

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SENATE BILL 1495

By: Paddack

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6 AS INTRODUCED

7 An Act relating to the Oklahoma Secure and Fair
8 Enforcement For Mortgage Licensing Act; amending 59
9 O.S. 2011, Section 2095.6, which relates to license
10 and registration; authorizing cancellation of
11 application for initial license in certain manner;
12 stating certain time for cancellation of application;
13 providing for partial refund of fee paid upon proper
14 cancellation; providing for retention of processing
15 fee upon cancellation; stating maximum processing
16 fee; prohibiting refund of third-party fees paid;
17 prohibiting refund for license renewal fee;
18 clarifying authority of Commission on Consumer Credit
19 to establish certain fees; providing an effective
20 date; and declaring an emergency.

21 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

22 SECTION 1. AMENDATORY 59 O.S. 2011, Section 2095.6, is
23 amended to read as follows:

24 Section 2095.6. A. Applicants for a license shall apply on a
form as prescribed by the Administrator of Consumer Credit.

B. In order to fulfill the purposes of the Oklahoma Secure and
Fair Enforcement for Mortgage Licensing Act, the Administrator is
authorized to establish relationships or contracts with the
Nationwide Mortgage Licensing System and Registry or other entities

1 designated by the Nationwide Mortgage Licensing System and Registry
2 to collect and maintain records and process transaction fees or
3 other fees related to licensees or other entities or individuals
4 subject to the Oklahoma Secure and Fair Enforcement for Mortgage
5 Licensing Act.

6 C. In connection with an application for licensing as a
7 mortgage loan originator, the applicant shall, at a minimum, furnish
8 to the Nationwide Mortgage Licensing System and Registry information
9 concerning the applicant's identity including:

10 1. Fingerprints for submission to the Federal Bureau of
11 Investigation and any governmental agency or entity authorized to
12 receive such information for a state, national and international
13 criminal history background check; and

14 2. Personal history and experience in a form prescribed by the
15 Nationwide Mortgage Licensing System and Registry and the
16 Administrator to obtain:

17 a. an independent credit report obtained from a consumer
18 reporting agency defined in 15 U.S.C., Section
19 1681a(p), and

20 b. information related to any administrative, civil or
21 criminal findings by any governmental jurisdiction.

22 D. In connection with an application for licensing as a
23 mortgage broker, the applicant shall, at a minimum, furnish to the
24 Nationwide Mortgage Licensing System and Registry information

1 concerning each owner, officer, director or partner, as applicable
2 including:

3 1. Fingerprints for submission to the Federal Bureau of
4 Investigation and any governmental agency or entity authorized to
5 receive such information for a state, national and international
6 criminal history background check; and

7 2. Personal history and experience in a form prescribed by the
8 Nationwide Mortgage Licensing System and Registry and the
9 Administrator to obtain:

10 a. an independent credit report obtained from a consumer
11 reporting agency described in 15 U.S.C., Section
12 1681a(p), and

13 b. information related to any administrative, civil or
14 criminal findings by any governmental jurisdiction.

15 E. For purposes of this section and, in order to reduce points
16 of contact which the Federal Bureau of Investigation may have to
17 maintain for purposes of paragraph 1 and subparagraph b of paragraph
18 2 of subsection D of this section, the Administrator may use the
19 Nationwide Mortgage Licensing System and Registry as a channeling
20 agent for requesting information from and distributing information
21 to the Department of Justice or any governmental agency.

22 F. For the purposes of this section and in order to reduce the
23 points of contact which the Administrator may have to maintain for
24 purposes of subparagraphs a and b of paragraph 2 of subsection D of

1 this section, the Administrator may use the Nationwide Mortgage
2 Licensing System and Registry as a channeling agent for requesting
3 and distributing information to and from any source so directed by
4 the Administrator.

5 G. A license issued under the Oklahoma Secure and Fair
6 Enforcement for Mortgage Licensing Act shall be valid for a period
7 of one (1) year, unless otherwise revoked or suspended by the
8 Administrator as provided in the Oklahoma Secure and Fair
9 Enforcement for Mortgage Licensing Act.

10 H. The Administrator, on determining that the applicant is
11 qualified and upon payment of the fees by the applicant, shall issue
12 a license to the applicant. An applicant who has been denied a
13 license may not reapply for the license for sixty (60) days from the
14 date of the previous application.

15 I. A licensee shall pay the renewal fee on or before December
16 1. If the license is not renewed by December 1, the licensee shall
17 pay a renewal fee that is double the amount of the license.
18 Licenses not renewed by December 31 shall expire and the licensee
19 shall not act as a mortgage broker or mortgage loan originator until
20 a new license is issued pursuant to the Oklahoma Secure and Fair
21 Enforcement for Mortgage Licensing Act. A license shall not be
22 granted to the holder of an expired license except as provided in
23 the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act
24 for the issuance of an original license.

1 J. On or before December 31, a licensee may request inactive
2 status for the following license year and the license shall be
3 placed on inactive status after payment to the Administrator of the
4 inactive status renewal fee prescribed in this section and the
5 surrender of the license to the Administrator. During inactive
6 status, an inactive ~~license~~ licensee shall not act as a mortgage
7 broker or mortgage loan originator. A licensee may not be on
8 inactive status for more than two (2) consecutive years, nor for
9 more than four (4) years in any ten-year period. The license is
10 deemed expired for violation of any of the limitations of this
11 subsection.

12 K. An inactive licensee may return to active status
13 notwithstanding the requirements of this section by making a request
14 in writing to the Administrator for reactivation and paying the
15 prorated portion of the annual fee that would have been charged to
16 the licensee to maintain normal active status. The licensee shall
17 also provide the Administrator with proof that the licensee meets
18 all of the other requirements for acting as a mortgage broker or
19 mortgage loan originator, including any applicable education and
20 testing requirements.

21 L. A licensee shall prominently display the mortgage broker or
22 mortgage loan originator license in the office of the mortgage
23 broker or mortgage loan originator and any branch office of the
24 mortgage broker.

1 M. An applicant for an initial license, but not an applicant
2 for license examination, issued under the Oklahoma Secure and Fair
3 Enforcement for Mortgage Licensing Act may cancel and rescind his or
4 her application for licensure within three (3) business days by
5 contacting the Administrator of Consumer Credit in writing on a form
6 prescribed by the Commission on Consumer Credit. A properly
7 cancelled and rescinded application for licensure shall entitle the
8 applicant to receive a partial refund of the fee paid at the time of
9 application less a processing fee equal to ten percent (10%) of the
10 fee paid or One Hundred Dollars (\$100.00), whichever is greater.
11 Provided, however, no refund in whole or part shall be permitted
12 after the stated time period allowed for cancelling and rescinding
13 an initial license application or for any fees paid to any third
14 party for processing the application such as obtaining fingerprints,
15 credit history and reports, or criminal history background
16 information, or for any renewal of license. The Commission on
17 Consumer Credit shall establish fees as follows:

18 1. Initial and renewal license fees shall be as prescribed by
19 rule of the Commission on Consumer Credit;

20 2. A late renewal fee shall be as prescribed by rule of the
21 Commission on Consumer Credit;

22 3. Branch office fees shall be as prescribed by rule of the
23 Commission on Consumer Credit for each year;

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1 4. Inactive status fees shall be as prescribed by rule of the
2 Commission on Consumer Credit for each year;

3 5. A fee as prescribed by rule of the Commission on Consumer
4 Credit shall be charged for each license change, duplicate license
5 or returned check;

6 6. A fee as prescribed by rule of the Commission on Consumer
7 Credit shall be paid by applicants and licensees into the Oklahoma
8 Mortgage Broker and Mortgage Loan Originator Recovery Fund as
9 provided for in Section 2095.20 of this title for each initial
10 application and each renewal application;

11 7. An examination fee shall be as prescribed by rule of the
12 Commission on Consumer Credit; and

13 8. An application fee shall be as prescribed by rule of the
14 Commission on Consumer Credit.

15 SECTION 2. This act shall become effective July 1, 2012.

16 SECTION 3. It being immediately necessary for the preservation
17 of the public peace, health and safety, an emergency is hereby
18 declared to exist, by reason whereof this act shall take effect and
19 be in full force from and after its passage and approval.

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