



# Nonbank Licensing and Examination

Apr 25

CSBS, on behalf of state regulators, owns and operates the [Nationwide Multistate Licensing System & Registry \(NMLS\)](#), an online licensing, registration, and supervisory platform that brings regulatory efficiency and accountability to the mortgage industry and other nonbank financial services providers. Its supervisory component, the [State Examination System \(SES\)](#), harmonizes and automates processes, streamlining the exam process for financial institutions.

## NMLS

State-licensed financial services companies and mortgage loan originators must maintain an active license through NMLS, while federally regulated depository institutions (banks and credit unions) and the mortgage loan originators they employ must maintain an active registration. Congress mandates that state licenses and federal registrations be obtained and maintained annually.

In 2023, more than 556,000 individuals were licensed or registered in NMLS, and more than 41,000 companies held a license or registration. Most of the licenses and registrations are from the mortgage industry, while the rest are from the money services, consumer finance, and debt industries.

[NMLS Consumer Access](#) allows the public to view regulatory actions taken against licensed companies and individuals by state regulators and the Consumer Financial Protection Bureau (CFPB). Last year, more than 7.4 million people visited the site.

CSBS provides extensive support for the companies, individuals, and regulators that use the system. We do this through training, a knowledge base, and a user-support call center. CSBS convenes the NMLS user community annually, hosting more than 600 regulator and industry attendees for the 2023 NMLS Annual Conference & Training.

## State Examination System

CSBS added a supervisory component — known as the [\*\*State Examination System \(SES\)\*\*](#) — to NMLS in 2020. SES enables multiple states to conduct a single, comprehensive exam of a licensed company. Institutions work with one point of contact and experience fewer exams. In turn, state regulators can deploy supervisory resources more efficiently, access institution-level data from the system, review exams from other state regulators, and, ultimately, ensure institutions are meeting supervisory expectations across multiple states. With more than 50 state agencies using the system, supervisory exams using SES are expected to continue to increase.

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