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## **Vermont Department of Financial Regulation (VT-DFR) Pre-licensure Education (PE) Notice**

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### **Purpose**

The purpose of this notice is to inform NMLS approved course providers of the required topics to be covered in the 2-hour state specific pre-licensure education (PE) requirement which must be met as a condition for obtaining a mortgage loan originator (MLO) license Vermont Department of Financial Regulation.

### **Vermont's PE requirements are as follows:**

- 3 hours of federal law and regulations;
- 3 hours of ethics, including fraud, consumer protection, and fair lending issues;
- 2 hours lending standards for non-traditional mortgage products;
- 10 hours of general electives;
- 2 hours of Vermont law and regulations;

**Total PE: 20 hours**

### **VT-DFR has established the following requirements for the 2 hours of state-specific PE:**

#### **Required Topics List:**

- Vermont Licensed Lender Act, mortgage broker agreement, prohibited acts and practices with respect to lending and broker activity, usury statutes, permitted charges, commitment letters, high rate/high point loans, funded settlements.
- Financial privacy (opt-in state), trigger lead solicitations, non-discrimination, home loan escrow accounts, debt protection agreements, reverse mortgages, the Vermont Consumer Fraud Act, fair credit reporting, unlicensed loan transactions.

#### **References:**

- The Vermont Licensed Lenders Act, 8 V.S.A. chapter 73  
(<https://legislature.vermont.gov/statutes/chapter/08/073>)
- Consumer Protection, 8 V.S.A. chapter 200  
(<https://legislature.vermont.gov/statutes/section/08/200/10201>)
- Interest, 9 V.S.A. chapter 4  
(<http://legislature.vermont.gov/statutes/chapter/09/004>)
- The Vermont Consumer Fraud Act, 9 V.S.A. chapter 63  
(<https://legislature.vermont.gov/statutes/chapter/09/063>)

#### **Banking Division Regulations**

- B-2018-02 Commitment Letters  
(<https://dfr.vermont.gov/reg-bul-ord/residential-real-estate-mortgage-loan-commitment-letters>)
- B-1998-02 High Rate, High Point Notice  
(<https://dfr.vermont.gov/reg-bul-ord/high-rate-high-point-notices-residential-real-estate-loans>)

B-2018-01 Financial Privacy  
(<https://dfr.vermont.gov/reg-bul-ord/privacy-consumer-financial-and-health-information-regulation>)

B-2014-02 Mortgage Brokers  
(<https://dfr.vermont.gov/reg-bul-ord/mortgage-brokers>)

B-2015-01 Non Discrimination in Financial Services  
(<https://dfr.vermont.gov/reg-bul-ord/non-discrimination-financial-services>)

B-2014-01 Record Retention  
(<https://dfr.vermont.gov/reg-bul-ord/record-retention>)

#### Banking Division Bulletins

B-11 Charges on Subordinate Lien Mortgage  
(<https://dfr.vermont.gov/reg-bul-ord/permitted-charges-subordinate-lien-mortgages>)

B-19 Permitted Charges on Mortgages  
(<https://dfr.vermont.gov/reg-bul-ord/permitted-charges-mortgages>)

B-26 Mortgage Issues  
(<https://dfr.vermont.gov/reg-bul-ord/mortgage-broker-issues>)

B-31 Property Insurance  
(<https://dfr.vermont.gov/reg-bul-ord/property-insurance-prospective-borrowers>)

B-29 Guidance on Non-traditional Mortgage Products  
(<https://dfr.vermont.gov/reg-bul-ord/guidance-vermont-licensees-nontraditional-mortgage-products>)

B-30 Prohibition of Discrimination on the Basis of Gender Identity (<https://dfr.vermont.gov/reg-bul-ord/notice-enactment-act-41-act-related-prohibiting-discrimination-basis-gender-identity>)

B-32 Statement on Sub-prime Mortgage Lending (<https://dfr.vermont.gov/reg-bul-ord/statement-subprime-mortgage-lending>)

B-36 Financial Advisors – Transition Period to MLO  
(<https://dfr.vermont.gov/reg-bul-ord/financial-advisors-transition-period-obtain-mortgage-loan-originator-license>)

B-38 Clarification of Declared Rate for High Rate Loans  
(<https://dfr.vermont.gov/reg-bul-ord/clarification-declared-rate-high-rate-loans>)

B-41 Mobile Home Disclosure  
(<https://dfr.vermont.gov/reg-bul-ord/mobile-home-disclosure>)

B-42 MLO Reasonable Commuting Distance  
(<https://dfr.vermont.gov/reg-bul-ord/mortgage-loan-originators-reasonable-commuting-distance-residence-office-employment>)

B-44 Advertising & Social Media  
(<https://dfr.vermont.gov/reg-bul-ord/advertising-and-social-media>)

B-48 Home Loan Escrow Update  
(<https://dfr.vermont.gov/reg-bul-ord/home-loan-escrow-accounts>)

#### 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.