

ALABAMA MORTGAGE BROKERS LICENSING ACT

(Act 2001-692; Effective May 30, 2001)

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Section 5-25-1

Short title.

This chapter shall be known and cited as the Mortgage Brokers Licensing Act.

Section 5-25-2

Definitions.

For purposes of this chapter, the following terms shall have the following meanings:

(1) BORROWER. A natural person who submits an application for a loan secured by a first or subordinate mortgage or deed of trust on a single-family to four-family home to be occupied by the borrower as the borrower's primary residence.

(2) COMMITMENT. A written statement by a lender that sets forth the terms and conditions upon which the lender is willing to make a particular mortgage loan to a particular borrower. A good faith estimate provided under the Federal Real Estate Settlement Procedures Act is not a commitment for the purposes of Act 2009-624.

(3) CONTROL. The direct or indirect possession of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise, and shall include the terms controlling, controlled by, and under common control with.

(4) DEPARTMENT. The State Banking Department of Alabama.

(5) EXECUTIVE OFFICER. The chief executive officer, the president, the principal financial officer, the principal operating officer, each vice president with responsibility involving policy-making functions for a significant aspect of a person's business, the secretary, the treasurer, or any other person performing similar managerial or supervisory functions with respect to any organization whether incorporated or unincorporated.

(6) FINANCIAL STATEMENT. A financial statement prepared in accordance with standard accounting practices and procedures under the supervision of a certified public accountant.

(7) LICENSE. A license issued by the department under this chapter to act as a mortgage broker.

(8) LICENSEE. A person who is licensed as a mortgage broker under this chapter.

(9) MORTGAGE BROKER. Any person who directly or indirectly solicits, processes, places, or negotiates mortgage loans for a borrower, or offers to solicit, process, place, or negotiate mortgage loans for a borrower.

(10) MORTGAGE LOAN. A loan or agreement to loan money made to a natural person, which loan is secured by a deed to secure debt, security deed, mortgage, security instrument, or other document representing a security interest or lien upon any interest in single-family to four-family residential real estate located in Alabama, regardless of where made, including the renewal or refinancing of any loan. Without limitation, a "mortgage loan" does not include any document which creates a lien or security interest in a fixture which is attached to residential real estate.

(11) NATIONWIDE MORTGAGE LICENSING SYSTEM AND REGISTRY. A mortgage licensing system developed and maintained by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators for the licensing and registration of mortgage loan originators.

(12) PERSON. Any individual, sole proprietorship, corporation, limited liability company, partnership, estate, trust, or any other group of individuals, however organized.

(13) PRINCIPAL. A natural person who, directly or indirectly, owns or controls an ownership interest of 10 percent or more in a corporation or any other form of business organization, regardless of whether the natural person owns or controls the ownership interest through one or more natural persons or one or more proxies, powers of attorney, nominees, or other entities or devices, or any combination thereof.

(14) RESIDENTIAL REAL ESTATE. Any real property located in Alabama upon which is constructed or intended to be constructed a dwelling.

(15) SERVICE A MORTGAGE LOAN. The collection or remittance for another, or the right to collect or remit for another, of payments of principal, interest, trust items such as insurance and taxes, and any other payments pursuant to a mortgage loan.

(16) SUPERVISOR. The Supervisor of the Bureau of Loans of the department.

(Act 2001-692, p. 1439, §2; Act 2009-624, §1.)

Section 5-25-3

Persons excluded.

The following persons are not subject to the provisions of this chapter:

(1) Any depository institution as defined in Section 3 of the Federal Deposit Insurance Act, any subsidiary institution that is owned and controlled by a depository institution, and employees of any of the foregoing. Bank holding companies and subsidiaries of bank holding companies, thrift holding companies and subsidiaries of thrift holding companies, trust companies, savings or building and loan associations, savings banks and other thrift institutions, credit unions, and all other affiliates of each of the above persons if more than 50 percent of the affiliate's shares or other ownership interests are owned or controlled by such person, and federally or state constituted agencies and employees of any of the foregoing.

(2) Any person licensed under Section 5-19-22.

(3) An attorney licensed to practice law in Alabama who is not principally engaged in negotiating mortgage loans when the attorney renders services in the course of his or her practice as an attorney.

(4) Any person performing any act relating to mortgage loans under order of any court.

(5) A natural person:

a. Who is employed by a licensed mortgage broker or any person exempted from the licensing requirements of this chapter when acting within the scope of employment with the licensee or exempted person; however, mortgage loan originators must be licensed or registered in accordance with the Alabama Secure and Fair Enforcement for Mortgage Licensing Act; or

b. Who solicits mortgage loans exclusively on behalf of a licensed mortgage broker or any person exempted from the licensing requirements of this chapter when the natural person is acting within the scope of the agency of the licensee or exempted person; however, independent contractors that originate, process, or underwrite mortgage loans shall not originate, process, or

underwrite mortgage loans unless they are licensed or registered in accordance with the Alabama Secure and Fair Enforcement for Mortgage Licensing Act.

(6) Any licensed real estate salesperson or broker who provides mortgage loan assistance in the course of doing business unless the real estate salesperson or broker is compensated for providing mortgage loan assistance.

(Act 2001-692, p. 1439, §3; Act 2009-624, §1.)

Section 5-25-4

License to transact business as a mortgage broker.

(a) On and after January 1, 2002, no person shall transact business in this state directly or indirectly as a mortgage broker unless he or she is licensed as a mortgage broker by the department, or is a person exempted from the licensing requirements pursuant to Section 5-25-3.

(b) A licensee shall obtain a license for each location where the business of the mortgage broker is transacted.

(c) On or after January 1, 2002, every person who directly or indirectly controls a person who violates subsection (a), including a general partner, executive officer, joint venturer, or director of the person, violates subsection (a) with and to the same extent as the person, unless the person whose violation arises under this subsection sustains the burden of proof that he or she did not know and, in the exercise of reasonable care, could not have known of the existence of the facts by reason of which the original violation is alleged to exist.

(d) A violation of subsection (a), (b), or (c) does not affect the obligation of the borrower under the terms of the mortgage loan, or the enforceability of the mortgage loan documents. No private cause of action exists against a mortgage broker, licensee, or any person who controls a mortgage broker for any violation of subsection (a), (b), or (c). The department shall provide for the distribution or availability of information regarding approved or revoked licenses.

Section 5-25-5

Application for license.

(a) An application for a license under this chapter shall be made in writing, under oath, and in the form as the department may prescribe.

(b) The application shall include all of the following:

(1) The legal name, business address, and telephone number of the applicant and, if the applicant is a partnership, association, corporation, or other group of individuals, however organized, the legal name, residence, and business address of every principal, together with the resume of the applicant and of every principal of the applicant.

- (2) The name under which the applicant will conduct business in the state.
 - (3) The complete address of the applicant's initial registered office and any other locations at which the applicant will engage in any business activity covered by this chapter.
 - (4) Any other data, financial statements, and pertinent information as the department may require with respect to the applicant, its directors, principals, trustees, officers, members, or agents.
 - (5) Evidence that at least one principal or executive officer has at least two years of experience in the mortgage industry. This experience shall have been within the previous four years from the date of application. Evidence should include the principal's resume and contact numbers for the company for which the individual worked or is currently working. Each principal or executive officer that originates mortgage loans shall also obtain a mortgage loan originator's license under the Alabama Secure and Fair Enforcement for Mortgage Licensing Act.
- (c) The applications shall be filed together with the following:
- (1) A nonrefundable fee of six hundred dollars (\$600).
 - (2) A financial statement of the applicant, prepared within 90 days of the filing of the application and covering the most recent fiscal year preceding the date of application, which demonstrates that the applicant has a bona fide and verifiable tangible net worth capital of twenty-five thousand dollars (\$25,000). A consolidated Securities and Exchange Commission Annual Report Form 10-K shall meet the requirements of this chapter for the licensee if it shows a net worth or stockholder's equity of the licensee in an amount of at least twenty-five thousand dollars (\$25,000). The department may require the applicant or licensee to obtain a surety bond in lieu of the net worth requirement in order to fulfill the requirements of the Alabama Secure and Fair Enforcement for Mortgage Licensing Act. The amount of the surety bond will be determined by the department. The surety bond will be in favor of the State of Alabama for the use, benefit, and indemnity of any person who suffers damage or loss as a result of the company's breach of contract or of any obligation arising therefrom or any violation of the law.
 - (3) A set of fingerprints from any local law enforcement agency for the following:
 - a. All persons acting as a sole proprietorship.
 - b. All partners in a partnership.
 - c. All principals of a corporation.
 - (d) The department may require applicants to apply through the Nationwide Mortgage Licensing System and Registry. In order to carry out this requirement, the supervisor is authorized to participate in the Nationwide Mortgage Licensing System and Registry. For this purpose, the supervisor may establish by rule or order requirements as necessary, including, but not limited to, the following:

(1) Background checks that include any of the following:

a. Criminal history through fingerprint or other database.

b. Civil or administrative records.

c. Credit history.

d. Any other information deemed necessary by the Nationwide Mortgage Licensing System and Registry.

(2) The payment of fees to apply for or renew licenses through the Nationwide Mortgage Licensing System and Registry.

(Act 2001-692, p. 1439, §5; Act 2002-526, p. 1374, §1; Act 2009-624, §1.)

Section 5-25-6

Issuance of license.

(a) Upon receipt of a completed application for a license together with all items set forth in subsection (c) of Section 5-25-5, the department shall conduct such an investigation as it deems necessary to determine that the applicant and its officers, directors, and principals are of good character and ethical reputation and will operate honestly and fairly within the purposes of this chapter; and that the applicant demonstrates reasonable financial responsibility.

(b) The department may not license any applicant unless it is satisfied that the applicant may be expected to operate its mortgage brokerage activities in compliance with the laws of this state.

(c) The department may not issue a license if it finds that the applicant, or any person who is a director, executive officer, partner, or principal of the applicant, has been convicted of a felony or offense which involves breach of trust, fraud, or dishonesty in any jurisdiction. For the purposes of this chapter, a person shall be deemed to have been convicted if the person has pled guilty to a crime before a domestic, foreign, or military court or federal magistrate, or has been found guilty of a crime by the decision or judgment of a domestic, foreign, or military court or federal magistrate or by the verdict of a jury, irrespective of the pronouncement of sentence or the suspension of a sentence.

(d) The department may deny a license or otherwise restrict a license if it finds that the applicant, or any person who is a director, executive officer, partner, or principal of the applicant, has had a license or registration to conduct mortgage related activity denied, revoked, or suspended in any jurisdiction.

(e) Within 90 days after receipt of a completed application together with all items set forth in subsection (c) of Section 5-25-5, the department shall either grant or deny the request for license.

(Act 2001-692, p. 1439, §6; Act 2009-624, §1.)

Section 5-25-7

Expiration and renewal.

- (a) All licenses issued pursuant to this chapter shall expire on December 31 of each year. Application for renewal shall be made annually on or before December 1 of each year to be effective for the following year.
- (b) Any licensee making proper application, including all supporting documents and all applicable fees required by this chapter and any regulations promulgated by the department, for a license renewal to operate during the following calendar year, and filing the application December 1, shall be permitted to continue to operate pending final approval or disapproval of the application for the license renewal for the following year if final approval or disapproval is not granted prior to February 1.
- (c) Each renewal application shall be accompanied by a five hundred dollar (\$500) annual license application fee, which fee will not be refunded or prorated.
- (d) Any person holding a license pursuant to this chapter who fails to file a proper application for a license renewal for the following year, including the proper fee accompanying the application, on or before February 1, and who files an application after February 1, may be required to pay, in addition to the license fee, a penalty of 10 percent for each month or part thereof that the licensee is delinquent in the payment of such license fee.
- (e) The department may require a licensee to renew a license through the Nationwide Mortgage Licensing System and Registry.

(Act 2001-692, p. 1439, §7; Act 2009-624, §1.)

Section 5-25-8

License requirements.

- (a) Each license issued under this chapter shall state the address of the licensee's principal place of business and the name of the licensee.
- (b) A licensee shall post the license in a conspicuous place in each place of business of the licensee.
- (c) A license may not be transferred or assigned.
- (d) No licensee shall transact business under any name other than that designated in the license.
- (e) Each licensee shall notify the department in writing of any change in the address of its principal place of business or of any change in the address of any licensed location 15 days prior

to such change, and any change of officers, directors, or principal of the licensee, not later than 30 business days after the change is effective.

(f) Within 15 days of the occurrence of any one of the following events, a licensee shall file a written report with the supervisor describing the event and its expected impact on the activities of the licensee in this state:

- (1) The filing for bankruptcy or reorganization by the licensee.
- (2) The institution of revocation or suspension proceedings against the licensee by any state or governmental authority.
- (3) Any felony indictment of the licensee or any of its directors, executive officers, or principals.
- (4) Any felony conviction of the licensee or any of its directors, executive officers, or principals.

(Act 2001-692, p. 1439, §8; Act 2009-624, §1.)

Section 5-25-9

Maintenance and examination of records, etc.

(a) Any person required to be licensed under this chapter shall maintain in its offices or such other location as the department shall permit the books, accounts, and records as the department may reasonably require in order to determine whether the person is complying with this chapter and rules and regulations adopted pursuant to this chapter. These books, accounts, and records shall be maintained apart and separate from any other business in which the person is involved.

(b) The department may, by its designated officers and employees, as often as it deems necessary, but at least once every 24 months, investigate and examine the affairs, business, premises, and records of any person required to be licensed under this chapter insofar as they pertain to any business for which a license is required by this chapter.

(c) The department, at its discretion, may:

(1) Cause an examination to be made at the licensee's place of business of the records and transactions of such licensee.

(2) Require the licensee to make his or her records and transactions available to the supervisor at the office of the supervisor.

(d) As the cost of examination, the licensee shall pay the supervisor an examination fee as provided by Section 5-2A-24, which shall be collected and paid into the special fund provided by Section 5-2A-20, and used in the supervision and examination of licensees. Each licensee shall preserve all relevant records for a period of at least three years after making the last entry on any transaction, and the supervisor shall have free access thereto at the licensee's place of business at

all reasonable times. If the supervisor has probable cause to believe that a person has engaged in an activity which violates this chapter, the supervisor may compel the production of such books and records of the licensee as he or she has probable cause to believe are relevant to the alleged violation.

(e) If the licensee's records are located outside this state, the licensee may either make them available to the supervisor at a convenient location within this state, or pay the reasonable and necessary expenses for the supervisor or a representative of the supervisor to examine them at the place where they are maintained. The supervisor may designate representatives, including comparable officials of the state in which the records are located, to inspect them on his or her behalf.

(f) Reports of examinations and investigations, all working papers related thereto and the books and records of licensees, are to be held strictly confidential, and may not be produced, reproduced, or otherwise made available by the department to any persons other than those within the department, the licensee, other governmental agencies, and their respective counsel. This subsection does not apply to disclosures in proceedings brought by the supervisor pursuant to this chapter.

(g) A licensee's books and records may be maintained, produced, and reproduced for examination by photostatic, photographic, microphotographic, optical imaging, or by any other generally recognized process for data storage and reproduction.

(h) Nothing contained herein shall prohibit discovery of these materials by and through a lawfully issued subpoena from a court of competent jurisdiction.

(Act 2001-692, p. 1439, §9; Act 2009-624, §1.)

Section 5-25-10

Annual report.

(a) Each licensee shall annually, on or before May 1, file a written report with the department containing that information the department may require concerning the licensee's business and operations during the preceding calendar year, including financial statements.

(b) Reports shall be made under oath and shall be in the form prescribed by the department. Any licensee who fails to prepare and file with the department by May 1 the report required by this section shall pay the department a late penalty of one hundred dollars (\$100) for each day after May 1. The department may, in its discretion, relieve any licensee from the payment of any penalty, in whole or in part, if good cause is shown. If a licensee fails to pay a penalty from which it has not been relieved, the department may, through the Attorney General, maintain an action at law to recover the penalty.

Section 5-25-11

Principal place of business; branch office.

A licensee may transact business from both a principal place of business and one or more branch offices provided each is licensed under this chapter. A principal place of business or branch office shall consist of at least one enclosed room or building of stationary construction in which negotiations of mortgage loan transactions may be conducted and carried on in privacy and in which all of the books, records, and files pertaining to mortgage loan transactions are maintained. Each principal place of business and branch office shall also be in compliance with local zoning ordinances and have posted any occupational licenses required by local government agencies. It is the responsibility of the licensee to meet local zoning ordinances and obtain the required occupational licenses; however, zoning for the principal place of business or the branch office shall not be residential.

(Act 2001-692, p. 1439, §11; Act 2009-624, §1.)

Section 5-25-12

Disclosure by licensee; prohibited activities.

(a) Licensees shall:

- (1) Prior to the collection of a mortgage broker fee from a borrower, disclose to the borrower in writing the nature of the mortgage broker's relationship to the borrower and the method by which the mortgage broker will be compensated for services.
- (2) Comply with applicable federal and state laws, rules, and regulations.

(b) Licensees shall not:

- (1) Intentionally misrepresent or conceal a material fact, term, or condition of the transaction to which he or she is a party, pertinent to an application for a mortgage loan or a borrower.
- (2) Fail to use due diligence and make reasonable efforts to procure a mortgage loan on behalf of the borrower.
- (3) Fail to disburse funds in accordance with a written commitment to make a mortgage loan.
- (4) Delay closing of a mortgage loan for the purpose of increasing interest rate, costs, fees, or other charges payable by the borrower.
- (5) Collect any mortgage broker fees before a conditional commitment is obtained from the lender by the mortgage broker.

(Act 2001-692, p. 1439, §12; Act 2009-624, §1.)

Section 5-25-13

Rules and regulations.

(a) The department may promulgate those rules and regulations, not inconsistent with law, necessary for the enforcement of this chapter.

(b) (1) Prior to the adoption, amendment, or repeal of any regulation, the supervisor shall give at least 35 days' notice of its intended action by filing notice of intended action with the Legislative Reference Service for publication in the Alabama Administrative Monthly. The date of publication in the Alabama Administrative Monthly shall constitute the date of notice. The notice shall include a statement of either the terms or substance of the intended action or a description of the subject and issues involved, shall specify a notice period ending not less than 35 days or more than 90 days from the date of the notice, during which period interested persons may present their views thereon, and shall specify the place where, and the manner in which, interested persons may present their views thereon.

(2) All interested persons shall have a reasonable opportunity to submit data, views, or arguments, orally or in writing. The supervisor shall consider all written and oral submissions respecting the proposed regulation. Upon adoption of a regulation, the supervisor, if conflicting views are submitted on the proposed regulation and if requested in writing to do so by an interested person prior to adoption, shall issue a concise statement of the principal reasons for and against its adoption, incorporating therein its reasons for overruling any considerations urged against its adoption.

(3) Notwithstanding any other provision of this chapter to the contrary, if the supervisor finds that an immediate danger to the public health, safety, or welfare requires adoption of a regulation upon fewer than 35 days' notice or that action is required by or to comply with a federal statute or regulation which requires adoption of a regulation upon fewer than 35 days' notice and states in writing its reasons for that finding, it may proceed without prior notice or hearing or upon any abbreviated notice and hearing that it finds practicable, to adopt an emergency regulation. The regulation shall become effective immediately, unless otherwise stated therein. The regulation may be effective for a period of not longer than 120 days unless within such time the supervisor complies with the procedures set forth in subdivision (1) and subdivision (2). The adoption of the same or a substantially similar regulation following the procedures set forth in subdivision (1) and subdivision (2) at any time is not limited by the adoption of a regulation following the emergency regulation procedure set forth in this subdivision.

(4) Any regulation proposed by the department prior to May 31, 2004, that, in the majority judgment of the Speaker of the House, the Governor, and the Lieutenant Governor, unreasonably limits the ability of new licenses, shall not be effective until May 31, 2004.

(5) A person who has exhausted all administrative remedies available within the department, other than rehearing, and who is aggrieved by a final decision of the supervisor with respect to a regulation, is entitled to judicial review under this chapter. All proceedings for review shall be instituted by filing of notice of appeal or review and a cost bond with the supervisor to cover the reasonable costs of preparing the transcript of the proceeding under review, unless waived by the supervisor or the court on a showing of substantial hardship. The notice of appeal and cost bond

must be filed within 42 days after the date the supervisor issued its final regulation. The appeal shall be filed in the Circuit Court of Montgomery County. The regulation will be in effect pending the outcome of any appeal unless the supervisor stays the effective date of the regulation.

(c) Interpretations, opinions, and approvals shall protect, to the extent provided in subsection (c), as applicable, both the licensee at whose request they were issued and any other licensee in a materially like circumstance.

Section 5-25-14

Denial, suspension, or revocation of license.

(a) The department may suspend or revoke a license on any ground on which it might refuse to issue an original license, or for a violation of any provision of this chapter or any rule or regulation issued under this chapter or for failure of the licensee to pay, within 30 days after it becomes final and nonappealable, a judgment recovered in any court within this state by a claimant or creditor in an action arising out of the licensee's business in this state as a mortgage broker. In these actions, the hearing and appeal procedures provided for in those sections shall be the only procedures required under this chapter.

(b) Notice of the department's intention to enter an order denying an application for a license under this chapter or of an order suspending or revoking a license under this chapter shall be given to the applicant or licensee in writing, sent by registered or certified mail addressed to the principal place of business of the applicant or licensee. Within 20 days of the date of the notice of intention to enter an order of denial, suspension, or revocation under this chapter, the applicant or licensee may request in writing a hearing to contest the order. If a hearing is not requested in writing within 20 days of the date of the notice of intention, the department shall enter a final order regarding the denial or suspension. Any final order of the department denying, suspending, or revoking a license shall state the grounds upon which it is based and shall be effective on the date of issuance. A copy of the final order shall be forwarded promptly by registered or certified mail addressed to the principal place of business of the applicant or licensee.

(c) A decision of the department denying, suspending, or revoking a license shall be conclusive, except that a licensee aggrieved by an order of the department under this section may obtain judicial review of the order and the department may obtain an order of the court for enforcement of its order in the circuit court. The proceedings shall be governed by the provisions of Section 5-25-15.

(d) A revocation, suspension, or surrender of a license shall not impair or affect the obligation of a preexisting contract between the licensee and another person entered into prior to the effective date of the license revocation, suspension, or surrender.

Section 5-25-15

Appeal.

(a) Any interested party or intervener may appeal an order of the department to the Circuit Court of Montgomery County or to the circuit court of the county in which such party has its principal place of business in Alabama by filing notice of appeal with the department and with the register or clerk of the circuit court within 30 days from the date of said final order. The department's findings shall be prima facie correct, but the circuit court may hear such appeal according to its own rules and procedures, including the taking of additional testimony and staying the order. In the circuit court, the trial shall be de novo. The court may, if it decides that the department has erred to the prejudice of appellant's substantial rights in its application of the law or that the order was based upon findings of fact contrary to the substantial weight of the evidence, remand the proceeding to the department for further action in conformity with the direction of the court or may enter such order as the court deems appropriate.

(b) Either party may appeal from the circuit court to the Supreme Court of Alabama within 42 days from the date of entry of the order of the circuit court.

Section 5-25-16

Enforcement and penalties.

(a) Whenever it appears to the supervisor that any person required to be licensed or registered under this chapter has violated any law of this state or any order or regulation of the department, the supervisor after notice and hearing may order such person or an affiliate acting on behalf of such person to cease and desist from the unauthorized practices.

(b) Any person required to be licensed under this chapter or an affiliate of such person who is found by the supervisor after notice and hearing to have violated this chapter or the terms of any order issued pursuant to this section may be ordered by the supervisor to pay a civil penalty of not more than three thousand dollars (\$3,000) in the aggregate for all violations of a similar nature or, where violations are knowing violations, not more than fifteen thousand dollars (\$15,000), in addition to any other penalties provided by law, including, but not limited to, revocation of any licenses issued under this chapter.

(c) Violations shall be of a similar nature if the violations consist of the same or substantially the same course of action or practice irrespective of the number of times the course of action or practice occurred. All civil penalties collected shall be paid into the special fund provided by Section 5-2A-20, and used in the supervision and examination of licensees. At the hearing, the person or affiliate of a person shall be entitled to be represented by counsel. A person or affiliate of a person aggrieved by an order of the supervisor under this section may obtain judicial review of the order and the supervisor may obtain an order of the court for enforcement of its order in the circuit court. The proceedings shall be governed by the provisions of Section 5-19-26.

Section 5-25-17

Violations of chapter.

Any person who willfully violates any of the provisions of this chapter shall be guilty of a misdemeanor and shall be punished by imprisonment for not more than one year or by a fine of not more than one thousand dollars (\$1,000), or by both fine and imprisonment.

Section 5-25-18

Disposition of funds.

All fees and administrative penalties collected shall be paid into the special fund provided by Section 5-2A-20 and used in the supervision and examination of licensees.