

Proposed Changes to the NMLS Mortgage Call Report

Request for Public Comments

Proposal 2018-1

February 1, 2018 – April 13, 2018

The State Regulatory Registry invited public comments on the proposed changes to the Mortgage Call Report during a public comment period from February 1, 2018 to April 13, 2018. Six individuals or organizations submitted comments during the comment period.

The comments are included in this document as they were received, without editing. Comments received in email format were copied exactly as submitted and pasted in the comments section of the table with the submitting individual's name and company displayed. Comments received as an email attachment or via USPS are displayed as submitted in their original format. These comments are noted in the table and numbered accordingly as attachments.

Comments are listed in the order received. Comments received without full name or contact information are not included. The Mortgage Call Report Working Group will review the comments and make recommendations to the [NMLS Policy Committee](#). The NMLS Policy Committee will make final approvals for any changes to the Mortgage Call Report and publicly respond to comments received.

NMLS

Request for Comments on
Proposed changes to the Mortgage Call Report

#	Date	Name	Company	Comment
1	2/14/2018	Debbie Kent	Land Home Financial Services	Definition of application – it would be helpful to expand on this to state that this may or may not include non-owner occupied loans as not all are considered commercial/business/investment purpose loans. I330 – can you please clarify if this should include FHA loans that included Mortgage Insurance?
2	3/27/2018	Judith Tribble	Lakeview Loan Servicing, LLC	Ladies and Gentlemen: If it is the true intent of the SRR, please include a blanket statement regarding the applicability of the MCR to 1-4 investment properties, regardless of the reference to a federal regulation or definitions listed in the MCR instructions. The current MCR instructions make references to several regulations which include 1-4 investment properties within their definition/applicability, although some states take exception to this. This has been an untenable situation and battle for lenders. Thank you for the opportunity to comment.
3	4/4/2018	Cheryl Sheppard	First Continental Mortgage, Ltd.	I have reviewed the Proposal 2018-1 for changes to come in 2019 and would like to know when will we be able to view the actual schedules. I will have to release the changes to several departments and they will need to prepare based upon the new changes.
4	4/13/2018	Kobie Pruitt	Mortgage Bankers Association	See attachment 1
5	4/13/2018	Nancy Pickover	Weiner Brodsky Kider PC	See attachment 2
6	4/17/2018	Amy Greenwood-Field	Dentons	See attachment 3



MORTGAGE BANKERS ASSOCIATION

April 13, 2018

Conference of State Bank Supervisors
Attn: Tim Doyle, Senior Vice President
1129 20th St NW, 9th Floor
Washington, DC 20036

RE: NMLS Proposal 2018.1: Request for Public Comments Nationwide Multistate Licensing System (NMLS) Mortgage Call Report

Dear Mr. Doyle:

The Mortgage Bankers Association (MBA)¹ greatly appreciates the opportunity to comment on proposed changes to the Nationwide Multistate Licensing System (NMLS) Mortgage Call Report (MCR) and the fact that the Conference of State Bank Supervisors (CSBS) has sought comment prior to the launch of NMLS 2.0 and the updated MCR. MBA looks forward to receiving an updated timeline to provide its members for the intended roll out of the MCR in light of the delayed release of the redesigned NMLS to Q2 2019. Given the number and scope of systems changes mortgage lenders have in process at any one time, it is important that CSBS work with industry to provide sufficient implementation time. MBA will make every effort to regularly communicate the implementation time frame and expectations to industry participants, both lenders and vendors alike.

Overview

The following summary represents MBA's overall comments:

- The proposed business activities approach has the potential to create issues due to incorrect Company Forms (MU1) and inconsistent state licensing requirements.

¹ The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 280,000 people in virtually every community in the country. Headquartered in Washington, DC, the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of over 2,200 companies includes all elements of real estate finance: mortgage companies, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, and others in the mortgage lending field.

- CSBS must provide the industry with enough time to test the redesigned system prior to its release date in Q2 2019 to effectively prepare for the submission of the MCR.
- MBA members have expressed significant concern that, while well intentioned the proposed Supplemental State Specific Form will create duplicative and costly data reporting without an assurance that states will phase out their state specific reporting requirements.
- Any changes to the MCR financial condition report should maintain or create greater consistency with the federal government housing enterprises' (Fannie Mae and Freddie Mac) Mortgage Bankers Financial Reporting Form (MBFRF).

Transition to a Business Activity Approach for Filing the MCR

MBA appreciates CSBS's effort to simplify the reporting requirements for the MCR. MBA members have indicated that the switch from a standard and expanded filing process to a business activities approach can be a net benefit to the industry. However, MBA would like to flag some potential issues which stem from the proposed change in format.

The proposed Business Activity Wizard may be a potentially useful tool, however CSBS must carefully review how it intends to accomplish its programmatic goal and ensure it is implemented in a way that comports with the divergent laws and regulations of the 50 states and multiple territories. MBA also urges CSBS to ensure that the proposed Business Activity Wizard provides intuitive and clear instructions to system users prior to selecting a state license. Furthermore, CSBS must make clear that the Business Activity Wizard only provides license suggestions and does not mandate a user to apply for the license offered by the system. CSBS must also provide users with an official means to inform individual state regulators why they disagree with the license(s) suggested by the wizard.

In addition, MBA believes the proposal may create inconsistencies due to inaccuracies in the Company Record (MU1) form. States have different designations for certain business activities that may cause lenders to incorrectly indicate that they operate a business activity in a state. For example, a company in the state of Nevada operating as a servicer may indicate on their MU1 that they engage in servicing activities and receive the reporting requirements for a company with a Mortgage Servicer License rather than the fields for those with a Supplemental Mortgage Servicer License. This approach may lead to lenders and servicers receiving and completing incorrect reporting requirements due to inconsistent state licensing definitions. When switching to a business activities approach, it is imperative that CSBS and state regulators ensure that all state licensing requirements are clear, consistent and as accurate as possible from the outset.

Furthermore, the current NMLS system only allows companies to indicate business activities that it currently engages in, and does not account for activities in which a company is planning to begin operations. Thus, if a company applies for a state servicing license in one quarter and the regulator does not grant the license until a subsequent quarter, this company can be required to complete a report on a business activity for which it has yet to begin operations. MBA encourages CSBS to take this circumstance into account when developing the business activities approach for NMLS 2.0. Furthermore, MBA also suggests that the redesigned system allow companies to submit their MCR correctly and accurately indicate their business activities on the MU1 form.

It may be helpful to the industry if CSBS provides data on how the business activities approach is currently being deployed in the Money Services Businesses Call Report. It would be helpful if CSBS also shares how the data will be used to create greater transparency.

There needs to be a commitment by states to update their system settings as laws are passed that alter licensing requirements. A dynamic or business activities approach to licensing cannot function unless there is a concerted effort by states to keep their NMLS system requirements up to date.

Instituting a System Testing and Acclimation Period

CSBS has indicated that it intends to provide MCR filers with an opportunity to review and test the system prior to the proposed NMLS 2.0 release date of Q2 2019. MBA strongly supports a system-testing period ahead of the effective date. It is important that CSBS provide the industry with access to the software and the testing environment for an appropriate period of time in advance of the release: MBA suggests six months. This would allow filers to be more effectively prepared to submit their first MCR under the new requirements. It would also afford small- and medium-size lenders with the opportunity to adequately prepare their internal systems and perform proper checks to ensure compliance with new MCR requirements.

Finally, there needs to be an agreement amongst state regulators that for a reasonable period of time after the launch of the new MCR that they will refrain from any adverse regulatory actions for mistakes that are the direct result of adjusting to the new system, provided lenders have made good faith efforts to implement the changes. This is particularly important for smaller companies that may lack adequate bandwidth to enact changes to their internal infrastructure with a short window for implementation. Smaller organizations often do not have multiple staff specifically devoted to data reporting, and other priorities such as HMDA reform, further constrain limited resources for many companies. In addition, with so few authorized loan origination system (LOS) vendors serving thousands of clients, many of the smaller lenders will have to wait for an extended period of time before a vendor is available to implement the new requirements into their internal systems. States agreeing not to take formal regulatory actions after the launch of the new system, provided lenders have made good faith compliance efforts, would provide small and medium size companies with the opportunity to adequately acclimate to new NMLS standards, and help produce the result regulators hope to achieve.

The Adoption of Supplemental State Specific Form and the Phasing Out of State Reporting Requirements

MBA has long advocated for uniformity in data and reporting disclosures, which includes the MCR. Therefore, MBA supports CSBS' proposal to establish the MCR as the single report required of all state regulators since these efforts hold the promise of establishing a revised uniform data set that will relieve undue burden and reduce costs. A standard data set would also allow lenders to provide better quality and more timely data to regulators and to receive aggregated feedback on report data in order to self-correct future MCR filings.

However, without coupling the inclusion of the Supplemental State Specific Form with assurances that states will concurrently sunset their own data reports outside the system creates concern for many MBA members. The CSBS MCR Working Group has expressed its intent that the MCR Supplemental State Specific Form will help the MCR become a more comprehensive report that will eliminate the need for state reports outside the system because it will capture the state-specific requirements that currently

exist. Notwithstanding the intent of CSBS, if states are allowed to require state-specific information through the MCR without ending their own state reports it is likely to lead to duplicative work that will raise costs on the industry, which cannot easily be absorbed, and will be reflected in prices to consumers.

It is also reasonable to assume that these requirements will not remain static. Additional requirements are likely to result from the passage of new state statutes or promulgation of new state regulations. Therefore, if a state requires additional lending information, it is reasonable to conclude that these requirements will be reflected in future updates of the MCR and the Supplemental State Specific Form. MBA recommends CSBS provide clear instruction to state regulators that the supplemental state specific form will codify current state data requirements and will not be subject to frequent updates due to the enactment of state statute or rules. MBA believes that allowing serial updates to the Supplemental State Specific form would create an additional regulatory burden. Therefore, MBA proposes that the MCR be placed on a seven year review cycle, which would afford states the opportunity to update the state specific form and address new data requirements in a coordinated fashion.

Furthermore, the Supplemental State Specific Form potentially provides states with access to information not authorized for collection by their own state law as a result of data sharing through NMLS. Once provided access to this information, many regulators may require that the data shared with other similarly situated states be a part of their own state specific report. This could substantially increase the data requirements for small- and medium-size companies that may not possess the workforce to handle the additional volume.

The inclusion of the supplemental form at the end of the MCR may also incentivize states to alter their own annual reporting requirements to coincide with the MCR's quarterly report structure. This amounts to an additional burden placed on the industry resulting in additional increased costs that cannot be absorbed and will be passed on to consumers. MBA urges CSBS inform state regulators that the state specific information that they receive through the MCR will be consistent with the state's current reporting cadence.

MBA understands that CSBS is not a regulator and it would only be implementing new state requirements that arise. In addition, it is understood that CSBS also does not have the ability to eliminate existing state reporting requirements by including the state specific information in the MCR because the report may be required by state statute. Consequently, MBA is committed to partnering with CSBS to engage state policy makers regarding the elimination any duplicative reporting requirements. MBA desires an MCR that not only is sufficiently comprehensive to enable regulators to perform their supervisory duties, but that also removes the need for supplemental state specific reports outside NMLS.

Creating Greater Consistency between the MCR Financial Condition and the Mortgage Bankers Financial Reporting Form

MBA does not support any change to the MCR financial condition that would create unnecessary variance from the Mortgage Bankers Financial Reporting Form (MBFRF). Instead, MBA urges state regulators work closely with their federal counterparts to ensure that any change to the MCR financial condition maintain or create greater consistency with the federal MBFRF. The MBFRF is widely accepted by the real estate finance industry and changes to the MCR should be consistent with the data requirements of the MBFRF. Aligning the reporting requirements of the MCR financial condition with the

MBFRF will reduce an expensive and duplicative burden for the real estate finance industry. Again, consistency will ultimately benefit consumers who routinely bear the cost of meeting multiple and duplicative reporting requirements.

MBA urges CSBS to allow mortgage bankers that currently submit the MBFRF to satisfy the financial condition reporting requirement continue to do so under the redesigned MCR. If independent mortgage bankers are required to complete an added report outside the MBFRF it may create a burden especially on small companies that do not have the resources to comply with an additional requirement.

MBA would also like to highlight that switching from the standard and expanded reporting model may be burdensome for brokers that have never been required to complete a financial condition report. Brokers typically do not have the infrastructure to complete the substantial requirements of MCR financial condition report. Therefore, it may be appropriate for brokers to complete a condensed and simplified version of the financial condition report. The inclusion of this new requirement on the financial services community underscores the need for companies to have a period of time to operationalize and test new systems and procedures to submit their filings for the revised call report.

If the reason for the proposed changes to the financial condition is that states have a legitimate concern that they are not monitoring viable institutions and the information provided is insufficient to adequately examine their activities, then MBA would willing to engage in future conversations regarding this issue. It may also behoove CSBS and MBA to include the Financial Accounting Standards Board (FASB) in any future discussion, if CSBS believes there is a need for greater alignment with FASB standards.

Conclusion

The revised MCR proposes updates that could potentially assist the industry in providing state regulators with more accurate, consistent and timely information.

However, MBA would like to emphasize that the proposed changes to NMLS and the MCR are substantial in nature and should coincide with an implementation period that would allow the industry time to adjust to the new data requirements. State regulators should refrain from citing companies for honest mistakes for a reasonable period of time subsequent to the launch of NMLS 2.0 and the new MCR. In addition, a system change to a business activities model may create potential issues with filing the MCR. MBA recommends that CSBS further study the business requirements for implementing business activities approach prior to the NMLS 2.0 release. Furthermore, if the purpose of the revised MCR is to distill divergent reporting requirements into one vehicle, MBA believes that CSBS should also make clear to state regulators the overarching purpose of this revision is to eliminate future divergent reporting. Lastly, any changes to the MCR financial condition should maintain or create greater consistency with the federal government housing enterprises' Mortgage Bankers Financial Reporting Form.

MBA again appreciates the opportunity to comment on the MCR and looks forward to working with CSBS staff and state regulators to ensure that the information sought is consistent with other reporting requirements and any undue regulatory burden is avoided.

Please contact William Kooper, Vice President of State Government Affairs and Industry Relations (wkooper@mba.org) or Kobie Pruitt, Associate Director of State Government Affairs (kpruitt@mba.org)

Sincerely,

A handwritten signature in cursive script, appearing to read "Pete Mills".

Pete Mills
Sr. Vice President, Residential Policy and Member Engagement Mortgage
Mortgage Bankers Association



April 13, 2018

VIA EMAIL

State Regulatory Registry
Conference of State Bank Supervisors
ATTN: Tim Doyle, Senior Vice President
1129 20th St. NW, 9th Floor
Washington, DC 20036
Email: Comments@csbs.org

Dear Mr. Doyle:

On February 1, 2018, the State Regulator Registry, LLC ("SRR") issued proposed changes to the NMLS Mortgage Call Report ("MCR"). Weiner Brodsky Kider PC ("WBK") appreciates this opportunity to comment on the proposed changes.

I. Dynamic MCR

WBK believes that the dynamic MCR is a better way to capture data from companies that are required to submit an MCR. We agree that MCRs should be based on business activities and that companies should only be required to complete the fields of the MCR that are relevant to such companies' specific business activities. This will allow licensees to focus on the areas specific to their business activities and relieve licensees from having to populate other parts of the MCR with zeros in order to complete the report.

We note, however, that the proposal indicates that "the MCR will be required for companies who hold **an approved license type that requires MCR submission.**" *Request for Public Comments, pg. 2, (emphasis added).* We recommend including a definition of "approved license type," as well as expressly specifying which license types require submission of a MCR, and any exceptions to such requirement. This is of special concern to companies that hold a license type that is required for more than one line of business activity, such as the Rhode Island Lender License, which is required for mortgage lenders as well as non-mortgage consumer lenders. Licensees



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that do not engage in mortgage-related activities should not be required to submit MCRs even if they hold a license type that may require MCR submission.

In addition, we note that definitions for business activities can vary, if even slightly, from state to state. It is critical that definitions be provided by each state for each business activity to ensure licensees are providing accurate information for that state.

Further, we note that a company wishing to add a new business activity needs to select such activity as part of the license application process. Immediately upon submission of an application, the NMLS indicates that a licensee is already participating in such activity, even when the licensee is not yet actually conducting, or licensed to conduct, such activity. This will require licensees to provide information in the MCR for an activity that is not yet being conducted. It would be helpful if there were a way to indicate in the NMLS that an activity is in a pending status for a state until licensure is obtained for that activity. In this way, the MCR would be more accurate for that license by requiring only information for actual licensable activity for the given quarter.

II. Comprehensive MCR to Reduce External State-Specific Reporting

WBK agrees with the proposal to add the Supplemental State-Specific Form (“SSSF”), which would allow licensees to report certain state-specific information and which could eliminate the need for licensees to report information to states outside of the MCR. Current reporting requirements outside of the MCR are quite burdensome. Any opportunity to reduce this burden by instead providing information through the NMLS is welcome.

However, state regulators should use the SSSF in lieu of existing reports that are submitted outside the NMLS. States should not use the SSSF to impose new and additional state-specific reporting requirements on licensees, which would not further SRR’s stated goal of eliminating the need for licensees to submit information outside the NMLS.



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III. Other Comments

In addition to the comments above, WBK respectfully requests that the SRR incorporate privacy settings that remove the ability for a state to view MCR data that is specific to other states. Currently, states have the ability to see MCR data filed for all states. Due to this ability, certain states have taken the position that, if they can see the information, they can comment on the information and require changes to information, even if the information submitted is for a different state. WBK notes that certain information provided in the NMLS currently, and anticipated in NMLS 2.0, is accessible only to states that require such information (such as bank account information or resumes). In our view, no state should be allowed to require a licensee to make changes to information that pertains to a different state, as a state is only permitted to license and regulate conduct that falls within its jurisdiction. Removing the states' ability to see information that is not relevant to the license they regulate would prevent states from taking such action. Therefore, we respectfully request that states not be allowed to view data reported in the MCR with respect to activity in other states.

Further, we respectfully request that licensees not be required to correct previously submitted MCR data beyond a certain time period. For instance, if after three years, such data has been reported and not flagged by a regulator as incorrect, a mortgage licensee should not be required to go back and re-submit such data. Alternatively, or in addition, minor or immaterial variances in data should not require mortgage licensees to go back and re-submit such data, similar to the concept of re-submission thresholds under the Home Mortgage Disclosure Act (12 U.S.C. §§ 2801 *et seq.*).

IV. Conclusion

WBK again thanks the SRR for the opportunity to comment on the proposed changes to the MCR. Generally, these changes will help licensees spend less time on reporting and more time on business, which is better for businesses and consumers alike. WBK encourages the SRR to ensure that companies that do not conduct mortgage business, but hold a general license type, such as the Rhode Island Lender License, are not required to submit a MCR. We also encourage the SRR to incorporate privacy settings so that a state can view only its MCR and not MCRs for other states.



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Respectfully submitted,

Weiner Brodsky Kider PC

Aldys London, Esq.

and

Nancy Pickover
Licensing Specialist



Tim Doyle

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April 13, 2018

Respectfully submitted,

Weiner Brodsky Kider PC

A handwritten signature in blue ink that reads "Aldys London". The signature is fluid and cursive.

Aldys London, Esq.

and

A handwritten signature in blue ink that reads "Nancy Pickover". The signature is fluid and cursive.

Nancy Pickover
Licensing Specialist

April 17, 2018

State Regulatory Registry LLC
Conference of State Bank Supervisors
Attn: Tim Doyle, Senior Vice President
1129 29th St NW, 9th Floor
Washington, DC 20036
comments@csbs.org

RE: Request for Public Comments
Proposed Changes to the NMLS Mortgage Call Report

Dear Mr. Doyle:

Dentons US LLP, ("Dentons") submits these comments to the State Regulatory Registry LLC ("SRR") in response to its Request for Public Comments regarding Proposed Changes to the NMLS Mortgage Call Report ("Request"). SRR is seeking comment with respect to changes proposed to the NMLS Mortgage Call Report ("MCR") by the MCR Working Group to update MCR fields and definitions and improve reporting functionality as part of the NMLS Modernization effort.

Dentons supports the effort by the MCR Working Group to develop a comprehensive MCR that includes all necessary information required by regulators so that such requirements do not need to be submitted and tracked outside of the NMLS system and so that the need for reporting of information that is not related to the specific licensed business activities is reduced. While the current proposed changes move toward that ultimate goal, we respectfully provide the following comments to the Request.

I. Business Activities Approach/Dynamic MCR

While Dentons applauds the efforts of the MCR Working Group to transition to a dynamic, business activities and licensed authority based filing, such a transition appears to rely heavily upon each individual regulator appropriately mapping business activities for each available license type.

As you are aware, state laws with respect to company licensing are not uniform. Each state law is uniquely individual to that state. This is especially true when you move beyond traditional origination, brokering and servicing activities and instead attempt to determine the appropriate licenses necessary for secondary market activities, including the purchase and sale of residential whole loans as well as their related mortgage servicing rights ("MSRs"). Where one state may capture all activities under one license, another may have a very different view of where such activities are best regulated or may provide exemptions for certain activities when other licenses are concurrently held.

While certainly each state, recognizing the importance of the transition to a dynamic, business activities and licensed authority based filing, would strive to timely identify all activities encompassed by each unique state license type, this process will require each regulator to accurately identify activities so that they can be appropriately mapped within the system. Industry has been challenged by inconsistencies between interpretations of allowable activities between different states, even where license types appear to be similarly described by applicable state law. Companies have relied on past informal interpretations by state representatives and have also relied on current business activities scheduled in the NMLS for each license type. It is possible that the current business activities associated with each license type may

no longer match as states take the time to specifically identify activities so they can be mapped in the system. There is also a risk of human error in such a large mapping project. Taking these factors into consideration, we propose the implementation of a formally announced safe-harbor for potential underreporting and misreporting by companies due to inconsistencies between past interpretations that are discovered as mapping is performed. In addition, there is concern that regulators would request blanket amendments to be filed should discrepancies be identified during the current mapping process. While we understand that the current system settings allow for filings to be amended for two years after the MCR period end date, we further propose that regulators formally agree that the regulatory focus should be on ensuring that forward-looking data be accurately reported rather than penalizing licensees and asking them to correct data that was reported in good faith and in reliance on past interpretations.

In addition, the Request does not indicate whether all states had the opportunity to comment on and previously agree to the proposed section breakdowns that appear in the Request. For example, the proposed section breakdowns allot MLO sections solely to brokers and lenders. However, some states currently interpret their unique state law as requiring companies that are solely acting as servicers to also have licensed MLOs on staff to oversee loan modification applications that may be received and to negotiate modified terms for those mortgage loans. Although the Request proposes removing the need to report licensed but non-originating MLOs on the MCR, it is possible that under unique circumstances, a MLO employed by a servicer may also have reportable origination volume. With the differences in licensable activities allowed under each state's unique licensing laws, it is possible that the simplest of breakdowns may not capture the nuances of all activities permitted by holding a specific license. Guidance in how regulators intend to address any such gaps in how the current MCR sections are allotted between lending, brokering, and servicing activities within the Request would be beneficial for industry.

While the effort of the MCR Working Group to transition to a dynamic, business activities and licensed authority based filing is appreciated, we look forward to receiving additional information regarding regulator involvement in the mapping process prior to any new MCR being implemented.

II. MCR Definitions, Instructions, and Fields

The majority of the proposed clarifications and changes found in the Request appear to be a compilation of items that have proven to be pain points for industry in the past. However, the proposed changes to the current AC1100 field within the MCR, and the ultimate shift of servicing-related revenue reporting to S1100, do not fully solve the industry issues related to obtaining specific state volume numbers for servicing activities.

Servicers conduct business underneath a variety of lengthy, investor-specific, servicing agreements. Servicing portfolio compensation is not normally broken down on a state-by-state basis, but rather is dictated by the specific terms of the servicing agreement applicable to a specific portfolio and paid by the investor on a whole portfolio basis. Each portfolio may consist of hundreds of loans from a wide variety of states. Because servicing income is not tied specifically to loans by state, it may be difficult for many servicers to arrive at an accurate state-specific number if this reporting is required within the proposed S1100 field. Without confidence that the reported number is accurate, authorized individuals may be hesitant to submit MCR filings given that submission of the MCR requires an attestation that the filing is "true, accurate and complete" for fear of making a false attestation. Industry already reports servicing-related non-interest income at the company level as a line item to the required annual financial condition report filings. Alternatively, we would propose that a comment box be included within the proposed S1100 field for reporting, so that if a company is not able to determine an accurate number and instead submits an estimate based upon the amount of revenue earned from total servicing operations that fact could be clearly disclosed to the regulator.

III. Comprehensive MCR to Reduce External State-Specific Reporting/Supplemental State-Specific Form

The proposal in the Request to include current requirements for state-specific reporting within a supplemental state-specific form, with the goal of reducing and/or eliminating necessary reporting outside of the NMLS is a welcome change, not only for industry but for regulators as well. However, of concern is how the NMLS will track specific current regulatory requirements versus what other regulators may see as information that they may not currently require but would also find beneficial to include as a request for their state. As the NMLS has made it easier for information to be uniformly reported, we have seen an increase in the additional information regulators request from licensees beyond what may have been traditionally requested pre-NMLS. We have also seen regulators adopt requirements and settings within the NMLS that, while the information may assist in the oversight of the license, may not always align with current statutory authority under specific license types. We respectfully suggest that formalized tracking be put in place to capture current requirements and to allow only for future state-specific requirements that are formally required by law after the initial roll-out of the supplemental state-specific form. We would also urge regulators to review current requirements to confirm that the information is still relevant in today's licensing environment and that the information is actually being used for its intended purpose and not gathered pursuant to an outdated internal process.

In conclusion, we appreciate the ongoing work of the MCR Working Group with respect to the development of the MCR and the willingness of SRR to consider comments from industry as a whole. We are happy to answer any questions that may arise in connection with review of Dentons' comments to the Request and look forward to the next MCR version.

Sincerely,

/s/ Amy Greenwood-Field

Amy Greenwood-Field
Counsel