



NMLS Policy and Course Submission Requirements for Participation in the 2011 Late CE Catalog

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**Nationwide Mortgage Licensing System & Registry
Conference of State Bank Supervisors**

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Notice and Policy Regarding 2011 Late CE Course Catalog

Purpose

The purpose of this notice is to inform course providers that between November 1 and December 1, 2011, NMLS will accept applications to have approved continuing education (CE) courses listed in the "Late CE" catalog. A Late CE course is one that an MLO will be required to complete to make-up a CE requirement during a 60 day reinstatement period following the annual licensure renewal period. It is also the course which is required to satisfy the CE requirement in the event an MLO has left the industry and then chooses to return. The 2012 Late CE catalog will be available on January 3, 2012. Specific details follow.

Background and Reason for the Notice

The model state law, which many states adopted when passing their own SAFE Act legislation, contains a provision allowing for a reinstatement period that follows the annual licensure renewal period (which runs from November 1 through December 31). During the 2012 reinstatement period (January 1 through Feb 29, 2012), a state may allow an MLO to complete specific licensure requirements for the previous year so that the license may be renewed or maintained (for example: an MLO can take a CE course on January 15, 2012 and have it credited retroactively 2011).

Accordingly, NMLS, with the approval of the Mortgage Testing and Education Board (MTEB), and in cooperation with state agencies, and acting in compliance with HUD's Final SAFE Act Rule, has devised a retroactive credit banking solution which enables MLOs to complete continuing education and have it apply to the year in which the individual needs to become compliant for CE.

NMLS Policy Statement

NMLS will recognize a reinstatement period that will run from January 1 to February 29, 2012. During the reinstatement period, MLOs who had a requirement for, but for whatever reason did not complete CE in 2011, will be allowed to take and complete a Late CE course made available through the "Late CE" Catalog. Late CE courses will be configured such that course credit will be retroactively applied to a previous calendar year. States which do not allow an MLO to make-up a CE deficiency require the MLO to apply for a new license. The application process for a new license requires the MLO to complete CE for the last year in which they maintained an active license. These MLOs are also required to complete a "Late CE" course.

Requirements for Participation in the Late CE Catalog

In order to populate the Late CE Catalog, NMLS is inviting course providers with approved CE courses to submit courses for inclusion into the Late CE catalog. The following requirements pertain:

Courses to be Included (and Not Included) in the Catalog:

The Late CE catalog will only be populated with the following courses:

- 8 Hour Comprehensive (submit under category “Late CE Comprehensive”)
- 7 Hour Core (submit under category “Late CE Core”)
- State-specific elective courses (submit under category “Late CE Elective”)
- Since the intention is not to replicate the entire existing course catalog for Late CE no 3 hour federal, 2 hour non-traditional, or 1+ hour non-state specific elective courses will be included in the Late CE catalog.
- If an MLO is short hours in a specific required topic they will be required to complete an 8 hour comprehensive or 7 hour core CE course to make-up the requirement.
- Providers may submit courses in any classroom format, however, please be advised that online self-study CE courses saw the greatest number of registrations in 2011.

Course Titles

Courses are required to be titled differently than regular CE courses. The course naming convention is as follows: the words “Late CE” are first, followed by the course title of the parent course, followed by the parent’s approved course number in parentheses.

Example: “Late CE 12 Hours KY Mortgage Law Review (1234).”

Compliance with the SAFE Act’s “Successive Years” Rule

To comply with the SAFE Act’s “successive years” requirement which prohibits an MLO from taking the same CE course two years in a row, the course title will show the course number of the parent course in parentheses. NMLS will assign every Late CE course a new course number. This number will be the “child” number of the parent and is the number that will appear in the course catalog and on the MLO’s course completion record.

Additionally, to inform MLOs that they cannot take the same course two years in a row, the course description will contain the following statement:

“The content for this course is the same as course ID XXXX and is intended to satisfy CE requirements for 2011. MLOs who take this course are prohibited from taking Course ID XXXX in 2012.”

MLOs may not take the same LATE CE course two years in a row.

Course Submission Dates and Fees

Only CE courses that were approved as of October 31, 2011 may be submitted for inclusion in the Late CE catalog.

Course providers seeking to be included in the Late CE catalog need to submit courses under the “Late CE” course category with the above naming convention and course description between November 1 and December 1, 2011.

The course submission fee is \$50. (NOTE: due to technical limitations in PULSE, providers will have to pay the initial course submission fees - NMLS will refund the fee less \$50).

2010 and 2011 Course Offerings

After all courses have been submitted, NMLS will verify that the “child” course is a duplicate of the previously approved “parent” course, assign the course a new number, and set-up the course offerings.

Each course listed in the 2011 Late CE Catalog will be set-up with two course offerings: one for December 31, 2011, and another for December 31, 2010. This is to ensure that any MLO who may be returning to the industry after being absent for a year or more has an option to complete a CE course in accordance with a state’s law.

As long as the course provider maintains the course and meet the renewal requirements of the parent course, all Late CE courses will be valid until December 31, 2012, and will be the only courses approved to make-up a CE requirement for 2010 or 2011.

Need for State-Specific Courses

The following states have state-specific CE education requirements and are needed in the catalog: AZ, DC, GA, ID, KY, MD, MA, MS, NV, NJ, NY, NC, RI, WA.

Credit Banking *(New Requirements for 2011)*

To make the credit banking process easier and to address problems encountered this past year, *NMLS will complete credit banking of Late CE courses during the reinstatement period (January 1 –February 29, 2012)*. The following details apply:

- 1) NMLS will establish two offerings for each course in the Late CE catalog: December 31, 2011 and December 31, 2010. MLOs needing CE credit to make up for CE missed in 2011 will have their credits reported against the December 31, 2011 offering. MLOs needing to makeup CE for 2010 will have their credits banked against the December 31, 2010 offering. Course providers may not create course offerings for Late CE courses.
- 2) *MLOs taking a Late CE course need to complete and a sign an official NMLS LATE CE Form* which will collect the information needed for correct credit banking. The form is also used to confirm the year in which the Late CE is to be applied. NOTE: Providers who are not in communication with their students (e.g. cases where a MLO registers for a course online and has little or no contact with the provider) may complete and submit the form on behalf of the student (the course provider may not, however, credit bank the course).
- 3) Course providers will be required to email or fax the forms to NMLS within 7 calendar days of the course completion submission. NMLS will validate the MLOs’ information and late CE requirement, and will perform the credit banking. NMLS will provide confirmation back to the course provider that the credit banking has been completed. ***NO CREDIT BANKING WILL BE COMPLETED WITHOUT THE SIGNED FORM.***
- 4) Once the reinstatement period is over (after February 29, 2012), NMLS will invoice each provider for the credit banking fees that were accrued between January 1 and February 29, 2012. The credit banking fee for Late CE is the standard \$1.50 per credit hour per student.
- 5) Course Providers will be required to resume credit banking independently starting March 1, 2012. To assist in facilitating transition, course providers desiring to have their course(s) remain in the

Late CE catalog for remainder of 2012 will be required to attend an NMLS training webinar on credit banking for Late CE courses.



Late CE Credit Banking Request Form

Directions: This form is to be used to submit a request to have a Late CE course credit banked with NMLS. Please fill out the entire form. Incomplete forms will not be processed. ***NOTE*** NMLS will not make changes after the course has been credit banked. Please verify the information and the year in which Late CE is to be applied is accurate before submitting.

Fax this form to 202.296.1928 attention Rich Madison, or scan and e-mail to rmadison@csbs.org.

MLO Information

Course Provider Name	Course Number:
NMLS ID Number:	Student's Full Name:
Late CE Year (circle one): 2010 2011	Course Completion Date:
Phone Number:	Email Address:

MLO's Late CE Credit Banking Agreement

I, _____ by submitting this form, request NMLS to credit bank the above LATE CE course for me. I verify the above information to be accurate and complete.

Signature (Type in Name)

Date

Course Provider Late CE Credit Banking Agreement

By signing below I confirm that the MLO listed above has completed Late CE course ID _____. I am requesting that NMLS credit bank the Late CE credits accordingly, and understand that NMLS will invoice my organization for the credit banking fees.

Signature (Type in Name)

Date

Fax this form to 202.296.1928 attention Rich Madison, or scan and e-mail to rmadison@csbs.org.