

# PROPOSED REGULATION OF THE COMMISSIONER OF MORTGAGE LENDING

## LCB File No. R116-14

NAC 645B.060 is hereby amended to read as follows:

1. ~~Except as otherwise provided in this subsection, the Commissioner will charge and collect a fee of \$60 per hour from each mortgage broker for any supervision, examination, audit, investigation or hearing conducted pursuant to chapter 645B of NRS. The Commissioner may charge a fee equivalent to the estimated or actual fee charged to the Division for the time of an attorney required in any examination, investigation or hearing conducted pursuant to chapter 645B of NRS.~~ *On or before December 31 of each year, the Commissioner shall collect an annual assessment from each mortgage broker for the annual renewal, supervision and examination pursuant to chapter 645B of NRS.*

2. ~~The Commissioner will bill each mortgage broker upon the completion of the activity for the fee established in subsection 1. The fee must be paid within 30 calendar days after the date of the invoice. Except as otherwise provided in this subsection, any payment received after that date must include a penalty of 10 percent of the fee plus an additional 1 percent of the fee for each complete month, or portion of the last month, that the fee is not paid. The Commissioner may waive the penalty for good cause.~~ *The annual assessment shall include a base operating fee and an activity fee that is calculated from the total number of mortgage loans brokered to third parties or closed by the mortgage broker during the calendar year. The annual assessment shall be calculated as follows:*

(a) *Each mortgage broker shall pay a base operating fee of no more than \$500.00 for each licensed principal office and no more than \$100.00 for each licensed branch office. The base operating fee shall be collected each year by December 31.*

(b) *Each mortgage broker shall pay an activity fee of no more than \$25.00 for each loan that is brokered to a third party or closed by a mortgage broker. For purposes of this subsection, "mortgage loan" includes only mortgage loans that are subject to chapter 645B of the NRS. The activity fee shall be based on the reports filed by the mortgage broker pursuant to NRS 645B.080. The activity fee may be collected by the Commissioner quarterly, semiannually, or annually and shall be due on a date established by the Commissioner.*

(c) *The Commissioner may require a mortgage broker to pay the base operating fee or activity fee directly to the Division or, if the mortgage broker is registered with the Registry, to the Division through the Registry.*

3. *If the base operating fee is not paid by December 31, the mortgage broker license shall expire. A mortgage broker may reinstate an expired license in accordance with NRS 645B.050.2. The base operating fee under this section is in place of and not in addition to the renewal fee set in NRS 645B.050.5(c).*

4. *If an activity fee is not paid by the date established by the Commissioner, in addition to any other administrative action authorized under chapter 645B of the NRS or this regulation, the Commissioner may assess a penalty of 10 percent of the amount of the assessment and an additional 1 percent of the assessment for each month or portion of a month that the assessment is delinquent.*

5. *The Commissioner shall annually review the fees under subsection 2. The Commissioner may increase the fees if the Commissioner determines that such an increase is necessary to carry out his or her responsibilities under NRS 645B or this regulation. Such increase shall not exceed 5% of the fee established for the immediately preceding year. No later than October 1 of each year, the Commissioner shall establish and publish the fees for the succeeding year*

6. *If an excess reserve remains at the end of a fiscal year, the Commissioner may prorate such excess amongst the mortgage brokers who have paid their supervisory assessment in proportionate share to the amount paid for future assessments.*

~~{2.}~~ 7. ~~{The Commissioner will bill each mortgage broker upon the completion of the activity for the fee established in subsection 1. The fee must be paid within 30 calendar days after the date of the invoice. Except as otherwise provided in this subsection, any payment received after that date must include a penalty of 10 percent of the fee plus an additional 1 percent of the fee for each complete month, or portion of the last month, that the fee is not paid. The Commissioner may waive the penalty for good cause.}~~ *The annual assessment calculated under section 2 does not include the cost of any extraordinary examination, audit, investigation or hearing conducted by the Division. The cost of any such examination, audit, investigation or hearing shall be billed to a licensee or person required to be licensed at a rate of \$60.00 per hour. The Commissioner will bill each mortgage broker upon the completion of ~~{the activity}~~ any extraordinary examination, audit, investigation or hearing for the ~~{fee}~~ hourly charge established in *this* subsection ~~{H}~~. The ~~{fee}~~ hourly charge must be paid within 30 calendar days after the date of the invoice. ~~{Except as otherwise provided in this subsection,}~~ ~~{a}~~ Any payment received after that date must include a penalty of 10 percent of the ~~{fee}~~ hourly charge plus an additional 1 percent of the ~~{fee}~~ hourly charge for each ~~{complete}~~ month, or portion of ~~{the last}~~ a month, that the ~~{fee}~~ invoice is not paid. The Commissioner may waive the penalty for good cause. *Upon written request by a mortgage broker, the Division will provide an accounting of the time billed to the mortgage broker pursuant to this section.**

~~{3.}~~ 8. Failure of a mortgage broker to pay the ~~{fee}~~ annual assessment required in subsection 1 *or the hourly charges required under subsection 7* as ~~provided in this section~~ constitutes grounds for the imposition of any discipline authorized pursuant to NRS 645B.670, including, without limitation, the revocation of his or her license.

~~{4.}~~ ~~Upon written request by a mortgage broker, the Division will provide an accounting of the time billed to the mortgage broker pursuant to this section.~~