

**As Reported by the House Financial Institutions, Housing and  
Urban Development Committee**

**129th General Assembly  
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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**

**Representative Brenner**

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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

(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 unconditional guarantee by the person transferring the paper, the total amount of the installment consumer paper transferred by one person a bank may hold at one time shall not exceed twenty-five per cent of the bank's capital, and the collateral requirements of division (B)(2) of this section do not apply.

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

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

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

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

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

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

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

As Reported by the House Financial Institutions, Housing and Urban Development  
Committee

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