Purpose

The purpose of this notice is to inform NMLS approved course providers of the required topics to be covered in the 2-hour state specific Continuing Education (CE) requirement which must be met as a condition for maintaining a mortgage loan originator (MLO) license with the Utah Division of Real Estate.

This course should be completed by licensees in 2020 and CE credits given for the 2020 renewal period. The course will be expired on February 28th, 2021 or the course’s renewal period, whichever comes first.

CE requirements are as follows:
- 3 hours of Federal law;
- 2 hours of Ethics;
- 2 hours of non-traditional mortgage lending;
- 1 hour of general electives;
- 2 hours of Utah state-specific defined electives

Total CE: 10 Hours

UT-DRE has established the following required topics list for the 2 hours of state-specific CE:

- Residential Mortgage Practices and Licensing Act – 15 min
  (Changes made during 2019 Legislative Session in S.B. 140 -

Residential Mortgage Practices and Licensing Act
61-2c-201. Licensure required of person engaged in the business of residential mortgage loans and 61-2c-201.2. Act gives temporary authorization to act as a Mortgage Loan originator.

In compliance with new federal law, S. 2155, Economic Growth, Regulatory Relief, and Consumer Protection Act, allow a licensed loan originator from another jurisdiction or a registered loan originator coming from a bank to obtain temporary authorization to originate residential mortgage loans for up to 120 days while waiting for approval of an application for licensure.
• **Mortgage Administrative Rule changes that went into effect in 2019 – 5 Min.**

The Division has approved an amendment to the Mortgage administrative rules that includes the mandatory 5 hour CE course, for new mortgage loan originators, to applicants applying for reinstatement of their license. The rule was previously amended in 2017 to require the mandatory course for new licensees applying to renew their license. The rule will extend the requirement to complete the mandatory 5 hour CE course to reinstatement applicants. This requirement is in response to the replacement of the Utah specific test by the Uniform State Test.

• **Mortgage Commission Suggested Topics – 20 mins**

1. Licensed /unlicensed activity (R162-2C-301a,(1), (2,) (3),(6) – also see sanctions below)  
   (https://www.consumerfinance.gov/policy-compliance/rulemaking/regulations/1024/14/)
   a. Activities allowed
   b. Activities not allowed
   c. Referral Fees – Who can receive a referral fee?  
      i. Grey areas
      ii. Holiday Events – What is allowed and not allowed
      iii. Tickets to Events – Plays, movies, etc.
2. Deep Fake –  
   a. Security Issues – how to detect
3. Wire Fraud/email Scams  
   https://realestate.utah.gov/consumers/index.html  
   https://www.consumer.ftc.gov/blog/2016/03/scammers-phish-mortgage-closing-costs  
   a. What to watch out for, current scams  
   b. Advising clients of the potential dangers

• **Mortgage Licensing and Disciplinary Actions taken in 2019 – 60 min.**  
(Please use link to see full list of disciplinary actions  
https://realestate.utah.gov/mortgage/Orders%202020%20Utah%20Law%20Course.pdf)

Multiple licensee applications for initial license or license renewal were either denied or placed on probation for the initial licensing period due to their criminal histories. The licensing sanctions varied based on whether the criminal conduct was either reported by the licensee, or determined by the criminal background check; the recency of the offense; and the severity and number of criminal convictions.

**4Q – 2018**

GALE, JONATHAN ROBERT, mortgage loan originator, Ogden, Utah. In an order dated October 16, 2018, Mr. Gales’s license was granted and placed on probation until December 31, 2019 due to criminal history. Case number MG-18-104354

HILTON, BENJAMIN A., mortgage loan originator, Provo, Utah. In a stipulated order dated October 3, 2018, Mr. Hilton admitted to having collected a fee for a loan modification before obtaining a written offer from the lender and before acceptance of the offer from the
borrower, in violation of Utah law. Mr. Hilton agreed to pay a civil penalty of $2,000. Case number MG-15-78909

RICHWINE, CRAIG ARLO, license applicant, Park City, Utah. In an order dated October 5, 2018, Mr. Richwine’s application for licensure as a mortgage loan originator was denied upon a finding that he had made a false representation to the Division. Case No. MG 18-102365, Docket No. 2018-010

1Q -2019

GRiffin, GREGORY HUGHES, mortgage loan originator, Grosse Pointe, Michigan. In an order dated January 3, 2019, Mr. Griffin’s license was granted and placed on probation for the initial licensing period due to criminal history. Case number MG-19-106359

STONE, STEVEN M., principal lending manager, Fair Haven, New Jersey. In a stipulated order dated January 2, 2019, Mr. Stone admitted to having mailed letters to prospective borrowers that were false or misleading advertisements, in violation of Utah law. Mr. Stone agreed to pay a civil penalty of $1,000. Case number MG-17-91603

2Q -2019

DUBOIS, RYAN KENNETH, mortgage loan originator, Lehi, Utah. In an order dated May 15, 2019, Mr. Dubois’s application for licensure was granted and his license placed on probation for the initial licensing period due to a pending criminal charge. Case number MG-19-109893

FIRPO, FRANCO A., mortgage loan originator, Draper, Utah. In an order dated March 11, 2019, Mr. Firpo’s application for licensure was granted and his license placed on probation for the initial licensing period due to criminal history. Case number MG-19-108204

LIBERTY ONE MORTGAGE, an unlicensed entity, Los Angeles and Sherman Oaks, California. In an order dated April 4, 2019, Liberty One Mortgage was found to have committed five violations of Utah law or its administrative rules including: transacting the business of residential mortgage loans without a license; charging a fee in connection with a residential mortgage transaction without providing the loan applicant a written statement signed by the applicant; failing to account for money received in connection with residential mortgage loan; using money for a different purpose from the purpose for which the money was received; and failing to remit fees collected on behalf of a third party service provider. Liberty One Mortgage was assessed a civil penalty in total the amount of $25,000 and ordered to cease and desist from transacting the business of residential mortgage loans until it is licensed pursuant to Utah law. Case number MG-15-75913 and Docket No. MG-2018-011

REID, KENNETH, JR. mortgage loan originator, Phoenix, Arizona. In an order dated May 14, 2019, Mr. Reid’s application for licensure was granted and his license placed on probation for the initial licensing period due to a child support arrearage. Case number MG-19-109851
ZEOLLA, MATTHEW RONALD, mortgage loan originator, Fraser, Michigan. In an order dated April 25, 2019, Mr. Zeolla’s license was granted and placed on probation for the initial licensing period due to criminal history. Case number MG-19-109420

3Q – 2019

BLACKBURN, CORWIN, mortgage loan originator, South Jordan, Utah. In an order dated June 19, 2019, Mr. Blackburn’s license was granted and placed on probation for the initial licensing period due to a plea in abeyance agreement in a criminal matter. Case number MG-19-110817


KOTT, DAVID JOSEPH, mortgage loan originator, Ferndale, Michigan. In an order dated July 16, 2019, Mr. Kott’s application for licensure was denied due to criminal history. Case number MG-19-111425

SANTANA, ALEXANDER, mortgage loan originator, Aliso, Viejo, California. In an order dated July 3, 2019, Mr. Santana’s license was granted and placed on probation for the initial licensing period due to criminal history. Case number MG-19-111116

NMLS Approving Authority
In accordance with the SAFE Act, NMLS is the approval authority for courses that are intended to satisfy the PE & CE requirement for an MLO to be licensed by a state-agency. Courses intending to satisfy these requirements must also meet NMLS course approval standards as detailed in the Functional Specification for All NMLS Approved Courses.

Legislative Updates
Course providers are responsible for keeping abreast of changes made to the applicable statutes, regulations and rules.