

286.8-285 Participation in National Mortgage Licensing System and Registry -- Duties -- Reporting.

- (1)
 - (a) In addition to other duties imposed upon the commissioner in this subtitle, the commissioner shall be authorized to participate in the establishment and implementation of the Nationwide Mortgage Licensing System and Registry and to implement and comply with the minimum requirements set forth in the S.A.F.E. Mortgage Licensing Act, Pub. L. No. 110-289, and amendments thereto.
 - (b) For such purpose, the commissioner is authorized to waive or modify, in whole or in part, by rule or by order, any or all of the requirements of this subtitle and to establish new requirements as reasonably necessary to carry out the purpose of this section.
 - (c) The commissioner shall have authority to establish relationships or contracts with other governmental agencies, the Nationwide Mortgage Licensing System and Registry, or entities affiliated with the system that are necessary to carry out the purpose of this section.
 - (d) The commissioner may establish interim procedures to promote and establish an orderly and efficient transition for the registration, review, and acceptance of new applications. The commissioner may also establish interim procedures and expedited review and registration procedures for previously registered individuals.
 - (e) The commissioner may use the Nationwide Mortgage Licensing System and Registry as an agent for receiving, requesting, and distributing information to and from any source so directed by the commissioner.
- (2) The commissioner shall establish a process whereby licensees may challenge information entered into the Nationwide Mortgage Licensing System and Registry by the commissioner.
- (3) The commissioner shall annually request audited financial reports, including inquiring as to the budget and fees collected, both proposed and actual, from the Nationwide Mortgage Licensing System and Registry.
- (4) The commissioner shall annually request any nonconfidential protocols or reports for the security and safeguarding of personal information maintained by the Nationwide Mortgage Licensing System and Registry, including the following:
 - (a) Inquiring as to whether the system has implemented and complied with the data security guidelines set forth in the Gramm-Leach-Bliley Act, 15 U.S.C. sec. 6801;
 - (b) Inquiring as to the results of any nonconfidential periodic data protection audits that the system may conduct; and
 - (c) Inquiring as to whether any security breaches have occurred resulting in the substantial likelihood that personal information may be misused or stolen.
- (5) The commissioner shall annually request from the Nationwide Mortgage Licensing System and Registry the following statistical information, if available, relating to the examinations taken by applicants seeking registration as a loan originator in

Kentucky during the preceding calendar year:

- (a) The total number of tested individuals, along with any relevant demographic information available such as race, ethnicity, or gender;
 - (b) The total number of individuals who received a passing score on the examination, along with any relevant demographic information available such as race, ethnicity, or gender;
 - (c) The total number of individuals who did not receive a passing score on the examination, along with any relevant demographic information available such as race, ethnicity, or gender; and
 - (d) All mean, average, or scaled scoring data.
- (6) When requested by the General Assembly, the commissioner shall review and report to the General Assembly the content of any information received from the Nationwide Mortgage Licensing System and Registry pursuant to subsection (3), (4), or (5) of this section.
- (7) Notwithstanding any provision to the contrary in this subtitle or in KRS Chapter 61, the commissioner shall regularly report violations of this subtitle, as well as enforcement actions and other relevant information, to the Nationwide Mortgage Licensing System and Registry.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 794, effective July 15, 2010. -- Amended 2009 Ky. Acts ch. 104, sec. 20, effective June 25, 2009. -- Amended 2007 Ky. Acts ch. 85, sec. 291, effective June 26, 2007. -- Created 2006 Ky. Acts ch. 218, sec. 14, effective July 12, 2006.

Legislative Research Commission Note (7/12/2006). This section was created in 2006 Ky. Acts ch. 218 as a new section of KRS Chapter 294. In that same session, 2006 Ky. Acts ch. 247, sec. 38, required that all sections of KRS Chapters 287, 288, 290, 291, 294, 366, 366A, and 368 be renumbered as sections of a single KRS chapter entitled the "Kentucky Financial Services Code." Therefore, the Statute Reviser, acting under KRS 7.136(1), has codified this section as a new section of KRS Chapter 286. In addition, a KRS reference has been adjusted to conform with the renumbering.

Legislative Research Commission Note (7/12/2006). By the authority of KRS 7.136(1) the Statute Reviser has further divided this section into subsections and paragraphs.