

pendent contractors, agents, and customers of the licensee concerning their business.

(3) The authority of this section shall remain in effect, whether such a loan originator acts or claims to act under any licensing or registration law of such State, or claims to act without such authority.

(4) No person subject to investigation or examination under this section may knowingly withhold, abstract, remove, mutilate, destroy, or secrete any books, records, computer records, or other information.

(Pub. L. 110-289, div. A, title V, §1515, July 30, 2008, 122 Stat. 2823.)

### § 5115. Reports and recommendations to Congress

#### (a) Annual reports

Not later than 1 year after July 30, 2008, and annually thereafter, the Director shall submit a report to Congress on the effectiveness of the provisions of this chapter, including legislative recommendations, if any, for strengthening consumer protections, enhancing examination standards, streamlining communication between all stakeholders involved in residential mortgage loan origination and processing, and establishing performance based bonding requirements for mortgage originators or institutions that employ such brokers.

#### (b) Legislative recommendations

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

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

#### Editorial Notes

##### REFERENCES IN TEXT

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

##### AMENDMENTS

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

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the designated transfer date, see section 1100H of Pub. L. 111-203, set out as a note under section 552a of Title 5, Government Organization and Employees.

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

#### (a) Study required

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

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

#### (b) Preliminary report to Congress

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

#### (c) Final report to Congress

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

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

#### Editorial Notes

##### AMENDMENTS

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

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the designated transfer date, see section 1100H of Pub. L. 111-203, set out as a note under section 552a of Title 5, Government Organization and Employees.

### § 5117. Employment transition of loan originators

#### (a) Definitions

In this section:

##### (1) Application State

The term “application State” means a State in which a registered loan originator or a State-licensed loan originator seeks to be licensed.

##### (2) State-licensed mortgage company

The term “State-licensed mortgage company” means an entity that is licensed or registered under the law of any State to engage in residential mortgage loan origination and processing activities.

#### (b) Temporary authority to originate loans for loan originators moving from a depository institution to a non-depository institution

##### (1) In general

Upon becoming employed by a State-licensed mortgage company, an individual who is a registered loan originator shall be deemed to have temporary authority to act as a loan originator in an application State for the period described in paragraph (2) if the individual—

(A) has not had—

(i) an application for a loan originator license denied; or

(ii) a loan originator license revoked or suspended in any governmental jurisdiction;

(B) has not been subject to, or served with, a cease and desist order—