

GUIDANCE DOCUMENT

This guidance document is advisory in nature but is binding on an agency until amended by such agency. A guidance document does not include internal procedural documents that only affect the internal operations of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document.

MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION PROCESS FREQUENTLY ASKED QUESTIONS

I. General Application Questions

Q. How do I apply for a mortgage loan originator license?

A. The Department uses the NMLS to manage mortgage loan originator licensing. All applications must be submitted via the NMLS with an electronic application form. For further information regarding the NMLS, refer to the General Licensing Frequently Asked Questions or to the [NMLS Resource Center](#).

Q. What do I need to do to apply for a mortgage loan originator license?

A. You need to:

- (1) complete 20 hours of pre-license education (22 hours after July 1, 2013),
- (2) meet the pre-license testing requirements,
- (3) submit an application and pay the licensing fee,
- (4) authorize a criminal history report via the NMLS,
- (5) authorize a credit report via the NMLS, and
- (6) submit a citizenship attestation form to the Department via mail, facsimile, or email.

In addition, your employer must submit a sponsorship request to the Department.

Q. What criteria will the Department use to decide whether to grant my license application?

A. The Department is required to make certain findings prior to granting a license.

These findings include:

- (1) that the applicant has never had a mortgage loan originator license revoked in any jurisdiction,
- (2) the applicant has not had a felony conviction or certain misdemeanor convictions involving fraud or dishonesty,
- (3) the applicant has demonstrated financial responsibility,
- (4) the applicant has demonstrated character and general fitness to warrant the confidence of the community, and
- (5) the applicant is sponsored by a licensed or registered company and covered by its surety bond.

Q. Do I personally need to submit the application, or can my employer submit it on my behalf?

A. The NMLS allows either the company or the individual to complete the application. However, if you allow your employer to complete your application, you still must review the application and attest to its accuracy prior to submission to the Department. It is very important that you thoroughly review the application and correct any errors as the Department will hold you responsible for any inaccurate information contained in the application.

- Q. Can I give my employer my password and allow it to complete the application and attest to its accuracy on my behalf?**
- A. **NO!** This is a violation of the NMLS user agreement and could result in disciplinary action being taken. Furthermore, the Department will hold the mortgage loan originator responsible for any inaccurate information submitted in the application.
- Q. How long does it take to process an application for a mortgage loan originator license?**
- A. It depends. The Department conducts an initial review of applications in the order that they are received. Applications without credit, criminal, disciplinary, or other disclosure issues can generally be approved at the time of initial review. Applications with issues may take longer to process and may require the submission of additional information by the applicant.
- Q. I am searching for a job as a mortgage loan originator. Can I submit a license application without being employed by a mortgage banker?**
- A. Yes, but the Department cannot approve the license application until a sponsorship request has been submitted by a mortgage banker licensed or registered in Nebraska. Applications that have been pending more than 120 days with unresolved deficiencies, including sponsorship, are subject to administrative withdrawal.
- Q. I am currently working for a depository institution and am a federally registered mortgage loan originator. I want to take a job that will require me to obtain a state license. Can I get a transitional license to work for my new employer while I complete the pre-license requirements?**
- A. No. Transitional licenses are not allowed under either the SAFE Act or the Residential Mortgage Licensing Act.
- Q. Does the Department issue a paper mortgage loan originator license?**
- A. No. If the Department grants a license, your NMLS status will be updated to an “Approved” status and you will receive a secure email from the Department.
- Q. How can I prove to a customer or vendor that I am licensed in Nebraska without a paper license?**
- A. The NMLS has created a Consumer Access website at www.nmlsconsumeraccess.org. Any person can verify your license status by entering your name or unique identifier in the search field.
- Q. How do I submit required supporting documentation to the Department?**
- A. The NMLS allows individuals to submit documentation related to disclosure questions via the NMLS. If you have multiple events or circumstances to disclose, you must create a separate file for each event or circumstance. All documentation not related to disclosure questions such as the citizenship attestation form must be submitted either via mail or via email to dob.mortgage@nebraska.gov. Please include your name and the NMLS Number in the subject line of such email.

II. Pre-License Education and Testing

Q. Where can I find information about pre-license education?

A. For questions concerning pre-license education, please refer to the pre-license education page on the NMLS Resource Center. The Resource Center has its own set of Frequently Asked Questions concerning pre-license education.

Q. Must I take a course which covers Nebraska state law?

A. Effective July 1, 2013, you must take 2 hours of Nebraska specific pre-license education prior to submitting an application. These hours must be approved by the NMLS.

Q. Where can I find more information about pre-license testing?

A. For questions concerning pre-license testing, please refer to the pre-license testing page on the NMLS Resource Center. The Resource Center has its own set of Frequently Asked Questions concerning pre-license testing.

Q. Will Nebraska accept the Uniform State Test in lieu of its state-specific test?

A. Yes. Effective July 1, 2013, the Nebraska state test will be discontinued.

III. Criminal History Checks

Q. Where can I find more information about criminal history background checks?

A. Information regarding the process for authorizing a criminal history background check can be found at the NMLS Resource Center. The Resource Center has its own set of Frequently Asked Questions concerning the process for obtaining a criminal history report. You may also wish to review the FBI's criminal history background check website at: http://www.fbi.gov/about-us/cjis/background-checks/background_checks.

Q. Will there be follow up criminal history checks at the time of renewal?

A. The Department is not currently requiring authorization of a new background check at renewal.

Q. Are there certain crimes which make me ineligible to obtain a mortgage loan originator license?

A. Yes. The Department cannot grant a license to an individual who has any felony conviction or a conviction of a misdemeanor involving fraud, dishonesty, or any financial industry-related misdemeanor. These are permanent bars and exceed the minimum standards found in the SAFE Act.

Q. I have been pardoned for a felony I committed many years ago. Will I be able to get a license?

A. A pardon removes the ineligibility and the Department can grant a license if you meet all of the other requirements. However, you must disclose the conviction on the NMLS Individual Form, and then submit supporting documentation showing that you have been pardoned.

Q. I have received a court expungement for a felony I committed many years ago. Will I be able to get a license?

A. An expungement removes the ineligibility; however, the Department may still consider the conviction when evaluating your character and fitness to receive a license. You must disclose the conviction on the NMLS Individual Form and upload supporting documentation showing that you received an expungement.

Q. I was charged with a felony. I pled guilty as a condition to entering a diversion program. After completing the diversion program, the charges were dismissed. Will I be able to get a license?

A. The Department would treat this matter the same as it would an expungement. You would not be automatically barred; however, the Department may still consider the conviction when evaluating your character and fitness to receive a license. You must disclose the conviction on the NMLS Individual Form and then upload supporting documentation regarding the diversion program.

Q. Will the Department inform my employer of the results of the criminal background check?

A. No. The criminal background checks are confidential; the Department will discuss the results of the criminal background check only with the mortgage loan originator.

Q. Will the Department give me an opportunity to provide an explanation regarding criminal history prior to denying a license application?

A. Yes. The Department will not take administrative action without first giving the mortgage loan originator the opportunity to provide an explanation regarding any issues found on a criminal history report. Unless you provided information at time of application, the Department will contact you via secure email to request information pertaining to the information which appears on the criminal background report.

Q. What type of information will I need to provide to the Department regarding my criminal convictions?

A. You will need to provide copies of court documents which show both the charge and the disposition of the case.

IV. Credit Reports and Financial Responsibility

Q. Where can I find more information about authorizing a credit report?

A. Information regarding the process for authorizing a criminal history background check can be found at the [NMLS Resource Center](#). The Resource Center has its own set of Frequently Asked Questions concerning the process for authorizing a credit report.

Q. Will the Department review my credit report as part of my license renewal application?

A. Yes. You will need to authorize the pulling of a credit report at time of renewal. If you authorize a credit report on or after October 1st, you will not need to resubmit a new credit report.

- Q. What factors will the Department consider in determining whether I am financially responsible?**
- A. The Department will consider several factors, including, but not limited to, tax liens, judgments, delinquent accounts (*this would include both current delinquencies and past patterns of delinquency*), and foreclosures. The Department has issued Interpretative Opinion No. 4 which further outlines the process the Department will use in reviewing financial responsibility.
- Q. Will the Department consider my credit scores in making a decision?**
- A. The Department will not use credit scores as the sole basis for denying a license application.
- Q. I recently had a medical issue and I could not pay the bill. A debt collector is now contacting me. How will this impact a decision on my license application?**
- A. The Department will not consider medical debts and judgments solely related to medical debts in making a decision on a license application. However, it is the applicant's responsibility to provide sufficient documentation to establish that the debts are medically related.
- Q. I filed for bankruptcy. Will I still be able to get a mortgage loan originator license?**
- A. A bankruptcy does not automatically disqualify an applicant. See Interpretative Opinion No. 4 for further details concerning bankruptcy.
- Q. The mortgage market has been tough for the last few years and as a result I have had some credit problems. Will I get the chance to explain these issues to the Department?**
- A. Yes. If the Department has concerns after reviewing the credit report, it will contact you and ask for an explanation. If there are outstanding delinquencies, you will also need to provide the Department with a plan to resolve these issues. The Department will consider the information submitted by you in making its decision.
- Q. What type of information will I need to submit to the Department regarding negative items on my credit report?**
- A. You must submit the information requested of you by the Department in a secure email. See Interpretative Opinion No. 4 for additional information.
- Q. Will it be possible for me to get more time to work out my financial issues rather than the Department denying my license application?**
- A. There may be certain circumstances in which the Department might determine that a conditional license is appropriate. The license would be conditioned upon the mortgage loan originator taking actions to improve his or her credit situation and to provide additional information to the Department. In certain situations, the Department may give you the option to withdraw your application to work on the financial issues. Once resolved, you could reapply for the license.

- Q. Will the Department share the credit report information with my employer?**
A. The Department will only contact the mortgage loan originator regarding his or her credit report, and will not share information from the credit report with any person other than the mortgage loan originator.

V. Citizenship Attestation

- Q. Why do you require me to submit a form verifying that I am a citizen of the United States or otherwise in this country legally?**
A. Nebraska enacted a law that requires all state agencies to verify legal status before giving any benefit to any individual. The law defined benefits to include professional licenses; therefore, the Department must verify that every person applying for a mortgage loan originator license is either a United States citizen or a qualified alien.
- Q. If I am a United States citizen, do I need to submit any proof other than the form?**
A. No. The only document you need to submit is the Citizenship Attestation Form. You do **not** need to send photocopies of passports or drivers licenses.
- Q. Can I email the form to the Department, or must you have an original?**
A. You may email the completed form to dob.mortgage@nebraska.gov. The Department does not require the submission of an original version of the form. To assist the Department in processing the application, please include your NMLS unique identifier in the email's subject line.
- Q. I am not a citizen of the United States, but I am a permanent resident. May I still obtain a mortgage loan originator license?**
A. Yes. You will need to provide the information required by the Citizenship Attestation Form. The Department will use the information to verify your legal status through a database established by the federal government.
- Q. I live and work outside of the United States. Am I able to obtain a mortgage loan originator license?**
A. There is an exception in the law which allows the Department to grant a license to an individual who lives and works outside of the United States. You would, however, have to meet all of the requirements of the Residential Mortgage Licensing Act prior to the Department granting you a mortgage loan originator license.

VI. Fees

- Q. What is the fee for a new license?**
A. The Department's application fee for a new license is \$150.00. In addition, the NMLS charges a \$25.00 processing fee in connection with a new application, for a total fee of \$175.00.

Q. What is the fee for a criminal background check?

A. The fee for an electronic criminal background check is \$39.00. The cost for a paper fingerprinting is \$49.00. Criminal background check fees are subject to change and you should review the NMLS Resource Center for any changes to these amounts.

Q. What is the fee for the credit report?

A. The fee for a credit report is \$15.00. Credit report fees are subject to change and you should review the NMLS Resource Center for any changes to these amounts.

Q. If after I submit an application I decide I no longer need the license, are the fees refundable?

A. No. All fees are nonrefundable.