

H. B. 4271

(BY DELEGATES MOORE, REYNOLDS AND AZINGER)

[Introduced January 24, 2012; referred to the
Committee on Banking and Insurance then the Judiciary.]

A BILL to amend and reenact §31-17-11 of the Code of West Virginia, 1931, as amended, relating to the reporting requirements for residential mortgage lenders and broker licensees; providing that such reporting shall be done through the Nationwide Mortgage Licensing System and Registry for the periods established by the Nationwide Mortgage Licensing System and Registry; preserving the confidentiality of such reports; giving the Commissioner of Banking the discretion to direct that the reports shall be filed directly with the Division of Banking; and replacing the duty of the Commissioner of Banking to provide an aggregate analysis of the information

contained in reports with a requirement that the commissioner shall publish annually a list of the licenses issued under this chapter and direct consumers to the public information available through the Nationwide Mortgage Licensing System and Registry.

Be it enacted by the Legislature of West Virginia:

That §31-17-11 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 17. WEST VIRGINIA RESIDENTIAL MORTGAGE LENDER, BROKER AND SERVICE ACT.

§31-17-11. Records and reports; examination of records; analysis.

1 (a) Every lender and broker licensee shall maintain at his
2 or her place of business in this state, if any, or if he or she has
3 no place of business in this state, at his or her principal place
4 of business outside this state, such books, accounts and
5 records relating to all transactions within this article as are
6 necessary to enable the commissioner to enforce the
7 provisions of this article. All the books, accounts and records
8 shall be preserved, exhibited to the commissioner and kept

9 available as provided herein for the reasonable period of time
10 as the commissioner may by rules require. The commissioner
11 is hereby authorized to prescribe by rules the minimum
12 information to be shown in the books, accounts and records.

13 (b) Each licensee shall file ~~with the commissioner~~ a
14 report through the Nationwide Mortgage Licensing System
15 and Registry under oath or affirmation concerning his or her
16 business and operations in this state for the ~~preceding license~~
17 ~~year upon participation in~~ defined reporting period
18 established by the Nationwide Mortgage Licensing System
19 and Registry and on a date established by the Nationwide
20 Mortgage Licensing System and Registry. ~~For license years~~
21 ~~2008 and 2009, all licensees shall submit an annual report to~~
22 ~~the Division of Banking on or before March 15, 2009, and~~
23 ~~March 15, 2010, respectively, on a form prescribed by the~~
24 ~~commissioner. These reports are not public records and may~~
25 not be open to public inspection. The commissioner may
26 direct that the reports required by this subsection be filed
27 directly with the Division of Banking.

28 (c) The commissioner may, at his or her discretion, make
29 or cause to be made an examination of the books, accounts
30 and records of every lender or broker licensee pertaining to
31 primary and subordinate mortgage loans made in this state
32 under the provisions of this article, for the purpose of
33 determining whether each lender and broker licensee is
34 complying with the provisions hereof and for the purpose of
35 verifying each lender or broker licensee's annual report. If
36 the examination is made outside this state, the licensee shall
37 pay the cost thereof in like manner as applicants are required
38 to pay the cost of investigations outside this state.

39 (d) The commissioner shall publish annually a list of the
40 licenses issued under this chapter and shall direct consumers
41 to public information available through the Nationwide
42 Mortgage Licensing System and Registry. ~~an aggregate~~
43 ~~analysis of the information furnished in accordance with the~~
44 ~~provisions of subsection (b) or (c) of this section, but the~~
45 ~~individual reports are not public records and may not be open~~
46 ~~to public inspection.~~

47 (e) The commissioner may enter into cooperative and
48 information-sharing agreements with regulators in other
49 states or with federal authorities to discharge his or her
50 responsibilities under this article.

NOTE: The purpose of this bill is to require the electronic submission of reports relating to the business and operations of licensed mortgage lenders, brokers and servicers as established through the Nationwide Mortgage Licensing System and to release the Commissioner of Banking from the duty to publish an aggregate analysis of the information contained in said reports annually.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.