

The Conference of State Bank Supervisors (CSBS) and the American Association of Residential Mortgage Regulators (AARMR) Announce the Commitment of 42 State Agencies including the District of Columbia to Participate in the Nationwide Mortgage Licensing System

December 2007

Statement of Intent

In order to improve the efficiency and effectiveness of state supervision of the U.S. mortgage market; and

In order to fight mortgage fraud and predatory lending that costs consumers and the mortgage industry hundreds of millions of dollars in losses each year; and

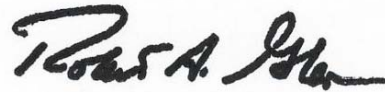
In order to increase accountability among mortgage industry professionals; and

In order to unify and streamline state license processes and standards for mortgage lenders and mortgage brokers;

The following 42 state agencies including the District of Columbia announce their intent to participate in the CSBS/AARMR Nationwide Mortgage Licensing System:



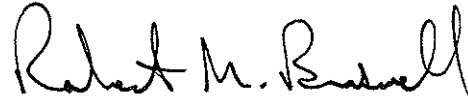
Felecia A. Rotellini
Superintendent of Financial Institutions
Arizona Department of Financial Institutions



Robert A. Glen
State Bank Commissioner
Delaware Office of the State Bank
Commissioner



Michael Johnson
Commissioner
Arkansas Securities Department



Robert M. Braswell
Commissioner
Georgia Department of Banking & Finance



Erin Toll
Director
Colorado Division of Real Estate



D.B. Griffin III
Commissioner
Hawaii Division of Financial Institutions



Howard F. Pitkin
Banking Commissioner
State of Connecticut Department of Banking



Gavin M. Gee
Director of Finance
Idaho Department of Finance



Dean Martinez
Secretary
Illinois Department of Financial and
Professional Regulation



John P. Ducrest
Commissioner
Louisiana Office of Financial Institutions



Judith G. Ripley
Director
Indiana Department of Financial Institutions



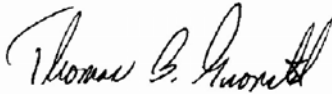
Charles W. Turnbaugh
Commissioner
Maryland Office of Financial Regulation



O. Wayne Davis
Indiana Securities Commissioner
Indiana Office of the Secretary of State



Steven L. Antonakes
Commissioner of Banks
Massachusetts Division of Banks



Thomas B. Gronstal
Commissioner
Iowa Division of Banking



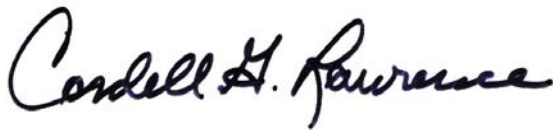
Linda A. Watters
Commissioner
Michigan Office of Financial and Insurance
Services



J. Thomas Thull
Bank Commissioner
Kansas Office of the State Bank
Commissioner



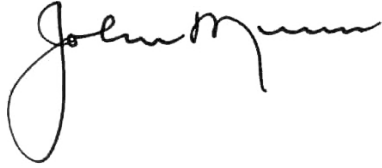
John S. Allison
Commissioner
Mississippi Department of Banking



Cordell G. Lawrence
Executive Director
Kentucky Office of Financial Institutions



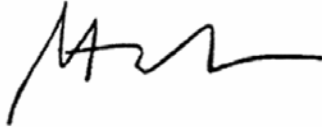
Annie M. Goodwin
Commissioner
Montana Division of Banking & Financial
Institutions



John Munn
Director
Nebraska Department of Banking and
Finance



Donald K. Hardin
Administrator
Oklahoma Department of Consumer Credit



Steven M. Goldman
Commissioner
New Jersey Department of Banking and
Insurance



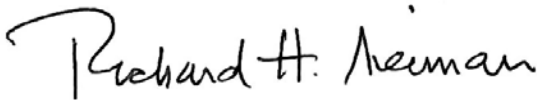
David C. Tatman
Administrator
Oregon Division of Finance and Corporate
Securities



William J. Verant
Director
New Mexico Financial Institutions Division



Victoria A. Reider
Acting Secretary of Banking
Pennsylvania Department of Banking



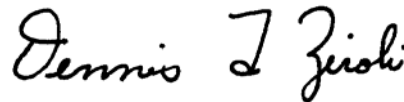
Richard H. Neiman
Superintendent of Banks
New York State Banking Department



Alfredo Padilla
Commissioner
Puerto Rico Office of the Commissioner of
Financial Institutions



Joseph A. Smith, Jr.
Commissioner of Banks
North Carolina Office of Commissioner of
Banks



Dennis F. Zioli
Superintendent of Banking
Rhode Island Department of Business
Regulation



Timothy J. Karsky
Commissioner
North Dakota Department of Financial
Institutions



Greg Gonzales
Commissioner
Tennessee Department of Financial
Institutions



Roger Novotny
Director
South Dakota Division of Banking



Larry A. Stark
Commissioner of Banking
West Virginia Division of Banking



G. Edward Leary
Commissioner
Utah Department of Financial Institutions



Jeffrey C. Vogel
State Banking Commissioner
Wyoming Division of Banking



Derek B. Miller
Director
Utah Division of Real Estate

John D. Harrison

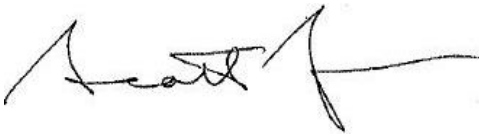
John D. Harrison
Superintendent of Banks
Alabama State Banking Department



Paulette Thabault
Commissioner
Vermont Department of Banking, Insurance,
Securities & Health Care Administration

Thomas E. Hampton

Thomas E. Hampton
Commissioner
District of Columbia Department of
Insurance, Securities and Banking



Scott Jarvis
Director
Washington Department of Financial
Institutions

Peter C. Hildreth

Peter C. Hildreth
Commissioner
New Hampshire State Banking Department

Statement of Purpose

State agencies and the District of Columbia are working together to create the CSBS/AARMR Nationwide Mortgage Licensing System (“The System”) for the following reasons:

The System will improve state regulators’ ability to supervise mortgage lending and brokering in their states and enhance the ability to take enforcement actions against bad actors.

States will share the same licensing information about companies and professionals. Enforcement actions taken by one state against a licensee will be tied to the licensee’s record in the national system accessible by all regulators.

The System will increase accountability in the mortgage industry by ensuring that entities that are licensed at the state level are tracked across states and over time.

Licensees will have a single record that will be used in all states and tracked over time. Bad actors will not be able to escape their record by migrating from one state or company to another.

The System will save states significant resources by automating and streamlining agency processing of mortgage licensing applications and renewals.

Automating license processing will save states significant resources that can be used for other purposes, such as enforcement. The costs for each state to build its own similar system would be \$1.5 - \$2 million per state. The CSBS/AARMR System is being built for \$4.3 million. States working together in this manner is a responsible use of public funds.

The System will improve licensees’ ability to apply for and maintain state mortgage licensure by providing direct access through a secured website to manage a single record that will be shared by all participating states.

The System will allow licensees to complete a single application electronically and then submit to numerous states with the click of a button. The System will reduce response times, and allow licensees to update information instantly and check the status of requests online.

The System will provide consumers a single website to check on the license status of any state licensed mortgage lender or broker with whom they wish to do business.

A public website will contain searchable information about every state licensed lender, broker, branch, and professional. The information will include the status of the entity’s license in each state and any final enforcement actions tied to that licensee.

More information about the CSBS/AARMR Nationwide Mortgage Licensing System can be found on the web at: www.CSBS.org or by contacting:

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The Conference of State Bank Supervisors is the nationwide organization for state banking, representing the bank regulators of the 50 states, the District of Columbia, Guam, Puerto Rico and the Virgin Islands, and approximately 6,200 state-chartered financial institutions. The Conference is responsible for defending state authority to determine banking structure and the products and services state-chartered institutions can offer and for improving the quality of state bank supervision by providing department performance evaluation and accreditation programs and supervisory education/training programs for state banking department personnel.

AARMR is the national organization representing state residential mortgage regulators. AARMR's mission is to promote the exchange of information between and among the executives and employees of the various states who are charged with the responsibility for the administration and regulation of residential mortgage lending, servicing and brokering.