



NOTICE OF PRECOMMENT DRAFT & ONLINE WEBINAR
RMLO NMLS Registration Rule
November 21, 2024 at 2:30 p.m.

The Office of Consumer Credit Commissioner (OCCC) will hold an online webinar on November 21, 2024, at 2:30 p.m. During the webinar, the OCCC will discuss the November 6 precomment draft of amendments to the OCCC's rule on NMLS registration. The OCCC will also accept informal written precomments until 5:00 p.m. on November 22. The OCCC plans to present this rule action for proposal at the Finance Commission's December 13 meeting.

Summary of Rule Amendments

Under Section 14.109 of the Texas Finance Code, the OCCC is authorized to require use of the Nationwide Multistate Licensing System (NMLS) for certain license and registration types. During calendar year 2025, the OCCC intends to begin a phased process of migrating license groups from the OCCC's current licensing platform, ALECS, to NMLS. The OCCC believes that moving to NMLS will improve the user experience of the licensing system and promote efficiency for multistate entities.

The OCCC's rule at 7 Tex. Admin. Code Section 2.102 relates to registration with the Nationwide Multistate Licensing System (NMLS) for residential mortgage loan originators (RMLOs). Currently, Section 2.102(b) provides that entities providing residential mortgage loans are not required to register with NMLS. The proposed amendments would remove this language at Section 2.102(b), supporting the OCCC's efforts to begin migrating license groups to NMLS.

The OCCC invites stakeholders to comment on these proposed rule amendments.

Participating in Webinar

Stakeholders are invited to listen and participate in the online webinar. Please follow the instructions available at: <https://attendee.gotowebinar.com/register/101796528128784219>

Submission of Informal Precomments

Informal precomments on the draft rules may be submitted by email to rule.comments@occc.texas.gov, or by mail to Matthew Nance, General Counsel, Office of Consumer Credit Commissioner, 2601 North Lamar Blvd., Austin, Texas 78705.

Precomments submitted to the OCCC are generally public. Please redact all confidential information before submitting precomments to the OCCC.

Informal precomments on the OCCC's November 6 precomment draft must be received by 5:00 p.m. on November 22, 2024.

OCCC RMLO NMLS Registration Rule Amendments
11/6/2024 Precomment Draft

Title 7, Texas Administrative Code

Part 1. Finance Commission of Texas

Chapter 2. Residential Mortgage Loan Originators Regulated by the Office of Consumer Credit Commissioner

Subchapter A. Application Procedures

§2.102. Registration with Nationwide Mortgage Licensing System and Registry

(a) Individuals. Individuals applying for a license with the OCCC and who, for actual or expected compensation or gain, take a residential mortgage loan application, or who offer or negotiate the terms of a residential mortgage loan, are required to register with NMLS, except for individuals engaged in authorized activity subject to the authority of a regulatory official under Texas Finance Code, §180.251(a).

~~[(b) Entities. Entities licensed or applying for a license with the OCCC to make, transact, or negotiate residential mortgage loans are not required to register with NMLS.]~~

(b) ~~[(e)]~~ Withdrawal of application. If an application is not completed within 30 calendar days after notice of deficiency has been sent to the applicant, the application may be considered abandoned and will be withdrawn.

(c) ~~[(d)]~~ Inactive status. The OCCC may issue a license in an inactive status if the applicant complies with all requirements of licensure and completes the required application except for the requirement of providing an employer. After the inactive RMLO has submitted an employer and the OCCC has verified that the employer is currently registered or licensed by the OCCC, the license may be changed to active status.

(d) ~~[(e)]~~ Conditional status. The OCCC may issue a license on a conditional basis.