

March 16, 2015 (Revised)

Notice Regarding State-Specific Education Requirements for Vermont Department of Financial Regulation (VT-DFR)

Purpose

The purpose of this notice is to inform NMLS approved course providers of the pre-licensure education (PE) requirements that must be met as a condition for licensure with Vermont Department of Financial Regulation (VT-DFR) that began July 1, 2013.

Background and Reason for the Notice

Vermont Department of Financial Regulation (VT-DFR) informed NMLS that it adopted the Uniform State Test (UST) on July 1, 2013. As part of the adoption of the UST, individuals seeking licensure with VT-DFR were no longer required to take the Vermont State Component of the MLO SAFE Test. However, individuals seeking licensure with VT-DFR on and after July 1, 2013 are required to complete two (2) hours of VT-DFR specific PE prior to licensure by the agency.

VT-DFR reviewed this notice and updated the reference list in March 2015.

VT-DFR State-Specific Education Requirements and Reference List

VT-DFR pre-licensure education requirements will be 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;
- 10 hours of General Electives
- 2 hours of VT-DFR Defined Electives

Total PE: 20 hours

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

- **1 hour** covering the Vermont Licensed Lender Act, mortgage broker agreement, prohibited acts and practices with respect to lending and broker activity, usury statutes, permitted charges, commitment letters, high rate/high point loans, funded settlements
- **1 hour** covering financial privacy (opt-in state), trigger lead solicitations, non-discrimination, home loan escrow accounts, debt protection agreements, reverse mortgages, the Vermont Consumer Fraud Act, fair credit reporting, unlicensed loan transactions

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

The Vermont Licensed Lenders Act, 8 V.S.A. chapter 73
(<http://legislature.vermont.gov/statutes/chapter/08/073>)

Consumer Protection, 8 V.S.A. chapter 200
(<http://legislature.vermont.gov/statutes/chapter/08/200>)

Interest, 9 V.S.A. chapter 4
(<http://legislature.vermont.gov/statutes/chapter/09/004>)

The Vermont Consumer Fraud Act, 9 V.S.A. chapter 63
(<http://legislature.vermont.gov/statutes/chapter/09/063>)

Banking Division Regulations

B-98-1 Commitment Letters (<http://www.dfr.vermont.gov/sites/default/files/REG-B-98-1.pdf>)
B-98-2 High Rate, High Point Notice (<http://www.dfr.vermont.gov/sites/default/files/REG-B-98-2.pdf>)
B-2001-01 Financial Privacy (<http://www.dfr.vermont.gov/sites/default/files/REG-B-01-1.pdf>)
B-2014-02 Mortgage Brokers (http://www.dfr.vermont.gov/sites/default/files/Regulation_B_2014_02.pdf)
B-2014-03 Non Discrimination in Financial Services
(http://www.dfr.vermont.gov/sites/default/files/Reg_B_2014_03_adopted.pdf)

Banking Division Bulletins

B-11 Charges on Subordinate Lien Mortgage
(<http://www.dfr.vermont.gov/sites/default/files/BUL-B-11.pdf>)
B-19 Permitted Charges on Mortgages (<http://www.dfr.vermont.gov/sites/default/files/BUL-B-19.pdf>)
B-26 Mortgage Issues (<http://www.dfr.vermont.gov/sites/default/files/BUL-B-26.pdf>)
B-29 Guidance on Non-traditional Mortgage Products
(<http://www.dfr.vermont.gov/sites/default/files/BUL-B-29.pdf>)
B-30 Prohibition of Discrimination on the Basis of Gender Identity
(<http://www.dfr.vermont.gov/sites/default/files/BUL-B-30.pdf>)
B-31 Property Insurance (<http://www.dfr.vermont.gov/sites/default/files/BUL-B-31.pdf>)
B-32 Statement on Sub-prime Mortgage Lending
(<http://www.dfr.vermont.gov/sites/default/files/BUL-B-32.pdf>)
B-38 Clarification of Declared Rate for High Rate Loans
(http://www.dfr.vermont.gov/sites/default/files/Banking_Bulletin_%2338.pdf)
B-40 Home Loan Escrow Update
(http://www.dfr.vermont.gov/sites/default/files/Bulletin%20%2340_Home%20Loan%20Escrow.pdf)
B-41 Mobile Home Disclosure
(http://www.dfr.vermont.gov/sites/default/files/Bulletin%20%2341_Mobile%20Home%20Disclosure.pdf)
B-42 MLO Reasonable Commuting Distance
(http://www.dfr.vermont.gov/sites/default/files/Bulletin%20%2342_MLO%20Reasonable%20Commuting%20Distance.pdf)

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 VT-DFR requirements must also meet NMLS course approval standards as detailed in the *Functional Specification for All NMLS Approved Courses*.