



JOE LOMBARDO
Governor

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING
3300 West Sahara Avenue Suite 285
Las Vegas, Nevada 89102
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www.mld.nv.gov

TERRY REYNOLDS
Director

CATHY SHEEHY
Commissioner

**NOTICE OF INTENT TO ACT UPON A REGULATION
NOTICE OF HEARING FOR THE ADOPTION AND AMENDMENT OF
REGULATIONS OF THE
DIVISION OF MORTGAGE LENDING**

LCB FILE No. R119-19

July 6, 2023

The Commissioner of the State of Nevada, Division of Mortgage Lending (the "Division") will hold a public hearing on September 11, 2023, at 10:00 a.m. The purpose of the hearing is to receive comments from all interested person regarding the adoption and amendment of regulations that pertain to chapter 645B and 645E of the Nevada Revised Statutes. The public hearing has been set for **10:00 a.m. on September 11, 2023**. The public may attend this public hearing in person at the following locations or via WebEx:

LAS VEGAS
NEVADA STATE BUSINESS CENTER
3300 W SAHARA AVENUE
TAHOE ROOM, 4th FLOOR, SUITE #430
LAS VEGAS, NEVADA 89102

VIA VIDEO CONFERENCE TO:
CARSON CITY
1830 COLLEGE PKWY. #100
CONFERENCE ROOM
CARSON CITY, NEVADA 89706

WEBEX LINK: <https://businessnv2.webex.com>

DIAL IN NUMBER:1-844-621-3956

MONDAY, SEPTEMBER 11, 2023, MEETING ACCESS CODE: 2482 109 4433

MONDAY, SEPTEMBER 11, 2023, MEETING PASSWORD: SRya8mpBE29

The following information is provided pursuant to the requirements of NRS 233B.060:

1. Purpose and need of the proposed regulation.

To conform with and implement certain legislative mandates as amended in the law governing the licensing and occupations of professions in Nevada (which include mortgage brokers, mortgage agents, and mortgage bankers, subject to the Division’s jurisdiction under NRS 645B and NRS 645E), as enacted by the Assembly Bill 498 (“AB 498”) of the 79th Session (2017) of the Nevada Legislature.

2. Description of proposed regulations and the manner in which approved or revised text of the proposed regulation prepared by the Legislative Counsel Bureau (LCB) may be obtained.

A copy of the revised proposed regulation for adoption, LCB File No. R119-19, is attached.

In drafting its proposed regulations (both as initially prepared and revised), with respect to the requirements of AB 468, the Division has attempted to balance the goals of the Nevada Legislature to combine the laws that regulate mortgage brokers and mortgage bankers into one licensing statute with people who want to conduct mortgage business in this state, with the Division’s continued efforts to protect the public. The proposed regulations are intended and designed to provide a balanced approach.

With respect to the Division’s regulatory revisions to the *existing* language of NRS 645B and NRS 645E, these are based upon the statutory changes to NRS 645B and NRS 645E, resulting from the enactment of by AB 468, effective October 1, 2017, which granted the Commissioner of the Division to revise the surety bond form as well as the provisions governing exemptions for certain entities from requirements for licensures as a mortgage broker or mortgage banker (the Division, proposes that a person be required to obtain a license if they provide additional activities such as solicitation of business for the activities of a mortgage broker, or the activities of a mortgage banker or arranging a mortgage loan secured by real property that is not commercial property) the Division seeks to amend NRS 645 and NRS 645E to reflect those changes.

With respect to the Division’s regulatory revisions to the *existing* language of NRS 645B and NRS 645E, these are based upon the statutory changes to NRS 645B and NRS 645E, resulting from the enactment of by AB 468, effective January 1, 2020, eliminated the distinction between mortgage brokers and mortgage banker by creating a new term “mortgage company.” Mortgage companies follows the provisions related to a mortgage broker. The mortgage agent term has been replaced by “mortgage loan originator.” Further provisions of the law that applied to mortgage bankers are repealed as redundant. The Division seeks to amend NRS 645 and NRS 645E to reflect the changes listed above.

Access to text of the revised proposed regulations prepared by the Legislative Counsel Bureau pursuant to NRS 233B.063, may be obtained by visiting the website of the Nevada Legislature at <http://www.leg.state.nv.us>, hovering over the term “Law Library,” hovering over the term “Nevada Register.” Clicking upon the term “Browse,” and then clicking upon the term “Numerical Index” appearing under the Category “2019 Regulations.” Access may then be obtained by simply scrolling down the list of LCB File Numbers to seek “R119-19” and then specifically clicking upon the designation “R119-19P.” Alternatively, the language can be found by performing a “search” function specifying “R119-19P” and then clicking upon the reference to R119-19P as specified.

3. Statement of impact on small business.

The Division does not foresee any adverse effects of the proposed regulation (whether immediate or long term) to the business of a mortgage broker, mortgage agent, mortgage banker or to the public.

To date, the Division has not received any written or oral comments that would indicate that the regulations will have any economic effect, either adverse or beneficial, upon such businesses.

4. Statement identifying the methodology used by the Division in determining the impact of the proposed regulation upon a small business.

On November 14, 2022, the Division posted its proposed regulations on its website and made email notification to its licensees (a total of approximately 1,228 recipients), requesting comments and input concerning whether or not its regulatory proposals were likely to impose a direct and significant economic burden upon a small business subject of NRS 645B and NRS 645E. The Division repeated its request for public comments in this same manner on November 14, 2022, when it issued its Notice of Public Workshop & Agenda concerning the proposed regulatory changes to NRS 645B & NRS 645E, as accompanied by its Small Business Impact Statement dated November 9, 2022. As issued on November 14, 2022, these materials were also posted to the Nevada Public Notice Website at <https://notice.nv.gov> and the Nevada Legislature's web page for administrative regulation notices at <https://www.leg.state.nv.us/App/Notice/A/>, as well as at the following Nevada office locations: The Division's office in Las Vegas, the Nevada State Business Center in Las Vegas, the Department of Business & Industry in Carson City, and the Nevada State Library & Archives, in Carson City. The Division received a total of no written responses by November 23, 2022.

The public workshop was conducted on December 6, 2022, as scheduled and properly noticed, with only three members of the public in attendance via WebEx relative to the proposed regulatory changes to NRS 645B and NRS 645E, who provided neither written nor oral comments. See also the attached Small Business Impact Statement dated November 9, 2022.

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

The Division does not anticipate incurring additional costs for the implementation and enforcement of the proposed regulation. The agency will receive less fees by adopting these new regulations.

6. Overlap or duplication with other state, local governmental or federal agencies.

None known at the time of this posting.

7. Existence of Federal Regulation:

None known at the time of this posting.

8. New Fee Established or increase to existing fee:

The proposed regulations do not otherwise provide a new fee, and do not provide for any increase to an existing fee.

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COMMENTS AND WRITTEN SUBMISSIONS

Persons wishing to comment upon the proposed action of the Division of Mortgage Lending may appear at the scheduled public hearing on September 11, 2023, at 10:00 a.m. or may address their comments, data, views, or arguments, in written form, to the Division, by U.S. mail, fax, or e-mail transmission, as follows:

Division of Mortgage Lending
3300 West Sahara Avenue, Suite 285
Las Vegas, NV 89102
Fax:(702) 486-0785
mldinfo@mld.nv.gov

Written submissions must be received by the Division on or before 5:00 p.m. PST on August 3, 2023. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Division of Mortgage Lending may proceed immediately to act upon any written submissions.

COPIES OF PROPOSED REGULATION

A copy of this notice and the text of the proposed regulation has been deposited with the Administrator of the Nevada State Library and Archives, at which location it will be on file at 100 N. Stewart Street, Carson City, Nevada, 89701, for inspection by members of the public during business hours. A copy of the proposed regulation to be considered may be obtained at the hearing or may be downloaded from the Nevada Public Notice Website at: <https://notice.nv.gov>. The proposed regulation is also available on the Division's Web site at <http://www.mld.nv.gov/> and at the Division office at 3300 West Sahara Avenue, Suite 285, Las Vegas, NV 89102.

Pursuant to NRS233B.060(1)(a)(1), the regulation that is posted on the Division's website three working days in advance of the hearing will be the regulation to be considered at the scheduled hearing as noticed herein.

This Hearing Notice has been sent to all interested persons on the Division's mailing list for administrative regulations, provided to any person who has requested such notice, and posted at the following locations:

Division of Mortgage Lending
3300 W Sahara Ave Suite 285
Las Vegas NV 89102

Nevada State Business Center
3300 W. Sahara Ave.
Las Vegas NV 89102

Dept. of Business & Industry
1830 College Pkwy, Suite 100
Carson City NV 89706

NV State Library & Archives
100 N Stewart Street
Carson City NV 89701

Legislative Counsel Bureau of Nevada
401 S Carson Street
Carson City NV 89701

This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://leg.state.nv.us/>. An electronic copy of this Notice has been sent to the Legislative Counsel Bureau at Regulations@lcb.state.nv.us and ahartzler@lcb.state.nv.us.

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Copies of this notice and the proposed regulation will also be mailed to members of the public upon request. A copy of this notice may be obtained by contacting Jennifer Hill, Legal Research Assistant 1 at the Division's office at 3300 West Sahara Avenue, Suite 285, Las Vegas, NV 89102, or calling the Division's office at (702) 486-0782. A reasonable fee may be charged for copying expenses.

Members of the public who are disabled and require special accommodations or assistance at the hearing must provide written notification, at least 5 business days prior to the hearing, to the Division at the above-described office address.

After the hearing, interested persons can contact Ms. Hill at (702) 486-0542, to request a copy of the Summary of Comments of the September 11, 2023, Hearing.

Note that NRS 233B.0642 provides as follows:

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.