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Sub. S. B. No. 333

Senator Obhof

Cosponsors: Senators Beagle, Coley, LaRose, Seitz, Bacon, Peterson,

Brown, Balderson, Burke, Hughes, Jones, Lehner, Manning, Wagoner,

Widener

Representatives Brenner, Adams, R., Antonio, Blessing, Garland, Grossman,

Hackett, Ruhl Speaker Batchelder

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A B I L L

To amend sections 1109.22, 1304.55, 1321.52, and	1
1322.02 and to enact sections 1321.537, 1321.538,	2
1322.042, and 1322.043 of the Revised Code to	3
authorize the Superintendent of Financial	4
Institutions to issue a temporary mortgage loan	5
originator license or temporary loan originator	6
license to an out-of-state applicant who meets	7
certain criteria, to make changes regarding	8
derivative transactions by banks, and to make	9
changes to the Uniform Commercial Funds Transfers	10
law regarding remittance transfers.	11

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 1109.22, 1304.55, 1321.52, and	12
1322.02 be amended and sections 1321.537, 1321.538, 1322.042, and	13
1322.043 of the Revised Code be enacted to read as follows:	14

Sec. 1109.22. (A) As used in this section:	15
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(1) "Derivative transaction" includes any transaction that is 16
a contract, agreement, swap, warrant, note, or option that is 17
based, in whole or in part, on the value of, any interest in, or 18
any quantitative measure or the occurrence of any event relating 19
to, one or more commodities, securities, currencies, interest or 20
other rates, indices, or other assets. 21

(2) "Loans and extensions of credit" shall include all of the 22
following: 23

(a) All direct or indirect advances of funds made on the 24
basis of any obligation of a person to repay the funds or 25
repayable from specific property pledged by or on behalf of the 26
person ~~and, to;~~ 27

(b) To the extent specified by the superintendent of 28
financial institutions, ~~also include~~ any liability of a bank to 29
advance funds to or on behalf of a person pursuant to a 30
contractual commitment; 31

(c) Any credit exposure to a person arising from a derivative 32
transaction between the person and a bank. 33

~~(2)~~(3) "Person" includes an individual; sole proprietorship; 34
partnership; joint venture; association; trust; estate; business 35
trust; corporation; government; agency, instrumentality, or 36
political subdivision of a government; limited liability company; 37
or any similar entity or organization. 38

(B) Except as provided in divisions (C), (D), (E), and (F) of 39
this section: 40

(1) The total loans and extensions of credit by a bank to a 41
person outstanding at any one time and not fully secured, as 42
determined in a manner consistent with division (B)(2) of this 43
section, by collateral having a market value at least equal to the 44
amount of the loans and extensions of credit to that person that 45
are outstanding shall not exceed fifteen per cent of the 46

unimpaired capital of the bank. 47

(2) The total loans and extensions of credit by a bank to a 48
person outstanding at one time and fully secured by readily 49
marketable collateral having a market value, as determined by 50
reliable and continuously available price quotations, at least 51
equal to the amount of the loans and extensions of credit to that 52
person outstanding shall not exceed ten per cent of the unimpaired 53
capital of the bank. 54

(3) The limitation set forth in division (B)(2) of this 55
section is separate from and in addition to the limitation set 56
forth in division (B)(1) of this section. 57

(C) No limitation based on capital applies to loans and 58
extensions of credit by a bank to a person that are any of the 59
following types: 60

(1) Loans or extensions of credit arising from the discount 61
of commercial or business paper evidencing an obligation to the 62
person negotiating it with recourse; 63

(2) The purchase of bankers' acceptances of the kinds 64
described in division (B) or (C) of section 1109.17 of the Revised 65
Code and issued by other banks; 66

(3) Loans or extensions of credit secured by bonds, notes, 67
certificates of indebtedness, treasury bills of the United States, 68
or other obligations fully guaranteed as to principal and interest 69
by the United States; 70

(4) Loans or extensions of credit to or secured by 71
unconditional takeout commitments or guarantees of any department, 72
agency, bureau, board, commission, or establishment of the United 73
States or any corporation wholly owned, directly or indirectly, by 74
the United States; 75

(5) Loans or extensions of credit secured by a segregated 76

deposit account in the lending bank;	77
(6) Loans or extensions of credit to any financial institution or to any receiver, conservator, superintendent of financial institutions, or other agent in charge of the business and property of a financial institution, when the loans or extensions of credit are approved by the superintendent of financial institutions of this state;	78 79 80 81 82 83
(7) Loans or extensions of credit to the student loan marketing association.	84 85
(D) A bank may make loans and extensions of credit secured by bills of lading, warehouse receipts, or similar documents transferring or securing title to readily marketable staples subject to the general limitations of division (B) of this section, and may make additional loans and extensions of credit secured by bills of lading, warehouse receipts, or similar documents transferring or securing title to readily marketable staples, if all of the following apply:	86 87 88 89 90 91 92 93
(1) The market value of the staples securing each additional loan or extension of credit at all times equals or exceeds one hundred fifteen per cent of the outstanding amount of the loan or extension of credit.	94 95 96 97
(2) The staples are fully covered by insurance whenever it is customary to insure staples of that kind.	98 99
(3) The total amount of the bank's additional loans and extensions of credit outstanding to one person at any time does not exceed thirty-five per cent of the bank's capital.	100 101 102
(E) Subject to divisions (E)(1) and (2) of this section, a bank may make loans and extensions of credit arising from the discount of negotiable or nonnegotiable installment consumer paper.	103 104 105 106

(1) If the paper carries a full recourse endorsement or 107
unconditional guarantee by the person transferring the paper, the 108
total amount of the installment consumer paper transferred by one 109
person a bank may hold at one time shall not exceed twenty-five 110
per cent of the bank's capital, and the collateral requirements of 111
division (B)(2) of this section do not apply. 112

(2) The limitations set forth in division (B) of this section 113
apply only to the loans and extensions of credit of each maker of 114
negotiable or nonnegotiable installment consumer paper, and not to 115
obligations arising from any full or partial recourse endorsement 116
or guarantee by the transferor discounting the consumer paper to 117
the bank, if both of the following apply: 118

(a) The bank's files are, or the knowledge of its officers of 119
the financial condition of each maker of the consumer paper is, 120
reasonably adequate. 121

(b) An officer of the bank designated for that purpose by the 122
bank's board of directors certifies in writing that the bank is 123
relying primarily upon the responsibility of each maker for 124
payment of the loans or extensions of credit and not upon any full 125
or partial recourse endorsement or guarantee by the transferor. 126

(F) Without regard to the collateral requirements of division 127
(B) of this section, a bank may have loans and extensions of 128
credit to one person outstanding at one time not exceeding 129
twenty-five per cent of the bank's capital of the following types: 130

(1) Loans and extensions of credit secured by shipping 131
documents or instruments transferring or securing title covering 132
livestock or giving a lien on livestock, when the market value of 133
the livestock securing the obligation is not at any time less than 134
one hundred fifteen per cent of the face amount of the note 135
covered; 136

(2) Loans and extensions of credit that arise from the 137

discount by dealers in dairy cattle of paper given in payment for 138
dairy cattle, if the paper carries a full recourse endorsement or 139
unconditional guarantee of the seller, and the loans and 140
extensions of credit are secured by the cattle being sold. 141

(G)(1) The superintendent may adopt rules to administer and 142
carry out the purposes of this section, including ~~rules~~, but not 143
limited to, the following: 144

(a) Rules defining or further defining terms used in this 145
section, and rules including expanding or limiting the definition 146
of "person" defined in division (A) of this section; 147

(b) Rules establishing limits or requirements other than 148
those specified in this section for particular classes or 149
categories of loans or extensions of credit; 150

(c) Rules relating to credit exposure arising from derivative 151
transactions. 152

(2) The superintendent may determine when a loan putatively 153
made to a person is, for purposes of this section, to be 154
attributed to another person. 155

Sec. 1304.55. Sections (A) Except as otherwise provided in 156
division (B) of this section, sections 1304.51 to 1304.85 of the 157
Revised Code do not apply to a funds transfer any part of which is 158
governed by the "Electronic Fund Transfer Act," 92 Stat. 3728 159
(1978), 15 U.S.C.A. 1693, as amended. 160

(B) Sections 1304.51 to 1304.85 of the Revised Code apply to 161
a remittance transfer as defined in the "Electronic Fund Transfer 162
Act," 124 Stat. 2065 (2010), 15 U.S.C. 1693o-1, as amended, unless 163
the remittance transfer is an electronic fund transfer as defined 164
in the "Electronic Fund Transfer Act," 92 Stat. 3728 (1978), 15 165
U.S.C. 1693a, as amended. 166

(C) In a funds transfer to which sections 1304.51 to 1304.85 167

of the Revised Code apply, in the event of an inconsistency 168
between an applicable provision of sections 1304.51 to 1304.85 of 169
the Revised Code and an applicable provision of the "Electronic 170
Fund Transfer Act," 92 Stat. 3728 (1978), 15 U.S.C. 1693, as 171
amended, the provisions of the Electronic Fund Transfer Act govern 172
to the extent of the inconsistency. 173

Sec. 1321.52. (A)(1) No person, on that person's own behalf 174
or on behalf of any other person, shall do any of the following 175
without having first obtained a certificate of registration from 176
the division of financial institutions: 177

(a) Advertise, solicit, or hold out that the person is 178
engaged in the business of making residential mortgage loans 179
secured by a mortgage on a borrower's real estate which is other 180
than a first lien on the real estate; 181

(b) Engage in the business of lending or collecting the 182
person's own or another person's money, credit, or choses in 183
action for non-first lien residential mortgage loans; 184

(c) Employ or compensate mortgage loan originators licensed 185
or who should be licensed under sections 1321.51 to 1321.60 of the 186
Revised Code to conduct the business of making residential 187
mortgage loans; 188

(d) Make loans in this state of the type set forth in 189
division (C) of this section that are unsecured or are secured by 190
other than real property, which loans are for more than five 191
thousand dollars at a rate of interest greater than permitted by 192
section 1343.01 or other specific provisions of the Revised Code. 193

(2) Each person issued a certificate of registration or 194
license is subject to all the rules prescribed under sections 195
1321.51 to 1321.60 of the Revised Code. 196

(B)(1) All loans made to persons who at the time are 197

residents of this state are considered as made within this state 198
and subject to the laws of this state, regardless of any statement 199
in the contract or note to the contrary, except as follows: 200

(a) If the loan is primarily secured by a lien on real 201
property in another state and is arranged by a mortgage loan 202
originator licensed by that state, the borrower may by choice of 203
law designate that the transaction be governed by the law where 204
the real property is located if the other state has consumer 205
protection laws covering the borrower that are applicable to the 206
transaction. 207

(b) If the loan is for the purpose of purchasing goods 208
acquired by the borrower when the borrower is outside of this 209
state, the loan may be governed by the laws of the other state. 210

(2) Nothing in division (B)(1) of this section prevents a 211
choice of law or requires registration or licensure of persons 212
outside of this state in a transaction involving the solicitation 213
of residents of this state to obtain non-real estate secured loans 214
that require the borrowers to physically visit a lender's 215
out-of-state office to apply for and obtain the disbursement of 216
loan funds. 217

(C) A registrant may make unsecured loans, loans secured by a 218
mortgage on a borrower's real estate which is a first lien or 219
other than a first lien on the real estate, loans secured by other 220
than real estate, and loans secured by any combination of 221
mortgages and security interests, on terms and conditions provided 222
by sections 1321.51 to 1321.60 of the Revised Code. 223

(D)(1) If a lender that is subject to sections 1321.51 to 224
1321.60 of the Revised Code makes a loan in violation of division 225
(A)(1) of this section, the lender has no right to collect, 226
receive, or retain any interest or charges on that loan. 227

(2) If a registrant applies to the division for a renewal of 228

the registrant's certificate after the date required by division 229
(A)(7) of section 1321.53 of the Revised Code, but prior to the 230
first day of February of that year, and the division approves the 231
application, division (D)(1) of this section does not apply with 232
respect to any loan made by the registrant while the registrant's 233
certificate was expired. 234

(3) If a person's registration under sections 1321.51 to 235
1321.60 of the Revised Code terminates due to nonrenewal or 236
otherwise but the person continues to engage in the business of 237
collecting or servicing non-first lien residential mortgage loans 238
in violation of division (A)(1) of this section, the 239
superintendent of financial institutions may take administrative 240
action, including action on any subsequent application for a 241
certificate of registration. In addition, no late fee, bad check 242
charge except as incurred, charge related to default or cost to 243
realize on its security interest, or prepayment penalty on 244
non-first lien residential mortgage loans shall be collected or 245
retained by a person who is in violation of division (A)(1)(b) of 246
this section for the period of time in which the person was in 247
violation. Nothing in division (D)(3) of this section prevents or 248
otherwise precludes any other actions or penalties provided by law 249
or modifies a defense of holder in due course that a subsequent 250
purchaser servicing the residential mortgage loan may raise. 251

(E)(1) No individual shall engage in the business of a 252
mortgage loan originator without first obtaining and maintaining 253
annually a license pursuant to section 1321.532 of the Revised 254
Code from the division of financial institutions. A mortgage loan 255
originator shall be employed or associated with a registrant or 256
entity exempt from registration under sections 1321.51 to 1321.60 257
of the Revised Code, but shall not be employed by or associated 258
with more than one registrant or exempt entity at any one time. 259

(2) An individual acting under the individual's authority as 260

a registered mortgage loan originator shall not be required to be 261
licensed under division (E)(1) of this section. 262

(3) An individual who holds a valid temporary mortgage loan 263
originator license issued pursuant to section 1321.537 of the 264
Revised Code may engage in the business of a mortgage loan 265
originator in accordance with sections 1321.51 to 1321.60 of the 266
Revised Code during the term of the temporary license. 267

(F)(1) Each licensee shall register with, and maintain a 268
valid unique identifier issued by, the nationwide mortgage 269
licensing system and registry. 270

(2) No person shall use a licensee's unique identifier for 271
any purpose other than as set forth in the "Secure and Fair 272
Enforcement for Mortgage Licensing Act of 2008," 122 Stat. 2810, 273
12 U.S.C. 5101. 274

(G)(1) If a person that is subject to sections 1321.51 to 275
1321.60 of the Revised Code makes a loan in violation of division 276
(A)(1)(d) of this section and subsequently sells or assigns that 277
loan, the person is liable to the borrower for any interest paid 278
on that loan to the holder or assignee in excess of the rate that 279
would be applicable in the absence of sections 1321.51 to 1321.60 280
of the Revised Code, in addition to any interest or charges paid 281
on that loan to the unauthorized lender as provided by division 282
(D)(1) of this section. 283

(2) If a person that is subject to sections 1321.51 to 284
1321.60 of the Revised Code makes a residential mortgage loan in 285
violation of division (A)(1)(b) or (c) of this section and 286
subsequently sells or assigns that loan, the lender is liable to 287
the borrower for any interest paid on that loan to the holder or 288
assignee in excess of the rate set forth in division (B)(4) of 289
section 1343.01 of the Revised Code, in addition to any interest 290
or charges paid on that loan to the unauthorized lender as 291

provided by division (D)(1) of this section. 292

Sec. 1321.537. (A) As used in this section: 293

(1) "Out-of-state mortgage loan originator" means an 294
individual to whom both of the following apply: 295

(a) The individual holds a valid mortgage loan originator 296
license, or comparable authority, issued pursuant to the law of 297
any other state of the United States. 298

(b) The individual is registered, fingerprinted, and 299
maintains a unique identifier through the nationwide mortgage 300
licensing system and registry. 301

(2) "Sponsor" means a registrant or entity described in 302
division (D) of section 1321.53 of the Revised Code that employs 303
or is associated with an applicant for a temporary mortgage loan 304
originator license and, during the term of the applicant's 305
temporary license, covers the applicant under its corporate surety 306
bond or requires the applicant to obtain and maintain a corporate 307
surety bond. 308

(B) The superintendent of financial institutions may, in 309
accordance with this section, issue to an out-of-state mortgage 310
loan originator a temporary mortgage loan originator license that 311
enables the licensee to engage in the business of a mortgage loan 312
originator while the individual completes the requirements 313
necessary to meet the conditions set forth in section 1321.532 of 314
the Revised Code for a mortgage loan originator license. A 315
temporary mortgage loan originator license shall be valid for a 316
term of not more than one hundred twenty days from the date of 317
issuance. A temporary mortgage loan originator license may not be 318
renewed. 319

(C) An application for a temporary mortgage loan originator 320
license shall be in writing, under oath, and in a form that meets 321

the requirements of the nationwide mortgage licensing system and 322
registry. The application shall be accompanied by a nonrefundable 323
application fee, the amount of which shall be determined by the 324
superintendent in rule, and a certification that, as of the date 325
of application, the applicant meets the following conditions: 326

(1) The applicant has at least two years of experience in the 327
field of residential mortgage lending in the five years 328
immediately preceding the date of application for the temporary 329
mortgage loan originator license. 330

(2) The applicant has not previously applied for a temporary 331
mortgage loan originator license in this state. 332

(3) The applicant has not had a mortgage loan originator 333
license, or comparable authority, revoked in any governmental 334
jurisdiction. For purposes of division (C)(3) of this section, a 335
subsequent formal vacation of such a revocation shall not be 336
considered a revocation. 337

(4) The applicant has not been convicted of, or pleaded 338
guilty or nolo contendere to, any of the following in a domestic, 339
foreign, or military court: 340

(a) During the seven-year period immediately preceding the 341
date of application, a misdemeanor involving theft or any felony; 342

(b) At any time prior to the date of application, a felony 343
involving an act of fraud, dishonesty, a breach of trust, theft, 344
or money laundering. 345

For purposes of division (C)(4) of this section, any 346
conviction for which the applicant has received a pardon shall not 347
be considered a conviction. 348

(D) The superintendent shall issue a temporary mortgage loan 349
originator license to the applicant if the superintendent finds 350
that all of the following conditions are met: 351

(1) The application is accompanied by the application fee and 352
the certification described in division (C) of this section. 353

(2) The applicant is registered, fingerprinted, and has a 354
valid unique identifier through the nationwide mortgage licensing 355
system and registry as of the date of application. 356

(3) The applicant has authorized the nationwide mortgage 357
licensing system and registry to obtain a credit report for 358
submission to the superintendent. 359

(4) The applicant has a sponsor that certifies employment of, 360
or association with, the applicant and has signed the application. 361

(E) The sponsor of a temporary licensee shall have an 362
affirmative duty to supervise the conduct of each temporary 363
mortgage loan originator in the same manner as is required of its 364
other licensees. If the temporary licensee's employment or 365
association with the sponsor is terminated, the sponsor shall 366
notify the division of financial institutions of the termination 367
through the nationwide mortgage licensing system and registry. 368
Upon the division's receipt of the notice, the sponsor shall no 369
longer be held responsible for the conduct of the temporary 370
licensee. 371

(F) The superintendent may, in accordance with Chapter 119. 372
of the Revised Code, adopt rules necessary for the implementation 373
and operation of this section. 374

Sec. 1321.538. If the "Secure and Fair Enforcement for 375
Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101, 376
as amended, is modified after the effective date of this section, 377
or any regulation, statement, or position is adopted under that 378
act, to permit states to issue a temporary mortgage loan 379
originator license to a registered mortgage loan originator, the 380
superintendent shall, in accordance with section 111.15 of the 381

Revised Code, adopt rules the superintendent considers necessary 382
and appropriate to issue a temporary license to a registered 383
mortgage loan originator. 384

Sec. 1322.02. (A)(1) No person, on the person's own behalf or 385
on behalf of any other person, shall act as a mortgage broker 386
without first having obtained a certificate of registration from 387
the superintendent of financial institutions for every office to 388
be maintained by the person for the transaction of business as a 389
mortgage broker in this state. A registrant shall maintain an 390
office location in this state for the transaction of business as a 391
mortgage broker in this state. 392

(2) No person shall act or hold that person's self out as a 393
mortgage broker under the authority or name of a registrant or 394
person exempt from sections 1322.01 to 1322.12 of the Revised Code 395
without first having obtained a certificate of registration from 396
the superintendent for every office to be maintained by the person 397
for the transaction of business as a mortgage broker in this 398
state. 399

(B)(1) No individual shall act as a loan originator without 400
first having obtained a license from the superintendent. A loan 401
originator shall be employed by or associated with a mortgage 402
broker or any person or entity listed in division (G)(2) of 403
section 1322.01 of the Revised Code, but shall not be employed by 404
or associated with more than one mortgage broker or person or 405
entity at any one time. 406

(2) An individual acting under the individual's authority as 407
a registered loan originator shall not be required to be licensed 408
under division (B)(1) of this section. 409

(3) An individual who holds a valid temporary loan originator 410
license issued pursuant to section 1322.042 of the Revised Code 411
may engage in the business of a loan originator in accordance with 412

sections 1322.01 to 1322.12 of the Revised Code during the term of 413
the temporary license. 414

(C)(1) No person acting as a mortgage broker or loan 415
originator shall fail to register with, and maintain a valid 416
unique identifier issued by, the nationwide mortgage licensing 417
system and registry. 418

(2) No person shall use a mortgage broker's or loan 419
originator's unique identifier for any purpose other than as set 420
forth in the "Secure and Fair Enforcement for Mortgage Licensing 421
Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101. 422

Sec. 1322.042. (A) As used in this section: 423

(1) "Out-of-state loan originator" means an individual to 424
whom both of the following apply: 425

(a) The individual holds a valid loan originator license, or 426
comparable authority, issued pursuant to the law of any other 427
state of the United States. 428

(b) The individual is registered, fingerprinted, and 429
maintains a unique identifier through the nationwide mortgage 430
licensing system and registry. 431

(2) "Sponsor" means a registrant or entity described in 432
division (G)(2) of section 1322.01 of the Revised Code that 433
employs or is associated with an applicant for a temporary loan 434
originator license and, during the term of the applicant's 435
temporary license, covers the applicant under its corporate surety 436
bond or requires the applicant to obtain and maintain a corporate 437
surety bond. 438

(B) The superintendent of financial institutions may, in 439
accordance with this section, issue to an out-of-state loan 440
originator a temporary loan originator license that enables the 441
licensee to engage in the business of a loan originator while the 442

individual completes the requirements necessary to meet the 443
conditions set forth in section 1322.041 of the Revised Code for a 444
loan originator license. A temporary loan originator license shall 445
be valid for a term of not more than one hundred twenty days from 446
the date of issuance. A temporary loan originator license may not 447
be renewed. 448

(C) An application for a temporary loan originator license 449
shall be in writing, under oath, and in a form that meets the 450
requirements of the nationwide mortgage licensing system and 451
registry. The application shall be accompanied by a nonrefundable 452
application fee, the amount of which shall be determined by the 453
superintendent in rule, and a certification that, as of the date 454
of application, the applicant meets the following conditions: 455

(1) The applicant has at least two years of experience in the 456
field of residential mortgage lending in the five years 457
immediately preceding the date of application for the temporary 458
loan originator license. 459

(2) The applicant has not previously applied for a temporary 460
loan originator license in this state. 461

(3) The applicant has not had a loan originator license, or 462
comparable authority, revoked in any governmental jurisdiction. 463
For purposes of division (C)(3) of this section, a subsequent 464
formal vacation of such a revocation shall not be considered a 465
revocation. 466

(4) The applicant has not been convicted of, or pleaded 467
guilty or nolo contendere to, any of the following in a domestic, 468
foreign, or military court: 469

(a) During the seven-year period immediately preceding the 470
date of application, a misdemeanor involving theft or any felony; 471

(b) At any time prior to the date of application, a felony 472
involving an act of fraud, dishonesty, a breach of trust, theft, 473

or money laundering. 474

For purposes of division (C)(4) of this section, any 475
conviction for which the applicant has received a pardon shall not 476
be considered a conviction. 477

(D) The superintendent shall issue a temporary loan 478
originator license to the applicant if the superintendent finds 479
that all of the following conditions are met: 480

(1) The application is accompanied by the application fee and 481
the certification described in division (C) of this section. 482

(2) The applicant is registered, fingerprinted, and has a 483
valid unique identifier through the nationwide mortgage licensing 484
system and registry as of the date of application. 485

(3) The applicant has authorized the nationwide mortgage 486
licensing system and registry to obtain a credit report for 487
submission to the superintendent. 488

(4) The applicant has a sponsor that certifies employment of, 489
or association with, the applicant and has signed the application. 490

(E) The sponsor of a temporary licensee shall have an 491
affirmative duty to supervise the conduct of each temporary loan 492
originator in the same manner as is required of its other 493
licensees. If the temporary licensee's employment or association 494
with the sponsor is terminated, the sponsor shall notify the 495
division of financial institutions of the termination through the 496
nationwide mortgage licensing system and registry. Upon the 497
division's receipt of the notice, the sponsor shall no longer be 498
held responsible for the conduct of the temporary licensee. 499

(F) The superintendent may, in accordance with Chapter 119. 500
of the Revised Code, adopt rules necessary for the implementation 501
and operation of this section. 502

Sec. 1322.043. If the "Secure and Fair Enforcement for 503

Mortgage Licensing Act of 2008," 122 Stat. 2810, 12 U.S.C. 5101, 504
as amended, is modified after the effective date of this section, 505
or any regulation, statement, or position is adopted under that 506
act, to permit states to issue a temporary loan originator license 507
to a registered loan originator, the superintendent shall, in 508
accordance with section 111.15 of the Revised Code, adopt rules 509
the superintendent considers necessary and appropriate to issue a 510
temporary license to a registered loan originator. 511

Section 2. That existing sections 1109.22, 1304.55, 1321.52, 512
and 1322.02 of the Revised Code are hereby repealed. 513