

LCB File No. E003-04

**ADOPTED EMERGENCY REGULATION OF THE DIVISION
OF MORTGAGE LENDING OF THE DEPARTMENT
OF BUSINESS AND INDUSTRY**

(Effective for 120 days after April 7, 2004)

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

Authority: NRS 645B.060, NRS 645B.050, NRS 645B.051, NRS 645B.430, NRS 645B.450, NRS 233B.033, NRS 233B.0613

Section 1. Chapter 645B of NAC is hereby amended by adding thereto a new section to consist of section 2 of this Emergency Regulation.

Sec. 2. *For purposes of NRS 645B.051(3)(b):*

1. The Commissioner may authorize approval to any organization to certify and offer a course of continuing education which relates to the mortgage industry or mortgage transactions and which, in the sole discretion and judgment of the Commissioner, is equivalent in quality to the courses certified by the National Association of Mortgage Brokers or any successor in interest to that organization.

2. The approval by the Commissioner of organizations to certify and offer a course of continuing education shall expire at the end of 120 days or upon the effective date of a temporary or permanent regulation, whichever occurs first.

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STATEMENT OF EMERGENCY

WHEREAS, the Nevada Legislature in 2003 in Assembly Bill (A.B.) 490 increased the requirements for mortgage brokers and mortgage agents for continuing education from 5 hours during the 12 months immediately preceding the date on which the license expires to 10 hours (see sections 28 and 41 of A.B. 490, and NRS 645B.051(1)(a) and NRS 645B.430(1)(b); and

WHEREAS, the Legislature also in A.B. 490 changed the date for submission of all requirements for the renewal of a license, including continuing education requirements, from June 30 to May 31 of a given year (see section 40 of A.B. 490 and NRS 645B.050(2)); and

WHEREAS, NRS 645B.051 was amended by A.B. 490 to permit the Commissioner of Mortgage Lending to establish by regulation organizations in addition to the National Association of Mortgage Brokers (NAMB) to provide continuing education (*see* section 41 of A.B. 490); and

WHEREAS, the Commissioner of Mortgage Lending (the “Commissioner”) finds that an emergency exists insofar as:

1. The Division of Mortgage Lending (“Division”) has received hundreds of calls from licensees regarding the lack of adequate classes to meet their increased continuing education requirements.
2. The Division has had numerous problems with the NAMB in responding to requests from the Division for information on certified providers and/or classes.
3. The Division has received requests from continuing education providers who wish to provide continuing education for purposes of NRS chapter 645B requirements, but whose classes are not certified by NAMB.
4. The process for adopting a permanent regulation, as outlined in chapter 233B of the NRS, cannot be completed prior to the due dates for mortgage brokers and agents to submit continuing education requirements for license renewal by the May 31 deadline.
5. In order to effectuate the increased requirements for continuing education for mortgage brokers and agents, the Commissioner must have the authority to immediately designate organizations to certify courses to provide continuing education for mortgage brokers and mortgage agents.

NOW, THEREFORE, the Commissioner hereby adopts the foregoing Emergency Regulation.

April _____, 2004.

FOR THE:
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING

SCOTT BICE, Commissioner

GOVERNOR'S ENDORSEMENT

I, Governor Kenny C. Guinn, endorse the Division of Mortgage Lending's foregoing Statement of Emergency.

April _____, 2004.

KENNY C. GUINN
Governor

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INFORMATIONAL STATEMENT

1. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary:

Since this is an emergency regulation, there was no public comment prior to the adoption of the regulation. The Division will hold a workshop on a permanent regulation on April 26, 2004. Persons may obtain a copy of the workshop notice and further notices regarding this regulation from the Division of Mortgage Lending, 3075 E. Flamingo Rd., Ste. 104A, Las Vegas, NV 89121 (702) 486-0782; or 400 W. King St., Suite 406, Carson City, NV 89703 (775) 684-7060.

2. A statement indicating the number of persons who attended each meeting or workshop, testified at each hearing, and submitted written statements regarding the proposed regulation:

A. The number of persons who:

(a) Attended each workshop: N/A

(b) Attended each hearing: N/A

(c) Testified at each workshop: N/A

(d) Testified at each hearing: N/A

(e) Submitted written comments to the agency: N/A

3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary:

Public comment was not solicited as to this emergency regulation.

4. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change. The statement should also explain the reasons for making any changes to the regulation proposed.

Not applicable.

5. The estimated economic effect of the adopted regulation on the business that it is to regulate and on the public. These must be stated separately, and each case must include: (a) both adverse and beneficial effects and (b) both immediate and long-term effects:

A. Estimated economic effect on any effected businesses:

It is estimated that the emergency regulation will have a slight, positive economic effect on mortgage brokers because of its positive effect on finding continuing education courses prior to the deadline (May 31) to submit evidence of completion of the annual requirement.

(a) Adverse and beneficial effects:

There will be beneficial effects to all mortgage brokers by the enactment of the emergency regulation, because it will make it easier for mortgage brokers and mortgage agents to obtain continuing education so they can renew their licenses pursuant to NRS 645B.050, NRS 645B.051, and NRS 645B.430. There are no apparent adverse effects.

(b) Immediate and long-term effects:

There are immediate economic effects for mortgage brokers and agents, because they can now more easily find continuing education providers to renew their licenses. There are no long-term effects of this regulation on any businesses in any sector of the mortgage broker industry because as an emergency regulation, it is only good for 120 days.

B. Estimated economic effect on the public:

It is estimated that the proposed regulation to be adopted and amended will not have any significant negative or positive economic effect on the public.

(a) Adverse and beneficial effects:

There are no adverse or beneficial effects to the public of this regulation.

(b) Immediate and long-term effects:

None.

6. The estimated cost to the agency for enforcement of the proposed regulation:

There is estimated to be no additional cost to the Division for enforcement of the proposed regulation.

7. A description of any regulations of the state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

The temporary regulation does not overlap or duplicate any regulations of other state or local government agencies or of any federal agency.

8. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of those provisions.

Not applicable.

9. If the regulation establishes a new fee or increases an existing fee, a statement indicating the total annual amount the agency expects to collect and the manner in which the money will be used.

Not applicable.