

R162-2c-203. Utah-Specific Education Certification.

- (1) School certification.
 - (a) A school offering Utah-specific education shall certify with the division before providing any instruction.
 - (b) To certify, a school applicant shall prepare and supply the following information to the division:
 - (i) contact information, including:
 - (A) name, phone number, email address, and address of the physical facility;
 - (B) name, phone number, email address, and address of any school director;
 - (C) name, phone number, email address, and address of any school owner; and
 - (D) an e-mail address where correspondence will be received by the school;
 - (ii) evidence that all school directors and owners meet the moral character requirements outlined in R162-2c-202(1) and the competency requirements outlined in R162-2c-202(2);
 - (iii) school description, including:
 - (A) type of school;
 - (B) description of the school's physical facilities; and
 - (C) type of instruction method;
 - (iv) list of the instructor(s), including any guest lecturer(s), who will be teaching each course;
 - (v) proof that each instructor:
 - (A) has been certified by the division; or
 - (B) is exempt from certification under Subsection 203(5)(f);
 - (vi) statement of attendance requirements as provided to students;
 - (vii) refund policy as provided to students;
 - (viii) disclaimer as provided to students; and
 - (ix) criminal history disclosure statement as provided to students.
 - (c) Minimum standards.
 - (i) The course schedule may not provide or allow for more than eight credit hours per student per day.
 - (ii) The attendance statement shall require that each student attend at least 90% of the scheduled class time.
 - (iii) The disclaimer shall adhere to the following requirements:
 - (A) be typed in all capital letters at least 1/4 inch high; and
 - (B) state the following language: "Any student attending (school name) is under no obligation to affiliate with any of the mortgage entities that may be soliciting for licensees at this school."
 - (iv) The criminal history disclosure statement shall:
 - (A) be provided to students while they are still eligible for a full refund; and
 - (B) clearly inform the student that upon application with the nationwide database, the student will be required to:

- (I) accurately disclose the student's criminal history according to the licensing questionnaire provided by the nationwide database and authorized by the division; and
 - (II) provide to the division complete court documentation relative to any criminal proceeding that the applicant is required to disclose;
 - (C) clearly inform the student that the division will consider the applicant's criminal history pursuant to R162-2c-202(1) in making a decision on the application; and
 - (D) include a section for the student's attestation that the student has read and understood the disclosure.
- (d) Within ten days after the occurrence of any material change in the information outlined in Subsection (1), the school shall provide to the division written notice of that change.
- (2) School certification expiration and renewal. A school certification expires 24 months from the date of issuance and must be renewed before the expiration date in order for the school to remain in operation. To renew, a school applicant shall:
 - (a) complete a renewal application as provided by the division;
 - (b) pay a nonrefundable renewal fee;
 - (c) provide a list of all proposed courses with a projected schedule of days, times, and locations of classes; and
 - (d) provide the information specified in Subsection 3(c) for Utah-specific course certification for the division's evaluation of each proposed course.
- (3) Utah-specific course certification.
 - (a) A school providing a Utah-specific course shall certify the course with the division before offering the course to students.
 - (b) Application shall be made at least 30 days prior to the date on which a course requiring certification is proposed to begin.
 - (c) To certify a course, a school applicant shall prepare and supply the following information:
 - (i) instruction method;
 - (ii) outline of the course, including:
 - (A) a list of subjects covered in the course;
 - (B) reference to the approved course outline for each subject covered;
 - (C) length of the course in terms of hours spent in classroom instruction;
 - (D) number of course hours allocated for each subject;
 - (E) at least three learning objectives for every hour of classroom time;
 - (F) instruction format for each subject; i.e, lecture or media presentation;
 - (G) name and credentials of any guest lecturer; and
 - (H) list of topic(s) and session(s) taught by any guest lecturer;
 - (iii) a list of the titles, authors, and publishers of all required textbooks;
 - (iv) copies of any workbook used in conjunction with a non-lecture method of instruction;
 - (v) a copy of each quiz and examination, with an answer key; and
 - (vi) the grading system, including methods of testing and standards of grading.
 - (d) Minimum standards.

- (i) All texts, workbooks, supplement pamphlets and other materials shall be appropriate, current, accurate, and applicable to the required course outline.
 - (ii) The course shall cover all of the topics set forth in the associated outline.
 - (iii) The lecture method shall be used for at least 50% of course instruction unless the division gives special approval otherwise.
 - (iv) A school applicant that uses a non-lecture method for any portion of course instruction shall provide to the student:
 - (A) an accompanying workbook as approved by the division for the student to complete during the instruction; and
 - (B) a certified instructor available within 48 hours of the non-lecture instruction to answer student questions.
 - (v) The division shall not approve an online education course unless:
 - (A) there is a method to ensure that the enrolled student is the person who actually completes the course;
 - (B) the time spent in actual instruction is equivalent to the credit hours awarded for the course; and
 - (C) there is a method to ensure that the student comprehends the material.
- (4) Course expiration and renewal.
- (a) A prelicensing course expires at the same time the school certification expires.
 - (b) A prelicensing course certification is renewed automatically when the school certification is renewed.
- (5) Education committee.
- (a) The commission may appoint an education committee to:
 - (i) assist the division and the commission in approving course topics; and
 - (ii) make recommendations to the division and the commission about:
 - (A) whether a particular course topic is relevant to residential mortgage principles and practices; and
 - (B) whether a particular course topic would tend to enhance the competency and professionalism of licensees.
 - (b) The division and the commission may accept or reject the education committee's recommendation on any course topic.
- (6) Instructor certification.
- (a) Except as provided in this Subsection (6)(f), an instructor shall certify with the division before teaching a Utah-specific course.
 - (b) Application shall be made at least 30 days prior to the date on which the instructor proposes to begin teaching.
 - (c) To certify as an instructor of mortgage loan originator prelicensing courses, an individual shall provide evidence of:
 - (i) a high school diploma or its equivalent;
 - (ii) (A) at least five years of experience in the residential mortgage industry within the past ten years; or
 - (B) successful completion of appropriate college-level courses specific to the topic proposed to be taught;
 - (iii) (A) a minimum of twelve months of full-time teaching experience;

- (B) part-time teaching experience that equates to twelve months of full-time teaching experience; or
 - (C) participation in instructor development workshops totaling at least two days in length; and
- (iv) having passed, within the six-month period preceding the date of application, the lending manager licensing examination.
- (d) To certify as an instructor of LM prelicensing courses, an individual shall:
 - (i) meet the general requirements of this Subsection 6(c); and
 - (ii) meet the specific requirements for any of the following courses the individual proposes to teach.
 - (A) Management of a Residential Mortgage Loan Office: at least two years practical experience in managing an office engaged in the business of residential mortgage loans.
 - (B) Mortgage Lending Law: two years practical experience in the field of real estate law; and either:
 - (I) current active membership in the Utah Bar Association; or
 - (II) degree from an American Bar Association accredited law school.
 - (C) Advanced Appraisal:
 - (I) at least two years practical experience in appraising; and
 - (II) current state-certified appraiser license.
 - (D) Advanced Finance:
 - (I) at least two years practical experience in real estate finance; and
 - (II) association with a lending institution as a loan originator.
- (e) To act as an instructor of continuing education courses, an individual shall certify through the nationwide database.
- (f) The following instructors are not required to be certified by the division:
 - (i) a guest lecturer who:
 - (A) is an expert in the field on which instruction is given;
 - (B) provides to the division a resume or similar documentation evidencing satisfactory knowledge, background, qualifications, and expertise; and
 - (C) teaches no more than 20% of the course hours;
 - (ii) a college or university faculty member who evidences academic training, industry experience, or other qualifications acceptable to the division;
 - (iii) an individual who:
 - (A) evidences academic training, industry experience, or other qualifications satisfactory to the division; and
 - (B) receives approval from the commission; and
 - (iv) a division employee.
- (g) Renewal.
 - (i) An instructor certification for Utah-specific prelicensing education expires 24 months from the date of issuance and shall be renewed before the expiration date.
 - (ii) To renew an instructor certification for Utah-specific prelicensing

education, an applicant shall submit to the division:

- (A) evidence of having taught at least 20 hours of classroom instruction in a certified mortgage education course during the preceding two years;
 - (B) evidence of having attended an instructor development workshop sponsored by the division during the preceding two years; and
 - (C) a renewal fee as required by the division.
- (iii) To renew an instructor certification for continuing education, an individual shall certify through the nationwide database.
- (h) Reinstatement.
- (i) An instructor who is certified by the division may reinstate an expired certification within 30 days of expiration by:
 - (A) complying with this Subsection (6)(g); and
 - (B) paying an additional non-refundable late fee.
 - (ii) Until six months following the date of expiration, an instructor who is certified by the division may reinstate a certification that has been expired more than 30 days by:
 - (A) complying with this Subsection (6)(g);
 - (B) paying an additional non-refundable late fee; and
 - (C) completing six classroom hours of education related to residential mortgages or teaching techniques.
- (7) (a) The division may monitor schools and instructors for:
- (i) adherence to course content;
 - (ii) quality of instruction and instructional materials; and
 - (iii) fulfillment of affirmative duties as outlined in R162-2c-301a(5)(a) and R162-2c-301a(6)(a).
- (b) To monitor schools and instructors, the division may:
- (i) collect and review evaluation forms; or
 - (ii) assign an evaluator to attend a course and make a report to the division.