S T A T E O F N E W Y O R K

2685

2013-2014 Regular Sessions

I N A S S E M B L Y

January 17, 2013

Introduced by M. of A. GIBSON -- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to establishing certain educational requirements through rules and regulations promulgated by the department of financial services, and directs and authorizes the superintendent to establish a mortgage broker licensing exam

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Paragraph (d) of subdivision 3 of section 590 of the banking law, as amended by chapter 472 of the laws of 2008 and as relettered by chapter 507 of the laws of 2009, is amended to read as follows:

(d) Such rules and regulations [as may define the terms used in this article and as may be necessary and appropriate to interpret and implement the provisions of this article] ESTABLISHING MINIMUM EDUCATIONAL REQUIREMENTS FOR ALL MORTGAGE BROKERS; and

S 2. Subdivision 1 of section 592-a of the banking law, as amended by section 18 of part D-1 of chapter 109 of the laws of 2006 and as further amended by section 104 of part A of chapter 62 of the laws of 2011, is amended to read as follows:

1. Upon the filing of an application for registration, if the superintendent shall find that the APPLICANT HAS MET ALL EDUCATIONAL REQUIREMENTS ESTABLISHED BY THE DEPARTMENT, HAS FURNISHED PROOF THAT THE APPLICANT HAS PASSED THE LICENSING EXAMINATION FOR MORTGAGE BROKERS ESTABLISHED BY THIS ARTICLE, AND THAT THE financial responsibility, experience, character, and general fitness of the applicant, and of the members thereof if the applicant is a co-partnership or association, and of the officers and directors thereof if the applicant is a corporation, are such as to command the confidence of the community and to warrant belief that the business will be operated honestly, fairly, and efficiently within the purpose of this article, the superintendent shall thereupon register the applicant as a mortgage broker on a roll main-

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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tained for that purpose at the department of financial services, and issue a certificate attesting to such registration in duplicate. If the superintendent shall not so find, the superintendent shall not register such applicant, and shall notify the applicant of the denial. The superintendent shall transmit one copy of such certificate to the applicant and file another in the office of the department of financial services. Upon receipt of such certificate a mortgage broker shall be authorized to engage in the business of placing, processing and negotiating mortgage loans. Such registration shall remain in full force and effect until it is surrendered by the licensee or revoked or suspended as hereinafter provided, except that such registration, notwithstanding any provisions of subdivision five of section seventeen of this chapter to the contrary, shall expire upon the registrant's failure to pay the required assessment charged pursuant to such section seventeen thirty days after the date or dates such payment or payments are due. If the registrant fails to pay such charged assessment by the date or dates such payment or payments are due, then the registrant shall be required to pay, in addition, a late fee in the amount of one hundred dollars. Such registration shall be reinstated if the registrant pays such assessment charged and any applicable late fees and/or interest within sixty days of such expiration. The superintendent shall approve or deny every application for registration hereunder within ninety days from the filing of a complete application provided, however, that failure to act within the prescribed period shall not be deemed approval of any such application.

S 3. The banking law is amended by adding a new section 592-b to read as follows:

S 592-B. MORTGAGE BROKER LICENSING EXAMINATION. THE SUPERINTENDENT IS HEREBY DIRECTED AND AUTHORIZED TO ESTABLISH A MORTGAGE BROKER LICENSING EXAMINATION AND SHALL PROMULGATE RULES AND REGULATIONS REGARDING SUCH EXAMINATION, INCLUDING BUT NOT LIMITED TO THE TIME, DATE AND MANNER IN WHICH SUCH EXAMINATION SHALL BE GIVEN.

S 4. This act shall take effect immediately.