# STATE OF MAINE BUREAU OF CONSUMER CREDIT PROTECTION

**KENNEBEC, SS.**

**IN RE:**

**) UPDATED FEBRUARY 28, 2011**

# TRANSITION TO THE NATIONWIDE ) ORDER GOVERNING

**MORTGAGE LICENSING SYSTEM**  ) **INTERIM PROCEDURES**

**)**

On September 18, 2010 the Bureau of “Consumer Credit Protection issued an “Order Governing Interim Procedures” to provide guidance to applicants transitioning from Maine’s previous “loan officer” registration program, to the Nationwide Mortgage Licensing System (NMLS)-based “mortgage loan originator” licensing program

As we approach the March 31, 2011 deadline for mortgage loan originators to pass the Maine-specific test, it is appropriate to update guidance based on the Bureau’s experiences gained in the transitional phases to date.

The provisions of this updated order supplement the information provided in the original order, except in those areas where the initial order is no longer applicable.

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**1) Initial education requirements**. New applicants must complete 20 hours of NMLS-approved courses to satisfy the pre-licensing educational requirement. Of the total hours, three hours must focus on federal laws and regulations; three hours on ethics; and two hours on non-traditional mortgage products. Current law does not require any minimum number of hours of Maine-law-specific courses.

**2) Tests**. New applicants must pass the national test and the Maine test before licensing. Regarding the group of applicants who qualified for licensure before January 1, 2011 with the exception of passing the Maine test, those individuals must pass the Maine test on or before March 31, 2011 in order to continue originating loans.

**3) Changes in licensing information**. If a mortgage loan originator (MLO) changes jobs, that MLO needs to move quickly, since he or she is not qualified to originate loans from the time of leaving the prior employer, to the time the Bureau approves the MLO in the new job. This is primarily to prevent an individual from originating loans during such time as the Bureau does not have proof that the new employer’s surety bond on file with the state will cover actions by the new employee.

The required process is as follows: 1) the MLO must make changes to his or her NMLS record; 2) the new employer (supervised lender or loan broker) must submit a “Verification of Employment” to the Bureau (included with this order as Attachment A), with the copy of the applicable bond; and 3) the Bureau must approve the change. A $25 “change fee,” payable to “Treasurer, State of Maine,” be remitted to the Bureau to effectuate this approval process.

**4) Felony convictions, bankruptcies and other changed circumstances**. If an event occurs during the licensed term of an MLO that would have required a “Yes” response on the initial application (bankruptcy; judgment or bond claim against the MLO; criminal (felony) charges or conviction; felony charges against any company with which the MLO is associated; regulatory action in any state against the MLO or a related company; financial-related civil action; etc.), the MLO must notify the Bureau in writing within 21 calendar days of the event, by letter, fax or scanned document delivered to [LoanOfficerReg@Maine.gov](mailto:LoanOfficerReg@Maine.gov). Loan originators may continue their work unless otherwise notified by the Bureau. Upon the occurrence of any event that would disqualify an MLO from initially applying (e.g., felony conviction; MLO license revoked in any other state), the MLO’s license is revoked and he or she may not originate any loans.

**5) Call reports**. As of the date of this order, NMLS has not developed a call report designed for individual MLOs. Therefore, the 12-month MLO report developed as an attachment to the Bureau’s earlier order (attached hereto as Attachment B) remains in effect. MLOs should maintain careful “running” data on all loans originated during calendar year 2011, since if HUD or another overreaching authority determines that individual MLO call reports are due in order to comply with the federal SAFE Act, it’s possible that mandate would require such reports on a *quarterly* basis, and theoretically those report requirements could be imposed mid-calendar year 2011.

**6. Renewals**. As set forth in the September, 2010 order, MLOs should keep in mind that all 2012 renewals must be received on or before December 31, 2011. Failure to renew in a timely manner will result in 1) placement of the MLO’s license in a “Terminated – Failed to Renew” status; and 2) imposition of a late renewal fee of $100. Failure to renew and pay the late fee by the last day of February will result in a final termination (“Terminated – Expired”) status on March 1, 2012, at which point an applicant will be required to initiate the application process, including initial NMLS education, from the beginning.

Dated at Gardiner, Maine this 28th day of February, 2011.

Signature of Superintendent William N. Lund \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

William N. Lund, Superintendent

Bureau of Consumer Credit Protection

Attachments: A) Verification of Employment Form

B) Annual MLO Call Report

Exhibit #1

MLO’s NMLS Unique ID Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

MLO Applicant Legal Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**MAINE MORTGAGE LOAN ORIGINATOR (MLO)**

**EMPLOYMENT VERFICATION FORM**

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ here by certify to the best of my

(Name of certifying officer)

knowledge, information and belief, that: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Name of Applicant)

🞏 Is a bona fide W-2 employee **OR** 🞏 Is an exclusive agent

(Only select one)

of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Name of Company or Organization)

and is covered under surety bond number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (copy enclosed) on file with the Maine Bureau of Consumer Credit Protection.

Furthermore, I certify that the employer:

* Holds a Maine Supervised Lender or Loan Broker license number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Enter Maine license number)

* Has a pending application for a Maine supervised lender and or loan broker license.

🞏 Other (explain)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name Print Title Signature Date

STATE OF: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

COUNTY OF: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, to wit:

Sworn and subscribed before me this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public

My commission expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**EXHIBIT #2**

**State of Maine**

**Mortgage Loan Originator**

**Due on or before *December 31, 2011***

**Report of annual residential mortgage loan origination**.

Name of Mortgage Loan Originator:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ NMLS Unique ID #\_\_\_\_\_\_\_\_\_\_

Enter the number and dollar amounts of all residential mortgage transactions you originated in Maine in calendar year 2011, separating those in which you represented a supervised lender from those in which you represented a loan broker.

|  |  |  |
| --- | --- | --- |
| **Type** | **Number of loans** | **Dollar amount of loans** |
| First mortgage loans | |  | | --- | | As lender: | | As broker: | |  | | |  | | --- | | As lender: $ | | As broker: $ | |
| Second mortgages (fixed term) | |  | | --- | | As lender: | | As broker: | | |  | | --- | | As lender: $ | | As broker: $ | |
| Construction loans | |  | | --- | | As lender: | | As broker: | |  | | |  | | --- | | As lender: $ | | As broker: $ | |
| Home equity lines of credit | |  | | --- | | As lender: | | As broker: | | |  | | --- | | As lender: $ | | As broker: $ | |
| Reverse mortgages | |  | | --- | | As lender: | | As broker: | |  | | |  | | --- | | As lender: $ | | As broker: $ | |
| Other (describe) | |  | | --- | | As lender: | | As broker: | |  | | |  | | --- | | As lender: $ | | As broker: $ | |
| **Totals:** | |  | | --- | | As lender: | | As broker: | | |  | | --- | | As lender: $ | | As broker: $ | |

I hereby certify that the statements in the foregoing report are true and correct to the

best of my knowledge and belief.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_

MLO Signature MLO Name (printed) Employer Date