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BULLETIN NO. 09-22

TO: ALL NEW JERSEY CHARTERED BANKS, SAVINGS BANKS, STATE ASSOCIATIONS
AND CREDIT UNIONS

FROM: STEVEN M. GOLDMAN, COMMISSIONER

RE: RESIDENTIAL MORTGAGE LOAN ORIGINATORS

The Secure and Fair Enforcement for Mortgage Licensing Act of 2008, 12 U.S.C. s. 1501 et seq. ("S.A.F.E."), establishes credentialing requirements for residential mortgage loan originators. Mortgage loan originators are defined as those individuals who take residential mortgage loan applications and offer or negotiate terms of a residential mortgage loan for compensation or gain. Pursuant to the SAFE Act, any employees of federally-chartered depositories and their subsidiaries and any employees of institutions regulated by the Farm Credit Administration who engage in mortgage loan origination activity are required to be registered as mortgage loan originators. The Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of Thrift Supervision, Farm Credit Administration and National Credit Union Administration have jointly proposed rules regarding institutions that are regulated by these agencies and the mortgage loan originators employed by these institutions and their subsidiaries. In addition, for the purpose of regulating mortgage loan originators, pursuant to the SAFE Act New Jersey State-chartered banks, savings banks, state associations, and credit unions are considered to be regulated by these federal agencies. This Bulletin is being issued to alert affected persons about the federal rulemaking activity.

Under the SAFE Act and the proposed federal rules, employees that operate as mortgage loan originators will have to register with the National Mortgage Licensing System and Registry, provide fingerprints for submission to the FBI and any other relevant governmental agency for a State and national criminal background check, and provide personal history and experience information including authorization for the Registry to obtain information related to any administrative, civil or criminal findings by any governmental jurisdiction. Each mortgage loan originator will receive a unique identifier as part of the registration process. Institutions and their subsidiaries that employ mortgage loan originators will be required to provide agency-related information and establish policies and procedures for confirming the adequacy and accuracy of employee registrations.

A copy of the jointly proposed rule and a press release can be found at <http://www.fdic.gov/news/news/press/2009/pr09083.html>.

07/10/09
Date

/s/ Steven M. Goldman
Steven M. Goldman
Commissioner

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