

## NMLS Testing and Education Services – *Request for Public Comments*

May 7, 2009

On behalf of the Nationwide Mortgage Licensing System and Registry (NMLS)<sup>1</sup>, the Conference of State Bank Supervisors' State Regulatory Registry LLC<sup>2</sup> invites public comments on the following policy documents:

- *Policy on Criteria for Granting Approval to Become an NMLS Approved Course Provider*
- *Policy on Criteria for Granting Approval for a Course to Become NMLS Approved*
- *Policy on NMLS Approved Pre-Licensure and Continuing Education Classroom Formats and Standards*
- *2009 Fee Schedule for SAFE Required Test Administration and Education Services*

### **Purposes**

The purpose of the *Criteria for Approving Course Providers* is to define the criteria that a course provider must satisfy as a precondition for submitting courses for approval.

The purpose of the *Criteria for Approving Courses* is to define the criteria that a course must satisfy to be listed as “NMLS Approved.”

The purpose of the *Approved Classroom Formats* policy is to define the classroom formats and standards under which NMLS approved pre-licensure and continuing education courses may be offered.

The *Test Administration and Education Services Fees* are those fees required to be paid by mortgage loan originators (MLO) to take the National Component and the State Component of the SAFE Test and the fees that course providers will be required to pay as part of the NMLS approval and credit banking processes.

### **Background**

The Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (the “SAFE Act”) requires that the Nationwide Mortgage Licensing System and Registry (NMLS) review and approve all pre-licensure and continuing education courses that are to be offered to state-licensed mortgage loan originators and are intended to satisfy SAFE-compliant state laws requiring a minimum of 20 hours of pre-licensure education and eight hours of annual continuing education. In order to meet its mandate as required by the SAFE Act, the NMLS is required to “apply reasonable standards in the review and approval of courses.” To assist us in our efforts, CSBS has formed a working group of state regulators with experience in testing and education standards and approvals to inform the policies for NMLS. In identifying course formats, the NMLS consulted with the Regulator Test and Education Committee comprised of state representatives from California, Florida, Louisiana, Maryland, Maine, Michigan, North Carolina, New Jersey, Oregon, Pennsylvania, South Carolina, Texas, Utah, and Washington.

---

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

<sup>2</sup> Information about the State Regulatory Registry LLC can be found at: <http://www.stateregulatoryregistry.org>

As a means to maintain integrity within the industry, the NMLS developed five criteria that a course provider must satisfy as a precondition to being listed as “NMLS Approved.” Additionally, NMLS developed six criteria that a course must satisfy as a precondition to being listed as a “NMLS Approved” or “SAFE Compliant” course.

Consistent with the course provider and course approval criteria, NMLS has also identified three classroom formats for pre-licensure education and four formats for continuing education. Given the complexities of the requirements associated with doing business in the mortgage industry, the Regulator Test and Education Committee felt strongly that online self-paced learning is not be an acceptable classroom format for pre-licensure education, and that any course offered online should be instructor-led.

After weekly meetings and based upon the collective experience of the Regulator Test and Education Committee members, and taking into consideration some informal industry feedback, the criteria and classroom formats were finalized and published on April 20, 2008. The approval criteria and classroom formats consist of the following documents:

- 1) *Policy on Criteria for Granting Approval to Become an NMLS Approved Course Provider*
- 2) *Policy on Criteria for Granting Approval for a Course to Become NMLS Approved*
- 3) *Policy on NMLS Approved Pre-Licensure and Continuing Education Classroom Formats and Standards*

The criteria documents and classroom formats were sent to State Bank Commissioners, Deputy Commissioners, and State Mortgage Regulators on April 21, 2009. Minor changes were made to the criterion documents and updated versions were finalized and published on May 1, 2009, coinciding with the release of NMLS test and education information to the general public on the NMLS Resource web site<sup>3</sup>.

In addition to requiring MLOs to complete NMLS approved pre-licensure education and annual continuing education, the SAFE Act also requires MLOs to pass a test which has been developed by NMLS and offered through an approved test provider. The SAFE Act permits NMLS to charge reasonable fees associated with carrying out test administration and education services requirements. The test administration and education services fees have been under formulation for several months and were unanimously approved by the State Regulatory Registry LLC Board of Managers on March 24, 2009. The 2009 fees schedule is outlined in the following document: *2009 Fee Schedule for SAFE Required Test Administration and Education Services*

### **Request for Public Comments**

On behalf of the Conference of State Bank Supervisors, the State Regulatory Registry LLC is seeking comments from the public, including course providers and regulatory agencies, on the following criteria policy documents:

---

<sup>3</sup> The information can be found here:

[http://www.stateregulatoryregistry.org/NMLS/AM/Template.cfm?Section=Course\\_Providers](http://www.stateregulatoryregistry.org/NMLS/AM/Template.cfm?Section=Course_Providers)

- *Policy on Criteria for Granting Approval to Become an NMLS Approved Course Provider*
- *Policy on Criteria for Granting Approval for a Course to Become NMLS Approved*
- *Policy on NMLS Approved Pre-Licensure and Continuing Education Classroom Formats and Standards*
- *2009 Fee Schedule for SAFE Required Test Administration and Education Services*

The documents are found in Addendum A of this document and on the NMLS Resource website at: [NMLS Course Providers Page](#)

Comments are specifically sought in two areas:

1. Based on industry best practices in adult learning, comments are sought with regards to improving the content of the criteria documents in order to better achieve the goal of establishing credible standards by which course providers and their courses become “NMLS Approved.”
2. Based on best practices associated with delivering adult education, and taking into consideration the concerns of many of the State Regulators regarding the complexities associated with learning the requirements associated with professionalism in the mortgage industry and the need for pre-licensure education to be instructor led, comments are sought regarding how to improve the classroom formats and standards.

Comments are requested to be limited to the content of the criteria, classroom format documents, and the test administration and fees schedule, including questions, instructions, and definitions. All suggestions will be reviewed by NMLS and the Regulator Test and Education Committee, with summaries and responses available to the public.

Comments can be submitted by email to: [comments@stateregulatoryregistry.org](mailto:comments@stateregulatoryregistry.org)

Comments may also be submitted in physical form to:

Conference of State Bank Supervisors  
Attn: Tim Doyle  
Education Public Comments  
1155 Connecticut Avenue, NW  
Fifth Floor  
Washington, DC 20036-4306

**Comment submission deadline: June 8, 2009**

Persons submitting comments are requested to include their contact information in the event that NMLS would like to follow-up on the comments submitted.

NMLS expects to publish the final criteria, classroom formats, and fees by the end of June 2009.

## **Policy on Criteria for Granting Approval to Become an NMLS Approved Course Provider**

---

### **Purpose**

The purpose of this policy is to define the criteria that a course provider must satisfy as a precondition to being listed as a “NMLS Approved” course provider.

### **Background and Reason for the Policy**

The Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act) requires that the National Mortgage Licensing System & Registry (NMLS) review and approve all pre-licensure and continuing education courses that are to be offered to state-licensed mortgage loan originators and are intended to satisfy the 20 hours of pre-licensure education and/or 8 hours of annual continuing education. In order to meet its mandate as required by the SAFE Act, the NMLS requires that those individuals/organizations who desire to have their pre-licensure or continuing education courses approved by the NMLS must first register and be granted approval to become an “NMLS Approved” course provider. As a means to maintain integrity within the industry, the NMLS has developed five criteria that a course provider must satisfy as a precondition to being listed as a “NMLS Approved” course provider within the NMLS.

### **Criteria for Granting Approval to Become an NMLS Approved Course Provider**

In considering their application to become an approved course provider within the NMLS, an applicant must satisfy the following five criteria:

1. **Criteria 1 – *Course Quality and Rigor***: Applicants and approved course providers must be prepared to demonstrate that courses are of quality and rigor and are consistent with the SAFE Act’s intended requirement for pre-licensure and annual continuing education.
2. **Criteria 2 – *Student Satisfaction***: Applicants and approved course providers needs to demonstrate that end-of-course evaluations/surveys are being completed and that substantive feedback is being incorporated into the course material.
3. **Criteria 3 – *Ensure Instructor Qualifications***: Applicants and approved course providers must ensure and be prepared to provide evidence that instructors are qualified and meet legal requirements to instruct NMLS approved courses. Instructors must be knowledgeable in the course subject matter as a result of either relevant academic and/or professional experience.
4. **Criteria 4 – *Provide Evidence for Satisfactory Course Completion***: Applicants and approved course providers must have a means to

measure/verify that a student has attended the course and have a means to measure that a student has completed a course.

5. **Criteria 5 – *Legal/Business Integrity***: Applicants and approved course providers must meet and continue to meet all requirements associated with doing business in their respective state(s) and/or jurisdiction. Applicants and approved course providers must also maintain accreditation/licensing requirements as required by law. Additionally, the course providing individual and/or organization must not have been denied approval to offer mortgage, real estate, or appraisal-related education or training in any state.

### **Successful Demonstration that Criterion Has Been Met**

Applicants that demonstrate that they have meet all five of the criteria listed above (and who have also met all the other application requirements) will be granted “NMLS Approved” status. Upon approval of the application the applicant will be listed on the NMLS web site as an approved course provider.

### **Application Deficiencies**

If, during the evaluation process, a course provider’s application is found to be deficient in any area, the applicant will be notified and will be asked to address the deficiency. The applicant will have 30 days from the time of notification to address the deficiency.

### **Failure to Demonstrate that Criterion Has Been Met**

Failure to demonstrate compliance with one or more of the above listed criteria will result in denial of the applicant’s application and the applicant will not be recognized by the NMLS as being an approved course provider. A denied application will also render the provider as being ineligible to submit courses to the NMLS for approval and will render any course the provider may offer to a state-licensed mortgage loan originator as non-SAFE compliant.

### **Revocation of NMLS Approved Status**

A course provider’s NMLS Approved status may be revoked or suspended if it is later discovered that the course provider’s application contains incorrect or misleading information or if it is discovered that the course provider is not operating in a manner as stated in the course provider’s application.

### **Right to Appeal**

A course provider whose application has been denied may appeal the decision within 30-days of the date of the denial letter and their application will be reconsidered provided the course provider can show evidence that they now meet all five of the criteria listed above.

## Policy on Criteria for Granting Approval for a Course to Become NMLS Approved

---

### Purpose

The purpose of this policy is to define the criteria that a course must satisfy as a precondition to being listed as a “NMLS Approved” course.

### Background and Reason for the Policy

The Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act) requires that the National Mortgage Licensing System & Registry (NMLS) review and approve all pre-licensure and continuing education courses that are to be offered to state-licensed mortgage loan originators and are intended to satisfy the 20 hours of pre-licensure education and/or 8 hours of annual continuing education. In order to meet its mandate as required by the SAFE Act, the NMLS is required to “apply reasonable standards in the review and approval of courses.” As a means to maintain integrity within the industry, the NMLS has developed six criteria that a course must satisfy as a precondition to being listed as a “NMLS Approved” or “SAFE Compliant” course.

### Criteria for Granting Approval for a Course to Become NMLS Approved

To be considered for NMLS approval, a course must satisfy all of the following criteria:

1. **Criteria 1 – Possess Learning Objectives:** Course must contain learning objectives that describe what the student should know or be able to accomplish upon completion of the course.
2. **Criteria 2 – Course Must Have Sufficient Material:** Course must contain sufficient course materials to support quality instruction relevant to the course subject matter. All course materials must be current and be relevant to the subject of the course. Course material must also be unique to individual course. Additionally, the course provider must have ensured that it has received permission to use any copyrighted material, and/or secured the rights to use any material that the course provider themselves did not produce.
3. **Criteria 3 – Sufficient Difficulty:** Pre-licensure education courses must be of sufficient rigor that it assists the student to prepare to work within the industry. Continuing education courses must possess a degree of difficulty and should be designed to enhance the professional competence and/or professional responsibility of the mortgage lending officer.
4. **Criteria 4 – Be of Sufficient Length:** The minimum length of a pre-licensure course will be two (2) classroom hours and the minimum length of a continuing education course will be one (1) classroom hour. A classroom

hour is defined as 50 minutes of classroom instruction for each clock hour (60 minutes). Online classroom courses must meet the same time requirements as classroom or classroom equivalent course. The NMLS uses the International Association for Continuing Education & Training (IACET) standard for measuring online classroom time. To measure and determine online classroom time, the course provider will need to record and document the amount of time it takes a sampling of the intended audience to complete the course. Time determination will be the median of the sampling. *Course providers must be prepared to provide a copy of the sample record when submitting an online course to the NMLS for approval.*

5. **Criteria 5 – *Be Delivered in an Environment Conducive to Learning***: the course shall be administered in a physical environment that is appropriate for adult education needs. Online courses must be administered through a Learning Management System (LMS). Additionally, courses must be presented in an environment that is in compliance with applicable local, state, and federal regulations. Any online classroom system must require the student to login, verify attendance, start and end times, and be capable of administering the course material and functionally capable of promoting various forms of interactivity.
6. **Criteria 6 – *Have a Defined Start and End Time***: course must have a fixed begin and end time so that hours can be measured. For online self-paced courses, the start time is the time the student started the course and the end time is the time the student completed the course (*note: this time does not correlate to the number of credit hours a course is awarded. For example: just because a student may take 12 hours to complete a course does not mean the course is 12 hours long*).

### **Successful Demonstration that Criterion Has Been Met**

In order for a course to become NMLS approved the course provider must provide evidence that each course submitted for approval meets each of the six criteria listed above. Courses that do meet the criteria (as well as the other course application requirements) will be granted “NMLS Approved” status. Upon approval of the course application, the course provider will have their course included in the “NMLS Approved Courses Catalog” which will appear on the NMLS web site.

### **Course Deficiencies**

If, during the evaluation process, a course is found to be deficient in any area, the course provider will be notified and will be asked to address the deficiency. Course providers will have 30 days from the time of notification to address any deficiency.

### **Failure to Demonstrate that Criterion Has Been Met**

Failure to demonstrate compliance with one or more of the above listed criteria will result in denial of the course provider's application and the course will not be recognized by the NMLS as being approved. A denied course application will have the effect of rendering the course as being non-SAFE compliant and as such may not be marketed or promoted as being "SAFE Compliant" or "NMLS Approved."

**Right to Appeal**

A course provider whose course application has been denied may appeal the decision within 30-days of the date of the denial letter and their application will be reconsidered provided the course provider can show evidence that the course now meets all six of the criteria listed above.

## **Policy on NMLS Approved Pre-Licensure and Continuing Education Classroom Formats and Standards**

---

### **Purpose**

The purpose of this policy is to define the classroom formats and standards under which NMLS approved pre-licensure and continuing education courses may be offered.

### **Background and Reason for the Policy**

The Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act) requires that the National Mortgage Licensing System & Registry (NMLS) review and approve all pre-licensure and continuing education courses that are to be offered to state-licensed mortgage loan originators and are intended to satisfy the 20 hours of pre-licensure education and/or 8 hours of annual continuing education. In order to meet its mandate as required by the SAFE Act, the NMLS is required to “apply reasonable standards in the review and approval of courses.” As a means to maintain integrity within the industry, the NMLS has identified three classroom formats for pre-licensure education and four classroom formats for continuing education.

### **Approved Pre-Licensure and Continuing Education Classroom Formats and Standards**

In order to be considered for NMLS approval, course providers will be required to ensure that their courses are offered in accordance with the classroom formats and standards as outlined in the following tables. *Note: functional specifications for each classroom format are being written and will be released in mid-to-late May 2009.*

## NMLS Draft Document – Revised 04/28/09

<b>Pre-licensure Education Classroom Format and Standards</b>		
<b>Classroom Format</b>	<b>Classroom Equivalent</b>	<b>Online Instructor-Led Classroom</b>
<b>Instructor:</b> The course, including each class session if there are multiple class sessions, must be instructor-led.	<b>Instructor:</b> The course, including each class session if there are multiple class sessions, must be instructor-led.	<b>Instructor:</b> The course, including each class session if there are multiple sessions, must be instructor-led.
<b>Location:</b> Students and the instructor must be in the same classroom.	<b>Location:</b> Students and the instructor may be in two or more physical locations.	<b>Location:</b> Instruction may be delivered over a wide geographic area via the Internet.
<b>Facilitation:</b> The instructor shall lead the students through a set of learning objectives and the course material. The instructor will be able to facilitate discussion with the students.	<b>Facilitation:</b> The instructor shall lead the students through a set of learning objectives and the course material. The instructor will be able to facilitate discussion with the students in a real-time basis.	<b>Facilitation:</b> The curriculum must be constructed in such a way as to present learning objectives and requires the student to engage with the content using one or more of the following techniques: a. respond to questions, cases, illustrations, etc., through essay or similar responses; b. demonstrate interactivity through the use of instructor-moderated blogs, newsgroup, or threaded discussions; c. quizzes or exams.
<b>Physical Environment:</b> The course shall be administered in a physical setting that is appropriate for adult education needs. a. The Classroom will be reasonably free from noise and distraction. b. The classroom will be easily accessible and in compliance with appropriate local, state, and federal regulations including but not limited to the Americans with Disabilities Act (ADA) c. Each student will have an individual seat. d. No class sessions will be conducted in a personal residence.	<b>Physical Environment:</b> The course shall be administered in a physical setting that is appropriate for adult education needs. a. The Classroom will be reasonably free from noise and distraction. b. The classroom will be easily accessible and in compliance with appropriate local, state, and federal regulations including but not limited to the Americans with Disabilities Act (ADA) c. Each student will have an individual seat. d. No class sessions will be conducted in a personal residence.	<b>Physical Environment:</b> The course shall be administered through an online classroom environment (commonly referred to as a Learning Management System). The classroom environment must require the student to log in, be able to verify attendance, and be capable of administering the course material.

## NMLS Draft Document – Revised 04/28/09

<p><b>Attendance:</b> The instructor* shall monitor the attendance and participation of each student.</p> <p>a. *The Approved Course Provider (ACP) may use an additional employee or agent to monitor attendance and student participation.</p>	<p><b>Attendance:</b> The instructor* shall monitor the attendance and participation of each student.</p> <p>a. *The Approved Course Provider (ACP) may use an additional employee or agent to monitor attendance and student participation.</p>	<p><b>Attendance:</b> The online classroom system must be able to verify attendance and demonstrate student’s participation in the course through the use of such tool as log files, blog postings, exams/quizzes, threaded discussion, etc.</p>
<p><b>Time:</b> A classroom hour will include no less than 50 minutes of instruction for each clock hour (60 minutes). A single class session will be no less than one classroom hour.</p>	<p><b>Time:</b> A classroom equivalent hour will include no less than 50 minutes of instruction for each clock hour (60 minutes). A classroom equivalent hour will be no less than one classroom hour.</p>	<p><b>Time:</b> Online classroom courses must meet the same time requirements as classroom or classroom equivalent courses. Time is determined based on the median amount of time it takes several representative students to complete the course. To measure and determine time, the course provider will need to record and document the amount of time it takes a sampling of the intended audience to complete the course. Time determination will be the median of the sampling.</p>
<p><b>Credit Hour:</b> One classroom hour will equal one credit hour.</p>	<p><b>Credit Hour:</b> One classroom-equivalent hour will equal one credit hour.</p>	<p><b>Credit Hour:</b> One online classroom hour will equal one credit hour.</p>
<p><b>Minimum Course Length:</b> the minimum length of a pre-licensure course will be two (2) classroom hours. The minimum length of a continuing education course will be one (1) classroom hour.</p>	<p><b>Minimum Course Length:</b> the minimum length of a pre-licensure course will be two (2) classroom hours. The minimum length of a continuing education course will be one (1) classroom hour.</p>	<p><b>Minimum Course Length:</b> the minimum length of a pre-licensure course will be two (2) classroom hours. The minimum length of a continuing education course will be one (1) classroom hour.</p>
<p><b>Start/End Times:</b> classroom courses will have defined beginning and end times/dates.</p>	<p><b>Start/End Times:</b> classroom-equivalent courses will have defined beginning and end times/dates.</p>	<p><b>Start/End Times:</b> online classroom courses will have defined beginning and end times/dates.</p>
<p><b>Student Satisfaction:</b> the course provider should have a</p>	<p><b>Student Satisfaction:</b> the course provider should have a</p>	<p><b>Student Satisfaction:</b> the course provider should have a</p>

NMLS Draft Document – Revised 04/28/09

<p>means by which to measure student satisfaction with the instructor and training/educational service(s) provided.</p>	<p>means by which to measure student satisfaction with the instructor and training/educational service(s) provided.</p>	<p>means by which to measure student satisfaction with the instructor and training/educational service(s) provided.</p>
Empty cell for content		

## NMLS Draft Document – Revised 04/28/09

<b>Continuing Education Classroom Formats Standards</b>		
<b>Classroom Format</b>	<b>Classroom Equivalent</b>	<b>Online Instructor-Led Classroom</b>
<b>Instructor:</b> The course, including each class session if there are multiple class sessions, must be instructor-led.	<b>Instructor:</b> The course, including each class session if there are multiple class sessions, must be instructor-led.	<b>Instructor:</b> The course, including each class session if there are multiple sessions, must be instructor-led.
<b>Location:</b> Students and the instructor must be in the same classroom.	<b>Location:</b> Students and the instructor may be in two or more physical locations.	<b>Location:</b> Instruction may be delivered over a wide geographic area via the Internet.
<b>Facilitation:</b> The instructor shall lead the students through a set of learning objectives and the course material. The instructor will be able to facilitate discussion with the students.	<b>Facilitation:</b> The instructor shall lead the students through a set of learning objectives and the course material. The instructor will be able to facilitate discussion with the students in a real-time basis.	<b>Facilitation:</b> The curriculum must be constructed in such a way as to present learning objectives and requires the student to engage with the content using one or more of the following techniques: a. respond to questions, cases, illustrations, etc., through essay or similar responses; b. demonstrate interactivity through the use of instructor-moderated blogs, newsgroup, or threaded discussions; c. quizzes or exams.
<b>Physical Environment:</b> The course shall be administered in a physical setting that is appropriate for adult education needs. a. The Classroom will be reasonably free from noise and distraction. b. The classroom will be easily accessible and in compliance with appropriate local, state, and federal regulations including but not limited to the Americans with Disabilities Act (ADA) c. Each student will have an individual seat. d. No class sessions will be conducted in a personal residence.	<b>Physical Environment:</b> The course shall be administered in a physical setting that is appropriate for adult education needs. a. The Classroom will be reasonably free from noise and distraction. b. The classroom will be easily accessible and in compliance with appropriate local, state, and federal regulations including but not limited to the Americans with Disabilities Act (ADA) c. Each student will have an individual seat. d. No class sessions will be conducted in a personal residence.	<b>Physical Environment:</b> The course shall be administered through an online classroom environment (commonly referred to as a Learning Management System). The classroom environment must require the student to log in, be able to verify attendance, and be capable of administering the course material.

## NMLS Draft Document – Revised 04/28/09

<p><b>Attendance:</b> The instructor* shall monitor the attendance and participation of each student.</p> <p>a. *The Approved Course Provider (ACP) may use an additional employee or agent to monitor attendance and student participation.</p>	<p><b>Attendance:</b> The instructor* shall monitor the attendance and participation of each student.</p> <p>a. *The Approved Course Provider (ACP) may use an additional employee or agent to monitor attendance and student participation.</p>	<p><b>Attendance:</b> The online classroom system must be able to verify attendance and demonstrate student’s participation in the course through the use of such tool as log files, blog postings, exams/quizzes, threaded discussion, etc.</p>
<p><b>Time:</b> A classroom hour will include no less than 50 minutes of instruction for each clock hour (60 minutes). A single class session will be no less than one classroom hour.</p>	<p><b>Time:</b> A classroom equivalent hour will include no less than 50 minutes of instruction for each clock hour (60 minutes). A classroom equivalent hour will be no less than one classroom hour.</p>	<p><b>Time:</b> Online classroom courses must meet the same time requirements as classroom or classroom equivalent courses. The NMLS uses the International Association for Continuing Education &amp; Training (IACET) standard for measuring online classroom time. Time is determined based on the median amount of time it takes several representative students to complete the course. To measure and determine time, the course provider will need to record and document the amount of time it takes a sampling of the intended audience to complete the course. Time determination will be the median of the sampling.</p>
<p><b>Credit Hour:</b> One classroom hour will equal one credit hour.</p>	<p><b>Credit Hour:</b> One classroom-equivalent hour will equal one credit hour.</p>	<p><b>Credit Hour:</b> One online classroom hour will equal one credit hour.</p>
<p><b>Minimum Course Length:</b> the minimum length of a pre-licensure course will be two (2) classroom hours. The minimum length of a continuing education course will be one (1) classroom hour.</p>	<p><b>Minimum Course Length:</b> the minimum length of a pre-licensure course will be two (2) classroom hours. The minimum length of a continuing education course will be one (1) classroom hour.</p>	<p><b>Minimum Course Length:</b> the minimum length of a pre-licensure course will be two (2) classroom hours. The minimum length of a continuing education course will be one (1) classroom hour.</p>

NMLS Draft Document – Revised 04/28/09

<p><b>Start/End Times:</b> classroom courses will have defined beginning and end times/dates.</p>	<p><b>Start/End Times:</b> classroom-equivalent courses will have defined beginning and end times/dates.</p>	<p><b>Start/End Times:</b> online classroom courses will have defined beginning and end times/dates.</p>
<p><b>Student Satisfaction:</b> the course provider should have a means by which to measure student satisfaction with the instructor and training/educational service(s) provided.</p>	<p><b>Student Satisfaction:</b> the course provider should have a means by which to measure student satisfaction with the instructor and training/educational service(s) provided.</p>	<p><b>Student Satisfaction:</b> the course provider should have a means by which to measure student satisfaction with the instructor and training/educational service(s) provided.</p>

## NMLS Draft Document – Revised 04/28/09

<b>Continuing Education Standards (cont.)</b>		
<b>Online Self-Paced Training</b>		
<b>Instructor:</b> The course may or may not have an instructor assigned to it.		
<b>Location:</b> Course may be taken at anytime from any location via the Internet.		
<b>Facilitation:</b> The curriculum must be constructed in such a way as to present learning objectives and requires the student to engage with the content using one or more of the following techniques: a. interactive exercises; b. quizzes; c. polls.		
<b>Physical Environment:</b> The course shall be administered online using a PC and constructed in such a way that the course provider can verify the student's login, track progress, and log the course completion date.		
<b>Attendance:</b> Course delivery mechanism must be constructed in such a way that the provider can verify the student's login, track progress, and log the course completion date.		
<b>Time:</b> Online self-paced courses must meet the same time requirements as classroom or classroom equivalent courses. The NMLS uses the International Association for Continuing Education & Training (IACET) standard for measuring online classroom time. Time is determined based on the median amount of time it takes several representative students to complete the course. To measure and determine time, the course provider will need to record and document the amount of time it takes a sampling of the intended audience to complete the course.		

NMLS Draft Document – Revised 04/28/09

<p>Time determination will be the median of the sampling.</p>		
<p><b>Credit Hour:</b> One classroom hour will equal one credit hour.</p>		
<p><b>Minimum Course Length:</b> The minimum length of a continuing education course will be one (1) classroom hour.</p>		
<p><b>Start/End Times:</b> online computer-based courses are not required to have defined beginning times but they must be able to record the course completion time for reporting purposes.</p>		
<p><b>Student Satisfaction:</b> the course provider should have a means by which to measure student satisfaction with the instructor and training/educational service(s) provided.</p>		

## NMLS 2009 Testing and Education Services Fee Schedule

**Nationwide Mortgage Licensing System and Registry (NMLS)****2009 Fee Schedule  
for  
SAFE Required Test Administration and 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, establishes requirements for the licensing of Mortgage Loan Originators (MLOs). The SAFE Act requires MLOs to pass a written qualified test, to complete pre-licensure education courses, and to take annual continuing education courses. The SAFE Act requires NMLS to develop the test and approve a test provider and 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 set the following fees for Test Administration and Education Services. These fees will be in effect for 2009 and are subject to change.

**TEST ADMINISTRATION****1. SAFE Mortgage Loan Originator Test**

- **National Component - \$92**
  - 100 items; appointment time, 3 hours
- **Each Unique State Component - \$69**
  - 45 - 55 items; appointment time, 2 hours

Each MLO is a required to pass a test which will consist of at least two components; a National Component and a Unique State Component. These fees are payable by an individual who is registering to take SAFE Mortgage Act test components or by the company which may be enrolling its MLO(s) for the test components.

**Example:** A candidate wishes to apply for an MLO license in the state of Pennsylvania. She would be required to take the National Component (\$92) and the Pennsylvania State Component (\$69) for a total of \$161 in test fees.

The same person now holds a licensee in the state of Pennsylvania and wishes to get licensed in Delaware and Maryland. She is no longer required to take the National Component of the test. She is required to take the State Components for Delaware and Maryland (\$69 each) for a total of \$138.

## NMLS 2009 Testing and Education Services Fee Schedule

**EDUCATION SERVICES****2. Approved Course Provider Fee - \$400 per application (initial and renewal)**

- Approvals are good for **2 yrs**
- The renewal date is June 30<sup>th</sup>.

This non-refundable application fee is payable by an organization at the time it applies to NMLS to become an Approved Course Provider. Once approved, this status applies for up to a two year period. Renewals are due every other year on June 30<sup>th</sup>.

**Example:** ABC Company submits an application on July 15, 2009, to become an Approved Course Provider. The company pays a \$400 non-refundable application fee at the time it submits its application. Once the company is approved to become a course provider, its approval is active through June 30, 2011.

XYZ Company submits an application on February 10, 2010 to become an Approved Course Provider. The company pays a \$400 non-refundable application fee at the time it submits its application. Once the company is approved to become a course provider, its approval is active through June 30, 2011.

In the renewal period from May 1 – June 30, 2011, both the ABC and XYZ Company submit an Approved Course Provider renewal application and include a payment of \$400. Their renewal applications are approved and their approval status now extends for another two years through June 30, 2013.

**3. Course Approval Fee - \$300 (initial) / \$200 (renewal)**

- Courses will be renewed **annually**.
- The annual renewal date is June 30<sup>th</sup>.

This is the fee paid by an Approved Course Provider when it submits an application to have a course approved or renewed.

**Example:** ABC Company is an Approved Course Provider and on August 15, 2009, submits an application to have a course approved. The company pays a \$300 non-refundable fee at the time it submits its initial application. Upon approval, the course is active until its annual renewal deadline, June 30, 2010.

During the course approval renewal window of May 1 – June 30, 2010, ABC Company submits an application to renew a course and pays a non-refundable \$200 fee. The renewal application is approved and the course remains in its approved status through June 30, 2011.

## NMLS 2009 Testing and Education Services Fee Schedule

**3. Credit Banking - \$1.50 per hour**

Credit Banking is the process where an NMLS Approved Course Provider records a candidate's or a licensee's SAFE-required education hours in NMLS. The credit banking fees are paid by the Approved Course Provider to NMLS.

**Example:** Company ABC is an Approved Course Provider (ACP) and conducts a 3-hour pre-licensure (PE) course for 35 candidates. At the completion of the course, ABC Company uploads the course roster to NMLS and pays a credit banking fee of \$157.50 ( $\$1.50 \times 35 \times 3$ ).

This schedule is effective as of April 29, 2009.