

## **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, and address of the physical facility;
      - (B) name, phone number, and address of any school director;
      - (C) name, phone number, 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; and
      - (B) description of the school's physical facilities;
    - (iv) list of courses offered;
    - (v) proof that each course has been certified by the division;
    - (vi) list of the instructor(s), including any guest lecturer(s), who will be teaching each course;
    - (vii) proof that each instructor:
      - (A) has been certified by the division;
      - (B) is qualified as a guest lecturer; or
      - (C) is exempt from certification under Subsection 203(5)(f);
    - (viii) schedule of courses offered, including the days, times, and locations of classes;
    - (ix) statement of attendance requirements as provided to students;
    - (x) refund policy as provided to students;
    - (xi) disclaimer as provided to students; and
    - (xii) 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 15 calendar 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.
  - (e) 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:
    - (i) complete a renewal application as provided by the division; and
    - (ii) pay a nonrefundable renewal fee.
- (2) 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) the number of quizzes and examinations; 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.
- (3) Course expiration and renewal.
  - (a) A certification for a 40-hour Utah-specific prelicensing course expires two years from the date of certification.
  - (b) As of January 1, 2010, a 20-hour Utah-specific prelicensing course certified by the division shall be deemed expired, regardless of any expiration date printed on the certification.
  - (c)
    - (i) A division-approved continuing education course:
      - (A) shall expire on the expiration date printed on the certificate; or
      - (B) if the course is due to expire on December 31, 2010, the expiration date shall be extended to February 28, 2011.
    - (ii) To renew a division-approved continuing education course, a school applicant shall, within six months following the expiration date:
      - (A) complete a renewal form as provided by the division; and
      - (B) pay a nonrefundable renewal fee.
    - (iii) To certify a continuing education course that has been expired for more than six months, a school applicant shall resubmit it as if it were a new course.
    - (iv) After a continuing education course has been renewed three times, a school applicant shall submit it for certification as if it were a new course.
  - (d) The division shall cease reviewing and certifying courses for continuing education on December 30, 2010.

- (e) As of January 1, 2011, any division-approved continuing education course, regardless of when offered or completed, may not be used to satisfy requirements for the 2011 renewal.
- (4) 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.
- (5) Instructor certification.
- (a) Except as provided in Subsection (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 principal lending manager licensing examination.
  - (d) To certify as an instructor of PLM prelicensing courses, an individual shall:
    - (i) meet the general requirements of this Subsection 5(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 certify as an instructor of continuing education courses, an individual shall demonstrate:
  - (i) knowledge of the subject matter of the course proposed to be taught, as evidenced by:
    - (A) at least three years of experience in a profession, trade, or technical occupation in a field directly related to the course;
    - (B) a bachelor or higher degree in the field of real estate, business, law, finance, or other academic area directly related to the course; or
    - (C) a combination of experience and education acceptable to the division; and
  - (ii) ability to effectively communicate the subject matter, as evidenced by:
    - (A) a state teaching certificate;
    - (B) successful completion of college courses acceptable to the division in the field of education;
    - (C) a professional teaching designation from the National Association of Mortgage Brokers, the Real Estate Educators Association, the Mortgage Bankers Association of America, or a similar association; or
    - (D) other evidence acceptable to the division that the applicant has the ability to teach in schools, seminars, or equivalent settings.
- (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 prelicensing education expires 24 months from the date of issuance and shall be renewed before the expiration date. To renew, 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.
    - (ii) An instructor certification for division-approved continuing education expires 24 months from the date of issuance and shall be renewed before the expiration date. To renew, an applicant shall submit to the division:
      - (A) evidence of having taught at least one class in the subject area for which renewal is sought within the year preceding the date of application; or
      - (B)
        - (I) written explanation for why the instructor has not taught a class in the subject area within the past year; and
        - (II) documentation to evidence that the applicant maintains the required expertise in the subject matter; and
      - (C) a renewal fee as required by the division.
    - (iii) An instructor certification issued by the division on or before December 31, 2010 for continuing education shall expire December 31, 2010.
    - (iv) The division shall cease certifying instructors for continuing education on December 30, 2010.
    - (v) As of January 1, 2011, any instructor proposing to teach a continuing education course shall certify through the nationwide database.
  - (h) Reinstatement.
    - (i) An instructor may reinstate an expired certification within 30 days of expiration by:
      - (A) complying with Subsection (g) as applicable to the type of course taught; and
      - (B) paying an additional non-refundable late fee.
    - (ii) Until six months following the date of expiration, an instructor may reinstate a certification that has been expired more than 30 days by:
      - (A) complying with Subsection (g) as applicable to the type of course taught;
      - (B) paying an additional non-refundable late fee; and
      - (C) completing six classroom hours of education related to residential mortgages or teaching techniques.
- (6) (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-301(6)(a) and R162-2c-301(7)(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.