



Description



NEBRASKA INSTALLMENT LOAN COMPANY LICENSE

Who is required to have this license?

Any person that makes, holds, services, or otherwise participates in consumer loans made to Nebraska residents with an interest rate greater than 16% per annum, a principal balance of less than \$25,000, and a duration ranging from 6 to 145 months must obtain this license. This license permits licensees to make loans to Nebraska residents with an interest rate no greater than 24% per annum. A physical branch location in Nebraska is required for licensees who are making installment loans to Nebraska residents, but is not required for mere owners, servicers, or purchasers of installment loans if they are not making such loans. **A branch license application must be submitted for each location at which you conduct business in this state.**

An installment loan company may make residential mortgage loans without obtaining a separate mortgage banker license. An installment loan company making residential mortgage loans is subject to all of the other provisions of the Residential Mortgage Licensing Act ("RMLA"), including the prohibited practices outlined in the RMLA. Mortgage loan originators who originate loans on behalf of an installment loan company must obtain a mortgage loan originator license. Residential mortgage loans are not subject to a cap on the interest rate.

Who does not need this license?

- Delayed Deposit Services Business (licensed separately)
- Mortgage Bankers/Brokers
- Financial Institutions
- Persons making loans to Nebraska residents with an interest rate of 16% per annum or less
- A properly licensed debt collection agency unless it conducts business beyond the scope of such debt collection agency license.

Pre-requisites for license applications?

- Bond amount (Initial amount of \$50,000 per location) plus a \$100,000 supplemental bond if the applicant does not simultaneously hold a separate mortgage banker license and bond
- Application hearing
- A physical branch location in Nebraska is required for lenders who are making installment loans to Nebraska residents, but is not required for mere owners, servicers, or purchasers of installment loans if they are not making such loans.

WHO TO CONTACT – Contact NDBF licensing staff by phone at 402-471-2171 or send your questions via e-mail to dob.consumerfinance@nebraska.gov for additional assistance.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE JURISDICTION SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH THE NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.