

A Guide to Navigating the State Index of Mortgage Broker Licensing Information

The variables selected for inclusion in the index specifically relate to barriers to entry for individuals and entities intending to engage in the business of brokering first-lien mortgages as a mortgage broker only. State statutes relating specifically to the licensing and registration of individuals engaging in the brokering of first-lien mortgages were reviewed from 1996 until the present.

1996 represents the base year and is indicated in the **Status** row with the word *Base*; each year following 1996 is populated with *Change*, indicating a change was made to the statute, or *N/C*, indicating no substantive change was made to the statute. For details on the bill that amended or enacted the statute, hold your cursor over the cell to view the comments field. Where available, the bill information, including effective date and approved date, is listed.

The **Regulation Type** row indicates the type of statute that existed and other pertinent information that may exist. *Licensed* indicates a licensing statute and *Registered* indicates a registration statute.

Many statutes make no reference to a particular variable chosen for inclusion in this review. If no reference was made in the statute and no clear interpretation existed through other language within the statute, then the cell was either left blank or populated with *Unknown* or *None*. Circumstances where there existed other language within the statute or administrative code that directly or indirectly referenced a variable will be noted within the corresponding cell (by year the variable change was effective). Please note that specific text relating to a variable may have been modified in any given year, but unless substantive changes were made to the variable (e.g., continuing education hours were increased from 13 to 15), it typically will not be reflected in these indexes. Also, due to the constraints of Excel, a dash in a cell immediately to the right of a populated cell has no significance.

Variables Defined

Status	Indicates whether the year was the base year (generally 1996), a year with change (CHANGE), or a year with no change (N/C). Comments indicate acts that amended the laws and effective and/or approved dates of the acts, if available.
Regulation Type	Indicates whether the statute is a licensing or registration statute.
Licensee Requirements—Individuals and Sole Proprietors	Indicates that the following subset of variables relates to a sole proprietor or individual seeking licensure or registration. May contain clarifying information that does not fit in other cells.
Age	Indicates age requirement for individual/sole proprietor.
Residency	Indicates residency requirement for individual/sole proprietor.
Specific Education	Indicates if pre-licensing education is required for individual/sole proprietor.
Specific Experience	Indicates if pre-licensing experience is required for individual/sole proprietor.
Examination	Indicates if an examination is required for individual/sole proprietor.
Fitness	Indicates fitness requirements for the individual/sole proprietor.
Net Worth (includes financial statements)	Indicates net worth requirements for the individual/sole proprietor.
Bond	Indicates bond requirements for the individual/sole proprietor.
Fingerprints/Background Checks	Indicates whether a background check or fingerprints were required of the individual/sole proprietor. Note that the information contained in the written version of this document is more accurate and detailed than the information listed here.
Entitle All Employees to Brokering Activities	Indicates if all employees of the individual/sole proprietor are eligible to broker mortgage loans under the individual/sole proprietor license.
Continuing Education	Indicates if continuing education is required for the individual/sole proprietor.

Required Managing Principal	Indicates if the individual/sole proprietor is required to designate a person on the application as the managing principal. The term <i>managing principal</i> is a generic term; other common terms include <i>designated broker</i> , <i>qualified person in charge</i> , <i>principal lending manager</i> , etc.
Licensed Separately	Indicates if the managing principal is required to obtain a separate license.
Mortgage Broker	Indicates if the managing principal is required to obtain a mortgage broker license.
Loan Officer	Indicates if the managing principal is required to obtain a loan officer license. <i>Loan officer</i> is a generic term; other terms used include <i>loan originator</i> , <i>mortgage agent</i> , <i>mortgage associate</i> , etc.
Age	Indicates age requirement for the managing principal.
Residency	Indicates residency requirement for the managing principal.
Specific Education	Indicates if pre-licensing education is required for the managing principal.
Specific Experience	Indicates if pre-licensing experience is required for the managing principal.
Examination	Indicates if an examination is required for the managing principal.
Fitness	Indicates fitness requirements for the managing principal.
Net Worth	Indicates net worth requirements for the managing principal.
Bond	Indicates bond requirements for the managing principal.
Fingerprints/Background Checks	Indicates whether a background check or fingerprints are required of the managing principal.
Continuing Education	Indicates if continuing education is required for the managing principal.
Licensee Requirements—Entities (Partnerships, Corporations, LLCs, etc.)	Indicates that the following subset of variables relates to an entity seeking licensure or registration; may contain clarifying information that does not fit in other cells. Entities typically include corporations, limited liability companies, and partnerships.

Age	Indicates age requirement for the entity's control persons. Note that <i>control person</i> is a generic term; control persons typically include owners, partners, members, officers, and other persons that have authority to control the licensee.
Residency	Indicates residency requirement for the entity's control persons.
Specific Education	Indicates if pre-licensing education is required for the entity's control persons.
Specific Experience	Indicates if pre-licensing experience is required for the entity's control persons.
Examination	Indicates if an examination is required for the entity's control persons.
Fitness	Indicates fitness requirements for the entity and/or its control persons.
Net Worth (including financial statements)	Indicates net worth requirements for the entity.
Bond	Indicates bond requirements for the entity.
Fingerprints/Background Checks	Indicates whether a background check or fingerprints were required of the entity's control persons. Note that the information contained in the written version of this document is more accurate and detailed than the information listed here.
Entitle all partners to brokering activities	Indicates if all control persons and employees of the entity are eligible to broker mortgage loans under the entity license.
Continuing Education	Indicates if continuing education is required for the entity's control persons.
Required Managing Principal	Indicates if the entity is required to designate a person on the application as the managing principal. The term <i>managing principal</i> is a generic term; other common terms include <i>designated broker</i> , <i>qualified person in charge</i> , <i>principal lending manager</i> , etc.
Licensed separately	Indicates if the managing principal is required to obtain a separate license.
Mortgage Broker	Indicates if the managing principal is required to obtain a mortgage broker license.
Loan Officer	Indicates if the managing principal is required to obtain a loan officer license. <i>Loan officer</i> is a generic term; other terms used include <i>loan originator</i> , <i>mortgage agent</i> , <i>mortgage associate</i> , etc.
Age	Indicates age requirement for the managing principal.

Residency	Indicates residency requirement for the managing principal.
Specific Education	Indicates if pre-licensing education is required for the managing principal.
Specific Experience	Indicates if pre-licensing experience is required for the managing principal.
Examination	Indicates if an examination is required for the managing principal.
Fitness	Indicates fitness requirements for the managing principal.
Net Worth	Indicates net worth requirements for the managing principal.
Bond	Indicates bond requirements for the managing principal.
Fingerprints/Background Checks	Indicates whether a background check or fingerprints are required of the managing principal.
Continuing Education	Indicates if continuing education is required for the managing principal.
Exemptions	Indicates that the following subset of variables relates to the exemptions from licensing or registration found in the statute. Note that this is not an exhaustive list.
Regulated Financial Institutions	Contains information relevant to the exemptions for regulated financial institutions.
Lawyers	Contains information relevant to the exemptions for licensed lawyers.
Real Estate Agents	Contains information relevant to the exemptions for licensed real estate agents.
Insurance Companies	Contains information relevant to the exemptions for licensed insurance companies. Greater detail may be documented in the Regulated Financial Institutions cell.
Consumer Loan Companies	Contains information relevant to the exemptions for licensed consumer loan companies.
Loan Brokers	Contains information relevant to the exemptions for licensed loan brokers.
Securities Broker-Dealers	Contains information relevant to the exemptions for licensed securities broker-dealers.

Safe Harbor	Indicates if an individual is able to broker a given number of loans without obtaining a license or certificate of registration.
Clerical Employees	Indicates if clerical employees are exempt from the licensing or registration requirement.
Loan Officers	Indicates if loan officers are exempt from the licensing or registration statute.
Registration of Exempt Entities	Indicates if exempt entities are required to file a certificate of exemption with the licensing or registration authority.
Licensee Fees	Indicates that the following subset of variables relates to the licensing or registration fees and renewal fees charged to an applicant, licensee, or registrant.
License Fee	Indicates the license fee charged to an applicant. Note that it is sometimes difficult to distinguish between a license fee and an application/investigation fee.
Application/Investigation Fee	Indicates the application or investigation fee charged to an applicant.
Renewal Fee	Indicates the renewal fee charged to a licensee or registrant and the licensing period (e.g., annually, biennially, triennially, etc.)
Depository	Indicates the state fund that fees and assessments are deposited into.
Office Requirements	Indicates that the following subset of variables relates to the requirements for branch offices maintained by a licensee or registrant.
In-state office required	Indicates if the licensee or registrant is required to maintain an office in the state.
Branches License	Indicates the type of requirement for opening a branch office (e.g., notification required, license required, etc.)
Separate License	Indicates if the licensee or registrant is required to obtain a separate license for each branch office. Note that this typically refers to an application process in which the licensee or registrant must apply for a separate license.

Under Original License	Indicates if the licensee or registrant is required to obtain a certificate or duplicate license for the branch office. Note that this typically applies to an application process in which the licensee or registrant registers the branch office with the state under the original license.
License Fee	Indicates the branch license fee charged to a licensee or registrant.
Application/Investigation Fee	Indicates the branch application or investigation fee charged to a licensee or registrant.
Renewal Fee	Indicates the branch renewal fee charged to a licensee or registrant.
Bond Required	Indicates if the licensee or registrant must procure an additional bond (or increase the amount of the current bond) for the branch office.
Required Branch Manager	Indicates if the licensee or registrant is required to designate a branch manager.
Licensed Separately	Indicates if the branch manager is required to obtain his or her own license.
Mortgage Broker	Indicates if the branch manager is required to obtain a mortgage broker license.
Loan Officer	Indicates if the branch manager is required to obtain a loan officer license. <i>Loan officer</i> is a generic term; other terms used include <i>loan originator</i> , <i>mortgage agent</i> , <i>mortgage associate</i> , etc.
Age	Indicates age requirement for the branch manager.
Residency	Indicates residency requirement for the branch manager.
Specific Education	Indicates if pre-licensing education is required for the branch manager.
Specific Experience	Indicates if pre-licensing experience is required for the branch manager.
Examination	Indicates if an examination is required for the branch manager.
Fitness	Indicates fitness requirements for the branch manager.
Net Worth	Indicates net worth requirements for the branch manager.
Bond	Indicates bond requirements for the branch manager.
Fingerprints/Background Checks	Indicates whether a background check or fingerprints are required of the branch manager.

Continuing Education	Indicates if continuing education is required for the branch manager.
Employee Requirements	Indicates that the following subset of variables relates to the requirements for employees or independent contractors of licensees and registrants.
Regulation (e.g., registered, licensed)	Indicates the type of regulation imposed on the employees (e.g., registered or licensed).
Submission of Info to Regulatory Dept.	Contains general information about what type of information must be reported to the licensing or registration authority.
Age	Indicates age requirement for the employee.
Residency	Indicates residency requirement for the employee.
Specific Education	Indicates if pre-licensing education is required for the employee.
Specific Experience	Indicates if pre-licensing experience is required for the employee.
Examination	Indicates if an examination is required for the employee.
Fitness	Indicates fitness requirements for the employee.
Net Worth	Indicates net worth requirements for the employee.
Bond	Indicates bond requirements for the employee.
Fingerprints/Background Checks	Indicates whether a background check or fingerprints were required of the employee.
Continuing Education	Indicates if continuing education is required for the employee.
# of Brokers One Can Work for	Contains general information about whether an employee may be simultaneously employed by more than one licensee or registrant.
Ind. Contractors—Licensed MB	Indicates if an independent contractor is required to be licensed as a mortgage broker.
Ind. Contractors—Licensed LO	Indicates if an independent contractor is required to be licensed as a loan officer. <i>Loan officer</i> is a generic term; other terms used include <i>loan originator</i> , <i>mortgage agent</i> , <i>mortgage associate</i> , etc.

Licensing Fee	Indicates the license or registration fee charged to the employee.
Renewal Fee	Indicates the renewal fee charged to the employee.
Post-licensing	Indicates that the following subset of variables relates to some of the post-licensing requirements for licensees and registrants. This list should not be viewed as exhaustive and is only a reflection of what is stated in the statute or found in the administrative code.
Annual Reporting	Indicates the information required for annual reporting to the state.
Examination Fees/Schedule	Indicates whether authority is granted to conduct examinations and charge fees for such examinations on a licensee's or registrant's place of business.
Fee Per Loan	Indicates if the state requires a fee per loan made or brokered be paid to the state.
NOTES	May contain general information about the state policy, where to locate broker lists, or whether any conflicting information exists.