

Secretary of State
NOTICE OF PROPOSED RULEMAKING*
A Statement of Need and Fiscal Impact accompanies this form

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Department of Consumer and Business Services, Finance and Securities Regulation
Agency and Division

441

Administrative Rules Chapter Number

Shelley Greiner

(503) 947-7484

Rules Coordinator

Telephone

Department of Consumer and Business Services, Finance and Securities Regulation, 350 Winter St. NE, Rm. 410, Salem, OR 97301

Address

RULE CAPTION

Allows mortgage professionals to submit required surety bond information through the national licensing database.

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

RULEMAKING ACTION

Secure approval of rule numbers with the Administrative Rules Unit prior to filing

ADOPT:

AMEND:

441-730-0026, 441-860-0020, 441-860-0025, 441-860-0050 & 441-885-0010

REPEAL:

RENUMBER: Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

AMEND AND RENUMBER: Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

Statutory Authority:

ORS 86A.106, 86A.109, 86A.136, 86A.212, 86A.227 & 86A.242

Other Authority:

Statutes Implemented:

ORS 86A.106, 86A.109, 86A.121, 86A.212 & 86A.227

RULE SUMMARY

The Department of Consumer and Business Services has been working toward full utilization of the Nationwide Mortgage Licensing System and Registry's (NMLS) features. The NMLS released the first phase allowing for the electronic submission of surety bonds in January 2016. The feature will be fully available, and licensees will be able to electronically submit surety bonds to the Director of the Department through NMLS, by the end of 2016. Requiring electronic submission of the surety bond will make it easier for consumers to access the bond information and will streamline the mortgage licensing process. Currently, the surety bond is the only piece of paper that is still required for the mortgage licensing process. The proposed rules also remove the grace period after a bond is cancelled that was meant to provide time for new bonds to be sent through the U.S. mail. This protects consumers by reducing the period during which a mortgage loan originator may originate loans without the protection of a bond. Because NMLS can be used to quickly notify, and continually remind, licensees of their bond status licensees will receive more effective notice regarding their bonds.

A public rulemaking hearing may be requested in writing by 10 or more people, or by an association with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

10-31-2016 5:00 p.m.

Shelley Greiner

shelley.a.greiner@oregon.gov

Last Day (m/d/yyyy) and Time
for public comment

Rules Coordinator Name

Email Address

*The Oregon Bulletin is published on the 1st of each month and updates the rule text found in the Oregon Administrative Rules Compilation.

