

**(3) Temporary order**

Whenever the Director determines that the alleged violation or threatened violation specified in the notice instituting proceedings pursuant to paragraph (1), or the continuation thereof, is likely to result in significant dissipation or conversion of assets, significant harm to consumers, or substantial harm to the public interest prior to the completion of the proceedings, the Director may enter a temporary order requiring the respondent to cease and desist from the violation or threatened violation and to take such action to prevent the violation or threatened violation and to prevent dissipation or conversion of assets, significant harm to consumers, or substantial harm to the public interest as the Director deems appropriate pending completion of such proceedings. Such an order shall be entered only after notice and opportunity for a hearing, unless the Director determines that notice and hearing prior to entry would be impracticable or contrary to the public interest. A temporary order shall become effective upon service upon the respondent and, unless set aside, limited, or suspended by the Director or a court of competent jurisdiction, shall remain effective and enforceable pending the completion of the proceedings.

**(4) Review of temporary orders****(A) Review by Director**

At any time after the respondent has been served with a temporary cease and desist order pursuant to paragraph (3), the respondent may apply to the Director to have the 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's<sup>1</sup> 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.

**(b) Legislative recommendations**

Not later than 6 months after July 30, 2008, the Director shall make recommendations to Congress on legislative reforms to the Real Estate Settlement Procedures Act of 1974 [12 U.S.C. 2601 et seq.], that the Director deems appropriate to promote more transparent disclosures, allowing consumers to better shop and compare mortgage loan terms and settlement costs.

(Pub. L. 110-289, div. A, title V, §1516, July 30, 2008, 122 Stat. 2824; Pub. L. 111-203, title X, §1100(3), July 21, 2010, 124 Stat. 2106.)

REFERENCES IN TEXT

The Real Estate Settlement Procedures Act of 1974, referred to in subsec. (b), is Pub. L. 93-533, Dec. 22, 1974, 88 Stat. 1724, which is classified principally to chapter 27 (§2601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2601 of this title and Tables.

AMENDMENTS

2010—Pub. L. 111-203 substituted “Director” for “Secretary” wherever appearing.

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.

**§ 5116. Study and reports on defaults and foreclosures**

**(a) Study required**

The Director shall conduct an extensive study of the root causes of default and foreclosure of

home loans, using as much empirical data as is available.

**(b) Preliminary report to Congress**

Not later than 6 months after July 30, 2008, the Director shall submit to Congress a preliminary report regarding the study required by this section.

**(c) Final report to Congress**

Not later than 12 months after July 30, 2008, the Director shall submit to Congress a final report regarding the results of the study required by this section, which shall include any recommended legislation relating to the study, and recommendations for best practices and for a process to provide targeted assistance to populations with the highest risk of potential default or foreclosure.

(Pub. L. 110-289, div. A, title V, §1517, July 30, 2008, 122 Stat. 2824; Pub. L. 111-203, title X, §1100(3), July 21, 2010, 124 Stat. 2106.)

AMENDMENTS

2010—Pub. L. 111-203 substituted “Director” for “Secretary” wherever appearing.

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.

**CHAPTER 52—EMERGENCY ECONOMIC STABILIZATION**

- Sec. 5201. Purposes.
- 5202. Definitions.

SUBCHAPTER I—TROUBLED ASSETS RELIEF PROGRAM

- 5211. Purchases of troubled assets.
- 5212. Insurance of troubled assets.
- 5213. Considerations.
- 5214. Financial Stability Oversight Board.
- 5215. Reports.
- 5216. Rights; management; sale of troubled assets; revenues and sale proceeds.
- 5217. Contracting procedures.
- 5218. Conflicts of interest.
- 5219. Foreclosure mitigation efforts.
- 5219a. Home Affordable Modification Program guidelines.
- 5219b. Public availability of information of Making Home Affordable Program.
- 5220. Assistance to homeowners.
- 5220a. Application of GSE conforming loan limit to mortgages assisted with TARP funds.
- 5220b. Multifamily mortgage resolution program.
- 5221. Executive compensation and corporate governance.
- 5222. Coordination with foreign authorities and central banks.
- 5223. Minimization of long-term costs and maximization of benefits for taxpayers.
- 5224. Market transparency.
- 5225. Graduated authorization to purchase.
- 5226. Oversight and audits.
- 5227. Study and report on margin authority.
- 5228. Funding.
- 5229. Judicial review and related matters.
- 5230. Termination of authority.
- 5231. Special Inspector General for the Troubled Asset Relief Program.
- 5231a. Public-Private Investment Program; additional appropriations for the Special Inspector General for the Troubled Asset Relief Program.