

Authority O.C.G.A. §7-1-61; O.C.G.A. §7-1-1012.

**80-11-1-.04 Branch Managers.**

(1) A “branch manager” shall mean a person who supervises daily activities in Georgia of a licensee, whether at a main or branch location, and regardless of job title.

(2) No branch manager shall be permitted to manage a location in Georgia without being approved by the department. A branch manager may be put in place subject to departmental approval, but the department must receive a complete application for approval within 15 calendar days of the placement. No individual may serve as the branch manager of more than one location of a licensee unless the licensee can demonstrate that the proposed branch manager will be able to effectively manage these locations to ensure that they operate in compliance with state and federal law, and that the manager can adequately supervise the daily functions performed by the employees at the locations. In order to qualify for the employee exemption, an employee must be supervised on a daily basis by the licensee. Rule 80-11-4-.03. Considerations by the department in determining whether a branch manager may supervise more than one location will include: proximity of branches to each other, volume of business at each, experience level of proposed manager and plans to handle the supervision.

(3) The department shall be authorized to do a background check, obtain a credit report, and require a financial statement and such other pertinent information as it may require to satisfy itself that the location will be operated by the branch manager responsibly and in compliance with the laws and rules of this state.

(4) The licensee must conduct an initial Georgia Crime Information Center (GCIC) background check on each branch manager and send it to the department together with a credit report run within 30 days of submission of an application. In the event that the background investigation of the branch manager by the licensee indicates that the information is incomplete or that the proposed manager has a criminal record in any state other than Georgia (“multi-source offender”), the applicant must submit two sets of fingerprints, along with a money order or certified check payable to the department for \$30.00 in order for the department to administer the expanded background check as required by Code Section 7-1-1004 (f).

Authority O.C.G.A. §7-1-61; §7-1-1006; §7-1-1012.

**80-11-1-.05 Employee Background Checks; Covered Employees.**

(1) As required by §7-1-1004(f), applicants and licensees must complete background checks on all covered employees. Covered employees include those employees who physically work in the state of Georgia and who may enter, delete or verify any information on any mortgage loan application form or document. Employees of a licensee or applicant who are not involved in the mortgage loan business are not covered employees. Background checks on all covered employees must be completed and found satisfactory by the applicant or licensee within 90 days of the initial date of hire. Employers should submit background information to the proper law enforcement authorities promptly upon initial hire in order to meet the 90 day requirement. The department will expect employers to submit such information to such authorities within 10 business days of initial hire. If the 10 business day filing requirement is not met and an

employee is found to be disqualified under Code Section 7-1-1004, the employer may be subject to a \$1000 fine.

(2) As used in §7-1-1004(e), the term “mortgage loan document” shall mean any prospective borrower’s personal electronic or printed information and documents, including but not limited to bank statements, W-2 forms, income tax returns, employment records, and other personal financial information required to be submitted in the course of making an application for a mortgage loan. It would also include documents maintained and generated by the licensee in the course of the application and administration of the mortgage loan, including but not limited to electronic or printed/written information on the mortgagor and their loan, including personal and loan database information, payments and payment history information, past due reports and schedules, coupon books, information generated for tax purposes, including escrow information, and any other information generated which would include the financial and loan history of the mortgagor. Documents would also include computer displays of personal and mortgage loan information on an individual borrower or client which may be disseminated by the licensee’s personnel in the course of verifying information for customers and other business related inquiries.

(3) Applicant’s and licensee’s requests for background checks are handled by the Georgia Crime Information Center (GCIC) following their rules and regulations (See also Code Section 35-3-34). Background checks must be full GCIC checks following that agency’s rules and regulations and must not have any time period limitations or restrictions in the search criteria. Any fees charged by GCIC for processing background checks must be paid by the applicant or licensee. The background checks may be arranged for through a local law enforcement office, so long as the background check is done by GCIC.

(a) If the information from the background check is unclear or incomplete, appears to address or makes reference to a felony conviction, or indicates that the employee has a criminal record in any state other than Georgia (“multi-source offender”), the applicant or licensee must immediately submit two sets of fingerprints of the person, along with the applicable processing fee and any additional information the department may require to complete an expanded background investigation. A money order or certified check for \$30.00 made payable to the department shall be submitted with the cards in order to have the cards processed. Applicant or licensee shall discuss the Georgia Residential Mortgage Act’s legal requirements for employment with the subject employee.

(b) An employee may remain employed by the applicant or licensee pending results of a fingerprint follow up investigation if no felony convictions appear on the GCIC report. If the employee is found to have disqualifying conviction data according to O.C.G.A. §7-1-1004(d), or if the applicant or licensee knows that a disqualifying conviction is present, the applicant or licensee must immediately take action to comply with §7-1-1004.

Authority O.C.G.A. §7-1-61; §7-1-1012.