

## The National Association of Mortgage Brokers Urges Congress to Mandate that All Bank Mortgage Loan Originators be Required to Pass the SAFE Act Mortgage Competency Test

Washington, DC – June 27, 2019– [The National Association of Mortgage Brokers](#) (NAMB) asks its member, the entire mortgage industry and consumers in the United States to request that the U.S. Congress employ regulations that requires that all bank mortgage loan originators (LOs) be required to pass the [SAFE Act mortgage competency test](#) and additional requirements as presently bank mortgage loan originators are not required to take any education and testing in order to offer mortgage loans to customers.

This is a test operated by the National Multi-state Licensing System ([NMLS](#)) and is required by law for all other LOs in the industry before they are permitted to offer mortgages to consumers. Under current regulations, bank employees are allowed to offer mortgage loans without meeting any of the following basic SAFE Act requirements that apply to all licensed mortgage loan originators that work at non-bank lenders:

- Passing the SAFE Act test
- Passing an independent background check
- 20 hours of SAFE Act pre-licensing courses
- 8 hours of SAFE Act annual continuing education courses (which includes ethics).

“NAMB and its membership have faith that our elected officials will see this discrepancy in our marketplace and will quickly make the needed changes to ensure consumers are represented by people who understand and pass the SAFE Act Test so the mortgage industry will continue to thrive,” said Rick Bettencourt, Board President of NAMB. “We are here to help and pledge to work with Congress to ensure these changes are made in a timely manner. We encourage our membership base and the industry to engage their local elected officials so they hear this clear message; our industry will not be whole until everyone that works to offer mortgage loans understands information, the values and need of passing this incredibly important test.”

NAMB urges its membership, consumers, and the entire marketplace to contact their local representative to show support for this critical item by clicking [HERE](#).

*ABOUT NAMB: The National Association of Mortgage Brokers is the voice of the mortgage industry representing the interests of mortgage professionals and homebuyers since 1973. NAMB members include small business owners, loan originators, account executives, and other industry professionals. NAMB provides mortgage professionals with education opportunities and offers rigorous certification programs to recognize members with the highest levels of professional knowledge and education.*

*As the leading national trade association for this industry, NAMB is affiliated with State Associations throughout the country and represents the interests of more than 910,000\* licensed and registered Mortgage Loan Originators and 39,000\* licensed mortgage broker and mortgage lender businesses. NAMB's active lobbying and advocacy efforts frequently focus on national and state issues. The Association hosts several meetings throughout the year. <https://www.namb.org>*

Background: Bank and other depository institution registered mortgage loan originators have never been required to take the SAFE Act test – and there are well over a thousand registered bank loan originators that actually failed the test but are still permitted to originate mortgages and interact with consumers at the bank. This raises serious questions about the adequacy of their qualifications, training, and ethics and exposes consumers to inadequate mortgage product knowledge and possible financially dangerous recommendations to consumers. Requiring bank mortgage loan originators to operate under the same education and testing regime would be good consumer protection. This is especially true since new rules called transitional licensing (coming November 2019) permit these untested uneducated bank loan originators to leave the bank and offer loans to consumers.