



5 Year Test Expiration Policy & FAQ

Section 1505(d) of the S.A.F.E. Mortgage Licensing Act states, “...[a] state licensed loan originator who fails to maintain a valid license for a period of 5 years or longer shall retake the test, not taking into account any time during which such individual is a registered loan originator.”

Therefore, if mortgage loan originators leave the mortgage industry, or pass the National Test but don't obtain a license or active federal registration, for a period of five consecutive years, their previously passed test result will expire, and they will be required to retest in order to obtain licensure.

In order to prevent test results from expiring, MLOs must obtain a valid license, which is defined as an *approved, renewable* license or active federal registration before five consecutive years have passed.

NOTE: Submitting a license application is NOT enough to prevent test results from expiring; the application must be APPROVED before the test expiration clock will reset.

FAQ

Will my test result expire?

Answer: It could, but only if you leave the mortgage industry for five consecutive years. Passed test results will only expire if an individual:

- Fails to obtain or maintain a valid license in any state for a period of five or more consecutive years
- Fails to maintain an active federal registration for a period of five or more consecutive years

Will I be notified that my test result is going to expire?

Answer: NMLS will send notifications to individuals and companies with access to those individuals 180, 60 and 30 days before the test results expire.

I received notification that my National Test is set to expire on August 1, 2015. If I submit my license application by August 1, 2015, will my test still expire?

Answer: It might. Your license must be in an *approved, renewable status* in order to “reset” the test expiration clock. Submitting a license application is NOT enough to prevent expiration; the application must be APPROVED before the test expiration clock will reset. If your license is in a Pending-Review or Pending-Incomplete status on August 1, then your test would still expire.

Can NMLS or a state regulator override or reinstate an expired test?

Answer: No. Neither NMLS nor state regulators have the authority to override the SAFE Act and reinstate expired test results.

My test result expired. What do I do now?

Answer: You would have to retake the test or tests that have expired if you want to meet the state testing requirements for licensure. The NMLS Call Center can assist you with enrolling and scheduling your test(s) at 855-665-7123.

Scenario: I passed the National test December 1, 2009, but never obtained a license. When would my test result expire?

Answer: Since you failed to obtain a license for five consecutive years, your passed test result would expire on or around December 1, 2014.

Scenario: I passed the National and state tests on October 1, 2009 and obtained a state license shortly thereafter. My state license was terminated on December 1, 2009. When would my test results expire?

Answer: Since you failed to maintain an active license or active registration for five consecutive years after your license was terminated, your test results would expire on or around December 1, 2014.

Scenario: I passed the National Test and obtained a license in August 2009, but left the industry in December of that year. By December of 2014, I will have been out of the industry for five years. However; I had an active federal registration for one month in January 2012. When would my tests expire?

Answer: Since you held an active federal registration in 2012, your test would not expire until (at least) January 2017. If you obtain a valid license or active federal registration at any time before then, the clock will reset to zero and won't start until your license is terminated or federal registration is inactive.

Scenario: I passed the Pennsylvania tests on October 1, 2009, but never obtained a license. Unless I obtain a valid license or active federal registration within 5 years, my test will expire on or around October 1, 2014. However; the Pennsylvania test has been replaced by the Uniform State Test. What test would I have to take if I wanted to get licensed in Pennsylvania after my test expired?

Answer: Since the Pennsylvania state test has been retired from enrollment due to the state's adoption of the UST, you would have to take the National Test. in order to meet Pennsylvania's testing requirements.