

## NOTICES OF RULE EFFECTIVE DATES

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State law provides for agencies to make their administrative rules effective and enforceable after publication in the *Utah State Bulletin*. In the case of **PROPOSED RULES** or **CHANGES IN PROPOSED RULES** with a designated comment period, the law permits an agency to make a rule effective no fewer than seven calendar days after the close of the public comment period, nor more than 120 days after the publication date. In the case of **CHANGES IN PROPOSED RULES** with no designated comment period, the law permits an agency to make a rule effective on any date including or after the thirtieth day after the rule's publication date, but not more than 120 days after the publication date. If an agency fails to file a **NOTICE OF EFFECTIVE DATE** within 120 days from the publication of a **PROPOSED RULE** or a related **CHANGE IN PROPOSED RULE** the rule lapses.

Agencies have notified the Office of Administrative Rules that the rules listed below have been made effective.

**NOTICES OF EFFECTIVE DATE** are governed by Subsection 63G-3-301(12), Section 63G-3-303, and Sections R15-4-5a and R15-4-5b.

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### Agriculture and Food

#### Plant Industry

No. 53755 (Amendment) R68-22: Industrial Hemp Research  
Published: 08/15/2021  
Effective: 10/01/2021

No. 53708 (Amendment) R68-26: Industrial Hemp Product Registration and Labeling  
Published: 08/01/2021  
Effective: 10/01/2021

No. 53704 (New Rule) R68-37: Industrial Hemp Cannabinoid Product Testing  
Published: 08/01/2021  
Effective: 10/01/2021

### Auditor

#### Administration

No. 53561 (New Rule) R123-7: Required Governmental Entities' Posting of Financial Information to Transparent Utah, formerly known as the Utah Public Finance Website  
Published: 06/15/2021  
Effective: 10/05/2021

### Commerce

#### Real Estate

No. 53856 (Amendment) R162-2c: Utah Residential Mortgage Practices and Licensing Rules  
Published: 09/15/2021  
Effective: 10/26/2021

No. 53635 (New Rule) R162-2h: Affiliated Title Business Rule  
Published: 09/15/2021  
Effective: 10/26/2021

### Government Operations

#### Facilities Construction and Management

No. 53609 (Amendment) R23-31: Executive Residence Mansion  
Published: 07/15/2021  
Effective: 10/27/2021

### Governor

#### Economic Opportunity

No. 53834 (Repeal) R357-1: Rural Fast Track Program  
Published: 09/01/2021  
Effective: 10/12/2021

No. 53838 (Amendment) R357-5: Motion Picture Incentive Rule  
Published: 09/01/2021  
Effective: 10/12/2021

No. 53835 (Repeal) R357-19: Business Resource Centers  
Published: 09/01/2021  
Effective: 10/12/2021

No. 53769 (Repeal) R357-20: Education Computing Partnerships  
Published: 09/01/2021  
Effective: 10/12/2021

No. 53890 (Amendment) R357-29: Rural County Grant Program Rule  
Published: 09/15/2021  
Effective: 10/26/2021

No. 53895 (New Rule) R357-42: Redeveloping Matching Grant Rule  
Published: 09/15/2021  
Effective: 10/26/2021

NOTICE OF PROPOSED RULE		
TYPE OF RULE: Amendment		
Utah Admin. Code Ref (R no.):	R162-2c	Filing ID 53856

**Agency Information**

<b>1. Department:</b>	Commerce	
<b>Agency:</b>	Real Estate	
<b>Room no.:</b>	2nd Floor	
<b>Building:</b>	Heber M Wells	
<b>Street address:</b>	160 E 300 S	
<b>City, state and zip:</b>	Salt Lake City, UT 84114	
<b>Mailing address:</b>	PO Box 146711	
<b>City, state and zip:</b>	Salt Lake City, UT 84114-6711	
<b>Contact person(s):</b>		
<b>Name:</b>	<b>Phone:</b>	<b>Email:</b>
Justin Barney	801-530-6603	justinbarney@utah.gov
Please address questions regarding information on this notice to the agency.		

**General Information**

<b>2. Rule or section catchline:</b>
R162-2c. Utah Residential Mortgage Practices and Licensing Rules
<b>3. Purpose of the new rule or reason for the change (Why is the agency submitting this filing?):</b>
The purpose of the proposed rule amendment is to correct and clarify references in this rule, to eliminate references to "good moral character" and "moral turpitude", and to coordinate certain state requirements with national requirements so as to eliminate the expense to licensees for unnecessary and mostly redundant criminal background checks and credit reports.
<b>4. Summary of the new rule or change (What does this filing do? If this is a repeal and reenact, explain the substantive differences between the repealed rule and the reenacted rule):</b>
The proposed rule amendment would: 1) replace the requirement that an applicant evidence "good moral character" with statutory requirements of honesty, integrity, and truthfulness and would correct a reference to a statutory subsection in Section R162-2c-201;  2) eliminate subsection headings; references to "moral turpitude and moral character;" and would eliminate references to unnecessary and now irrelevant dates in Section R162-2c-202;

3) eliminate subsection headings and references to "moral character", clarify the available formats for Utah-specific education instruction, including traditional classroom, virtual-live, distance education, and other formats, and also clarify that the 20 hours of instruction required to renew an instructor certification is not limited to classroom instruction in Section R162-2c-203;

4) eliminate subsection headings and references to "moral character", and coordinate the timing for state required fingerprinting for a criminal background check and submission of a credit report with national requirements, eliminating the expense to licensees for unnecessary and mostly redundant criminal background checks and credit reports in Section R162-2c-204; and

5) delete Section R162-2c-301b which is outdated.

**Fiscal Information**

<b>5. Provide an estimate and written explanation of the aggregate anticipated cost or savings to:</b>
<b>A) State budget:</b>
The Division of Real Estate (Division) has the staff and budget in place to administer this proposed amendment. The proposed amendment would save existing employees time and therefore, allow them to focus more time on other job duties and responsibilities and allow them to better serve the licensees. After conducting a thorough analysis, it was determined that the proposed rule amendment will not result in a fiscal impact affect those resources or result in any additional cost or savings to the state budget.
<b>B) Local governments:</b>
Local governments are not required to comply with or enforce the Utah Residential Mortgage Practices and Licensing Rules. After conducting a thorough analysis, it was determined that the proposed rule amendment will not result in a fiscal impact to local governments.
<b>C) Small businesses ("small business" means a business employing 1-49 persons):</b>
The proposed amendment does not create new obligations for small businesses nor does it increase the cost associated with any existing obligation. After conducting a thorough analysis, it was determined that the proposed rule amendment will not result in a fiscal impact to small business.
<b>D) Non-small businesses ("non-small business" means a business employing 50 or more persons):</b>
The proposed amendment does not create new obligations for non-small businesses and non-small businesses are under no obligation due to the current rule or the proposed amendment. The proposed amendment would eliminate the need for some licensees to pay to obtain a second set of fingerprints as well as the need for some licensees to pay for a second credit report. As a

result, licensees would not need to purchase those services through the National Mortgage Licensing System (NMLS) and the proposed rule amendment would result in a loss of income to the NMLS in an estimated annual amount of \$19,275. (The NMLS does not keep these fees but passes the fees to agencies who perform the criminal background checks and to credit reporting agencies, which are non-small businesses.) The Division estimates that the loss of income to the NMLS would be essentially the same amount as the cost savings to licensees who will not be required to purchase these mostly duplicative services, if the proposed rule is amended.

**E) Persons other than small businesses, non-small businesses, state, or local government entities** ("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an **agency**):

The proposed amendment does not create new obligations for persons other than small businesses, non-small businesses, state, or local government entities and these persons are under no obligation due to the current rule or the proposed amendment. After conducting a thorough analysis, it was determined that the proposed rule amendment will not result in a fiscal impact to persons other than small businesses, businesses, or local government entities.

**F) Compliance costs for affected persons** (How much will it cost an impacted entity to adhere to this rule or its changes?):

The proposed rule amendment does not create new obligations for affected persons subject to the administrative rule nor does it increase the cost associated with any existing obligation. However, because the current state rule and the national rule do not overlap completely, the Division estimates that under the present rule approximately 300 licensees obtain unnecessary criminal background checks and 300 licensees pay for unnecessary credit reports. These 300 licensees will benefit each year from the proposed rule amendment which would eliminate the requirement for these mostly duplicative services. The NMLS charges a licensee \$36.25 for a criminal background check. The NMLS charges a licensee \$28 for a credit report. Affected licensees will not need to pay the NMLS twice for the background checks and credit reports if the proposed rule amendment is approved. If 300 licensees pay for unnecessary criminal background checks under the current rule, the total costs to licensees would be \$10,875. If 300 licensees pay for unnecessary credit reports, the total costs to licensees would be \$8,400. After conducting a thorough analysis, it was determined that the proposed rule amendment will result in a total fiscal benefit to licensees of an estimated amount of \$19,275 per year.

**G) Comments by the department head on the fiscal impact this rule may have on businesses** (Include the name and title of the department head):

The proposed amendment does not create new obligations for non-small businesses and non-small businesses are under no obligation due to the current rule or the proposed amendment. The proposed amendment would eliminate the need for some licensees to pay to obtain a second set of fingerprints as well as the need for some licensees to pay for a second credit report. As a result, licensees would not need to purchase those services through the NMLS and the proposed rule amendment would result in a loss of income to the NMLS in an estimated annual amount of \$19,275. (The NMLS does not keep these fees but passes the fees to agencies who perform the criminal background checks and to credit reporting agencies, which are non-small businesses.) The Division estimates that the loss of income to the NMLS would be essentially the same amount as the cost savings to licensees who will not be required to purchase these mostly duplicative services, if the proposed rule is amended.

(By way of clarification, the projected loss of revenues of an estimated \$19,275 a year for non-small businesses who will lose revenues from fewer credit reports and background checks, will be off-set on a dollar-for-dollar basis by individual licensees who will not be required to pay for such duplicative services. The Division does not know if the fees for the duplicative services are reimbursed by the small business and non-small business employers of the licensees. Therefore, the offsetting dollar amount is reflected in the "other persons" line item of the table and not in the line items for small businesses and non-small businesses.)

Margaret Busse, Executive Director

**6. A) Regulatory Impact Summary Table** (This table only includes fiscal impacts that could be measured. If there are inestimable fiscal impacts, they will not be included in this table. Inestimable impacts will be included in narratives above.)

<b>Regulatory Impact Table</b>			
<b>Fiscal Cost</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$19,275	\$19,275	\$19,275
Other Persons	\$0	\$0	\$0
<b>Total Fiscal Cost</b>	<b>\$19,275</b>	<b>\$19,275</b>	<b>\$19,275</b>
<b>Fiscal Benefits</b>			
State Government	\$0	\$0	\$0

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Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$19,275	\$19,275	\$19,275
<b>Total Fiscal Benefits</b>	<b>\$19,275</b>	<b>\$19,275</b>	<b>\$19,275</b>
<b>Net Fiscal Benefits</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**B) Department head approval of regulatory impact analysis:**

The Executive Director of the Department of Commerce, Margaret Busse, has reviewed and approved this fiscal analysis.

**Citation Information**

**7. Provide citations to the statutory authority for the rule. If there is also a federal requirement for the rule, provide a citation to that requirement:**

Subsection 61-2c-103(3)	Section 61-2c-202	Section 61-2c-203
Section 61-2c-204.1		

**Public Notice Information**

**9. The public may submit written or oral comments to the agency identified in box 1.** (The public may also request a hearing by submitting a written request to the agency. See Section 63G-3-302 and Rule R15-1 for more information.)

<b>A) Comments will be accepted until:</b>	10/15/2021
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**10. This rule change MAY become effective on:** 10/22/2021

NOTE: The date above is the date the agency anticipates making the rule or its changes effective. It is NOT the effective date. To make this rule effective, the agency must submit a Notice of Effective Date to the Office of Administrative Rules on or before the date designated in Box 10.

**Agency Authorization Information**

<b>Agency head or designee, and title:</b>	Jonathan Stewart, Director	<b>Date:</b>	07/12/2021
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**R162. Commerce, Real Estate.  
R162-2c. Utah Residential Mortgage Practices and Licensing Rules.**

**R162-2c-201. Licensing and Registration Procedures.**

- (1) Mortgage loan originator.
  - (a) To obtain a Utah license to practice as a mortgage loan originator, an individual who is not currently and validly licensed in any state shall:
    - (i) evidence honesty, integrity, and truthfulness [~~good moral character~~] pursuant to R162-2c-202(1);
    - (ii) evidence competency to transact the business of residential mortgage loans pursuant to R162-2c-202(2);
    - (iii) evidence financial responsibility pursuant to R162-2c-202(3);
    - (iv) obtain a unique identifier through the nationwide database;
    - (v) successfully complete, within the 12-month period prior to the date of application, 15 hours of Utah-specific prelicensing [~~pre-licensing~~] education as approved by the division;
    - (vi)(A) successfully complete 20 hours of prelicensing [~~pre-licensing~~] education as approved by the nationwide database according to the nationwide database outline for national course curriculum; or
    - (B) if the individual previously passed the 20-hour national course, obtained a license, and thereafter allowed the license to expire, successfully complete continuing education:
      - (I) approved by the nationwide database; and
      - (II) in the number of hours that would have been required to renew the expired license in the year in which the individual allowed the license to expire;
      - (vii) take and pass the examinations that meet the requirements of Subsection 61-2c-204.1(4) and that:
        - (A) are approved and administered through the nationwide database; and
        - (B) consist of a national test with uniform state content;
        - (viii) request licensure as a mortgage loan originator through the nationwide database;
        - (ix) authorize a criminal background check and submit fingerprints through the nationwide database;
        - (x) authorize the nationwide database to provide the individual's credit report to the division for review;
        - (xi) provide to the division [~~all~~] relevant information regarding "yes" answers to disclosure questions found within the application submitted on the MU4 form;
        - (xii) record with the nationwide database a mailing address, if the applicant is not able to accept mail at the physical location or street address that is required to be on record with the nationwide database pursuant to Subsection 61-2c-106(1)(a);
        - (xiii) complete, sign, and submit to the division a social security verification form as provided by the division; and
        - (xiv) pay [~~all~~] fees through the nationwide database as required by the division and by the nationwide database.
  - (b) To obtain a Utah license to practice as a mortgage loan originator, an individual who is currently and validly licensed in another state shall:
    - (i) evidence honesty, integrity, and truthfulness [~~good moral character~~] pursuant to R162-2c-202(1);
    - (ii) evidence competency to transact the business of residential mortgage loans pursuant to R162-2c-202(2);
    - (iii) evidence financial responsibility pursuant to R162-2c-202(3);
    - (iv) successfully complete, within the 12-month period prior to the date of application, 15 hours of Utah-specific mortgage loan originator prelicensing education;

(v) provide to the division [~~all~~]-relevant information regarding "yes" answers to disclosure questions found within the application submitted on the MU4 form;

(vi) record with the nationwide database a mailing address, if the applicant is not able to accept mail at the physical location or street address that is required to be on record with the nationwide database pursuant to Subsection 61-2c-106(1)(a);

(vii) request licensure as a mortgage loan originator through the nationwide database;

(viii) authorize a criminal background check through the nationwide database;

(ix) authorize the nationwide database to provide the individual's credit report to the division for review;

(x) complete, sign, and submit to the division a social security verification form as provided by the division; and

(xi) pay [~~all~~]-fees through the nationwide database as required by the division and by the nationwide database.

(2) Lending manager. To obtain a Utah license to practice as an LM, an individual shall:

(a) evidence honesty, integrity, and truthfulness [~~good moral character~~] pursuant to R162-2c-202(1);

(b) evidence competency to transact the business of residential mortgage loans pursuant to R162-2c-202(2);

(c) evidence financial responsibility pursuant to R162-2c-202(3);

(d) provide to the division:

(i) the individual's unique identifier as assigned through the nationwide database;

(ii) evidence that the individual has taken and successfully:

(A) passed the 20-hour national mortgage loan originator prelicensing course; and

(B) passed the mortgage loan originator examination that:

(I) meets the requirements of Subsection 61-2c-204.1(4);

(II) is approved and administered through the nationwide database; and

(III) consists of a national test with uniform state content;

(C) completed the division-approved [~~division approved~~] 40 hour Utah-specific lending manager prelicensing education within the 12-month period prior to the date of application to the division;

(D) applied to the testing contractor designated by the division to sit for the lending manager licensing examination;

(E) paid a nonrefundable examination fee to the testing contractor; and

(F) passed both the state and national [~~general~~]-components of the licensing examination;

(e) within the 12-month period preceding the date of submission of a lending manager application to the division, successfully:

(i) register in the nationwide database by selecting the "lending manager" license type and completing the associated MU4 form;

(ii) record with the nationwide database a mailing address if the applicant is not able to accept mail at the physical location or street address that is required to be on record with the nationwide database pursuant to Subsection 61-2c-106(1)(a);

(iii) authorize a criminal background check and submit fingerprints through the nationwide database;

(iv) provide to the division [~~all~~]-relevant information regarding "yes" answers to disclosure questions found within the application submitted on the MU4 form;

(v) if applying for an active license, affiliate with a registered Utah mortgage entity;

(vi) authorize the nationwide database to provide the individual's credit report to the division for review;

(vii) pay the lending manager licensing fee as required by the division and by the nationwide database;

(viii) complete, sign, date, and submit to the division:

(A) the Utah lending manager checklist form as found on the division website or the nationwide database;

(B) the two page lending manager application as provided by the testing contractor;

(C) the social security verification forms as provided by the testing contractor; and

(D) a copy of a paid invoice from the nationwide database showing proof of payment of the lending manager license fee.

(f) provide to the division experience documentation forms to evidence that the applicant has satisfied the experience requirement of Subsection 61-2c-206(1)(d) as follows:

(i) during the five-year period preceding the date of submission of a lending manager license application to the division:

(A) three years full-time experience originating first-lien residential mortgages as a mortgage loan originator as defined in Subsection 61-2c-102(1)(ff);

(I) under a license issued by a state regulatory agency; or

(II) as an employee of a depository institution; and

(B) evidence of having originated a minimum of 45 first-lien residential mortgages; or

(ii) during the five-year period preceding the date of submission of a lending manager license application to the division:

(A) two years full-time experience originating first-lien residential mortgages as defined in Subsection ~~61-2c-102(1)(gg)~~ [~~61-2c-102(1)(ff)~~];

(I) under a license issued by a state regulatory agency; or

(II) as an employee of a depository institution;

(B) plus one year of full-time equivalent experience from the optional experience equivalency calculation in S[~~ubs~~]ection R162-2c-501a or the optional experience table in S[~~ubs~~]ection R162-2c-501b; and

(C) evidence of having originated a minimum of 30 first-lien residential mortgages; or

(iii) during the 12 years preceding the date of submission of a lending manager license application to the division:

(A) ten years of full-time experience providing direct supervision as a loan manager in the residential mortgage industry;

(B) with evidence of having directly supervised during the ten years described in this Subsection no fewer than five licensed or registered loan originators; and

(C) although the five individuals licensed or registered as described in this Subsection may have changed over time, the number of individuals being managed or supervised must have remained at a minimum of five individuals throughout [~~at all times during~~] the ten years described in this Subsection; and

(D) evidence of having personally originated a minimum of 15 first-lien residential mortgages within the past five years.

(g) Failure to document acceptable experience in one of the three methods described in Subsection (f) will result in the denial of the lending manager application. A [~~ll~~] application fees are nonrefundable.

(h) designate in the nationwide database whether the individual will be acting for the sponsoring entity as:

(i) the principal lending manager;

(ii) an associate lending manager; or

(iii) a branch lending manager.

(i) Deadlines.

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(i) If an individual passes one test portion of the lending manager examination but fails the other, the individual may retake and pass the failed portion of the exam within 90 days of the date on which the individual achieves a passing score on the first portion of the exam.

(ii) An application for licensure shall be submitted:

(A) within 90 days of the date on which the individual achieves passing scores on both examination portions; and

(B) within 12 months of the date on which the individual completes the ~~prelicensing~~~~[pre-licensing]~~ education.

(iii) If any deadline in this Subsection R162-2c-201(2) falls on a day when the division is closed for business, the deadline shall be extended to the next business day.

(3) Mortgage entity.

(a) To obtain a Utah license to operate as a mortgage entity, a person shall:

(i) establish that ~~each control person meets [all control persons meet]~~the requirements for honesty, integrity, and truthfulness ~~[moral character]~~ pursuant to R162-2c-202(1);

(ii) establish that ~~each control person meets [all control persons meet]~~the requirements for competency pursuant to R162-2c-202(2);

(iii) register any other trade name with the Division of Corporations and Commercial Code;

(iv) register the entity in the nationwide database by:

(A) submitting an MU1 form that includes:

(I) ~~[all]~~required identifying information;

(II) the name of the PLM who, pursuant to Subsection R162-2c-301a(3)(a)(iv), will serve as the entity's qualifying individual;

(III) the name of any LM who, pursuant to Subsection R162-2c-301a(3)(a)(iv), will serve as a branch lending manager;

(IV) the name of any individuals who may serve as control persons;

(V) the entity's registered agent; and

(VI) any other assumed business name or trade name under which the entity will operate;

(B) submitting a license request for any assumed business name listed in the "Other Trade Name" section of the MU1 form; and

(C) creating a sponsorship through the nationwide database that identifies the mortgage loan ~~originators~~~~[originator(s)]~~ sponsored by the entity;

(v) register any branch office operating from a different location than the entity;

(vi) pay ~~[all]~~fees through the nationwide database as required by the division and by the nationwide database;

(vii) provide to the division proof that any assumed business name or other trade name is registered with the Division of Corporations and Commercial Code;

(viii) provide to the division ~~the~~~~[all]~~ court documents related to any criminal proceeding not disclosed through a previous application or renewal and involving any control person;

(ix) provide to the division complete documentation of any action taken by a regulatory agency against:

(A) the entity itself; or

(B) any control person; and

(C) not disclosed through a previous application or renewal;

and

(x) provide to the division a notarized letter on company letterhead, signed by the owner or president of the entity, authorizing the PLM to use the entity's name.

(b) Restrictions on entity name. No license may be issued by the division to an entity that proposes to operate under a name that closely resembles the name of another entity licensee, or that the

division determines might otherwise be confusing or misleading to the public.

(4) Branch office.

(a) To register a branch office with the division, a person shall:

(i) obtain a Utah entity license for the entity under which the branch office will be registered;

(ii) submit to the nationwide database an MU3 form that includes:

(A) ~~[all]~~required identifying information; and

(B) the name of the LM who will serve as the branch lending manager;

(iii) create a sponsorship through the nationwide database that identifies the mortgage loan ~~originators~~~~[originator(s)]~~ who will work from the branch office; and

(iv) pay ~~[all]~~fees through the nationwide database as required by the division and by the nationwide database.

(b) A person who registers a branch office pursuant to this Subsection (4) shall ensure that any licensed trade names of the entity that are used from the branch office are listed in the "Other Name" section of the entity MU1 form.

(c)(i) A PLM may not simultaneously serve as a BLM if Subsection R162-2c-301a(3)(a)(iv)(B) applies.

(ii) An individual may not serve as the BLM for more than one branch at any given time.

(5) Licenses not transferable.

(a) A licensee shall not transfer the licensee's license to any other person.

(b) A licensee shall not allow any other person to work under the licensee's license.

(c) If a change in corporate structure of a licensed entity creates a separate and unique legal entity, that entity shall obtain a unique license, and shall not operate under any existing license.

(6) Expiration of test results.

(a) Scores for the LM exam shall be valid for 90 days.

(7) ~~[Nonrefundable fees. All fees]~~Fees are nonrefundable, regardless of whether an application is granted or denied.

(8) Other trade names.

(a) The division shall not approve a license for any person operating under an assumed business name that poses a reasonable likelihood of misleading the public into thinking that the person is:

(i) endorsed by the division, the state government, or the federal government;

(ii) an agency of the state or federal government; or

(iii) not engaged in the business of residential mortgage loans.

(b) A mortgage entity that operates under another trade name shall register the other trade name by including it on the MU1 form and obtaining the required registration.

### **R162-2c-202. Qualifications for Licensure.**

(1) ~~[Character.]~~Individual applicants and control persons shall evidence ~~[good moral character, ]~~honesty, integrity, and truthfulness.

(a) An applicant may not have:

(i) been convicted of, pled guilty to, pled no contest to, ~~or pled guilty in a similar manner to~~~~[or resolved by diversion or its equivalent]~~;

(A) a felony involving an act of fraud, dishonesty, a breach of trust, or money laundering;

(B) any felony in the seven years preceding the day on which an application is submitted to the division; ~~or~~

(C) ~~[in the five years preceding the day on which an application is submitted to the division:~~

- ~~(I) a misdemeanor involving moral turpitude; or~~
- ~~(II) a crime in another jurisdiction that is the equivalent of a misdemeanor involving moral turpitude;~~

~~(D)~~ in the three years preceding the day on which an application is submitted to the division, any misdemeanor involving a finding of:

- (I) fraud;
- (II) misrepresentation;
- (III) theft; or
- (IV) dishonesty;

(ii) had a license as a mortgage loan originator revoked by a government regulatory body at any time, unless the revocation is subsequently vacated or converted;

(iii) had a professional license or registration, whether issued by a Utah regulatory body or by another jurisdiction, suspended, surrendered, canceled, or denied in the five years preceding the date the individual applies for licensure if the suspension, surrender, cancellation, or denial is based on misconduct in a professional capacity that relates to:

(A) ~~[moral character;~~

~~(B)]~~ honesty;

~~(C)]~~ integrity;

~~(D)]~~ truthfulness; or

~~(E)]~~ the competency to transact the business of residential mortgage loans;

(iv) in the five years preceding the day on which an application is submitted to the division, been the subject of a bar by the:

(A) Securities and Exchange Commission;

(B) New York Stock Exchange; or

(C) Financial Industry Regulatory Authority;

(v) had a permanent injunction entered against the individual:

(A) by a court or administrative agency; and

(B) on the basis of:

(I) conduct or a practice involving the business of residential mortgage loans; or

(II) conduct involving fraud, misrepresentation, or deceit.

(b) An applicant may be denied a license or issued a restricted license for incidents in the applicant's past other than those specified in ~~[this]~~ Subsection (1)(a) that reflect negatively on the applicant's ~~[moral character,~~ honesty, integrity, and truthfulness. In evaluating an applicant for these qualities, the division and commission may consider any evidence, including the following:

(i) ~~other criminal convictions or plea agreements~~ ~~[with particular consideration given to convictions or plea agreements relative to charges that involve moral turpitude];~~

(ii) the circumstances that led to any criminal conviction or plea agreement under consideration;

(iii) past acts related to honesty, integrity, or truthfulness, ~~[or moral character,~~ with particular consideration given to any ~~[such]~~ acts involving the business of residential mortgage loans;

(iv) dishonest conduct that would be grounds under Utah law for sanctioning an existing licensee;

(v) civil judgments in lawsuits brought on grounds of fraud, misrepresentation, or deceit;

(vi) court findings of fraudulent or deceitful activity;

(vii) evidence of non-compliance with court orders or conditions of sentencing;

(viii) evidence of non-compliance with:

(A) terms of a diversion agreement still subject to prosecution;

(B) a probation agreement; or

(C) a plea in abeyance; or

(ix) failure to pay taxes or child support obligations.

(2) ~~[Competency.]~~ Individual applicants and control persons shall evidence competency to transact the business of residential mortgage loans. In evaluating an applicant for competency, the division and commission may consider any evidence that reflects negatively on an applicant's competency, including:

(a) civil judgments, with particular consideration given to any ~~[such]~~ judgments involving the business of residential mortgage loans;

(b) failure to satisfy a civil judgment that has not been discharged in bankruptcy;

(c) failure of any previous mortgage loan business in which the individual was engaged, as well as the circumstances surrounding that failure;

(d) evidence as to the applicant's business management and employment practices, including the payment of employees, independent contractors, and third parties;

(e) the extent and quality of the applicant's training and education in mortgage lending;

(f) the extent and quality of the applicant's training and education in business management;

(g) the extent of the applicant's knowledge of the Utah Residential Mortgage Practices Act;

(h) evidence of disregard for licensing laws;

(i) evidence of drug or alcohol dependency;

(j) sanctions placed on professional licenses; and

(k) investigations conducted by regulatory agencies relative to professional licenses.

(3) ~~[Financial responsibility.]~~ Individual applicants shall evidence financial responsibility. To evaluate an applicant for financial responsibility, the division shall:

(a) access the credit information available through the NMLS ~~[of:~~

~~(i) an applicant for initial licensure, beginning October 18, 2010; and~~

~~(ii) a licensee who requests renewal during the 2010 renewal period, unless the licensee's credit report was reviewed in issuing the initial license]; and~~

(b) give particular consideration to:

(i) outstanding civil judgments;

(ii) outstanding tax liens;

(iii) foreclosures;

(iv) multiple social security numbers attached to the individual's name;

(v) child support arrearages; and

(vi) bankruptcies.

(4) ~~[Age.]~~ An applicant shall be at least 18 years of age.

(5) Minimum education. An applicant shall have a high school diploma, GED, or equivalent education as approved by the commission.

**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;

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(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 ~~email~~[~~e-mail~~] address where correspondence will be received by the school;

(ii) evidence that each school director and owner meets the ~~moral character~~ requirements outlined in Subsection 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 instructors, including any guest lecturers, 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 (6)(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~~[~~all~~] capital letters at least 1/4 inch high; and

(B) state the following language: "Any student attending, state the name of the school, [~~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 Subsection 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 ~~the~~[~~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 Utah-specific 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~~[~~classroom~~] instruction;

(D) number of course hours allocated for each subject;

(E) at least three learning objectives for every hour of class~~room~~[~~room~~] time;

(F) instruction format for each subject, whether traditional classroom, virtual-live, distance education, or other format; ~~;~~ ~~i.e., lecture or media presentation;~~

(G) name and credentials of any guest lecturer; and

(H) list of topics and sessions taught by any guest lecturer;

(iii) a list of the titles, authors, and publishers of ~~all~~[~~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) The ~~all~~[~~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 each ~~all~~[~~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 precertification course expires at the same time the school certification expires.

(b) A precertification 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 ~~12~~~~twelve~~ months of full-time teaching experience;
  - (B) part-time teaching experience that equates to ~~12~~~~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 NMLS-approved 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 ~~nonrefundable~~~~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 ~~nonrefundable~~~~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 Subsections 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.

**R162-2c-204. License Renewal, Reinstatement, and Reapplication.**

(1) The deadlines for license renewal, reinstatement and reapplication are as follows: ~~Deadlines.~~

(a) ~~License renewal.~~  
 \_\_\_\_\_](i) To renew on time, a person who holds an active license as of October 31 shall renew by December 31 of the same calendar year.

- (ii)(A) A person who obtains a license on or after November 1 shall renew by December 31 of the following calendar year.
- (B) A person who is not required to renew in the first year of licensure pursuant to ~~this~~ Subsection (1)(a)(ii)(A) shall nevertheless complete, prior to December 31 of the first year of licensure, continuing education as required for renewal pursuant to Subsection R162-2c-

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204(3)(a) if the individual did not complete the mortgage loan originator national ~~prelicensing~~~~[pre-licensing]~~ education during the calendar year.

(b) ~~[Reinstatement.]~~The deadline to reinstate a license that expires on December 31 is February 28 of the year following the date of expiration.

(c) After the reinstatement deadline passes, a person shall reapply for licensure pursuant to Subsection R162-2c-204(3)(c).

~~(2)(a)(i) [Qualification for renewal.~~

~~(a) Character.~~

~~—————(i)]~~Individuals applying to renew or reinstate a license shall evidence~~[ that they maintain good moral character,]~~ honesty, integrity, and truthfulness as required for initial licensure.

(ii)(A) An individual applying for a renewed license may not have:

(I) a felony that resulted in a conviction or plea agreement during the renewal period; or

(II) a finding of fraud, misrepresentation, or deceit entered against the applicant by a court of competent jurisdiction or a government agency and occurring within the renewal period.

(B) A licensee shall submit a fingerprint background report ~~[in order]~~to renew a license every fifth year following the renewal period beginning November ~~[4,]~~2015. If the licensee has submitted a fingerprint background report to the NMLS that is current according to the NMLS and is dated within 90-days of the date of the application to renew, the Division shall use that fingerprint background report in satisfaction of the requirement of this subsection. If there is no current fingerprint background report in the NMLS, the licensee shall submit a fingerprint background report to the NMLS with the licensee's application to renew.

(iii) The division may deny an individual applicant a renewed license upon evidence, as outlined in Subsection R162-2c-202(1)(b), of circumstances that reflect negatively on the applicant's ~~[character,~~] honesty, integrity, or truthfulness and that:

(A) occurred during the renewal period; or

(B) were not disclosed and considered in a previous application or renewal.

(iv) The division may deny an entity applicant a renewed license upon evidence that a control person fails to meet the standards for~~[character,]~~ honesty, integrity, and truthfulness required of individual applicants.

~~(b)[Competency.~~

~~—————(i)]~~Individual applicants and control persons shall evidence that they maintain the competency required for initial licensure.

(ii) The division may deny an individual applicant a renewed license upon evidence, as outlined in Subsection R162-2c-202(2), of circumstances that reflect negatively on the applicant's competency and that:

(A) occurred during the renewal period; or

(B) were not disclosed and considered in a previous application or renewal.

(iii) The division may deny an entity applicant a renewed license upon evidence that a control person fails to meet the standard for competency required of individual applicants.

(c) ~~[Financial responsibility.]~~Individuals applying to renew or reinstate a license shall evidence financial responsibility. A licensee shall submit a credit report [in order]to renew a license every fifth year following the renewal period beginning November [4,]2015. If the licensee has submitted a credit report to the NMLS that is current according to the NMLS and is dated within 30-days of the date of the application to renew, the Division shall use that credit report in satisfaction of the requirement of this subsection. If there is no current

credit report in the NMLS, the licensee shall submit a credit report to the NMLS with the licensee's application to renew.

(3) Education requirements for renewal, reinstatement, and reapplication.

~~(a)[License renewal.~~

~~—————(i)]~~Except as provided in ~~[this]~~Subsection (3)(a)(ii), to qualify for license renewal, an individual who holds an active license as of January 1 of the calendar year shall complete, within the calendar year in which the individual's license is scheduled to expire, the following courses, none of which may be duplicative of courses taken in the same or preceding renewal period:

(A) a division-approved course on Utah law, completed annually; and

(B) eight hours of continuing education approved through the nationwide database, as follows:

(I) three hours federal laws and regulations;

(II) two hours ethics which may include fraud, consumer protection, and fair lending issues;~~[(fraud, consumer protection, fair lending issues);]~~

(III) two hours training related to lending standards for non-traditional mortgage products; and

(IV) one hour undefined instruction on mortgage origination.

(C) In addition to other required continuing education, a mortgage loan originator ~~[licensed with the State of Utah on or after May 8, 2017, shall, beginning January 1, 2020,]~~shall complete a division-approved continuing education course for new loan originators prior to their first renewal.

(ii) An individual who completes the mortgage loan originator nationwide ~~prelicensing~~~~[pre-licensing]~~ education between January 1 and December 31 in their initial license renewal for the renewal period ending December 31 is exempt from the nationwide database continuing education requirements and the division-approved course on Utah law.

(b) ~~[Reinstatement.]~~To reinstate an expired mortgage loan originator or lending manager license, an individual shall, by February 28 of the calendar year following the date on which the license expired, complete:

(i) the division-approved course on Utah law specified in Subsection (3)(a)(i)(A);

(ii) eight hours of continuing education:

(A) in topics listed in ~~[this]~~Subsection (3)(a)(i)(B); and

(B)(I) approved by the nationwide database as "continuing education" if completed prior to the date of expiration; or

(II) approved by the nationwide database as "late continuing education" if completed between the date of expiration and the deadline for reinstatement; and

(iii) if the new mortgage loan originator continuing education course was required for renewal prior to the expiration of their license, in addition to other required continuing education, a mortgage loan originator ~~[licensed with the State of Utah.]~~shall complete the division-approved continuing education course for new loan originators prior to reinstatement.

~~(c)[Reapplication.~~

~~—————(i)]~~To reapply for licensure after the reinstatement deadline passes and by or before December 31 of the calendar year following the date on which the license expired, an individual shall complete the division-approved course on Utah law and continuing education requirement outlined in~~[this]~~ Subsection (3)(b).

(ii) To reapply for licensure after the deadline described in ~~[this]~~Subsection (3)(c)(i) passes, an individual shall:

(A) complete eight hours of continuing education:

(I) in topics listed in ~~[this]~~ Subsection (3)(a)(i); and  
 (II) approved by the nationwide database as "late continuing education"; and  
 (B) within the 12-month period preceding the date of reapplication, take and pass:  
 (I) the 15-hour Utah-specific mortgage loan originator ~~prelicensing~~~~[pre-licensing]~~ education, if the terminated license was a mortgage loan originator license; or  
 (II) the 40-hour Utah-specific lending manager ~~prelicensing~~~~[pre-licensing]~~ education and associated examination, if the terminated license was a lending manager license; and  
 (C) complete the division-approved course on Utah law specified in Subsection (3)(a)(i)(A).  
 (4) The procedures for r~~[R]~~enewal, reinstatement, and reapplication are as follows:~~[procedures.]~~  
 (a) An individual licensee shall:  
 (i) evidence having completed education as required by Subsection R162-2c-204(3);  
 (ii) submit to the division the jurisdiction-specific documents and information required by the nationwide database; and  
 (iii) submit through the nationwide database:  
 (A) a request for renewal, if renewing or reinstating a license;  
 or  
 (B) a request for a new license, if reapplying; and  
 (iv) pay the fees~~[all fees as]~~ required by the division and by the nationwide database, including ~~[all]~~ applicable late fees.  
 (b) An entity licensee shall:  
 (i) submit through the nationwide database a request for renewal;  
 (ii) submit to the division the jurisdiction-specific documents and information required by the nationwide database;  
 (iii) renew the registration of any branch office or other trade name registered under the entity license; and  
 (iv) pay through the nationwide database each of the ~~[all]~~ fees, including ~~[all]~~ applicable late fees, required by the division and by the nationwide database.

**~~[R162-2c-301b. Employee Incentive Program.~~**

~~(1)(a) Under this Subsection R162-2c-301b, a licensed entity may pay an incentive to a mortgage loan originator who is sponsored by the entity and licensed in:~~  
~~(i) Utah; or~~  
~~(ii) another state.~~  
~~(b) A licensed entity may not pay an incentive to an unlicensed employee.~~  
~~(2) A PLM or entity that uses an incentive program shall:~~  
~~(a) prior to paying any incentive to an individual, specifically describe in the individual's contract for employment:~~  
~~(i) the methodology by which any incentive will be calculated, including the limitation specified in Subsection (2)(b); and~~  
~~(ii) the circumstances under which an incentive will be paid, including the limitation specified in this Subsection (2)(c); and~~  
~~(b) limit the dollar amount or value of any single incentive to \$300 or less;~~  
~~(c) limit the sponsored mortgage loan originator to receiving no more than three incentive payments in a calendar year; and~~  
~~(d)(i) keep complete records of all incentive payments made, including:~~  
~~(A) borrower name;~~  
~~(B) property address;~~  
~~(C) transaction closing date;~~  
~~(D) date of incentive payment;~~

~~(E) name of employee receiving incentive payment; and~~  
~~(F) amount paid; and~~  
~~(ii) make such records available to the division for audit or inspection upon request.~~  
~~(3) Before paying an incentive to a mortgage loan originator who is not licensed in Utah, the PLM or entity shall ensure that the individual did not:~~  
~~(a) solicit or advertise to the client regarding financing for a Utah property; or~~  
~~(b) perform any other activity that constitutes the business of residential mortgage loans pursuant to Section 61-2c-102(1)(h).]~~

**KEY: residential mortgage, loan origination, licensing, enforcement**  
**Date of Last Change: 2021**~~[July 8, 2020]~~  
**Notice of Continuation: January 15, 2020**  
**Authorizing, and Implemented or Interpreted Law: 61-2c-103(3); 61-2c-402(4)(a)**

NOTICE OF PROPOSED RULE		
TYPE OF RULE: New		
Utah Admin. Code Ref (R no.):	R162-2h	Filing ID 53635

**Agency Information**

<b>1. Department:</b>	Commerce	
<b>Agency:</b>	Real Estate	
<b>Room no.:</b>	2nd Floor	
<b>Building:</b>	Heber M Wells	
<b>Street address:</b>	160 E 300 S	
<b>City, state and zip:</b>	Salt Lake City, UT	
<b>Mailing address:</b>	PO Box 146711	
<b>City, state and zip:</b>	Salt Lake City, UT 84114-6711	
<b>Contact person(s):</b>		
<b>Name:</b>	<b>Phone:</b>	<b>Email:</b>
Justin Barney	801-530-6603	justinbarney@uath.gov

Please address questions regarding information on this notice to the agency.

**General Information**

<b>2. Rule or section catchline:</b>
R162-2h. Affiliated Title Business Rule
<b>3. Purpose of the new rule or reason for the change (Why is the agency submitting this filing?):</b>
The purpose of this new proposed rule is to establish an administrative rule for affiliated title business as authorized by Sections 31A-23a-1002, 31A-23a-1004, and 31A-23a-1006. The proposed rule requires an affiliated business to