

535D.13 Disciplinary action and civil enforcement authority.

1. The superintendent may, pursuant to chapter 17A, take disciplinary action against a licensed mortgage loan originator if the superintendent finds any of the following:

a. The licensee has violated a provision of this chapter or a rule adopted pursuant to this chapter or any other state or federal law or regulation applicable to the conduct of the licensee's business including but not limited to chapters 535 and 535A.

b. A fact or condition exists which, had it existed at the time of the original application for the license, would have warranted the superintendent to refuse to issue the original license.

c. The licensee fails at any time to meet the requirements of section 535D.6 or 535D.9, or withholds information or makes a material misstatement in an application for a license or renewal of a license.

d. The licensee has violated an order of the superintendent.

2. The superintendent may impose one or more of the following disciplinary actions against a licensee:

a. Revoke a license.

b. Suspend a license until further order of the superintendent or for a specified period of time.

c. Impose a period of probation under specified conditions.

d. Impose civil penalties in an amount not to exceed five thousand dollars for each violation.

e. Issue a citation and warning concerning licensee behavior.

f. Order a licensee to cease and desist from conducting business or from any harmful activities or violations of law or rule.

g. Order the licensee to pay restitution.

3. The superintendent may order an emergency suspension of a licensee's license or issue an order to immediately cease and desist from conducting business or from any harmful activities or violations of law or rule pursuant to section 17A.18A. A written order containing the facts or conduct which warrants the emergency action shall be timely sent to the licensee by restricted certified mail. Upon issuance of an emergency suspension order, the licensee must also be notified of the right to an evidentiary hearing. A suspension proceeding shall be promptly instituted and determined.

4. A licensee may surrender a license by delivering to the superintendent written notice of surrender, but a surrender does not affect the licensee's civil or criminal liability for acts committed before the surrender.

5. A revocation, suspension, or surrender of a license does not impair or affect the obligation of a preexisting lawful contract between the licensee and any person, including a mortgagor.

6. The superintendent may issue an order to a person who is not licensed under this chapter to require compliance with this chapter, including to cease and desist from conducting business or from any harmful activities or violations of law or rule, may impose a civil penalty against such person for any violation of this chapter in an amount up to five thousand dollars for each violation, and may order the person to pay restitution.

7. Before issuing an order under subsection 6, the superintendent shall provide the person written notice and the opportunity to request a hearing. The hearing must be requested within thirty days after receipt of the notice and shall be conducted in the same manner as provided for disciplinary proceedings involving a licensee under this chapter.

8. A person aggrieved by the imposition of a civil penalty under subsection 6 may seek judicial review pursuant to section 17A.19.

9. An action to enforce an order under this section may be joined with an action for an injunction.

2009 Acts, ch 61, §14, 25