



**MARYLAND COMMISSIONER OF
FINANCIAL REGULATION
INDUSTRY ADVISORY
REGULATORY GUIDANCE**



November 21, 2023

RENEWAL REMINDERS

The NMLS License Renewal Process for licensing period 2024 started on November 1, 2023 and ends December 31, 2023. Licensees who want to be assured that there is no interruption in their ability to do business in Maryland after December 31, 2023 should submit their license renewal requests by **December 17, 2023**.

Please read this alert carefully and thoroughly for important information regarding the application renewal process, including key deadlines, new bond amounts, and frequently asked questions.

General Reminders and Important Deadlines

Here are a few general reminders applicable to all licensee categories:

- **Review and satisfy NMLS Renewal Checklist.** All licensees should review the Maryland NMLS renewal checklist for their license category prior to submitting a renewal application. All requirements set forth in the checklist must be satisfied **before** the renewal application will be approved.
- **Submit renewal requests by December 17, 2023.** Licensees are strongly encouraged to submit their license renewal requests by December 17, 2023. If your renewal request is submitted by that date, and the Commissioner has not acted on the license renewal application by December 31, 2023, the license will remain active, and you may continue conducting business in accordance with the statute.
- **Licensees that submit an application after December 17 and do not receive an approval by December 31 must cease doing business.** If your renewal request is submitted after December 17, 2023, and the Commissioner has not acted on the license renewal application by December 31, 2023, the license will expire on December 31, 2023, and **you must cease conducting business until the renewal is approved.**
- **No more paper licenses.** Paper licenses were eliminated effective October 1, 2021. You will not receive a paper license for 2024. Your NMLS record now functions as your license; as long as your Maryland license is in an approved status in NMLS, your license is valid and active.
- **No renewal of branch licenses for 2024.** Effective July 1, 2023, the Office of Financial Regulation (OFR) ceased issuing, maintaining, and renewing individual licenses for branch

locations and there will be no license fee associated with those locations. This treatment applies to all business types licensed by OFR or by the State Collection Agency Licensing Board. The licenses for all branches currently managed in NMLS will be terminated in NMLS on December 31, 2023.

- **Must be in good standing.** You must be in good standing with the Maryland Department of Assessments and Taxation in order to renew your license. OFR will review online records for all licensees required to submit a Maryland good standing certificate and if those records do not reflect that an entity is in good standing with Maryland at the time of that review, the licensee will be required to provide proof of Maryland good standing before the renewal application will be approved.
- **Clear all license items for auto-renewals.** For license categories that are subject to auto-renewal, all outstanding license items must be clear before the auto-renewal will apply. The OFR will auto-renew the following categories via NMLS five (5) days after the request is submitted. Auto-renewals apply to the following license categories: (1) Collection Agency License; (2) Consumer Loan License; (3) Credit Services Business License; (4) Debt Settlement Services Provider Registration; (5) Installment Loan License; (6) Money Transmitter License; (7) Sales Finance License; (8) Check Cashier License/Registration; and (9) Mortgage Loan Originator License.
- **Registrations must be renewed.** As with licenses, registrations must be renewed annually. You must review the information in your NMLS record, make any necessary updates to ensure accuracy, and submit a renewal request.

Changes to Surety Bond Amounts

Maryland law regarding surety bonds has changed. Ensure that you have sufficient surety bond coverage if required for your license.

New Bond Requirements for Mortgage Lenders

If you engage in more than one of the activities shown below, your bond must satisfy the highest applicable requirement (figures are for Maryland only):

- Brokering/Lending (prior 12 months):
 - No lending (brokers) or lent \$5MM or less in the prior year: \$50k.
 - Lent >\$5MM to \$25MM: \$100k.
 - Lent >\$25MM to \$100MM: \$250K.
 - Lent >\$100MM to \$250MM: \$500k.
 - Lent >\$250MM: \$750k.
- Servicing
 - Total MD servicing portfolio (includes loans serviced under MSRs, loans subserviced for others, and loans subserviced by others) \$10MM or less: \$50k.
 - Total MD servicing portfolio >\$10MM to \$100MM: \$100k.
 - Total MD servicing portfolio >\$100MM to \$1BN: \$250K.
 - Total MD servicing portfolio >\$1BN to \$5BN: \$500k.
 - Total MD servicing portfolio >\$5BN: \$750k.

New Bond Requirements for Collection Agencies

The Board has determined that, at this time, a bond in the amount of \$50,000 will be required for all licensees. You must provide a bond in that amount at the time of renewal for 2024. Please be aware that the board may require you to increase your bond amount in the future.

New Bond Requirements for Money Transmitters

Money transmitters are now required to maintain a bond in an amount that is the greater of \$150,000 or 100% of the applicant's average daily money transmission liability in the State calculated for the most recently completed quarter, up to a maximum of \$2,000,000.

Frequently Asked Questions

MORTGAGE LOAN ORIGINATORS

Q: Where can I find general compliance-related information for MLO's?

A: OFR's website has [resources](#) for MLO's about licensing requirements, applicable laws and regulations, industry advisories and so much more. We recently published an instructional video for current Maryland Mortgage Loan originators. The video highlights license renewal and maintenance requirements and offers answers to frequently asked questions along with other tips. You can watch the video [here](#).

Q: What is Maryland's continuing education requirement?

A: Unless you completed pre-licensing education in 2023, you must complete at least 8 hours of continuing education. See details on the [state-specific education chart](#) on the NMLS Resource Center. Your continuing education must be reflected in your NMLS record. Please remember that it may take up to seven days for completed courses to appear in your record.

Q: Can I renew my license if I have an outstanding tax liability with the State of Maryland?

A: No. You must resolve any outstanding personal income tax, business tax and/or unemployment insurance liabilities with the State of Maryland before a renewal application can be approved by OFR. If you have unpaid liabilities, OFR must receive verification from the Comptroller of Maryland that you have paid, or satisfactorily arranged for payment of, State taxes. Contact the following, if applicable:

- Income Tax: 410-974-2432
- Business Tax: 410-649-0633
- Unemployment Insurance Tax: 410-767-2699

MORTGAGE LENDERS

Q: Does Maryland have a continuing education requirement for persons other than mortgage loan originators?

A: Yes. Certain covered employees must complete continuing education annually.

Complete continuing education requirements. Each "covered employee" of a licensee must satisfy the following continuing education requirements:

- 3 hours of federal law and regulations;
- 2 hours of ethics that shall include on instruction on fraud, consumer protection, and fair lending issues;

- 2 hours of training related to lending standards for the nontraditional mortgage product market; and
- 1 hour of instruction on Maryland mortgage-related laws.

A "covered employee" means the manager of each corporate office and branch office licensed, or required to be licensed, by OFR. A covered employee does not include a manager of the licensee who has been an employee for less than six months before the expiration date of the licensee's current license *and* has had no prior experience as a manager of any other licensee. Note that the elimination of individual branch licenses did not alter the requirement for branch manager continuing education.

More Information

For assistance in completing the renewal process, contact the NMLS Call Center at 1-855-665-7123. Questions relating to Maryland licensing requirements may be sent to Arlene Williams, Director of Licensing, at 410-230-6068 or arlenef.williams@maryland.gov.

The Office of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's banking and financial services regulatory agency. For more information, please visit our website at www.labor.maryland.gov/finance.

