities of his or her mortgage agents and must also be licensed as a mortgage agent if required pursuant to NRS 645B.405. Such reasonable supervision *and control* must include, as appropriate:

(a) The establishment of written ~~for—oral~~ policies and procedures for the mortgage agents;

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

(1) Transactions handled by the mortgage agents pursuant to this chapter;

(2) Communications between the mortgage agents and a party to such a transaction;

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

(4) The handling by the mortgage agents of any fee, deposit or money paid to the mortgage broker or the mortgage agents or held in trust by the mortgage broker or the mortgage agents pursuant to this chapter; and

(c) The establishment of a system of reporting to the Division of any fraudulent activity engaged in by any of the mortgage agents.

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

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

**Sec. 9.** NRS 645B.670 is hereby amended to read as follows:

645B.670 1. Except as otherwise provided in NRS 645B.690:

~~111~~ (a) For each violation committed by an applicant for a license issued pursuant to this chapter, whether or not the applicant is issued a license, the Commissioner may impose upon the



applicant an administrative fine of not more than \$25,000 if the applicant:

~~(a)~~ (1) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

~~(b)~~ (2) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or

~~(c)~~ (3) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.

~~(2)~~ (b) For each violation committed by a mortgage broker, the Commissioner may impose upon the mortgage broker an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the mortgage broker's license, or may do both, if the mortgage broker, whether or not acting as such:

~~(a)~~ (1) Is insolvent;

~~(b)~~ (2) Is grossly negligent or incompetent in performing any act for which the mortgage broker is required to be licensed pursuant to the provisions of this chapter;

~~(c)~~ (3) Does not conduct his or her 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)~~ (4) Is in such financial condition that the mortgage broker cannot continue in business with safety to his or her customers;

~~(e)~~ (5) Has made a material misrepresentation in connection with any transaction governed by this chapter;

~~(f)~~ (6) 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 mortgage broker knew or, by the exercise of reasonable diligence, should have known;

~~(g)~~ (7) 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 mortgage broker possesses and which, if submitted by the mortgage broker, would have rendered the mortgage broker ineligible to be licensed pursuant to the provisions of this chapter;

~~(h)~~ (8) Has failed to account to persons interested for all money received for a trust account;

~~(i)~~ (9) Has refused to permit an examination by the Commissioner of his or her 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;

~~(c)~~ (10) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;

~~(c)~~ (11) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the mortgage broker is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

~~(c)~~ (12) Has failed to satisfy a claim made by a client which has been reduced to judgment;

~~(c)~~ (13) 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;

~~(c)~~ (14) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;

~~(c)~~ (15) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;

~~(c)~~ (16) Has repeatedly violated the policies and procedures of the mortgage broker;

~~(c)~~ (17) Has failed to exercise reasonable supervision *and control* over the activities of a mortgage agent as required by NRS 645B.460;

~~(c)~~ (18) Has instructed a mortgage agent to commit an act that would be cause for the revocation of the license of the mortgage broker, whether or not the mortgage agent commits the act;

~~(c)~~ (19) Has employed a person as a mortgage agent or authorized a person to be associated with the mortgage broker as a mortgage agent at a time when the mortgage broker knew or, in light of all the surrounding facts and circumstances, reasonably should have known that the person:

~~(c)~~ (i) Had been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering; or



~~12~~ (II) Had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator revoked in this State or any other jurisdiction or had a financial services license or registration revoked within the immediately preceding 10 years;

~~13~~ (20) Has violated NRS 645C.557; ~~14~~

~~15~~ (21) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS ~~16~~; or

*(22) Has, directly or indirectly, paid any commission, fees, points or any other compensation as remuneration for the services of a mortgage agent to a person other than a mortgage agent who:*

*(I) Is an employee of or associated with the mortgage broker; or*

*(II) If the mortgage agent is required to register with the Registry, is an employee of and whose sponsorship has been entered with the Registry by the mortgage broker as required by subsection 2 of NRS 645B.450.*

~~17~~ (c) For each violation committed by a mortgage agent, the Commissioner may impose upon the mortgage agent an administrative fine of not more than \$25,000, may suspend, revoke or place conditions upon the mortgage agent's license, or may do both, if the mortgage agent, whether or not acting as such:

~~18~~ (1) Is grossly negligent or incompetent in performing any act for which the mortgage agent is required to be licensed pursuant to the provisions of this chapter;

~~19~~ (2) Has made a material misrepresentation in connection with any transaction governed by this chapter;

~~20~~ (3) 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 mortgage agent knew or, by the exercise of reasonable diligence, should have known;

~~21~~ (4) 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 mortgage agent possesses and which, if submitted by the mortgage agent, would have rendered the mortgage agent ineligible to be licensed pursuant to the provisions of this chapter;

~~22~~ (5) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;



~~(6)~~ (6) 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;

~~(7)~~ (7) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;

~~(8)~~ (8) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;

~~(9)~~ (9) Has violated NRS 645C.557;

~~(10)~~ (10) Has repeatedly violated the policies and procedures of the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed; ~~(11)~~

~~(11)~~ (11) *Has, directly or indirectly, received any commission, fees, points or any other compensation as remuneration for his or her services as a mortgage agent:*

*(I) From a person other than the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed; or*

*(II) If the mortgage agent is required to be registered with the Registry, from a person other than the mortgage broker by whom the mortgage agent is employed and on whose behalf sponsorship was entered as required by subsection 2 of NRS 645B.450; or*

(12) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner or has assisted or offered to assist another person to commit such a violation.

*2. This section does not prohibit the co-brokering of a commercial loan through the cooperation of two or more mortgage brokers so long as such a transaction is not inconsistent with any other provision of this chapter.*

**Sec. 10.** NRS 645E.291 is hereby amended to read as follows:

645E.291 1. A mortgage banker shall exercise reasonable supervision *and control* over the activities of his or her mortgage agents and must also be licensed as a mortgage agent if required pursuant to NRS 645E.290. Such reasonable supervision *and control* must include, as appropriate:

(a) The establishment of written ~~for—oral~~ policies and procedures for the mortgage agents;

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

(1) Transactions handled by the mortgage agents pursuant to this chapter;



(2) Communications between the mortgage agents and a party to such a transaction;

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

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

(c) The establishment of a system of reporting to the Division of any fraudulent activity engaged in by any of the mortgage agents.

2. The Commissioner shall allow a mortgage banker to take into consideration the total number of mortgage 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 agents and the system to review, oversee and inspect the activities of those mortgage agents.

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

**Sec. 11.** NRS 645F.380 is hereby amended to read as follows:

645F.380 The provisions of NRS 645F.300 to 645F.450, inclusive, do not apply to, and the terms “foreclosure consultant” and “foreclosure purchaser” do not include:

1. An attorney at law *licensed to practice in this State* rendering services in the performance of his or her duties as an attorney at law, unless the attorney at law is rendering those services in the course and scope of his or her employment by or other affiliation with a person who is licensed or required to be licensed pursuant to NRS 645F.390 ~~or~~ *or is otherwise engaging in a practice that is comprised primarily of providing a covered service to his or her clients;*

2. A provider of debt-management services registered pursuant to chapter 676A of NRS while providing debt-management services pursuant to chapter 676A of NRS;

3. A person or the authorized agent of a person acting under the provisions of a program sponsored by the Federal Government, this State or a local government, including, without limitation, the Department of Housing and Urban Development, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or the Federal Home Loan Bank System;



4. A person who holds or is owed an obligation secured by a mortgage or other lien on a residence in foreclosure if the person performs services in connection with this obligation or lien and the obligation or lien did not arise as the result of or as part of a proposed foreclosure reconveyance;

5. Any person doing business under the laws of this State or of the United States relating to banks, trust companies, savings and loan associations, industrial loan and thrift companies, regulated lenders, credit unions, insurance companies, or a mortgagee which is a United States Department of Housing and Urban Development approved mortgagee and any subsidiary or affiliate of those persons, and any agent or employee of those persons while engaged in the business of those persons;

6. A person, other than a person who is licensed pursuant to NRS 645F.390, who is licensed pursuant to chapter 692A or any chapter of title 54 of NRS while acting under the authority of the license;

7. A nonprofit agency or organization that offers credit counseling or advice to a homeowner of a residence in foreclosure or a person in default on a loan ~~H~~ *and which maintains tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, 26 U.S.C. § 501(c)(3);* or

8. A judgment creditor of the homeowner whose claim accrued before the recording of the notice of the pendency of an action for foreclosure against the homeowner pursuant to NRS 14.010 or the recording of the notice of default and election to sell pursuant to NRS 107.080.

**Sec. 12.** This act becomes effective upon passage and approval.

