



March 2, 2022

Denise M. Illes
Chief of Regulatory Affairs
New Jersey Department of Banking and Insurance
20 West State Street
PO Box 325
Trenton, NJ 08625
AdvanceNotice@dobi.nj.gov

Subject: MBA Comments on Potential New Jersey Department of Banking and Insurance Bulletin to Permit Mortgage and Consumer Finance Licensees to Work Remotely

Dear Ms. Illes,

The Mortgage Bankers Association (MBA)¹ appreciates this opportunity to provide advance comments on the New Jersey Department of Banking and Insurance's (Department) potential bulletin to permit Mortgage Loan Originators (MLOs) to work away from a licensed branch location.

MBA commends the Department for their leadership during the global Coronavirus pandemic by issuing Bulletin No. 20-06 (and extending its application), which set forth the Department's no-action position that allowed licensees to work from a remote location during the pandemic. This authorization to work remotely was essential to protecting the health of real estate finance professionals in New Jersey and throughout the country. Importantly, this policy allowed state licensed staff to help New Jersey residents take advantage of record low interest rates to purchase or refinance their

¹ The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 330,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of more than 1,900 companies includes all elements of real estate finance: independent mortgage banks, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, credit unions, and others in the mortgage lending field. For additional information, visit MBA's website: www.mba.org.

homes and allowed servicers to assist homeowners experiencing Covid hardships to stay in their homes through a mortgage forbearance and home retention plans.

MBA is therefore supportive of the Department's announcement to move forward with providing more permanent flexibilities for MLOs.

MBA urges the Department to adopt the association's model statute and rules to permanently allow remote work (see attached). The MBA model is based on the regulatory flexibility already issued by multiple state mortgage regulators throughout the country. In the past 12 months, 13 states have already adopted language aligned with our model that provides permanent permission for MLOs to work away from a licensed branch.

MBA believes these states have taken appropriate steps to prepare for potential national emergencies or more likely natural disasters that will require meeting a borrower's urgent needs outside of a licensed location. It is in this regard that MBA wishes to share our concern related to the Department's expressed interest in limiting an MLO's in-person communication with a borrower to a licensed location. MBA believes this approach would be to detriment of borrowers in the state.

Issuing guidance in-line with MBA's model and allowing MLOs to meet with borrowers away from a licensed branch but not in their home, will also help create competition in underserved communities. Moreover, mortgage lenders can serve those in rural communities and communities of color without compromising important consumer and data protections.

MBA looks forward to working with you and your staff to promote remote work flexibilities that will benefit New Jersey consumers and the mortgage financial services industry.

Should you or your staff have questions, please feel free to contact me or Kobie Pruitt (kpruitt@mba.org).

Respectfully,

A handwritten signature in black ink, appearing to read "Pete Mills", with a stylized flourish at the end.

Pete Mills
Senior Vice President
Residential Policy & Member Engagement
Mortgage Bankers Association
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Attachment: MBA Model State Legislation and Regulation (Licensing Flexibility)