



IDAHO DEPARTMENT OF FINANCE
Policy Statement 2016-01

Policy Statement Regarding Rule 50 of Idaho's Rules
Pursuant to the Idaho Residential Mortgage Practices Act

I. Background

This Policy Statement is intended to provide guidance to licensees under the Idaho Residential Mortgage Practices Act regarding IDAPA 12.01.10.050.01 (Rule 50).

In 2016, Rule 50 of the Rules Pursuant to the Idaho Residential Mortgage Practices Act was amended to eliminate the requirement that Idaho mortgage licensees utilize a disclosure *form* to disclose to borrowers information that describes the services authorized under the Act that the licensee may provide to a borrower. Effective March 25, 2016, Rule 50 now states (emphasis added):

***01. Receipt of an Application.** Upon receipt of an application as defined in Subsection 006.02 of these rules, and before receipt of any moneys from a borrower, a licensee or person required to be licensed under the Act shall make available to each borrower information, in a manner acceptable to the Director, about the services authorized under the Act that he may provide to a borrower.*

By this Policy Statement, the Director is providing guidance to licensees as to what the words "in a manner acceptable to the Director" mean in the context of Rule 50.

II. What "Manner" of Providing Information Under Rule 50 is Acceptable to the Director?

Rule 50 provides flexibility to licensees on how they elect to make the information available, and the Director will accept *any* manner utilized by licensees for this purpose that is reasonably calculated to make the information available to borrowers. For instance, such information that is made available to borrowers on the licensee's website, or by use of any other medium reasonably utilized to make such information available to borrowers, would meet the Director's standard of being an acceptable manner of making the information contemplated by Rule 50 available to borrowers. In providing the information to a borrower, the licensee may not impose any requirement on a borrower to "opt-in" to receive the information or require any form of commitment from the borrower to utilize the licensee's services in exchange for the information.

Dated this 18th day of July, 2016.

/s/
GAVIN M. GEE
DIRECTOR, IDAHO DEPARTMENT OF FINANCE