S.2155 - Temporary Authority

Professional Standards: Testing and Education
Permits qualified MLOs to originate loans while completing SAFE Act mandated federal and/or state-specific requirements for licensure, such as education or testing.

A qualified MLO does not need to pass the SAFE Act Test or meet pre-licensure education requirements to obtain Temporary Authority.
MLOs need to complete testing, federal and state education requirements within 120 days of their Temporary Authority start date. During this 120-day Temporary Authority period, qualified MLOs are permitted to originate loans.
MLOs should access the Professional Standards link on the NMLS Resource Center and review the **State-Specific Education Chart**.
The **Course Completion and Compliance Record** functionality in NMLS is an integral part of determining if an individual is compliant with Pre-Licensure Education (PE) and Continuing Education (CE) requirements.

An approved course provider has seven calendar days after the end of a course (or in the case of an online self-paced course, from the time the student completes the course) to report (bank) a student’s credits in NMLS.

*Click the Course Completion and Compliance Record to view the Course Completion Quick Guide*
The deadlines above take into consideration the time required to complete education, for information to be reported, and for the education record to be updated in NMLS.
MLOs must pass the SAFE MLO Test, which is composed of either the National Component with Uniform State Content (available since 2013), or the legacy National Component along with the appropriate State Test, which have been retired.

MLOS may need to take and pass the National Test with Uniform State Content (UST) within 120 days of their Temporary Authority start date. The Testing Record in NMLS should be consulted to determine what test requirement must be met. Individuals who have not yet passed the National Test, or any person who did not pass the previously available UST, are required to take the National Test with UST to remain approved after TA has expired.
The next six examples are used to depict common scenarios. These scenarios are not all inclusive and many variations exist. MLOs may confirm testing requirements with the NMLS Call Center.

Be sure to access the Education page located in the Professional Standards section on the NMLS Resource Center and review the State-Specific Education Charts for additional information on PE Expiration, Late CE, Federal and State requirements, and other agency-specific non-education requirements that may need to be completed within 120 days of Temporary Authority start date.

*MLOS that took the National Test before April 2013 may need to take and pass the National Test within 120 days of their Temporary Authority start date. During this 120 – day Temporary Authority period, qualified MLOs are permitted to originate loans.*
**Situation**

Federal registrant has been **with a bank for several years** and has never been state licensed and has not taken and passed the National test.

The registrant is seeking licensure in Missouri.

**Requirement:**

PE = 20 HOURS

Pass the National Test
**Situation**

Federal registrant has been with a bank for several years and has never been state licensed, has not taken and passed the National Test.

The registrant is seeking licensure in Florida.

**Requirement:**

PE = 20 HOURS

Including 2 hrs of FL state-specific education, Pass the National Test
Situation
Federal registrant has been with a bank for several years and had previously been state licensed, has not taken and passed the National Test.

The registrant is seeking licensure in Florida and North Carolina.

Requirement:
Including 2 hrs of FL state-specific and 4 hrs of NC state-specific, pass the National Test.
Situation
Federal registrant has been working for a bank for four years.

The person was state-licensed in Florida and North Carolina in 2015, passed the National Test, did not complete annual CE and the licenses went into a terminated failed to renew status.

Requirement:

**PE** = 24 HOURS

Would need to reapply for MLO license in NC since NC requires the PE be completed within 3 years of the license application.

**CE** = 1 HOUR

Would need to complete FL state-specific Late CE to satisfy the outstanding FL CE requirement for 2015.

*SRR will need to apply 8 hrs of Admin CE to satisfy the remaining 2015 CE requirements which were satisfied through the retaking of PE.*
Situation

Individual currently **maintains an endorsement on their real estate license with CA-DRE.**

The individual is **seeking to expand** and do business in Nevada and Arizona.

**Requirement:**

\[ PE = \text{10 HOURS} \]

4 hrs must be NV state-specific and 4 hrs must be AZ state-specific.

Note: The total for NV is 30 hrs of PE. The scenario assumes that the individual already completed 20hrs of the CA-DRE license and now is required to complete an additional 10 hrs.

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**Situation**

Individual **currently maintains a license in CT**. In response to S.2155, the MLO is seeking licensure in NJ, NY, and MA, passed the National Test in 2011 but no other state tests.

The MLO was **previously licensed in MA in 2015 but didn’t complete CE** and the license went into a **terminated failed to renew status**.

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**Requirement:**

- **NJ License**
  - **PE = 4 HOURS**

- **NY License**
  - **Late CE = 8 HOURS**

- **MA License (1 hr MA state-specific)**, **Pass the National Test to satisfy the testing requirement for all states**
Support

Send questions to NMLS.ED1@CSBS.ORG

Be sure to favorite the EDUCATION PAGE on the NMLS Resource Center