

NRS 670B Compliance FAQ Guide

A practical resource for institutions evaluating Nevada student loan servicing requirements

IMPORTANT: This guide is intended as a general member resource and is not legal advice. Institutions should consult qualified legal counsel and the Nevada Financial Institutions Division (FID) to evaluate their specific operations and compliance obligations.

At a Glance

Chapter 670B of the Nevada Revised Statutes was created by Assembly Bill 332, became law on June 14, 2023, and took effect January 1, 2024. The chapter establishes licensing requirements for persons acting as student loan servicers in Nevada.

Key question	Does your institution service student education loans for Nevada borrowers?
Practical trigger to review	If your institution issues Retail Installment Contracts (RICs) directly to students and does not use a third party in any way, the source guidance indicates that licensure is required.
Where licensing is handled	Initial and renewal applications and applicable fees are submitted through the Nationwide Multistate Licensing System and Registry (NMLS).

Frequently Asked Questions

What is NRS 670B?

NRS 670B is the Nevada statutory framework addressed in Assembly Bill 332 (2023) for student loan servicing. Under the source material, a person may not act as a student loan servicer, directly or indirectly, without first obtaining a license from the Commissioner, unless an applicable exception applies.

Who is considered a “student loan servicer”?

The source material defines a student loan servicer as any person, wherever located, responsible for servicing any student education loan to any student loan borrower. The definition includes a licensee and a person who engages in student loan servicing without a license pursuant to the referenced statutory exception. It excludes the Nevada System of Higher Education and the Western Interstate Commission for Higher Education.

What should a school look for to determine whether NRS 670B may apply?

As a practical first screen, review whether your institution provides or administers student financing directly. In particular, the source guidance states that an institution issuing Retail Installment Contracts (RICs) directly to students without using a third party would need to become licensed. Because institutional financing arrangements vary, schools should have counsel evaluate their specific structure.

If we use a third party for student financing or servicing, are we automatically exempt?

The source material specifically identifies direct RICs without third-party involvement as a licensing trigger, but it does not establish that every arrangement involving a third party is exempt. Institutions using third-party financing or servicing should review the division of responsibilities with counsel and FID before concluding that no license is required.

What activities does the Student Loan Servicing License authorize?

The source material identifies both non-private student loan servicing and private student loan servicing as activities authorized under the license.

How does an institution apply for or renew a license?

Initial license and renewal applications, along with applicable fees, must be submitted to the Division through NMLS. The Company Form (MU-1) is used for the principal office, and the Branch Form (MU-3) is used for each additional location that plans to conduct Nevada activity.

Are there special application provisions for federal government contract recipients?

Yes. According to the source material, companies awarded a contract by the U.S. Secretary of Education under 20 U.S.C. § 1087f are not required to submit financial statements or control person (MU2) reports and documentation as part of the application process. The applicable exceptions are identified in the licensing checklist.

Does a Student Loan Servicing License also cover collection activity?

Not necessarily. The source material states that the Student Loan Servicing License does not exempt a company from maintaining or obtaining a collection agency license if it takes assignment of a past due, delinquent, or defaulted student loan. The servicing license allows servicing when loans were current at the time of assignment.

What if our institution is unsure whether its current financing model falls within NRS 670B?

Do not rely on the name of the financing product alone. Document how the financing is originated, who owns it, who receives and processes payments, who communicates with borrowers about repayment, whether a third party performs any servicing functions, and whether past-due accounts are assigned. Use that operational summary when consulting legal counsel and, as appropriate, FID.

Recommended Member Review

Institutions evaluating potential applicability can use the following questions as an internal starting point:

- Does the institution issue Retail Installment Contracts or other student education financing directly to students?
- Does the institution itself perform servicing functions for those obligations?
- Is a third party involved in originating, administering, collecting, or servicing the financing?
- Does the institution take assignment of accounts that are already past due, delinquent, or in default?
- Has the institution confirmed its licensing obligations with legal counsel and, where appropriate, Nevada FID?

Official Resources

Institutions should consult the statute and regulator materials for current requirements. The original member resource identifies the following sources:

- [Nevada Revised Statutes - Chapter 670B](#)
- [Nationwide Multistate Licensing System and Registry \(NMLS\)](#)
- Nevada Financial Institutions Division (FID) - Information for Student Loan Servicers