

order set aside, limited, or suspended. If the respondent has been served with a temporary cease and desist order entered without a prior hearing before the Director, the respondent may, within 10 days after the date on which the order was served, request a hearing on such application and the Director shall hold a hearing and render a decision on such application at the earliest possible time.

(B) Judicial review

Within—

(i) 10 days after the date the respondent was served with a temporary cease and desist order entered with a prior hearing before the Director; or

(ii) 10 days after the Director renders a decision on an application and hearing under paragraph (1), with respect to any temporary cease and desist order entered without a prior hearing before the Director,

the respondent may apply to the United States district court for the district in which the respondent resides or has its principal place of business, or for the District of Columbia, for an order setting aside, limiting, or suspending the effectiveness or enforcement of the order, and the court shall have jurisdiction to enter such an order. A respondent served with a temporary cease and desist order entered without a prior hearing before the Director may not apply to the court except after hearing and decision by the Director on the respondent's application under subparagraph (A).

(C) No automatic stay of temporary order

The commencement of proceedings under subparagraph (B) shall not, unless specifically ordered by the court, operate as a stay of the Secretary's¹ order.

(5) Authority of the Director to prohibit persons from serving as loan originators

In any cease and desist proceeding under paragraph (1), the Director may issue an order to prohibit, conditionally or unconditionally, and permanently or for such period of time as the Director shall determine, any person who has violated this chapter or regulations thereunder, from acting as a loan originator if the conduct of that person demonstrates unfitness to serve as a loan originator.

(d) Authority of the Director to assess money penalties

(1) In general

The Director may impose a civil penalty on a loan originator operating in any State which is subject to a licensing system established by the Director under section 5107 of this title, if the Director finds, on the record after notice and opportunity for hearing, that such loan originator has violated or failed to comply with any requirement of this chapter or any regulation prescribed by the Director under this chapter or order issued under subsection (c).

(2) Maximum amount of penalty

The maximum amount of penalty for each act or omission described in paragraph (1) shall be \$25,000.

(Pub. L. 110-289, div. A, title V, §1514, July 30, 2008, 122 Stat. 2821; Pub. L. 111-203, title X, §1100(3), (9), July 21, 2010, 124 Stat. 2106, 2107.)

AMENDMENTS

Pub. L. 111-203 substituted "by the Bureau" for "under HUD backup licensing system" in section catchline and "Director" for "Secretary" wherever appearing in text.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the designated transfer date, see section 1100H of Pub. L. 111-203, set out as a note under section 552a of Title 5, Government Organization and Employees.

§ 5114. State examination authority

In addition to any authority allowed under State law a State licensing agency shall have the authority to conduct investigations and examinations as follows:

(1) For the purposes of investigating violations or complaints arising under this chapter, or for the purposes of examination, the State licensing agency may review, investigate, or examine any loan originator licensed or required to be licensed under this chapter, as often as necessary in order to carry out the purposes of this chapter.

(2) Each such loan originator shall make available upon request to the State licensing agency the books and records relating to the operations of such originator. The State licensing agency may have access to such books and records and interview the officers, principals, loan originators, employees, independent contractors, agents, and customers of the licensee concerning their business.

(3) The authority of this section shall remain in effect, whether such a loan originator acts or claims to act under any licensing or registration law of such State, or claims to act without such authority.

(4) No person subject to investigation or examination under this section may knowingly withhold, abstract, remove, mutilate, destroy, or secrete any books, records, computer records, or other information.

(Pub. L. 110-289, div. A, title V, §1515, July 30, 2008, 122 Stat. 2823.)

§ 5115. Reports and recommendations to Congress

(a) Annual reports

Not later than 1 year after July 30, 2008, and annually thereafter, the Director shall submit a report to Congress on the effectiveness of the provisions of this chapter, including legislative recommendations, if any, for strengthening consumer protections, enhancing examination standards, streamlining communication between all stakeholders involved in residential mortgage loan origination and processing, and establishing performance based bonding requirements for mortgage originators or institutions that employ such brokers.