

Public Law 110-289
TITLE V—S.A.F.E. MORTGAGE LICENSING ACT
“Secure and Fair Enforcement for Mortgage Licensing Act of 2008”

Mandates of P.L. 110-289

Industry

- All residential mortgage loan originators must be either state-licensed or federally registered.
 - A mortgage loan originator employed by a federally insured depository institution or any credit union or an owned and controlled subsidiary that is federally supervised must be registered.
 - All other mortgage loan originators, without exception, must be state licensed.
- All state licensed and federally registered mortgage loan originators must be registered with the Nationwide Mortgage Licensing System & Registry maintained by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators.

States

- All states must have a system of licensing in place for residential mortgage loan originators by August 1, 2009 that meets national definitions and minimum standards, that include, among other things:
 - criminal history and credit background checks
 - pre-licensure education
 - pre-licensure testing
 - continuing education
 - net worth, surety bond or recovery fund
- All states must license mortgage loan originators through NMLS&R.

U.S. Department of Housing and Urban Development (HUD)

- HUD must determine:
 - That the state’s mortgage loan originator licensing standards meet the federally mandated minimums, and
 - That the state is participating in NMLS&R.
- If HUD determines that a state not in compliance with both items above, HUD must implement a system for all state licensed mortgage loan originators in that state.

Federal Banking Agencies/Federal Financial Institutions Examination Council/Farm Credit Administration

- Must develop and maintain a system for registering employees of federally insured depositories and subsidiaries they own and control, and employees of Farm Credit Administration regulated entities, with NMLS&R. Registering with NMLS&R requires registered loan officers to submit fingerprints for a state and federal background check and personal history and experience.
- Shall coordinate with NMLS&R in assigning unique identifier.

Conference of State Bank Supervisors/American Association of Residential Mortgage Regulators

- CSBS and AARMR must develop and maintain the Nationwide Mortgage Licensing System and Registry for the purposes identified in the Section 1502 of P.L. 110-289.

Nationwide Mortgage Licensing System and Registry

- NMLS&R must establish protocols for the issuance of unique identifiers.
- NMLS&R must receive and process fingerprints for national and state criminal history background checks for all loan originators.
- NMLS&R must review and approve, using reasonable standards, pre-licensure and continuing education courses.
- NMLS&R must develop a qualified written test and approve test providers.
- NMLS&R must develop a mortgage call report.
- NMLS&R must provide public access to licensing information.