

Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 10-0413.01 Bart Miller

HOUSE BILL 10-1141

HOUSE SPONSORSHIP

Carroll T.,

SENATE SPONSORSHIP

Tochtrop,

House Committees

Business Affairs and Labor

Senate Committees

Business, Labor and Technology

A BILL FOR AN ACT

101 CONCERNING A REQUIREMENT FOR MORTGAGE COMPANIES TO BE  
102 REGISTERED BY THE DIVISION OF REAL ESTATE.

Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

**Section 3** of the bill requires mortgage companies to register with and be regulated by the division of real estate under the "Mortgage Loan Originator Licensing and Mortgage Company Registration Act". **Section 6** sets standards for mortgage companies to be registered, including that they be registered on the nationwide mortgage licensing

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

SENATE  
Am ended 2nd Reading  
March 12, 2010

HOUSE  
3rd Reading Unam ended  
February 4, 2010

HOUSE  
Am ended 2nd Reading  
February 3, 2010

system and registry created pursuant to the federal "Secure and Fair Enforcement for Mortgage Licensing Act of 2008". **Section 7** specifies grounds for disciplinary action against mortgage companies. **Sections 11 to 13** delay the scheduled sunset of this regulatory program of July 1, 2011, to July 1, 2014.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 12-61-901, Colorado Revised Statutes, is amended  
3 to read:

4 **12-61-901. Short title.** This part 9 shall be known and may be  
5 cited as the "Mortgage Loan Originator Licensing AND MORTGAGE  
6 COMPANY REGISTRATION Act".

7 **SECTION 2.** 12-61-902 (5), Colorado Revised Statutes, is  
8 amended, and the said 12-61-902 is further amended BY THE  
9 ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

10 **12-61-902. Definitions.** As used in this part 9, unless the context  
11 otherwise requires:

12 (1.3) "BOARD" MEANS THE BOARD OF MORTGAGE LOAN  
13 ORIGINATORS CREATED IN SECTION 12-61-902.5.

14 (5) ~~"Mortgage lender" means a lender who is in the business of~~  
15 ~~making residential mortgage loans if:~~

16 (a) ~~The lender is the payee on the promissory note evidencing the~~  
17 ~~loan; and~~

18 (b) ~~The loan proceeds are obtained by the lender from its own~~  
19 ~~funds or from a line of credit made available to the lender from a bank or~~  
20 ~~other entity who regularly loans money to lenders for the purpose of~~  
21 ~~funding mortgage loans. "MORTGAGE COMPANY" MEANS A PERSON~~

22 ~~OTHER THAN AN INDIVIDUAL WHO, THROUGH EMPLOYEES OR OTHER~~  
23 ~~INDIVIDUALS, TAKES RESIDENTIAL LOAN APPLICATIONS OR OFFERS OR~~

1 NEGOTIATES TERMS OF A RESIDENTIAL MORTGAGE LOAN.

2 (5.5) "MORTGAGE LENDER" MEANS A LENDER WHO IS IN THE  
3 BUSINESS OF MAKING RESIDENTIAL MORTGAGE LOANS IF:

4 (a) THE LENDER IS THE PAYEE ON THE PROMISSORY NOTE  
5 EVIDENCING THE LOAN; AND

6 (b) THE LOAN PROCEEDS ARE OBTAINED BY THE LENDER FROM ITS  
7 OWN FUNDS OR FROM A LINE OF CREDIT MADE AVAILABLE TO THE LENDER  
8 FROM A BANK OR OTHER ENTITY THAT REGULARLY LOANS MONEY TO  
9 LENDERS FOR THE PURPOSE OF FUNDING MORTGAGE LOANS.

10 SECTION 3. Part 9 of article 61 of title 12, Colorado Revised  
11 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
12 read:

13 12-61-902.5. Board of mortgage loan originators - creation -  
14 compensation - enforcement of part after board creation - immunity.

15 (1) THERE IS HEREBY CREATED IN THE DIVISION A BOARD OF MORTGAGE  
16 LOAN ORIGINATORS, CONSISTING OF SEVEN MEMBERS APPOINTED BY THE  
17 GOVERNOR WITH THE CONSENT OF THE SENATE. OF THE MEMBERS, FIVE  
18 SHALL BE LICENSED MORTGAGE LOAN ORIGINATORS AND TWO SHALL BE  
19 MEMBERS OF THE PUBLIC AT LARGE NOT ENGAGED IN MORTGAGE LOAN  
20 ORIGINATION OR MORTGAGE LENDING. OF THE MEMBERS OF THE BOARD  
21 APPOINTED FOR TERMS BEGINNING ON AND AFTER THE EFFECTIVE DATE OF  
22 THIS SECTION, THREE OF THE MEMBERS APPOINTED AS MORTGAGE LOAN  
23 ORIGINATORS AND ONE OF THE MEMBERS APPOINTED AS A MEMBER OF THE  
24 PUBLIC AT LARGE SHALL BE APPOINTED FOR TERMS OF TWO YEARS, AND  
25 TWO OF THE MEMBERS APPOINTED AS MORTGAGE LOAN ORIGINATORS AND  
26 ONE OF THE MEMBERS APPOINTED AS A MEMBER OF THE PUBLIC AT LARGE  
27 SHALL SERVE FOR TERMS OF FOUR YEARS. THEREAFTER, MEMBERS OF THE

1 BOARD SHALL HOLD OFFICE FOR A TERM OF FOUR YEARS. IN THE EVENT OF  
2 A VACANCY BY DEATH, RESIGNATION, REMOVAL, OR OTHERWISE, THE  
3 GOVERNOR SHALL APPOINT A MEMBER TO FILL THE UNEXPIRED TERM. THE  
4 GOVERNOR SHALL HAVE THE AUTHORITY TO REMOVE ANY MEMBER FOR  
5 MISCONDUCT, NEGLIGENCE OF DUTY, OR INCOMPETENCE.

6 (2) (a) THE BOARD SHALL EXERCISE ITS POWERS AND PERFORM ITS  
7 DUTIES AND FUNCTIONS UNDER THE DIVISION AS IF TRANSFERRED TO THE  
8 DIVISION BY A TYPE 1 TRANSFER, AS SUCH TRANSFER IS DEFINED IN THE  
9 "ADMINISTRATIVE ORGANIZATION ACT OF 1968", ARTICLE 1 OF TITLE 24,  
10 C.R.S.

11 (b) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART 9, ON  
12 AND AFTER THE CREATION OF THE BOARD BY THIS SECTION, THE BOARD  
13 SHALL EXERCISE ALL OF THE RULE-MAKING, ENFORCEMENT, AND  
14 ADMINISTRATIVE AUTHORITY OF THE DIRECTOR SET FORTH IN THIS PART  
15 9. THE BOARD HAS THE AUTHORITY TO DELEGATE TO THE DIRECTOR ANY  
16 ENFORCEMENT AND ADMINISTRATIVE AUTHORITY UNDER THIS PART 9  
17 THAT THE BOARD DEEMS NECESSARY AND APPROPRIATE. IF THE BOARD  
18 DELEGATES ANY ENFORCEMENT OR ADMINISTRATIVE AUTHORITY UNDER  
19 THIS PART 9 TO THE DIRECTOR, THE DIRECTOR SHALL ONLY BE ENTITLED  
20 TO EXERCISE SUCH AUTHORITY AS SPECIFICALLY DELEGATED IN WRITING  
21 TO THE DIRECTOR BY THE BOARD.

22 (3) EACH MEMBER OF THE BOARD SHALL RECEIVE THE SAME  
23 COMPENSATION AND REIMBURSEMENT OF EXPENSES AS THOSE PROVIDED  
24 FOR MEMBERS OF BOARDS AND COMMISSIONS IN THE DIVISION OF  
25 REGISTRATIONS PURSUANT TO SECTION 24-34-102 (13), C.R.S. PAYMENT  
26 FOR ALL PER DIEM COMPENSATION AND EXPENSES SHALL BE MADE OUT OF  
27 ANNUAL APPROPRIATIONS FROM THE MORTGAGE LOAN ORIGINATOR

1 LICENSING CASH FUND CREATED IN SECTION 12-61-908.

2 (4) MEMBERS OF THE BOARD, CONSULTANTS, AND EXPERT  
3 WITNESSES SHALL BE IMMUNE FROM SUIT IN ANY CIVIL ACTION BASED  
4 UPON ANY DISCIPLINARY PROCEEDINGS OR OTHER OFFICIAL ACTS THEY  
5 PERFORMED IN GOOD FAITH PURSUANT TO THIS PART 9.

6 (5) A MAJORITY OF THE BOARD SHALL CONSTITUTE A QUORUM FOR  
7 THE TRANSACTION OF ALL BUSINESS, AND ACTIONS OF THE BOARD SHALL  
8 REQUIRE A VOTE OF A MAJORITY OF THE MEMBERS PRESENT IN FAVOR OF  
9 THE ACTION TAKEN.

10 (6) (a) ALL RULES PROMULGATED BY THE DIRECTOR PRIOR TO THE  
11 EFFECTIVE DATE OF THIS SECTION SHALL REMAIN IN FULL FORCE AND  
12 EFFECT UNTIL REPEALED OR MODIFIED BY THE BOARD. THE BOARD SHALL  
13 HAVE THE AUTHORITY TO ENFORCE ANY PREVIOUSLY PROMULGATED  
14 RULES OF THE DIRECTOR UNDER THIS PART 9 AND ANY RULES  
15 PROMULGATED BY THE BOARD.

16 (b) NOTHING IN THIS SECTION SHALL AFFECT ANY ACTION TAKEN  
17 BY THE DIRECTOR PRIOR TO THE EFFECTIVE DATE OF THIS SECTION. NO  
18 PERSON WHO, ON OR BEFORE THE EFFECTIVE DATE OF THIS SECTION, HOLDS  
19 A LICENSE ISSUED UNDER THIS PART 9 SHALL BE REQUIRED TO SECURE AN  
20 ADDITIONAL LICENSE UNDER THIS PART 9, BUT SHALL OTHERWISE BE  
21 SUBJECT TO ALL THE PROVISIONS OF THIS PART 9. A LICENSE PREVIOUSLY  
22 ISSUED SHALL, FOR ALL PURPOSES, BE CONSIDERED A LICENSE ISSUED BY  
23 THE BOARD UNDER THIS PART 9.

24 **SECTION 4.** 12-61-903 (1) (a), Colorado Revised Statutes, is  
25 amended to read:

26 **12-61-903. License required - rules.** (1) (a) On or after August  
27 5, 2009, unless licensed by the director, an individual shall not originate

1 a mortgage, offer to originate a mortgage, act as a mortgage loan  
2 originator, or offer to act as a mortgage loan originator. On or after July  
3 31, 2010 DECEMBER 31, 2010, unless licensed by the director and  
4 registered with the nationwide mortgage licensing system and registry as  
5 a state-licensed loan originator, an individual shall not originate or offer  
6 to originate a mortgage or act or offer to act as a mortgage loan  
7 originator.

8 **SECTION 5.** Part 9 of article 61 of title 12, Colorado Revised  
9 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
10 read:

11 **12-61-903.1. Registration required - rules.** (1) ON OR AFTER  
12 JANUARY 1, 2011, EACH MORTGAGE COMPANY SHALL REGISTER WITH THE  
13 NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY, UNLESS  
14 EXEMPTED BY RULE BY THE DIRECTOR, AND SHALL RENEW SUCH  
15 REGISTRATION EACH CALENDAR YEAR BASED ON THE FOLLOWING  
16 CRITERIA:

17 (a) (I) THE MORTGAGE COMPANY IS LEGALLY OPERATING IN THE  
18 STATE OF COLORADO IN ACCORDANCE WITH STANDARDS DETERMINED AND  
19 ADMINISTERED BY THE COLORADO SECRETARY OF STATE; AND

20 (II) THE MORTGAGE COMPANY IS NOT LEGALLY BARRED FROM  
21 OPERATING IN COLORADO.

22 (b) SOLE PROPRIETORS, GENERAL PARTNERSHIPS, AND OTHER  
23 MORTGAGE COMPANIES NOT OTHERWISE REQUIRED TO REGISTER WITH THE  
24 SECRETARY OF STATE SHALL REGISTER USING A TRADE NAME.

25 **SECTION 6.** 12-61-904 (1) (a), (1) (b), (1) (c), and (1) (d),  
26 Colorado Revised Statutes, are amended to read:

27 **12-61-904. Exemptions.** (1) Except as otherwise provided in

1 section 12-61-911, this part 9 shall not apply to the following:

2 (a) ~~Employees of an agency of the federal government, of the~~  
3 ~~Colorado government, or of any of Colorado's political subdivisions;~~

4 (b) ~~An owner of real property who offers credit secured by a~~  
5 ~~mortgage or deed of trust on the property sold~~ AN INDIVIDUAL WHO ONLY  
6 OFFERS OR NEGOTIATES TERMS OF A RESIDENTIAL MORTGAGE LOAN  
7 SECURED BY A DWELLING THAT SERVED AS THE INDIVIDUAL'S RESIDENCE;

8 (c) ~~A bank, savings bank, savings and loan association, building~~  
9 ~~and loan association, industrial bank, industrial loan company, credit~~  
10 ~~union, or bank or savings association holding company organized under~~  
11 ~~the laws of any state, the District of Columbia, a territory or protectorate~~  
12 ~~of the United States, or the United States, subject to regulation and~~  
13 ~~supervision by a federal banking agency, or an operating subsidiary or~~  
14 ~~employee or exclusive agent of any of such entities, including, without~~  
15 ~~limitation, a subsidiary that is owned or controlled by a depository~~  
16 ~~institution~~ A BANK AND A SAVINGS ASSOCIATION AS THESE TERMS ARE  
17 DEFINED IN THE "FEDERAL DEPOSIT INSURANCE ACT", A SUBSIDIARY THAT  
18 IS OWNED AND CONTROLLED BY A BANK OR SAVINGS ASSOCIATION,  
19 EMPLOYEES OF A BANK OR SAVINGS ASSOCIATION, EMPLOYEES OF A  
20 SUBSIDIARY THAT IS OWNED AND CONTROLLED BY A BANK OR SAVINGS  
21 ASSOCIATION, CREDIT UNIONS, AND EMPLOYEES OF CREDIT UNIONS;

22 (d) ~~An attorney who renders services in the course of practice,~~  
23 ~~who is licensed in Colorado, and who is not primarily engaged in the~~  
24 ~~business of negotiating residential mortgage loans~~ A COLORADO  
25 LICENSED ATTORNEY WHO ONLY NEGOTIATES THE TERMS OF A  
26 RESIDENTIAL MORTGAGE LOAN ON BEHALF OF A CLIENT AS AN ANCILLARY  
27 MATTER TO THE ATTORNEY'S REPRESENTATION OF THE CLIENT, UNLESS

1 THE DIRECTOR BY RULE DETERMINES ADDITIONAL CRITERIA PROHIBITING  
2 EXEMPTION;

3 **SECTION 7.** 12-61-905 (1) (g), (4), and (7) (c), Colorado  
4 Revised Statutes, are amended to read:

5 **12-61-905. Powers and duties of the director.** (1) The director  
6 may deny an application for a license, refuse to renew, or revoke the  
7 license of an applicant or licensee who has:

8 (g) Had a mortgage loan originator license or similar license  
9 revoked in any ~~other~~ jurisdiction; except that a revocation that was  
10 subsequently formally nullified shall not be deemed a revocation for  
11 purposes of this section;

12 (4) The director or an administrative law judge appointed pursuant  
13 to part 10 of article 30 of title 24, C.R.S., shall conduct disciplinary  
14 hearings concerning mortgage loan originators AND MORTGAGE  
15 COMPANIES. Such hearings shall conform to article 4 of title 24, C.R.S.

16 (7) (c) All fines collected pursuant to this subsection (7) shall be  
17 transferred to the state treasurer, who shall credit such moneys to the  
18 mortgage COMPANY AND loan originator licensing cash fund created in  
19 section 12-61-908.

20 **SECTION 8.** Part 9 of article 61 of title 12, Colorado Revised  
21 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
22 read:

23 **12-61-905.1. Powers and duties of the director over mortgage**  
24 **companies - fines - rules.** (1) WITH RESPECT TO MORTGAGE COMPANIES,  
25 THE DIRECTOR MAY DENY AN APPLICATION FOR REGISTRATION; REFUSE TO  
26 RENEW, SUSPEND, OR REVOKE THE REGISTRATION; ENTER  
27 CEASE-AND-DESIST ORDERS; AND IMPOSE FINES AS SET FORTH IN THIS

1 SECTION AS FOLLOWS:

2 (a) IF THE DIRECTOR HAS REASONABLE CAUSE TO BELIEVE A  
3 PERSON IS ACTING WITHOUT A LICENSE OR REGISTRATION;

4 (b) IF THE MORTGAGE COMPANY FAILS TO MAINTAIN POSSESSION,  
5 FOR FUTURE USE OR INSPECTION BY AN AUTHORIZED REPRESENTATIVE OF  
6 THE DIRECTOR, FOR A PERIOD OF FOUR YEARS, OF THE DOCUMENTS OR  
7 RECORDS PRESCRIBED BY THE RULES OF THE DIRECTOR OR TO PRODUCE  
8 SUCH DOCUMENTS OR RECORDS UPON REASONABLE REQUEST BY THE  
9 DIRECTOR OR BY AN AUTHORIZED REPRESENTATIVE OF THE DIRECTOR;

10 (c) IF THE MORTGAGE COMPANY EMPLOYS OR ACTS THROUGH  
11 INDIVIDUALS SUBJECT TO ITS CONTROL WHO ARE UNLICENSED AT THE TIME  
12 OF HIRE AND NOT IN THE PROCESS OF BECOMING LICENSED, WHO ARE  
13 REQUIRED TO BE LICENSED PURSUANT TO THIS PART 9, OR IF THE  
14 MORTGAGE COMPANY, AFTER NOTICE, CONTINUES TO EMPLOY OR ACT  
15 THROUGH INDIVIDUALS SUBJECT TO ITS CONTROL WHOSE REQUIRED  
16 LICENSES ARE NOT VALID; OR

17 (d) IF THE MORTGAGE COMPANY DIRECTS, MAKES, OR CAUSES TO  
18 BE MADE, IN ANY MANNER, A FALSE OR DECEPTIVE STATEMENT OR  
19 REPRESENTATION WITH REGARD TO THE RATES, POINTS, OR OTHER  
20 FINANCING TERMS OR CONDITIONS FOR A RESIDENTIAL MORTGAGE LOAN,  
21 ENGAGES IN BAIT AND SWITCH ADVERTISING AS THAT TERM IS USED IN  
22 SECTION 6-1-105 (1) (n), C.R.S., OR VIOLATES ANY RULE OF THE DIRECTOR  
23 THAT DIRECTLY OR INDIRECTLY ADDRESSES ADVERTISING REQUIREMENTS.

24 (2) (a) THE DIRECTOR UPON HIS OR HER OWN MOTION OR UPON THE  
25 COMPLAINT IN WRITING OF ANY PERSON MAY INVESTIGATE THE ACTIVITIES  
26 OF ANY REGISTERED MORTGAGE COMPANY OR ANY MORTGAGE COMPANY  
27 THAT IS ACTING IN A CAPACITY THAT REQUIRES REGISTRATION PURSUANT

1 TO THIS PART 9.

2 (b) THE DIRECTOR MAY FINE A MORTGAGE COMPANY THAT HAS  
3 VIOLATED THIS SECTION OR ANY RULES PROMULGATED PURSUANT TO THIS  
4 SECTION AS FOLLOWS:

5 (I) IN THE FIRST ADMINISTRATIVE PROCEEDING, A FINE NOT IN  
6 EXCESS OF ONE THOUSAND DOLLARS PER ACT OR OCCURRENCE;

7 (II) IN A SECOND OR SUBSEQUENT ADMINISTRATIVE PROCEEDING,  
8 A FINE NOT IN EXCESS OF TWO THOUSAND DOLLARS PER ACT OR  
9 OCCURRENCE.

10 (c) ALL FINES COLLECTED PURSUANT TO THIS SECTION SHALL BE  
11 TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT SUCH  
12 MONEYS TO THE MORTGAGE COMPANY AND LOAN ORIGINATOR LICENSING  
13 CASH FUND CREATED IN SECTION 12-61-908.

14 (3) THE DIRECTOR MAY ADOPT REASONABLE RULES FOR  
15 IMPLEMENTING THIS SECTION.

16 (4) NOTHING IN THIS SECTION AUTOMATICALLY IMPUTES A  
17 VIOLATION TO THE MORTGAGE COMPANY IF A LICENSED AGENT OR  
18 EMPLOYEE, OR AN INDIVIDUAL AGENT OR EMPLOYEE WHO IS REQUIRED TO  
19 BE LICENSED, VIOLATES ANY OTHER PROVISION OF THIS PART 9.

20 **SECTION 9.** The introductory portion to 12-61-905.5 (1) and  
21 12-61-905.5 (1)(k), (5), and (7), Colorado Revised Statutes, are amended  
22 to read:

23 **12-61-905.5. Disciplinary actions - grounds - procedures -**  
24 **rules.** (1) The director, upon his or her own motion ~~may, and~~, OR upon  
25 the complaint in writing of any person, ~~shall~~ MAY investigate the activities  
26 of any mortgage loan originator. The director has the power to impose an  
27 administrative fine in accordance with section 12-61-905, deny a license,

1 censure a licensee, place the licensee on probation and set the terms of  
2 probation, order restitution, order the payment of actual damages, or  
3 suspend or revoke a license when the director finds that the licensee or  
4 applicant has performed, is performing, or is attempting to perform any  
5 of the following acts:

6 (k) UNLESS AN EMPLOYEE OF A DULY REGISTERED MORTGAGE  
7 COMPANY, failing to maintain possession, for future use or inspection by  
8 an authorized representative of the director, for a period of four years, of  
9 the documents or records prescribed by the rules of the director or to  
10 produce such documents or records upon reasonable request by the  
11 director or by an authorized representative of the director;

12 (5) Complaints of record in the office of the director and the  
13 results of staff investigations may, in the discretion of the director, be  
14 closed to public inspection, except as provided by court order, during the  
15 investigatory period and until dismissed or until notice of hearing and  
16 charges are served on a licensee SHALL BE CLOSED TO PUBLIC INSPECTION  
17 DURING THE INVESTIGATORY PERIOD AND UNTIL DISMISSED OR UNTIL  
18 NOTICE OF HEARING AND CHARGES ARE SERVED ON A LICENSEE, EXCEPT AS  
19 PROVIDED BY COURT ORDER. COMPLAINTS OF RECORD THAT ARE  
20 DISMISSED BY THE DIRECTOR AND THE RESULTS OF INVESTIGATION OF  
21 SUCH COMPLAINTS SHALL BE CLOSED TO PUBLIC INSPECTION, EXCEPT AS  
22 PROVIDED BY COURT ORDER. THE DIRECTOR'S RECORDS SHALL BE SUBJECT  
23 TO SECTIONS 24-72-203 AND 24-72-204, C.R.S., REGARDING PUBLIC  
24 RECORDS AND CONFIDENTIALITY.

25 (7) All administrative fines collected pursuant to this section shall  
26 be transmitted to the state treasurer, who shall credit the same to the  
27 mortgage COMPANY AND loan originator licensing cash fund created in

1 section 12-61-908.

2 **SECTION 10.** 12-61-908, Colorado Revised Statutes, is amended  
3 to read:

4 **12-61-908. Fees - cash fund - created.** (1) The director may set  
5 the fees for issuance and renewal of licenses AND REGISTRATIONS under  
6 this part 9. The fees shall be set in amounts that offset the direct and  
7 indirect costs of implementing this part 9 and section 38-40-105, C.R.S.  
8 The moneys collected pursuant to this section shall be transferred to the  
9 state treasurer, who shall credit them to the mortgage COMPANY AND loan  
10 originator licensing cash fund.

11 (2) There is hereby created in the state treasury the mortgage  
12 COMPANY AND loan originator licensing cash fund. Moneys in the fund  
13 shall be spent only to implement this part 9 and section 38-40-105,  
14 C.R.S., and shall not revert to the general fund at the end of the fiscal  
15 year. The fund shall be subject to annual appropriation by the general  
16 assembly.

17 (3) For the 2009-10 fiscal year, the division is authorized to  
18 expend up to one hundred twelve thousand dollars or such other amount  
19 as may be appropriated by the general assembly from the mortgage  
20 COMPANY AND loan originator licensing cash fund for purposes of paying  
21 the development costs assessed by the conference of state bank  
22 supervisors, or its successor organization, for participating in the  
23 nationwide mortgage licensing system and registry. However, the  
24 director shall use his or her discretion in determining whether expenditure  
25 of these moneys is necessary for compliance with the federal "Secure and  
26 Fair Enforcement for Mortgage Licensing Act of 2008" or participation  
27 in the nationwide mortgage licensing system and registry.

1           **SECTION 11.** 12-61-917 (1), Colorado Revised Statutes, is  
2 amended to read:

3           **12-61-917. Mortgage call reports - reports of violations.**

4 (1) The director may require each licensee OR REGISTRANT to submit to  
5 the nationwide mortgage licensing system and registry mortgage call  
6 reports, which shall be in the form and contain the information required  
7 by the nationwide mortgage licensing system and registry.

8           **SECTION 12.** 12-61-918, Colorado Revised Statutes, is amended  
9 to read:

10           **12-61-918. Unique identifier - clearly displayed.** ~~Any licensee~~  
11 ~~originating a residential mortgage loan~~ EACH PERSON REQUIRED TO BE  
12 LICENSED OR REGISTERED shall show his or her OR THE ENTITY'S unique  
13 identifier clearly on all residential mortgage loan application forms  
14 ~~solicitations, or advertisements, including business cards or web sites,~~ and  
15 any other documents as specified by the director by rule or order.

16           == ==

17           **SECTION 13. Act subject to petition - effective date -**  
18 **applicability.** (1) This act shall take effect at 12:01 a.m. on the day  
19 following the expiration of the ninety-day period after final adjournment  
20 of the general assembly (August 11, 2010, if adjournment sine die is on  
21 May 12, 2010); except that, if a referendum petition is filed pursuant to  
22 section 1 (3) of article V of the state constitution against this act or an  
23 item, section, or part of this act within such period, then the act, item,  
24 section, or part shall not take effect unless approved by the people at the  
25 general election to be held in November 2010 and shall take effect on the  
26 date of the official declaration of the vote thereon by the governor.

27           (2) The provisions of this act shall apply to acts occurring on or

1 after the applicable effective date of this act.