

Last Review: 03/30/2023

Last Revision: 03/30/2023

New York Department of Financial Services (NY-DFS) Pre-Licensure Education (PE) Notice

Purpose

The purpose of this notice is to inform NMLS approved course providers of the required topics to be covered in the 3 hour state specific pre-licensure education (PE) requirement which must be met as a condition for obtaining a mortgage loan originator (MLO) license with the New York Department of Financial Services.

New York PE requirements are as follows:

- 3 hours of Federal law;
- 3 hours of Ethics;
- 2 hours of non-traditional mortgage lending;
- 9 hours of general electives;
- 3 hour of New York state-specific defined electives.

Total PE: 20 hours

DFS has established the following course content standards that must be met as a condition for NMLS course approval:

1 hour covering New York State laws and regulations pertaining to High Cost and Subprime Loans, Reverse Mortgage Loans, Fair Lending, Distressed Property and Home Equity Theft Prevention broken down as follows:

- Section 6-L of the New York Banking Law and Part 41 of the General Regulations of the Superintendent (25%)
- Section 6-M of the New York Banking Law and Part 42 and Part 43 of the General Regulations of the Superintendent (25%)
- Executive Law 296-a and Part 408 of the Superintendent's Regulations (25%)
- Section 265-A and Section 265-B of the New York Real Property Law (10%)
- Section 6-O*2 of the New York Banking Law, Section 280, 280-A and 280-B of the Real Property Law and Part 79 of the Superintendent's Regulations (15%)

1 hour covering New York State laws and regulations governing mortgage disclosure, advertisement, fees and charges, appraisals and reporting of crimes, broken down as follows:

- Part 38 of the General Regulations of the Superintendent (40%)
- Part 80 of the General Regulations of the Superintendent (20%)
- Part 82 of the General Regulations of the Superintendent (20%)
- Sections 254-B, 254-C, and 254-D of the Real Property Law (10%)
- Part 300 of the Superintendent's Regulations (5%)
- Section 6-P of the New York Banking Law (5%)

1 hour covering New York State laws and regulations pertaining to prohibited conduct and practices, required conduct, licensing requirements, regulatory reporting, disciplinary action, books and records and the Department regulatory authority, broken down as follows:

- Part 420 of the Superintendent's Regulations and Article 12-E of the Banking Law (40%)
- Part 38 subsection 38.7 of the General Regulations of the Superintendent (20%)
- Section 175.30 and 210.45 of the New York Penal Law (5%)
- Article 12-D of the New York Banking Law (20%)
- Article 2 of the New York Banking Law (5%)
- Part 500 of the Regulations of the Superintendent of Financial Services (Title 23) (10%)

NMLS Approving Authority

In accordance with the SAFE Act, NMLS is the approval authority for courses that are intended to satisfy the PE & CE requirement for an MLO to be licensed by a state-agency. Courses intending to satisfy these requirements must also meet NMLS course approval standards as detailed in the *Functional Specification for All NMLS Approved Courses*.

Legislative Updates

Course providers are responsible for keeping abreast of changes made to the applicable statutes, regulations and rules.