



Nationwide Mortgage Licensing System and Registry
1155 Connecticut Ave., N.W.
Washington, D.C. 20036

NMLS Course Provider Newsletter Issue 3 September 3, 2009

A lot can happen in a two period and this third edition of the Newsletter will help to make that point. When we stated the Newsletter last month the intent was simply to maintain our commitment of keeping you informed of how the course evaluation process is working and of trends and issues we are seeing. However, in just a short period of time the Newsletter has become one of two primary vehicles (the other being the NMLS Resource Center) by which we communicate critical information that course providers need to know. To those of who have provided comments and feedback on the Newsletter and on how any of the NMLS testing and education processes is working, thank you!

In this issue:

- **What You Need to Know on Testing and PE Certification Process**
- **Update on CE Course Approval Start Date**
- **Course Catalog Launched**
- **Schedule Course Sessions**
- **New User Guide Posted: Credit Banking**
- **New State Test Content Outlines**
- **Course Evaluation Trends and Observations**
- **Please Include AppID on Inquiries**
- **New Section: For Prospective Providers**
- **What's Coming Soon!**

What You Need to Know on Testing and PE Certification Process: We are in the final phases of putting together the plans for implementing the Testing and PE Certification Process. For those who may not know, the Testing and PE Certification process is a method by which State Commissioners in states that had an education or testing requirement prior to the implementation of the SAFE Act can certify that an MLO has satisfied the 20 hours of pre-licensure education and/or has satisfied the requirement to pass the state component of the SAFE Test (there is no certification for the National Component of the SAFE test and all MLOs must take it). Specific conditions associated with the certification process and key plan dates are currently being finalized and coordinated with states. However, this is something that you, as course providers need to know: in order for individuals to become certified, they must have completed all 20 hours of pre-licensure education (no partial hours will be accepted) by December 31, 2009 and the education taken must be ALL state-approved OR ALL NMLS approved. The 20 hours CANNOT be a combination of state-approved education and NMLS approved education. (maybe underline this sentence?)

Accordingly, and to simplify the process for MLOs, NMLS is strongly encouraging any state-approved education to end on December 31, 2009 and NMLS approved education will become

required effective January 1, 2010. NMLS is aware that there will be certain exceptions to this policy, and we are working with individual states to accommodate those exceptions.

Update on CE Course Approval Start Date: As previously communicated, NMLS will begin evaluating continuing education courses (CE) on October 1, 2009. However, we acknowledge that this is an evolution of policy. So in order to minimize confusion associated with the Certification Process about which courses to take, and at the request of several states, NMLS will not display CE courses in the Master Course Catalog until January 1, 2010. MLOs that need continuing education for 2010 renewals need to take existing state-approved education. This update in policy will help to prevent the mixing of state-approved and NMLS approved courses for the Certification Process. The benefit to this policy for course providers is that you should aggressively market your state-approved courses to encourage MLOs to complete their 20 hours prior to December 31, 2009 so that they can become certified.

Course Catalog Launched: Publishing of the NMLS Master Course Catalog began on August 24, 2009. The catalog is updated daily (M-F) and reflects all courses that have been approved as of close of business the previous day. The catalog is currently being produced as a pdf file and is posted in the NMLS Resource Center under both the Professional Requirements (Education) and Course Providers sections. A searchable catalog will be available in October.

Please Schedule Your Course Offerings: If you have courses that have been approved please follow the instructions found in the *User Guide: NMLS Course Application Process Account Set-up & Maintain Course Offerings* (version 1.3 dated July 20, 2009) (available in the NMLS Resource Center) and schedule your course offerings.

New User Guide Posted: Credit Banking: The user guide that describes the process for how to report course completions (credit banking) has been posted in the NMLS Resource Center. Along with the user guide, under Course Providers > Applications and Documents > Notices and Examples is an Excel file that you can download and use to report course completions (see the user guide for specific details). This latest user guide, along with the other guides for how to submit a provider application and on how to submit and schedule courses, provides end-to-end instruction on to manage approvals and report course completions through NMLS.

New State Test Content Outlines: New content outlines have been posted for the following state specific test components: Georgia, Maryland, Kentucky, District of Columbia, Wyoming, New Jersey, and Virginia. Test enrollment for these states will open on September 22nd and the first test appointments will be available beginning October 22nd. To view the content outlines on the NMLS Resource Center, go to Professional Requirements> Testing> Test Availability Schedule and Content Outlines.

Course Evaluation Trends and Observations: NMLS course evaluators have reviewed over 100 courses and nearly 50 have been approved. To ensure your course is evaluated as quickly as possible:

- When preparing your course for evaluation assume NMLS and the evaluators know nothing about your organization and the course. Imagine yourself as the recipient of the material you're submitting and ask "is the evaluator going to understand my course, its content, and the context in which the material is going to be presented?" If there was ever a time to over-communicate, this is it. The number one reason why courses are being sent back as deficient is because the evaluators don't have enough information about the course, the timelines, or for how materials like PowerPoint slides or text books are going to be used and/or how all the material are being presented and used.
- The second most-common reason for why courses are found deficient is because the content is not up-to-date. Remember, changes to several federal laws (RESPA, Reg Z, etc.) went into effect in July 2009. Your content for ethics and federal laws as well as state laws needs to reflect these changes.
- The third most-common reason why courses are found deficient is because we can't verify timelines. We need to verify the SAFE Act time requirements for every course (as applicable: 3 hours Federal Law, 3 hours Ethics, 2 hours of Nontraditional Mortgage Lending plus the state hours (as required) and the electives). If we are unable to verify the length of any module and/or the course, then the course will be noted as deficient.
- The review process continues to take approximately 30 days. As many providers can now attest, the evaluators do read everything that is submitted and every online course is evaluated for content and interactivity.

Please Include AppID on Inquiries: If you have a question about your course or are resubmitting material as part of the review process, please be sure to include your NMLS Provider number and the AppID number in all correspondence. The AppID number is included on all evaluation forms and is part of the file name of any attachment. NMLS has two data bases it uses to manage information and having the AppID and your NMLS Provider ID helps us to more quickly respond to any question you may have.

New Section: For Prospective Providers: If you're a prospective course provider, here are some things you should know:

- NMLS is currently running about a week behind in approving new applications. We should be caught up by the week of September 7, and we apologize for the delay.
- The initial application time takes approximately two weeks, and course approvals take four weeks. This means you need to plan on it taking at least six to eight weeks before you can begin marking any courses as being NMLS approved.
- If you're wondering when to submit your application to become an NMLS approved provider, we would like to suggest you do it now. Several states are coming onto the NMLS

system in January, and you want to have courses ready for MLOs to take when those states come onto the system.

- When preparing your application, be as detailed about your organization as possible. When submitting your application make sure to upload all the required documents and make sure your web site is up-to-date and that your refund, cancellation and other policies are clear and easily accessible.

What's Coming Soon! Keep an eye out for the following:

- NMLS will host its first Industry Day to discuss testing. Everyone is welcome to attend one of the following two sessions: September 9th from 3-5pm EST and on September 10 from 10am-12pm EST
- Continuing Education Course Approval begins October 1, 2009 for display in catalog starting January 1, 2010.

NMLS Testing and Education Contacts:

Pete Marks
VP, National Mortgage Education Programs
202.728.5723
pmarks@csbs.org

Rich Madison
Director, Mortgage Education Programs
202.728.5737
rmadison@csbs.org

Anne Altman
Manager, Mortgage Testing Programs
202.728.5737
aaltman@csbs.org

Jessica Ayton
Coordinator, Mortgage Education Operations
202.728.5739
jayton@csbs.org

Pulse Customer Support (for course submissions or credit banking):
877-234-6090