NMLS Release 2013.1 Release Portfolio

Scheduled for Release: March 18, 2013

The purpose of this portfolio is to communicate system enhancements targeted for Release 2013.1. Targeted system enhancements and updates listed in this portfolio are committed to Release 2013.1. However, as development proceeds, it is possible changes will be made to the approach to some enhancements or some of the enhancements may be removed from the release.

Roadmap enhancements targeted for Release 2013.1 are as follows:

- **Agency Fee Invoicing:** This functionality will allow state agencies to invoice licensees for various fees through NMLS. Licensees can pay agency invoices through the current NMLS payment process.
- **Authorized Agent Management:** Money transmitters will have the ability to submit periodic reports regarding authorized agents to regulators through NMLS. This functionality will assist regulators with the supervision and monitoring of money transmitters and their authorized agents.
- **Implementation of Uniform State Test Component:** NMLS is being updated to allow state regulators to adopt the newly created Uniform State Test Component in lieu of existing State-specific Test Components to satisfy the SAFE Test State Component Requirement. The new functionality will allow mortgage loan originators to enroll for and take the Uniform State Test Component.
- **NMLS Consumer Access – Federal Disciplinary Actions:** NMLS Consumer Access will now include the display of self-reported disciplinary actions for federally registered MLOs. Disciplinary action information is comprised of details provided by a mortgage loan originator regarding yes responses to Disclosure Questions on an application for federal registration in the Federal Registry of NMLS.

Agency Fee Invoicing

SUMMARY: This functionality will allow state agencies to invoice licensees for various fees through NMLS. Licensees can pay agency invoices through the current NMLS payment process.

Invoice Creation and Management

State agencies will have the ability to invoice current, pending, and past company and individual licensees through this functionality. There are two options available for invoice entry: manual invoice entry or a bulk upload utilizing CSV upload functionality. State agency users will have the option to enter an Agency Invoice Number to link the invoice to another accounts receivable system and the option to add a PDF attachment with additional details of the charges. Regulators will be able to edit unpaid invoices to add/update the Agency Invoice Number and/or PDF attachment. Regulators will also have the ability to cancel an unpaid invoice. A new user role will be created for the entry and management of agency fee invoices. Account Administrators will have the role by default, and the role must be assigned to the appropriate users after the release.

Outstanding Invoice License Item

When an invoice is created, the system will place a license item on the license that is linked to the invoice. The external note of the license item will contain certain metadata from the invoice. State agency users will have the opportunity to modify the license item to add additional information. The license item will be cleared when a payment has been processed or the regulator cancels the invoice.

Invoice Display

Invoices will display for licensees in the Invoice sub-menu under the Home tab. The invoice display will be modified to include the agency that created the invoice and the due date of the invoice. Unpaid invoices will have a disclaimer about a potential convenience fee for payments made via credit card (see below).

Invoice Payment and Convenience Fees

Invoices will be paid through the current NMLS payment process. Invoices paid via credit card will be subject to a convenience fee, which will be added during the payment process. The convenience fee will be a percentage of the total invoice amount. Invoices paid via ACH are not subject to this convenience fee.

Notifications and Reports

New notifications and reports associated with agency fee invoicing are in the General Enhancements section below.

SCR Number	Title		SCR Number	Title
271038	Agency Fee Invoices		**271039**	Bulk invoice creation (upload)
271057	System generated emails		**271352**	External note for license item to be derived by NMLS
271295	Instructional text and error messages		**271360**	Fee events (production values)
271056	Single invoice management		**271064**	License type codes for regulators
271359	Labels for invoice and license item components		**272244**	Credit Card Convenience Fee
271052	Single invoice creation		**272819**	Reactivate Agency Fee Invoices in 2013.1
271053	License item management		**273214**	Agency Invoice Report Convenience fee column

Authorized Agent Management

SUMMARY: Money transmitters will have the ability to submit periodic reports regarding authorized agents to regulators through NMLS. This functionality will assist regulators with the supervision and monitoring of money transmitters and their authorized agents.

Authorized Agent Upload

Licensees will be able to upload their authorized agent information via a CSV upload. Companies will provide specific information about the authorized agent such as legal name, EIN, physical and mailing address, contact person, and relationship history information. Companies will also indicate if the authorized agent operates in multiple states. Users will need to attest prior to submitting a file. All records in the file must pass validation prior to the file being accepted. When an authorized agent is uploaded, the physical address is validated and standardized using a third-party address validation service. This address is then paired with the EIN to create a unique authorized agent base record which is assigned a unique identifier. This unique identifier will be independent of the NMLS ID used for licensed entities. The relationship history between these authorized agent records and licensees will be available in composite view for Regulators. A new role will be created and assigned by default to Regulator users who currently have the Composite role when the release goes live. A new company user role will be created to manage authorized agent uploads.

Authorized Agent upload files will be required on a quarterly basis and enforced by license item. Companies can provide files on demand as some regulators may require files on a more frequent basis. Companies will initially upload all authorized agents, but in subsequent uploads they will submit only new authorized agents, those authorized agents whose information had changed, or authorized agents with a terminated relationship with the licensee. If there were no changes, there will be an option for users to attest that there were no changes.

Authorized Agent License Item

There will be a new license item created to alert companies that updated authorized agent information is required to be submitted. These license items will be system set quarterly and can also be set by regulators as they may require an upload file on a more frequent basis. The license item will be cleared upon submission of a fully validated authorized agent upload file and can also be manually cleared.

Regulator Worklist

A Regulator worklist item will be generated once the authorized agent file is accepted. This worklist item will be created for all regulators relevant to the licensee. Existing worklist item functionality will apply to these worklist Items.

Authorized Agent Management (cont'd)

Composite View

Regulators will have the ability to view authorized agent relationship history in composite view. They will have the ability to search by the authorized agent's NMLS-assigned identifier, EIN, or legal name, as well as restrict the search for authorized agents physically located within their state. The authorized agent record will have an indication if the EIN is associated with a pending, transition requested, active, or terminated licensee. The system will display all companies for which an authorized agent has a relationship, regardless of the company's relevance to the regulator.

Notifications and Reports

New notifications and reports associated with the authorized agent functionality are summarized in the General Enhancements section below.

SCR Number	Title		SCR Number	Title
270164	NMLS-Authorized Delegates (parent SCR)		**272486**	Data Encryption
272482	AD Composite for Regulators - Search for AD and Search Results		**272488**	Instructional Text
272484	AD Composite for Regulators - View AD record update history		**272721**	License Type Settings (Production Values)
272483	AD Composite for Regulators - View Company AD Relationship Record/AD Detail		**272467**	Process AD File
272472	AD License Item Management - Clearing		**272473**	Regulator Worklist Item Creation
272471	AD License Item Management - Creation		**272475**	Regulator Worklist item Management
272479	AD Relationship Roster Report for Company		**272468**	System-generated emails for Companies for AD File Uploads
272476	AD Relationship Roster Report for Regulators		**272466**	Upload AD File to NMLS
272470	Address Validation Service Interface		**272469**	View Upload File History/Rejected File for Company
272485	Data Download Impacts			

Implementation of Uniform State Test Component

SUMMARY: NMLS is being updated to allow state regulators to adopt the newly created Uniform State Test Component in lieu of existing State-specific Test Components to satisfy the SAFE Test State Component Requirement. The new functionality will allow mortgage loan originators to enroll for and take the Uniform State Test Component.

Adoption and Availability of Uniform State Test

For any state regulator adopting the Uniform State Test, NMLS will replace the existing state-specific component with the Uniform State Test. For individuals holding a license or seeking licensure in a state that has adopted/may adopt the Uniform State Test:

- A Stand-alone Uniform State Test will be available for a limited time. Otherwise, the Uniform State Test will be delivered in conjunction with the National Test component.
- The state-specific test will be delivered to satisfy any open enrollment paid for prior to the adoption of the Uniform State Test.
- The National test component will be delivered to satisfy any open enrollment paid for prior to the availability of the National with Uniform State Test.
- Eligibility for Uniform State Test enrollment will be determined by NMLS based on existing test results and open enrollments for the individual.
- The score for the Uniform State Test will be combined with the score for the National Test component to determine a final National with Uniform State Test score.
- If a state regulator adopts the Uniform State Test, any individual who has an official passing score on the state's state-specific test will continue to be compliant with the state test component requirements for that regulator.

Additional information regarding the Uniform State Test and adopting state regulatory agencies will be posted to the NMLS Resource Center as it becomes available.

Company Test Enrollment Changes

Companies will be able to select and pay for tests for a single mortgage loan originator (MLO) using one of three options: (i) Select by State – identify the state where a license request is to be submitted for the MLO and select from applicable tests; (ii) National Test – select the national test; or (iii) List of Eligible Tests – select from a list of tests the MLO is eligible to take. Companies still will be able to enroll a group of MLOs by test using the Group Enrollments by Test option.

Implementation of Uniform State Test Component (cont'd)

Individual Test Enrollment Changes

Individuals will be able to select and pay for tests using one of three options: (i) Select by State – identify the state where a license request is to be submitted and select from applicable tests; (ii) National Test – select the national test; (iii) List of Eligible Tests – select from a list of tests the individual is eligible to take.

Completeness Check/Warning Updates

- Existing warning messages regarding Pre-licensure Education and Testing compliance will be removed since NMLS allows states to control for compliance via completeness check at application.
- The completeness check for Testing Compliance will be updated to reflect the licenses an individual has not yet achieved compliance for instead of listing the test components.

Professional Requirements Tab Renamed – MLO Testing & Education

To better indicate functionality available under the Professional Requirements tab, the tab is being renamed MLO Testing & Education. References to that tab throughout the system and supporting documentation are being updated to reflect the new tab name.

Composite View

The View Testing Information screen will be updated to display Uniform State Test results. In addition, information regarding Failed Tests Replaced by Uniform State Test Results will be available through a link from the page.

Reports

Updates to Pre-Licensure Education and Testing Compliance/Non-compliance reports for Regulators and Companies are summarized in the General Enhancements section below.

SCR Number	Title		SCR Number	Title
272604	Uniform State Test (parent SCR)		**272983**	Professional Requirements tab to be renamed to Testing & Education
273169	Completeness check message for test non-compliance.		**272612**	SAFE Certification impacts - TEST ONLY
272609	Composite display of Test Results		**272610**	SAFE Test Compliance via Individual filing completeness check
272613	Datafix process for states adopting UST		**272606**	Test Enrollment wizard changes
272618	Instructional Text for Test Enrollments wizard		**272607**	Test Result processing
273160	Instructional Text for Test Results in Composite		**272611**	Testing and Education Compliance report impacts

NMLS Consumer Access – Federal Disciplinary Actions

SUMMARY: NMLS Consumer Access will now include the display of self-reported disciplinary actions for federally registered MLOs. Disciplinary action information is comprised of details provided by a mortgage loan originator regarding yes responses to Disclosure Questions on an application for federal registration in the Federal Registry of NMLS.

Changes to Individual Record Display

- *New Disciplinary Actions Indicator and Section* – A new disciplinary action indicator and section are being added to Consumer Access. The indicator will identify whether Disciplinary Actions exist for the individual and the section will provide details of any disciplinary actions. The indicator and section will always display for mortgage loan originators who have viewable federal mortgage loan originator registrations. The indicator will also display for individuals with viewable state licenses if they have reported a disciplinary action in NMLS. Finally, the section will display without the indicator for individuals that held an active federal registration and reported a disciplinary action in NMLS, but currently do not have a viewable federal registration or state license.
- The following self-reported disciplinary action fields will be displayed in Consumer Access: Action Type, Authority Type, Name of Authority, Date of Action, Disciplinary Action Detail, Applicable Questions and Supporting File. Disciplinary action information associated to a posted State Regulatory Action will reference information posted by the state regulator and displayed in Consumer Access.

SCR Number	Title		SCR Number	Title
272455	Incorporate Federal Disciplinary Actions into Consumer Access (parent SCR)		**272458**	Individual Detail display
272456	Disclosure Question text for Consumer Access		**272683**	Remove encryption for FDA Detailed Description
272457	Data extraction for Federal Disciplinary Actions		**272642**	Same Day Removal of FDA from CA
272641	FDA indicator and section display rule		**272535**	Text updates for disclaimer language and help text

General Enhancements

NOTIFICATIONS

New and Updated Notifications (State Context)

Agency Fee Invoicing

- The following system emails will be sent to company account admins and financial admins or to the individual licensees when an invoice is generated:
  - Invoice has been Generated (Company or Individual, nightly)
  - Invoice Cancelled (Company or Individual, real-time)
  - Invoice Due (Company or Individual, nightly), sent the morning the invoice is due
  - Invoice Past Due (Company or Individual, nightly), sent when the invoice is 30 days past due

Authorized Agent

- Two new subscribable notifications* related to the authorized agent upload:
  - Authorized Agent File Processing Complete (Company, real-time)
  - Authorized Agent File Processing Failed (Company, real-time)
- The existing notifications related to license items will apply to the newly created license items

**Subscribable notifications will be sent to Company Account Administrators unless other company users are designated as notification contacts for the new notifications using the Manage Notifications option under the Admin tab in NMLS.*

REPORTS

New and Updated Reports (State Context)

Authorized Agent

- *Authorized Agent Relationship Roster Report (Company)* – This new report will be available to company users with the reports role and will include the data contained in the authorized agent upload file in addition to the authorized agent unique identifier and the date and time the authorized agent was initially uploaded and last updated. This report will contain only authorized agent information submitted by the company and will not display information about the authorized agent that has been submitted by another company. There will also be a filter to exclude authorized agents with a terminated relationship.
- *Authorized Agent Relationship Roster Report (Regulator)* – This new report will be available to regulator users with the reports role and will include the data contained in the authorized agent upload file in addition to the authorized agent unique identifier, if the authorized agent is associated with multiple licensees, if the EIN of the authorized agent is associated with a company record in NMLS, as well as the date and time the authorized agent was initially uploaded and last updated. There will be a filter to exclude authorized agents with a terminated relationship, include only authorized agents physically located in the regulators state (selected by default), and include only authorized agents who operate in multiple states.

PE and Testing Non-Compliance Report (Regulator) – Updated Report

- *Filter Removed* – Compliance Type filter options (Pre-licensure, National, and State) are being removed. Instead, the report will display data for any MLO who is non-compliant with any requirement based on data available in the data warehouse on the date the report is requested.
- Report logic is being updated to look at Uniform State Test results to determine if an MLO should be included in the report as non-compliant.

PE and Testing Compliance Report (Regulator) – Updated Report

- *Filter Removed* – Compliance Type filter options (Pre-licensure, National, and State) are being removed. Instead, the report will display data for each MLO who has become compliant with one or more requirements since the user defined date.
- For regulators who have adopted the Uniform State Test, the report will be updated to reflect the earliest pass result an MLO has for: (i) either the National Component or the National with Uniform State Test for the national component requirement; and/or (ii) either the state-specific test or the National with Uniform State Test for the state component requirement.
- **NEW COLUMN –** A State Test Name Column will be added to identify the name of the test the MLO passed to become compliant with the State Test component requirement.
- Testing policy states that an MLO has not complied with the National or State Test component requirement until an official pass result has been reported to NMLS. The date being provided in the National Test Passed On and State Test Passed On columns prior to the release has

been based on the date the test was taken. In order to coincide with testing policy, the report will be updated to reflect the date the pass result was reported to NMLS instead of the date the test was taken in these columns.

PE and Testing Non-Compliance Report (Company) – Updated Report

- *Filter Removed* – Compliance Type filter options (Pre-licensure, National, and State) are being removed. Instead, the report will display data for any MLO who is non-compliant with any requirement based on data available in the data warehouse on the date the report is requested.
- Report logic is being updated to look at Uniform State Test results to determine if an MLO should be included in the report as non-compliant.

PE and Testing Compliance Report (Company) – Updated Report

- *Filter Removed* – Compliance Type filter options (Pre-licensure, National, and State) are being removed. Instead, the report will display data for each MLO who has become compliant with one or more requirements since the user defined date.
- For regulators who have adopted the Uniform State Test, the report will be updated to reflect the earliest pass result an MLO has for: (i) either the National Component or the National with Uniform State Test for the national component requirement; and/or (ii) either the state-specific test or the National with Uniform State Test for the state component requirement.
- The State Test Name column header label will be changed to Test Name. The column will now display the name of the test the MLO passed to comply with the National Test requirement in addition to the name of the test the MLO passed to comply with the State Test requirement.
- Testing policy states that an MLO has not complied with the National or State Test component requirement until an official pass result has been reported to NMLS. The date being provided in Effective Date column for National Test and State Test Compliance Types prior to the release has been based on the date the test was taken. In order to coincide with testing policy, the report will be updated to display the date the pass result was reported to NMLS in the Effective Date column. In addition, Date Compliance Reported column header label will be changed to Date PE Compliance Reported/Test Taken. As named, the column will display the date PE Compliance was reported to NMLS or the date the test was taken, as appropriate.

General Enhancements (cont'd)

SCR Number	Title	Description	Context
Additional general enhancements to be determined.			

System Maintenance Updates

SCR Number	Title	Description	Context
To be determined.			