

April 9, 2015

Notice Regarding New State-Specific Pre-Licensure and Continuing Education Course Requirements for Rhode Island Division of Banking Regulation Beginning July 1, 2015

Purpose

The purpose of this notice is to inform NMLS approved course providers of new pre-licensure education (PE) requirements that must be met as a condition for obtaining a mortgage loan originator (MLO) license with the Rhode Island Division of Banking Regulation (RI-DBR) beginning July 1, 2015, and new continuing education (CE) requirements that must be met as a condition of maintaining a MLO license, also effective July 1, 2015. NMLS will begin accepting courses for approval to meet the education requirements beginning May 1, 2015.

Background and Reason for the Notice

The Rhode Island Division of Banking Regulation (RI-DBR) has informed NMLS that effective July 1, 2015, it will continue to require individuals seeking to obtain an MLO license with RI-DBR to complete three (3) hours of Rhode Island DBR-specific PE. Additionally, an MLO seeking to renew an MLO license will continue to be required to complete one (1) hour of Rhode Island DBR-specific CE. The following specific content requirements are effective July 1, 2015.

RI-DBR Agency-Specific Education Requirements and Reference List

RI-DBR pre-licensure education requirements are as follows:

- 3 hours of Federal Law;
- 3 hours of Ethics (must include fraud, consumer protection, and fair lending issues);
- 2 hours lending standards for Non-Traditional mortgage products;
- 3 hours of RI-DBR Defined Electives;
- 9 hours of General Electives

Total PE: 20 Hours

RI-DBR has established the following course content standards that must be met as a condition for NMLS course approval:

- **30 minutes** covering the division, and MLO licensing requirements, definitions, and activities.
- **2 Hours** Rhode Island Fair Housing Practices Act and Rhode Island Home Loan Protection Act.
- **30 minutes** devoted to Community Obligations and Banking Offenses as it relates to Title Attorneys and Title Insurance, and Mortgages of Real Property.

RI-DBR continuing education requirements will be as follows:

- 3 hours of Federal Law;
- 2 hours of Ethics (must include fraud, consumer protection, and fair lending issues);
- 2 hours lending standards for Non-Traditional mortgage products;
- 1 hour of RI-DBR Defined Elective

Total CE: 8 Hours

RI-DBR has established the following course content standards that must be met as a condition for NMLS course approval:

- **30 minutes** covering Rhode Island Home Loan Protection Act.
- **30 minutes** devoted to Community Obligations and Banking Offenses as it relates to Title Attorneys and Title Insurance, Mortgages of Real Property, and Rhode Island Fair Housing Practices Act.

To assist in course development, the following reference list applies:

Licensed Activities: RI Gen L § 19-14

<http://webserver.rilin.state.ri.us/Statutes/TITLE19/19-14/INDEX.HTM>

Banking Regulation: 98-14 Licensees

http://www.dbr.state.ri.us/documents/divisions/banking/licenses/Refiled_Regulation_98-14.pdf

Rhode Island Home Loan Protection Act: RI Gen L 34-25.2

<http://webserver.rilin.state.ri.us/Statutes/TITLE34/34-25.2/INDEX.HTM>

Rhode Island Fair Housing Practices Act: RI Gen L § 34-37, with emphasis on RI Gen L § 34-37-4
Unlawful housing practices (b)

<http://webserver.rilin.state.ri.us/Statutes/title34/34-37/INDEX.HTM>

Community Obligations and Banking Offenses: RI Gen L § 19-9-5 Mortgagor to be offered title insurance

<http://webserver.rilin.state.ri.us/Statutes/TITLE19/19-9/19-9-5.HTM>

Community Obligations and Banking Offenses: RI Gen L § 19-9-6 Lending institutions – Title attorney

<http://webserver.rilin.state.ri.us/Statutes/TITLE19/19-9/19-9-6.HTM>

Mortgages of Real Property: RI Gen L § 34-23-5 Prepayment of mortgage loans

<http://webserver.rilin.state.ri.us/Statutes/TITLE34/34-23/34-23-5.HTM>

Mortgages of Real Property: RI Gen L § 34-23-6 Loan fees

<http://webserver.rilin.state.ri.us/Statutes/TITLE34/34-23/34-23-6.HTM>

In accordance with the SAFE Act, NMLS is the approval authority for courses that are intended to satisfy either the PE or CE requirement for an MLO to be licensed by a state-agency. Courses intending to satisfy new RI-DBR requirements must also meet NMLS course approval standards as detailed in the *Functional Specification for All NMLS Approved Courses*. NMLS will begin accepting courses for approval to meet this education requirement beginning May 1, 2015, with the intent of having them approved in time to meet the state agency's new requirement on July 1, 2015.