

NMLS Education Services Fees and Processes – *Request for Public Comments*

March 15, 2010

On behalf of the Nationwide Mortgage Licensing System and Registry (NMLS)¹, the State Regulatory Registry LLC² invites public comments on proposed changes to selected Education Services Fees and Processes.

Purpose of Education Services Fees - *The Education Services Fees* include those fees required to be paid by course providers as part of the NMLS course provider approval process and the course approval process.

Background

The Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (the “SAFE Act”)³ requires that NMLS review and approve all pre-licensure and continuing education courses that are to be offered to state-licensed mortgage loan originators intended to satisfy SAFE-compliant state laws that require a minimum of 20 hours of pre-licensure education and eight hours of annual continuing education.

The SAFE Act permits NMLS to charge reasonable fees associated with carrying out education services requirements. The education services fees to be in effect for 2010 were unanimously approved by the State Regulatory Registry LLC Board of Managers on December 7, 2009. Public comment on these fees was sought in November, 2009.

In preparation for course renewals taking place in 2010, NMLS has reviewed its operations and determined that it is appropriate to make two changes affecting the course renewal approval process. The first is a change in its course renewal fee effective for courses whose annual anniversary date is in 2010. The second is a change to the annual renewal cycle. The existing and proposed course renewal fees and existing and proposed course renewal processes are included in the attachment below.

- [*2010 Fee Schedule and Renewal Process for SAFE Required Education Services*](#)

SRR is seeking public comment on the course renewal fees and the course renewal process identified in the *2010 Fee Schedule and Renewal Process for SAFE Required Education Services*. In the Schedule, SRR is proposing that the fee for course renewals change but that the fee for course provider approval and initial course approval do not. SRR is also proposing that the renewal process change from a fixed to a rolling renewal process. The *Fee Schedule* can be found attached to this document. Any change in the course renewal fee would go into effect on or about July 1, 2010.

¹ Information about the Nationwide Mortgage Licensing System can be found at <http://www.stateregulatoryregister.org/nmls>.

² SRR owns and operates NMLS and is a wholly owned subsidiary of the Conference of State Bank Supervisors.

Information about the State Regulatory Registry LLC can be found at: <http://www.stateregulatoryregistry.org>.

³ The SAFE Act is Public Law 110-289 (PL 110-289) and information can be found at:

http://www.csbs.org/AM/Template.cfm?Section=SAFE_Act&Template=/CM/ContentDisplay.cfm&ContentID=18486.

Request for Public Comments

State Regulatory Registry LLC is seeking comments from the public, including course providers and state and national trade associations, on the proposed course renewal fee and proposed course renewal process for NMLS education services for 2010.

Comments are requested to be limited to the proposed course renewal fee and process.

Comments received, as well as the submitter's name and company or organization (if applicable) will be posted on the NMLS Resource Center for public view.

All comments will be reviewed by NMLS and the Mortgage Testing and Education Board (MTEB).

Comments can be submitted by email to: comments@stateregulatoryregistry.org

Comments may also be submitted in physical form to:

State Regulatory Registry
Attn: Pete Marks
Education Services Fees - Public Comments
1155 Connecticut Avenue, NW
Fifth Floor
Washington, DC 20036-4306

Comment submission deadline: April 14, 2010

Persons submitting comments are requested to include their contact information. Comments submitted without contact information will not be considered.

NMLS expects to publish the final course renewal fee by May 1, 2010.

For questions about this Request for Comments, please contact Pete Marks at pmarks@csbs.org.

Nationwide Mortgage Licensing System and Registry

2010 Fee Schedule and Renewal Process For SAFE Required Education Services

Summary – In July, 2008 The Housing and Economic Recovery Act (Public Law 110-289) was enacted. Title V of the Law, “Secure and Fair Enforcement for Mortgage Licensing Act of 2008” or S.A.F.E. Mortgage Licensing Act of 2008, established requirements for the licensing of Mortgage Loan Originators (MLOs). The SAFE Act requires MLOs to pass a qualified written test, to complete pre-licensure education courses, and to take annual continuing education courses. It requires NMLS to approve pre-licensure and continuing education courses. The Act permits NMLS to charge reasonable fees in carrying out its requirements.

NMLS has been conducting SAFE required educational services since June, 2009 and has begun its operations for 2010. The table below lists the current fees for 2010 and the proposed fees for 2010 which apply to educational services.

The “Course Application Fee – Renewal” is the only fee which is being proposed to change. This fee is currently fixed at \$200 per course. Initial system functionality allowed only for a fixed fee for all course renewals regardless of the number of course hours. The proposed fee structure includes fixed and variable fee components and is designed to make the application fee structure more equitable and reduce or eliminate losses.

2010 Fee Schedule		
Education Services - Process or Transaction Type and Who Pays the Fee	Current Fees - 2010	Proposed Fees - 2010
Course Provider Application Fee – Initial Course Provider pays	\$400 for each initial application, good for 2 years.	No change.
Course Provider Application Fee – Renewal Course Provider pays	\$400 for each initial application, good for 2 years.	No change.
Course Application Fee – Initial Course Provider Pays	\$300 fixed fee plus \$20 per each course hour. Range, 1 – 20 hr courses (\$320 - \$700 per course)	No change.
Course Application Fee – Renewal Course Provider Pays	\$200 for each course renewed, good for 1 year	\$200 fixed fee plus \$20 per each course hour, good for 1 year Range, 1 – 20 hr courses (\$220 - \$600)

A change in the annual cycle of course renewals is being proposed. The current process (which has not yet been employed) uses a common annual fixed renewal period which applies to all

courses, regardless of their initial approval dates. The proposed renewal cycle features an annual renewal period based on the anniversary of each course’s initial approval date. This is otherwise known as a rolling renewal process. The proposed renewal cycle will make it more convenient and efficient for both course providers and NMLS to process course renewal applications.

2010 Course Renewal Process		
	Current 2010	Proposed 2010
Annual course renewal cycle	Common one year period, July – June for each course regardless of initial approval date. Renewal period is 60 days, May 1 – June 30	Rolling one year period based on the anniversary of the initial course approval date. Renewal period is 30 days.

Other Fees and Processes – The SRR Board of Managers, in the normal course of operations, will be evaluating other fees and processes such as test administration fees, education credit-banking fees and NMLS processing fees and may make changes to them as necessary.