

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.