

Know Your Regulator



Contents

- 1 Introduction
- 2 Regulatory Bodies Breakdown
- 5 Consumer Financial Protection Bureau
Regulatory Authority
- 6 Consumer Financial Protection Bureau
Enforcement Authority
- 6 Supporting Organizations
- 7 State Mortgage Regulators

With the creation and continuing operation of the Bureau of Consumer Financial Protection (CFPB) due to the Dodd-Frank Act, both regulatory authority and rulemaking authority have shifted, and confusion still abounds.

CFPB, FRB, OCC, NCUA, FTC, FFIEC, FDIC, NMLS, CSBS, State Banking Agencies.

Confused yet? You are not alone. With the creation and continuing operation of the Bureau of Consumer Financial Protection (CFPB) due to the Dodd-Frank Act, both regulatory authority and rulemaking authority have shifted, and confusion still abounds. Confusion exists primarily, but not exclusively, among those entities for which the primary regulatory authority is not the CFPB.

Let's take a look at the regulator landscape today whether you are a community bank, credit union, savings bank, or private mortgage lender as it relates to oversight of your mortgage operations.



Who is my regulator?

What role does the CFPB play to those not primarily regulated by them?

Why do I care about what actions are taken or rules that are promulgated by the CFPB if they are not my primary regulator?

Regulatory bodies breakdown

Here is a breakdown of the regulatory bodies on both the federal and state level that govern or contribute to regulations on the origination and servicing of mortgage loans. An overview of the regulatory oversight of the rules/regulations and examination criteria is provided for each body.

Type of Entity	Primary Regulator	Regulates or Examines
State-Licensed Mortgage Originator, Broker, Lender, or Servicer	State Agency & CFPB	Licensing, Business Model, Compliance Management System (CMS), Product Procedures, Statutory & Regulatory Policies & Procedures (see list of regulations below under CFPB authority), Advertising, Telemarketing Sales Rule, Prenotification Negative Options Plan, Cooling-off period for Sales made at Home and other locations, Consumer Claims and Defenses, Credit Practices, Mail or Telephone Order Merchandise, Disclosure Requirements – Franchising & Business Opportunities, Risk Assessment, HAMP, Websites, Fair Lending, Service Provider Supervision, Privacy, UDAAP, Servicemembers Civil Relief Act, Anti-Money Laundering
National Bank (total assets over \$10 billion)	CFPB	Charter, Business Model, Safety & Soundness, Compliance Management System (CMS), Product Procedures, Statutory & Regulatory Policies & Procedures (see list of regulations below under CFPB authority), Advertising, Telemarketing Sales Rule, Prenotification Negative Options Plan, Cooling-off period for Sales made at Home and other locations, Consumer Claims and Defenses, Credit Practices, Mail or Telephone Order Merchandise, Disclosure Requirements – Franchising & Business Opportunities, Risk Assessment, CRA performance, HAMP, Websites, Fair Lending, Service Provider Supervision, Privacy, UDAAP, Servicemembers Civil Relief Act, Community Reinvestment Act, Bank Secrecy Act/Anti-Money Laundering
National Bank (total assets under \$10 billion)	OCC	Charter, Fair Lending, IT, Asset Management, Bank Secrecy Act/Anti-Money Laundering, Consumer Compliance (see list of regulations below under CFPB authority), Flood Disaster Protection Act, Community Reinvestment Act, Municipal and Government Securities Dealers, Banking Risks, Risk Management, Fiduciary activities, Credit Risk, Interest Rate Risk, Liquidity Risk, Price Risk, Operational Risk, Reputation Risk, Compliance Risk, Strategic Risk, Market Risk, Internal Controls, Compliance Program, PMI Act
Bank's Nonbanking Affiliate	CFPB & FTC	Licensing/Registrations, Business Model, Safety & Soundness, Compliance Management System (CMS), Product Procedures, Statutory & Regulatory Policies & Procedures (see list of regulations below under CFPB authority), Advertising, Telemarketing Sales Rule, Prenotification Negative Options Plan, Cooling-off period for Sales made at Home and other locations, Consumer Claims and Defenses, Credit Practices, Mail or Telephone Order Merchandise, Disclosure Requirements – Franchising & Business Opportunities, Risk Assessment, HAMP, Websites, Fair Lending, Service Provider Supervision, Privacy, UDAAP, Servicemembers Civil Relief Act, Anti-Competitive Practices, CAN-SPAM Rule, Anti-Money Laundering
CFPB: Consumer Financial Protection Bureau FRB: Federal Reserve Board		OCC: Office of the Comptroller of the Currency FDIC: Federal Deposit Insurance Corporation
		FTC: Federal Trade Commission NCUA: National Credit Union Administration

Continued

Type of Entity	Primary Regulator	Regulates or Examines
State-Chartered Bank (Member of FRB)	State Agency & FRB	State Charter, Fair Lending, Acquisitions and Mergers, Financial Holding Companies, Capital Adequacy, Assets, Liabilities and Capital, Portfolio Management, Bank Secrecy Act/Anti-Money Laundering, All Regulations listed below under the CFPB authority, Federal Benefit Payments, Servicemembers Civil Relief Act, Community Reinvestment Act, Real Estate Appraisals, Trading and Capital Market activities, Bank Secrecy Act/Anti-Money Laundering
Nonmember Banks (Nonmember of the FRB)	FDIC	Safety and Soundness, Trust Operations, IT, Regulatory Compliance (see list of regulations below under CFPB authority), Websites, UDAAP, Fair Lending
State Credit Union	State Agency & NCUA	Charter, Safety and Soundness, Fair Lending, Federal Credit Union Act, Bank Secrecy Act, Risk-focused Programs, Internal Controls, IT, Credit Risk, Interest Rate Risk, Liquidity Risk, Transaction Risk, Reputation Risk, Delinquencies and Charge-offs, Loan Losses, Asset Liability Management, Net Worth, Regulatory Compliance (see list of regulations below under CFPB authority), Consumer Compliance, Security & Privacy (IT), Privacy, Appraisals, State and Local Reporting, Credit Practices Rule, Expedited Funds Availability Act, Children's Online Privacy Protection Act, E-Sign Act, Servicemembers Civil Relief Act, PMI Act, Fair Lending
Savings Association (total assets over \$10 billion)	CFPB	Charter, Business Model, Safety & Soundness, Compliance Management System (CMS), Product Procedures, Statutory & Regulatory Policies & Procedures (see list of regulations below under CFPB authority), Telemarketing Sales Rule, Prenotification Negative Options Plan, Cooling-off period for Sales made at Home and other locations, Consumer Claims and Defenses, Credit Practices, Mail or Telephone Order Merchandise, Disclosure Requirements – Franchising & Business Opportunities, Risk Assessment, CRA performance, HAMP, Websites, Fair Lending, Service Provider Supervision, Privacy, UDAAP, Servicemembers Civil Relief Act, Community Reinvestment Act, Bank Secrecy Act/Anti-Money Laundering
CFPB: Consumer Financial Protection Bureau FRB: Federal Reserve Board		OCC: Office of the Comptroller of the Currency FDIC: Federal Deposit Insurance Corporation
		FTC: Federal Trade Commission NCUA: National Credit Union Administration

Continued

Type of Entity	Primary Regulator	Regulates or Examines
Savings Association (total assets under \$10 billion)	OCC	Charter, Fair Lending, IT, Asset Management, Bank Secrecy Act/Anti-Money Laundering, Consumer Compliance (see list of regulations below under CFPB authority), Flood Disaster Protection Act, Community Reinvestment Act, Municipal and Government Securities Dealers, Banking Risks, Risk Management, Fiduciary activities, Credit Risk, Interest Rate Risk, Liquidity Risk, Price Risk, Operational Risk, Reputation Risk, Compliance Risk, Strategic Risk, Market Risk, Internal Controls, Compliance Program, PMI Act
Credit Union (total assets over \$10 billion)	CFPB	Charter, Business Model, Safety & Soundness, Compliance Management System (CMS), Product Procedures, Statutory & Regulatory Policies & Procedures (see list of regulations below under CFPB authority), Advertising, Telemarketing Sales Rule, Prenotification Negative Options Plan, Cooling-off period for Sales made at Home and other locations, Consumer Claims and Defenses, Credit Practices, Mail or Telephone Order Merchandise, Disclosure Requirements – Franchising & Business Opportunities, Risk Assessment, CRA performance, HAMP, Websites, Fair Lending, Service Provider Supervision, Privacy, UDAAP, Servicemembers Civil Relief Act, Community Reinvestment Act, Federal Credit Union Act, Bank Secrecy Act/Anti-Money Laundering
Credit Union (total assets under \$10 billion)	NCUA	Charter, Safety and Soundness, Fair Lending, Federal Credit Union Act, Bank Secrecy Act, Risk-focused Programs, Internal Controls, IT, Credit Risk, Interest Rate Risk, Liquidity Risk, Transaction Risk, Reputation Risk, Delinquencies and Charge-offs, Loan Losses, Asset Liability Management, Net Worth, Regulatory Compliance (see list of regulations below under CFPB authority), Consumer Compliance, Security & Privacy (IT), Privacy, Appraisals, State and Local Reporting, Credit Practices Rule, Expedited Funds Availability Act, Children's Online Privacy Protection Act, E-Sign Act, Servicemembers Civil Relief Act, PMI Act, Bank Secrecy Act/Anti-Money Laundering
Finance Companies (if not included in other entities above)	FTC	Telemarketing Sales Rule, Prenotification Negative Options Plan, Cooling-off period for Sales made at Home and other locations, Consumer Claims and Defenses, Credit Practices, Mail or Telephone Order Merchandise, Disclosure Requirements – Franchising & Business Opportunities, UDAAP, Fair Lending, Community Reinvestment Act, Anti-Competitive Practices, CAN-SPAM Rule, MARS, MAPS, "Bait" Advertising, Privacy, FCRA
<div> <div>CFPB: Consumer Financial Protection Bureau FRB: Federal Reserve Board</div> <div>OCC: Office of the Comptroller of the Currency FDIC: Federal Deposit Insurance Corporation</div> <div>FTC: Federal Trade Commission NCUA: National Credit Union Administration</div> </div>		

Consumer Financial Protection Bureau regulatory authority

The following enumerated regulations are under the authority of the CFPB for rulemaking. The other federal agencies (listed above) have their own rulemaking authority, as well as, in some cases a version of the specific regulations under the authority of the CFPB, and guidance, bulletins and so forth (agency repeal or coordination of duplicative regulations is varied presently depending on the agency – see Retiring of Duplicative Regulations by Agencies in the CFPB Era). This is different from being a primary regulator. This regards the actual authority over the regulation and its associated rulemaking.

In other words, the OCC cannot make changes to Regulation C, F, X, Z, etc. The regulatory authority lies with the CFPB (although they can and often do publish rulemaking jointly, including as mandated by the associated Act)

Regulation B	Equal Credit Opportunity Act (ECOA)
Regulation C	Home Mortgage Disclosure Act (HMDA)
Regulation D	Alternative Mortgage Transaction Parity Act (AMTPA)
Regulation E	Electronic Fund Transfers (EFT)
Regulation F	Fair Debt Collection Practices Act (FDCPA)
Regulation G	S.A.F.E. Mortgage Licensing Act – Federal Registration of Residential Mortgage Loan Originators
Regulation H	S.A.F.E. Mortgage Licensing Act – State Compliance and Bureau Registration System
Regulation I	Disclosure Requirements for Depository Institutions Lacking Federal Deposit Insurance
Regulation J	Land Registration

Regulation K	Purchasers' Revocation Rights, Sales Practices and Standards
Regulation L	Special Rules of Practice
Regulation M	Consumer Leasing
Regulation N	Mortgage Acts and Practices-Advertising (MAP)
Regulation O	Mortgage Assistance Relief Services (MARS)
Regulation P	Privacy of Consumer Financial Information
Regulation V	Fair Credit Reporting Act (FCRA)
Regulation X	Real Estate Settlement Procedures Act (RESPA)
Regulation Z	Truth in Lending Act (TILA)
Regulation DD	Truth in Savings Act (TISA)

Note – Bank Secrecy Act and associated provisions regarding Anti-Money Laundering fall under the authority of Department of the Treasury, but the Department delegates the authority to monitor compliance of this Act to the federal regulatory agencies, including within the CFPB's examination authority.

The CFPB is authorized to conduct investigations to determine whether any person is, or has, engaged in conduct that violates federal consumer financial law.

Consumer Financial Protection Bureau enforcement authority

The CFPB is authorized to conduct investigations to determine whether any person is, or has, engaged in conduct that violates federal consumer financial law. Investigations may be conducted jointly with other regulators, and may include subpoenas or civil investigative demands for testimony, responses to written questions, documents, or other materials. The CFPB may bring administrative enforcement proceedings or civil actions in federal district court.

The Bureau can obtain “any appropriate legal or equitable relief with respect to a violation of federal consumer financial law,” including, but not limited to:

- Rescission or reformation of contracts.
- Refund of money or return of real property.
- Restitution.
- Disgorgement or compensation for unjust enrichment.
- Payment of damages or other monetary relief.
- Public notification regarding the violation.
- Limits on the activities or functions of the person against whom the action is brought.
- Civil monetary penalties (which can go either to victims or to financial education).

Note – The CFPB has no criminal enforcement authority, however it can and does refer cases to the prudent agency (i.e., DOJ, IRS, State Attorneys General, etc.).

Supporting organizations

Federal Financial Institutions Examination Council (FFIEC)

So what is the FFIEC? The Federal Financial Institution Examination Council (FFIEC) is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions by the FRB, FDIC, NCUA, OCC, and CFPB, and to make recommendations to promote uniformity in the supervision of financial institutions. The FFIEC includes the Appraisal Subcommittee (ASC) which provides regulatory oversight of state appraiser regulatory programs. Among other resources, the FFIEC also provides resources for compliance with the Home Mortgage Disclosure Act and provides a calculator for determining rate-spreads associated with higher-priced mortgage loans and other purposes.

Conference of State Bank Supervisors (CSBS)

CSBS is a nonprofit nationwide organization of banking regulators from all 50 states, DC, Guam, Puerto Rico, and the U.S. Virgin Islands and is headquartered in Washington, DC. The mission of CSBS is “to support the leadership role of state banking supervisors in advancing the state banking system and state financial regulation, benefiting the public by ensuring safety and soundness, promoting economic growth and consumer protection, and fostering innovative state regulation and supervision of the financial services industry.

National Mortgage Licensing System & Registry (NMLSR)

NMLSR is owned and operated by the State Regulatory Registry, LLC (SRR - a subsidiary of CSBS). NMLSR is the system of record for nondepositories, depositories, subsidiaries, and mortgage loan originators for licensure or registration depending on the entity. NMLSR is the official system for companies and individuals seeking to apply, amend, renew, and surrender licenses managed through the NMLSR. They do not issue licenses. Any associated licenses are issued by the state agency. Several states also utilize NMLSR for other nondepository financial services entities, such as money transmitters, pawnbrokers, check cashers, and payday lenders.

State mortgage regulators

State	State Agency	Regulates
Alabama	Alabama Banking Department	Secure and Fair Enforcement Mortgage Licensing Act Consumer Credit Act Brokers Licensing Act
Alaska	Alaska Division of Banking & Securities	Business License Act Secure and Fair Enforcement for Mortgage Licensing Act
Arizona	Arizona Department of Financial Institutions	Mortgage Bankers Statute Mortgage Brokers Statute Loan Originators Statute
Arkansas	Arkansas Securities Department	Fair Mortgage Lending Act
California	California Department of Business Oversight	Finance Lenders Law Residential Mortgage Lending Act
	California Bureau of Real Estate	Real Estate Law
Colorado	Colorado Department of Law	Consumer Credit Code - Nonsupervised Lenders Consumer Credit Code - Supervised Lenders
	Colorado Department of Regulatory Agendas	Mortgage Loan Originator Licensing Act
Connecticut	Connecticut Department of Banking	Non-Depository Mortgage Lenders and Brokers Act
Delaware	Delaware State Bank Commissioner	Licensed Lenders Act Mortgage Loan Brokers Act Secure and Fair Enforcement Mortgage Licensing Act
District of Columbia	District of Columbia Department of Insurance, Securities and Banking	Mortgage Lenders and Brokers Act
Florida	Florida Office of Financial Regulation	Mortgage Brokerage and Lending Act
Georgia	Georgia Department of Banking and Finance	Residential Mortgage Act
Hawaii	Hawaii Division of Financial Institutions	Financial Services Loan Company Act Secure and Fair Enforcement for Mortgage Licensing Act Mortgage Servicers Act
Idaho	Idaho Department of Finance	Mortgage Company Act Residential Mortgage Practices Act Credit Code

Click on the blue text to access the web site.

Continued

State mortgage regulators

State	State Agency	Regulates
Illinois	Illinois Department of Financial and Professional Regulation	Residential Mortgage License Act
Indiana	Department of Financial Institutions	Uniform Consumer Credit Code First Lien Mortgage Lending Act Mortgage Lenders and Originators Regulation
	Indiana Securities Division	Loan Brokers Act
Iowa	Iowa Division of Banking	Mortgage Bankers and Brokers Act Secure and Fair Enforcement for Mortgage Licensing Act
Kansas	Kansas Securities Commissioner	Loan Brokers Act
	Kansas State Bank Commissioner	Uniform Consumer Credit Code Mortgage Business Act
Kentucky	Kentucky Office of Financial Institutions	Mortgage Licensing and Regulation Act
Louisiana	Louisiana Office of Financial Institutions	Secure and Fair Enforcement Residential Mortgage Lending Act
Maine	Maine Bureau of Consumer Credit Protection	Consumer Credit Code Consumer Credit Code--Loan Brokers Secure and Fair Enforcement Mortgage Licensing Act
Maryland	Maryland Department of Labor, Licensing and Regulation	Mortgage Lender Law Mortgage Originator Law
Massachusetts	Massachusetts Division of Banks	Mortgage Lender and Broker Laws Collection Agencies Laws Mortgage Loan Originator Law
Michigan	Michigan Department of Financial and Insurance Services	Mortgage Brokers, Lenders, and Servicers Licensing Act Secondary Mortgage Loan Act Mortgage Loan Originator Licensing Act
Minnesota	Minnesota Department of Commerce	Residential Mortgage Originator and Servicer Licensing Act Regulated Loan Act Secure and Fair Enforcement Mortgage Licensing Act

Click on the blue text to access the web site.

Continued

State mortgage regulators

State	State Agency	Regulates
Mississippi	Mississippi Department of Banking and Consumer Finance	Secure and Fair Enforcement Mortgage Act
Missouri	Missouri Division of Finance	Secure and Fair Enforcement for Mortgage Licensing Act
Montana	Montana Division of Banking and Financial Institutions	Mortgage Act
Nebraska	Nebraska Department of Banking and Finance	Residential Mortgage Licensing Act
Nevada	Nevada Division of Mortgage Lending Mortgage Broker Act	Mortgage Banker Act
New Hampshire	New Hampshire Banking Department	Nondepository Mortgage Bankers and Brokers Act Mortgage Servicing Companies Act
New Jersey	New Jersey Department of Banking and Insurance	Residential Mortgage Lending Act
New Mexico	New Mexico Financial Institutions Division	Mortgage Loan Company and Loan Broker Act Mortgage Loan Originator Act
New York	New York State Department of Financial Services	Banking Law
North Carolina	North Carolina Commissioner of Banks	Secure and Fair Enforcement Mortgage Licensing Act
North Dakota	North Dakota Department of Financial Institutions	Money Brokers Act Mortgage Loan Originator Act
Ohio	Ohio Department of Commerce	Mortgage Broker Act Mortgage Loan Act
Oklahoma	Oklahoma Department of Consumer Credit	Secure and Fair Enforcement for Mortgage Licensing Act Uniform Consumer Credit Code
Oregon	Oregon Department of Consumer & Business Services	Mortgage Lender Law Consumer Finance Act Mortgage Loan Originator Law
Pennsylvania	Pennsylvania Department of Banking and Securities	Mortgage Licensing Act

Click on the blue text to access the web site.

Continued

State mortgage regulators

State	State Agency	Regulates
Rhode Island	Rhode Island Department of Business Regulation	General Laws Licensed Activities Act Secure and Fair Enforcement Mortgage Licensing Act
South Carolina	South Carolina Department of Consumer Affairs	Consumer Protection Code Licensing of Mortgage Brokers Act
	South Carolina State Board of Financial Institutions	Mortgage Lending Act
South Dakota	South Dakota Division of Banking	Mortgage Lender Business Statute
Texas	Texas Department of Savings and Mortgage Lending	Mortgage Banker Registration and Residential Mortgage Loan Originator License Act Residential Mortgage Loan Company Licensing and Registration Act Residential Mortgage Loan Servicer Registration Act Secure and Fair Enforcement for Mortgage Licensing Act
	Texas Office of Consumer Credit Commissioner	Secondary Mortgage Loan Act
Utah	Utah Department of Financial Institutions	Mortgage Lending and Servicing Act Consumer Credit Code Financial Institution Loan Originator Licensing Act
	Utah Division of Real Estate	Residential Mortgage Practices and Licensing Act
Vermont	Vermont Department of Financial Regulation	Licensed Lenders Act Third-Party Loan Servicers
Virginia	Virginia Bureau of Financial Institutions	Mortgage Lender and Broker Act Mortgage Loan Originator Act
Washington	Washington Department of Financial Institutions	Mortgage Broker Practices Act Consumer Loan Act
West Virginia	West Virginia Division of Financial Institutions	Residential Mortgage Lender, Broker and Servicer Act Secure and Fair Enforcement Mortgage Licensing Act
Wisconsin	Wisconsin Department of Financial Institutions	Mortgage Bankers, Loan Originators and Mortgage Brokers Act Precomputed Loan Law
Wyoming	Wyoming Division of Banking	Uniform Consumer Credit Code Residential Mortgage Practices Act

Click on the blue text to access the web site.

Ellie Mae, Inc. | 4420 Rosewood Drive, Suite 500 | Pleasanton CA 94588 | 925-227-7000 | FAX 925-227-9030 | elliemae.com

© 2016 Ellie Mae, Inc. Ellie Mae®, Encompass®, AllRegs®, DataTrac®, Ellie Mae Network™, Mavent®, Mortgage Returns®, Prospect Manager®, Total Quality Loan®, True CRM®, TQL® and the Ellie Mae logo are trademarks of Ellie Mae, Inc. or its subsidiaries. All rights reserved. Other company and product names may be trademarks or copyrights of their respective owners.

062016MW