

**PROPOSED REGULATION OF THE
DIVISION OF MORTGAGE LENDING OF THE DEPARTMENT OF
BUSINESS AND INDUSTRY**

LCB FILE NO. R070-23I

**The following document is the initial draft regulation proposed
by the agency submitted on 09/21/2023**

DRAFT PROPOSED REGULATION OF THE COMMISSIONER OF THE DIVISION OF MORTGAGE LENDING

EXPLANATION: Matter in *bold italics* is new material; material lined out within ~~bold brackets~~ is material to be omitted.

Proposed Regulations for Amendment Per Executive Order 2023-003

Chapter 645A is hereby amended to read as follows:

NAC 645A.290 Closure of principal or branch office.

1. An escrow agency may not close its principal office or a branch office until *the escrow agency has*:
 - (a) ~~The escrow agency has:~~
 - ~~(1) — Returned its original license; and~~
 - ~~(2) Submitted on a format prescribed by the Commissioner [to the Commissioner]~~ a request for approval of the closure of the office pursuant to subsection 2; and
 - (b) The Commissioner has approved the closure.

Chapter 645B is hereby amended to read as follows:

NAC 645B.510 Reporting of violations to Registry; procedure for challenging report.

3. A challenge must be sent in writing by regular mail *or email* to the Division and addressed to the Office of the Commissioner.
5. The person may send a written rebuttal within 30 days after receipt of the Division's reply by regular mail *or email* to the Division and addressed to the Office of the Commissioner.
6. Upon receipt of the written rebuttal, the Commissioner will make a written final decision concerning the written rebuttal and underlying challenge and send the final decision by regular mail *or email* to the person within 30 days.

NAC 645B.235 Disclosures to borrowers by certain persons acting in dual capacity.

2. The mortgage broker or mortgage agent shall provide the disclosures required pursuant to subsection 1 to the borrower at the time of application for a loan and in the following format:

If you have any questions regarding your mortgage loan agent or loan, please visit the Division of Mortgage Lending website at <https://www.mld.nv.gov> or call (702) 486-0782 in Las Vegas. ~~[or (775) 684-7060 in Northern Nevada.]~~

NAC 645B.057 Change in control or control person of mortgage broker; change of location or closure of principal or branch office; surrender of license.

5. A mortgage broker who wishes to change the location of his or her principal office or branch office must *submit on a format prescribed by the Commissioner [file-a] the* request with the Commissioner, ~~[return his or her original license for a principal office or branch office to the Commissioner]~~ and submit any additional information required by the Commissioner. A mortgage broker may not change the location of his or her principal office or a branch office until the Commissioner has approved the transfer and issued a new license reflecting the change in location.
6. A mortgage broker may not surrender his or her license or close his or her principal office or a branch office until:
 - ~~(a)~~ ~~The mortgage broker has returned his or her original license; and~~
 - ~~(b)~~ the Commissioner has approved the surrender or closure.

NAC 645B.240 Representation of activity as licensed; advertisements; disclosure to private investors; Internet links.

12. For the purposes of this section, “advertising” includes commercial messages that promote the availability of mortgage products or investments offered by the mortgage broker or mortgage agent. Commercial messages include, but are not limited to:
 - (a) Print media;
 - (b) Sales literature;
 - (c) Sales brochures or flyers;
 - (d) Billboards;
 - ~~[(e)]~~ ~~Yellow page listings if more than a line listing;~~
 - ~~[(f)]~~ (e) Radio and television advertisements;
 - ~~[(g)]~~ (f) Mass mailings distributed by the United States Postal Service or another such delivery service or by electronic mail;
 - ~~[(h)]~~ (g) Telephone or seminar scripts;
 - ~~[(i)]~~ (h) Websites or other Internet sites, *and media platforms* that promote or accept loan applications; and
 - ~~[(j)]~~ (i) Business cards.

Chapter 645F is hereby amended to read as follows:

NAC 645F.285 Closure of principal or branch office.

1. A licensee may not close a principal office or a branch office until ~~[:~~
 - ~~(a)~~ ~~The licensee has returned his or her license; and~~
 - ~~(b)~~~~F]~~ the Commissioner has approved the closure.

NAC 645F.330 Statements required if independent licensee terminates employment of or association with associated licensee.

If an independent licensee terminates the employment of or association with an associated licensee for any reason, the independent licensee shall, not later than the third business day following the date of termination:

1. Deliver to the associated licensee or send by certified mail to the last known residence address of the associated licensee a written statement which advises the associated licensee:
 - (a) Of the termination of the associated licensee's employment by or association with the independent licensee; and
 - (b) That the termination is being reported to the Commissioner; and
2. ~~Deliver or send by certified mail to the Commissioner:~~ *Notify the Commissioner on a format prescribed by the Commissioner.*
 - ~~(a) A written statement that the independent licensee has terminated the employment of or association with the associated licensee; and~~
 - ~~(b) The license or license number of the associated licensee.]~~

NAC 645F.335 Statements required if associated licensee terminates employment by or association with independent licensee. (NRS 645F.255, 645F.390)

If an associated licensee terminates his or her employment by or association with an independent licensee for any reason, the associated licensee shall, not later than the third business day following the date of termination:

1. Deliver to the independent licensee or send by certified mail to the last known business address of the independent licensee a written statement which advises the independent licensee:
 - (a) Of the termination of the associated licensee's employment by or association with the independent licensee; and
 - (b) That the termination is being reported to the Commissioner; and
2. ~~Deliver or send by certified mail to the Commissioner:~~ *Notify the Commissioner on a format prescribed by the Commissioner.*
 - ~~(a) The license numbers of the associated licensee and the independent licensee;~~
 - ~~(b) A written statement of the circumstances surrounding the termination; and~~
 - ~~(c) A copy of the written statement that the associated licensee delivered or mailed to the independent licensee pursuant to subsection 1.]~~

NAC 645F.982 Surrender of license; closure of principal office.

1. A licensee may surrender a license by ~~[delivering to the Commissioner the original license, if applicable, with]~~ *submitting on a format prescribed by the Commissioner;* a written notice that the licensee surrenders the license.
- ~~[2. A licensee whose original license has been destroyed or lost may comply with this section by submitting to the Commissioner a notarized affidavit of the loss accompanied by written notice that the licensee surrenders the license.]~~
- ~~[3.]~~ 2 A licensee may not surrender a license or close his or her principal office *until the Commissioner has approved the closure.*
 - ~~(a) The licensee has returned his or her original license or licenses; and~~
 - ~~(b) The Commissioner has approved the closure.]~~
- ~~[4. The request for approval of the closure of the principal office of the licensee must be in the form and contain the information prescribed by the Commissioner.]~~