



## **Statement of the Department of Banking and Securities Relating to the Implementation of Act 23 of 2015**

The Department of Banking and Securities is a financial services regulatory agency which regulates banks, credit unions, non-depository providers of financial services and companies and individuals involved in securities related business.

In the Department's Depository Deputate we supervise state chartered banks, savings banks, bank and trust companies, non-depository trust companies and credit unions. These institutions are chartered entities and there is no state licensure or certification of the individuals that operate these institutions. However, CEO's, officers, directors and board members of these institutions are subject to extensive background and qualification reviews by the Department and federal regulators.

In the Department's Non-Depository Deputate we license and regulate approximately 26,000 financial services providers including mortgage lenders, mortgage brokers, mortgage servicers, mortgage loan originators, consumer discount companies, money transmitters, installment sellers (car dealers that make loans) , sales finance companies (lenders that purchase car loans), collector-repossessors (companies that collect car loans or repossess cars), check cashers, debt settlement companies, debt management companies and pawnbrokers.

Generally, we license the company, under the various licensing statutes, with the exception, of mortgage loan originators. Mortgage loan originators are individuals that work for licensed mortgage lenders or brokers and have contact with the mortgage purchasing public. They are required to be educated, tested, bonded, separately licensed and complete continuing education, annually. We have never had a veteran request a loan originator license renewal but would renew their license if they have the required company sponsor and have completed the continuing education courses they missed while serving. Meeting the continuing education requirements is a federal law requirement and a requirement of the National Multi-State Licensing System (NMLS) , under which we jointly license all mortgage loan originators. We are, therefore, unable to waive the continuing education requirement.

Under the Department's Securities Deputate the Department registers about 204,000 broker-dealer agents (only 10% are from PA.), about 21,000 investment adviser representatives (again only about 10% are from PA.) and about 3,300 investment advisers (900 of which are from PA.). Since the enactment of Act 23 we have only had a handful of veterans that have requested registration renewal. We consider the request on a case by case basis and our policy is to renew the registration, waiving the retest requirements in place for others that have been inactive for two or more years.

Although the Department has had very few veterans seeking license or registration renewal, over the past few years, we are doing everything we can to accommodate them under the state and national licensing and registration standards we operate.

