

## NMLS Process for Submitting Courses for Approval

---

**Summary** – The Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act) requires that the 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.

**Course Application Flow Process** – NMLS has been enhanced to include processes that will enable course providers to submit courses for approval by the National Mortgage Licensing System & Registry (NMLS). Once courses have been approved, they will be viewable by the general public through an NMLS enabled web link. The process flow is outlined as follows:

1. **General Course Information** - the course provider will identify what type of course is being submitted into the system for approval:
  - a. **Pre-Licensing (PE):** intended to fulfill the requirement to complete at least 20 hours of pre-licensure education, which shall include at least:
    - i. 3 hours of Federal law and regulations
    - ii. 3 hours of ethics, which shall include instruction on fraud, consumer protection, and fair lending issues
    - iii. 2 hours of training related to lending standards for the nontraditional mortgage product marketplace
  - b. **Continuing Education (CE):** intended to fulfill the requirements to complete at least 8 hours of continuing education, which shall include at least:
    - i. 3 hours of Federal law and regulations
    - ii. 2 hours of ethics, which shall include instruction on fraud, consumer protection, and fair lending issues
    - iii. 2 hours of training related to lending standards for the nontraditional mortgage product marketplace
  - c. **Course Name:** To ensure course names properly reflect the intended need to meet SAFE education requirements and to ensure industry professionals are properly informed, the following course naming convention has been developed:
    - i. Course Names will contain the following (as applicable):

1. For a course intended to satisfy the Federal law portion of the requirements: the number of hours and the words *Federal Law (i.e. 3 hours Federal Mortgage Law)*
  2. For a course intended to satisfy the ethics portion of the requirements: the number of hours and the word *Ethics* as well as *Fraud, or Consumer Protection, or Fair Lending, etc.*
  3. For a course intended to satisfy the nontraditional mortgage requirements: the number of hours and the words *Lending Standards and Nontraditional Mortgage*
  4. For a course intended to satisfy the elective portion of the PE or CE requirements: the number of hours and relevant key word(s).
  5. For a course intended to satisfy all of the requirements associated with meeting the PE or CE requirements: the number of hours and the words *SAFE Comprehensive (i.e. 20 hours SAFE Comprehensive)*
- ii. To address the need to provide course titles that reflect course content intended to meet specific State licensing requirements, the following course title convention has been developed:
1. the number of hours, two-letter State(s) abbreviation, and the words *SAFE Comprehensive (i.e. 20 hours CA SAFE Comprehensive)*
2. **Requested Course Credit Hours** - the course provider will submit approval for the number of requested credit hours associated with the course. A credit hour is defined as one-clock hour (50 minutes) of instruction. For online classrooms, a credit is measured by the amount of time it takes a median number of student to complete the instruction as measured and verified through a sampling of students.
  3. **Identify if the Course is Available to the Public** – the course provider will identify if the course is available to the public by either checking Yes or No.
  4. **Instruction Methods** – the course provider will be required to identify the instruction method associated with delivering the course. The following course methods will be offered:
    - a. **Classroom:** defined as traditional instruction where instructors and students are located in the same physical classroom.
    - b. **Classroom Equivalent:** defined as an instructor-led course session where the instructor and students may be in two or more physical locations.

- c. **Online Instructor-Led Classroom:** defined as an instructor-led course where the instructor and student interaction is conducted through an online classroom (commonly referred to as a Learning Management System (LMS)).
  - d. **Online Self-Paced Training:** *to be used for CE courses only*, defined as being self-paced online course which may or may not have an instructor assigned to it.
5. **Course Categories** – providers will be required to identify which category of the SAFE requirements their courses are intended to meet. (*Note: courses can only be registered under one category and may not count for less than the number of required credit hours as required by SAFE (i.e. there cannot be a 2 hour Federal law course.)*)
- a. Federal law and regulations
  - b. Ethics, fraud, consumer protection, and fair lending
  - c. Nontraditional mortgage products
  - d. Undefined/Other
  - e. Comprehensive PE
  - f. Comprehensive CE
  - g. 6 Hour PE
6. **Screening Question** – to assist in ensuring course providers meet minimal legal and ethical requirements associated with being an approved course provider, a screening form has been put into place. Applicants are requested to answer Yes or No. Any comments that a provider may provide will be considered as part of the approval process.
- a. Screening questions:
    - i. *As the course provider, do you own the intellectual property rights associated with the course and its accompanying materials or have you obtained appropriate permission to use the intellectual property associated with the course and materials? If no, please identify who does own the intellectual property rights or the reason why permission has not been obtained.*
    - ii. *Is any of the course content licensed and/or does the course content contain copyrighted material? If yes, please identify who you have licensed the content from and/or who you have received permission from in order to use to the copyrighted material.*
7. **Attestation Page** – following completion of the screening page, the applicant will be provided with attestation text. Applicants will have to signify their agreement by clicking a check box (failure to click a check box will prevent the applicant from moving forward). Proposed text:

*I certify that the information herein submitted, and all other*

*supporting documentation associated with this application process, to be accurate and truthfully represents the course and its content, its hours, instructor qualifications, and marketing language. I agree to provide the course(s) in accordance with all applicable policies and program requirements as required by local, state, and federal laws and regulations and in accordance with NLMS education and training policies.*

8. **Document Upload Page** – As part of the process, applicants will be asked to upload multiple documents which will become part of their record. The system will verify that these documents have been submitted. Required documents are:
  - a. Course description, objectives and typical price range
  - b. Course syllabus/outline and amount of time on each module
  - c. Instructor qualifications
  - d. Marketing language
  
9. **Payment Processing** – after uploading the application and associated forms, the applicant will be presented with a credit card payment page. The course provider will be shown the applicable fee(s); they will enter their billing and payment information and their credit card will be charged. The course provider will then be e-mailed a submission confirmation and next steps instructions.