Massachusetts Division of Banks (MA-DOB)
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 Massachusetts Division of Banks.

MA-DOB 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 hours of Massachusetts state-specific defined electives

Total PE: 20 Hours

MA-DOB has established the following required learning objectives and topics for the 3 hours of state-specific PE:

Required Learning Objectives:
Identify and describe the unique Massachusetts laws, to include:
- Describe the MLO licensing standards set forth in c. 255F, section 4(a)(ii)(c) regarding certain misdemeanor convictions.
- Explain the reverse mortgage program requirements set forth in MGL c. 167E Sections 7 & 7A (applicable to mortgage companies pursuant to MGL c. 183, section 67)
- Know the late fees as described in MGL c. 183, section 59
- Understand advertising requirements under the Division’s regulation at 209 CMR 41.00 et seq., and 940 CMR 8.00.

Required Topics:
- Licensing of Mortgage Loan Originators
- Licensing of Mortgage Brokers and Mortgage Lenders
- Investigations and Examinations
- Maintenance of Books and Records
- Client Funds Accounts
- Advertising
- Reverse Mortgage Loans
- Massachusetts Disclosures
- Fees and Charges
- Prohibited Acts and Practices
• Regulatory Actions
• Community Reinvestment Act (CRA) and Fair Lending
• Refinancing in the Borrower’s Interest
• Unfair or Deceptive Acts or Practices

References:
• Licensing of Mortgage Loan Originators: MGL c. 255F; 209 CMR 41.01 – 41.09
• Licensing of Mortgage Brokers and Mortgage Lenders: MGL c. 255E; 209 CMR 42.01-42.12
• Investigations and Examinations: MGL c. 255F, section 14
• Maintenance of Books and Records: 209 CMR 42.09; 209 CMR 48.00
• Client Funds Accounts: 209 CMR 42.11
• Advertising: 940 CMR 8.04; 209 CMR 41.12; 209 CMR 42.14
• Reverse Mortgage Loans: MGL, c. 167E sections 7 & 7A; MGL c. 183, section 67; 209 CMR 55.00
• Massachusetts Disclosures: MGL c. 184, section 17B
• Fees and Charges (re: high cost mortgages): MGL c. 183, section 59; 209 CMR 32.32; 209 CMR 32.34
• Prohibited Acts and Practices: MGL c. 255F, section 15; 209 CMR 41.10; 209 CMR 42.12A; 940 CMR 8.06
• Regulatory Actions: MGL c. 255F, section 11
• Community Reinvestment Act (CRA) and Fair Lending: MGL c. 255E, section 8, 209 CMR 54.00
• Refinancing in the Borrower’s Interest: MGL c. 183, section 28C; 209 CMR 53.00
• Unfair or Deceptive Acts or Practices: MGL c. 93A, 940 CMR 8.00

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.