

**TRANSITION OF DEBT SETTLEMENT SERVICES PROVIDER
REGISTRATION TO NMLS:
FREQUENTLY ASKED QUESTIONS**

Q: Is this transition mandatory, or can a registrant opt out?

A: The transition is mandatory. All Debt Settlement Service Provider registrants are required by law to transition their registration information to the NMLS system during a period of not less than two months, as designated by the Commissioner.

Q: When is the designated transition period?

A: The Commissioner has designated August 1, 2019, through September 30, 2019, as the transition period.

Q: Is there any charge for the transition?

A: No.

Q: What will the transition entail?

A: Registrants who are not current NMLS users will obtain an NMLS “unique identifier” (an identification number) by creating an NMLS record (“MU1”) for the registered individual or business. This record will contain basic information about the individual or business. Records will also be created for certain owners and for control persons (“MU2”). The registrant will then provide any information required for the Maryland Debt Settlement Services Provider registration. A checklist will be available through NMLS, describing the information required. A registrant who is a current NMLS user and has an existing unique identifier will simply provide the information for the Maryland registration.

The Commissioner’s staff will review each transition request, and through the NMLS system will inform a registrant if any needed information is missing. When all necessary information has been received, the transition request will be approved.

Q: Will the transition to NMLS change the registration period?

A: Yes. Currently, registrations are valid for two years. In NMLS, all licenses and registrations are valid for one year. Renewals will now be annual, with renewal requests being submitted

between November 1 and December 31 each year. However, existing registrations will be valid until their current expiration dates.

Q: If current registrations are valid for two years, but NMLS requires annual registration, how will the difference be reconciled?

A: All registrants, regardless of the expiration date of the registration, will be required to go through the very simple process of requesting renewal between November 1 and December 31 each year, beginning this year. This process is necessary to ensure that NMLS shows that the registrations are active. However, **those whose registrations expire in 2020 or 2021 will not be charged a fee until their registrations actually expire.**

Q: Will the change to annual registration, and the use of the NMLS system, result in increased costs to registrants?

A: No. The cost of a two-year registration has been \$1,000, equivalent to \$500 for each year of the registration period. Under the new law, the cost of annual registration is \$400 per year; additionally, NMLS charges a \$100 processing fee at each annual renewal. Thus, the total cost to registrants will be \$500 per year. **Note that a current registrant will not be charged a fee until the current registration expires.**

Q: Will registrants be required to re-enter all information each time the registration is renewed in NMLS?

A: No. NMLS greatly simplifies the renewal process by using the information already in the system as the basis for the renewal request, eliminating the traditional renewal application form. Changes in information can be updated at any time. At renewal, registrants will simply attest to the accuracy of the information in NMLS and click “Request Renewal.” Note that registrants will be invoiced for any renewal fees due for 2020 and 2021; beginning with renewals for 2022, registrants will submit a payment through NMLS before the renewal request can be submitted.

Q: Will there be training available for those who are unfamiliar with NMLS?

A: Yes. NMLS will conduct a live webinar on Tuesday, July 30, 2019, 2:30-4:30 p.m. EDT. The webinar is free, and may be accessed at <https://efsbs.webex.com/efsbs/onstage/g.php?MTID=e9275a03d9532ab44ec99ca95c624cd79>. Registration for the webinar will be available any time until the day of the session.

This training session will include a review of the state specific requirements and a system demonstration of requesting a license or registration. In preparation for this training session, registrants new to NMLS are encouraged to complete the prerequisite course - **NMLS New User**

Training: MSB, Debt and Consumer Finance - located in the CSBS Learning Management System (LMS). This course is free of charge and can be accessed by logging into your account in the CSBS Learning Management System. If you do not have an account, you may access <https://www.csbstraining.org> and request an account by selecting “Register” at the lower left portion of the page. A system administrator will receive your request and approve the account. To access the course, copy and paste this link into your browser: https://www.csbstraining.org/lms/index.php?r=course/deeplink&course_id=674&hash=823dfb4a3749b7bac78962fb8aa298bfa30e3e8d&generated_by=18067, login and enroll in the course. If the course does not automatically appear, logout. Click the link again, login and the course should automatically appear. You may also search for the course by its title using the search function in the LMS. For LMS issues, please email LMSadmin@csbs.org and someone will assist.

Q: Who should a registrant contact with questions regarding the transition?

A: Questions regarding Maryland transition requirements should be directed to the Non-Depository Licensing Unit in the Office of the Commissioner of Financial Regulation, by e-mail at finreg.licensing@maryland.gov, or by telephone at 410-230-6100 (local) or 888-784-0136 (toll free). Questions regarding use of the NMLS system should be directed to the NMLS Call Center at 1-855-NMLS-123. Please remember that the Commissioner’s staff cannot answer questions regarding the use of the NMLS system.