



PROTECTING THE INTEGRITY OF IDAHO FINANCIAL MARKETS SINCE 1905

Idaho Department of Finance

Guidance Statement

2020-03-CFB

MORTGAGE RECOVERY FUND - MORTGAGE EDUCATION TRAINING FOR LICENSEES AND LICENSE APPLICANTS

Issue Date: July 1, 2020 (Replaces Policy Statement 2015-01)

I. Background

When appropriated by the Idaho Legislature, the Idaho Department of Finance may annually apply up to \$50,000 of monies accumulated in the Mortgage Recovery Fund for the statutory purposes described in Idaho Code § 26-31-110(4). These enumerated purposes include Department expenses in administering the fund, funding for consumer education, research projects, training expenses of staff, and funding for some educational materials for licensees and applicants for licensure. Specifically, Idaho Code § 26-31-110(4) provides:

(4) On an annual basis, the department may apply up to fifty thousand dollars (\$50,000) of moneys accumulated in the mortgage recovery fund in excess of one million five hundred thousand dollars (\$1,500,000) to:

- (a) Fund the department's expenses in administering the mortgage recovery fund;*
- (b) Develop and implement consumer education concerning the residential mortgage industry;*
- (c) Contract for research projects for the state concerning the residential mortgage industry;*
- (d) Fund the training expenses of department staff members and its attorneys concerning the residential mortgage industry; and*
- (e) Publish and distribute educational materials to licensees and applicants for licensure under this chapter.*

II. Authorized Uses of the Mortgage Recovery Fund

The purpose of this Guidance Statement is to provide information to licensees about subpart (4)(e) of the above-referenced statute. It is anticipated that licensees and organizations may look to the Mortgage

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Recovery Fund to help with funding for mortgage education training programs. The Department must “publish and distribute” the educational materials to licensees and applicants for licensure. This provision means that the Department may furnish an educational speaker at events attended by licensees. Under the above provision (4)(e), the Department may sponsor mortgage education training events and arrange for a speaker or speakers for the mortgage educational program.

In addition, licensees, mortgage trade associations, or other organizations that sponsor mortgage education training programs may request that the Department become a co-sponsor of the program. If the Department agrees to be a co-sponsor, the speaker or speakers may be identified by the offering organization or by the Department. As a co-sponsor of a mortgage education training program, the Department may apply monies from the Mortgage Recovery Fund according to the provisions of the above statute. If an offering organization requests that the Department co-sponsor a mortgage education training program and the offering organization proposes a specific program speaker or speakers, the Department must first receive a copy of each proposed speaker’s résumé and course outline. Additionally, the Department must be advised of the speaker’s fee, proposed mortgage education topic, and estimated amount of time the speaker will have to cover the topic. If a speaker is providing handout materials, a copy of those materials should be included. The speaker’s topic must contribute to a licensee’s knowledge, skill, or competence in complying with relevant laws, rules, or regulations applicable to operating as a mortgage broker/lender/loan originator in Idaho, including the Idaho Residential Mortgage Practices Act (Act) and Rules Pursuant to the Act. Monies from the Mortgage Recovery Fund cannot be utilized for trainings or events focused on marketing, motivational, general business tactics, or other topics not designed to educate a licensee on areas regulated by the Department.

III. Summary

Any group or individual interested in providing a mortgage education training program to licensees, or applicants for licensure, under the Idaho Residential Mortgage Practices Act, may submit a written request for the Department to become a co-sponsor of the program for which monies from the Mortgage Recovery Fund may be applied, as determined by the Department.

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Requests for the Department to co-sponsor a mortgage education training program must be submitted on the attached “Mortgage Recovery Fund Application” form. When considering co-sponsorship requests, the Department may give priority to requests involving mortgage education training programs for which continuing education credits under the Act may be earned by attendees. In the event that the Department approves a request to co-sponsor a mortgage education training program, the Department must be identified as a co-sponsor of the program on announcements, flyers, and other informational materials advertising the program, in a form and manner as approved by the Department.

Contact - You may direct comments or requests for additional information regarding this Guidance Statement to:

Bureau Chief, Consumer Finance Bureau
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

Telephone: 1-(208)-332-8000
Facsimile: 1-(208)-332-8099
Email: finance@finance.idaho.gov

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MORTGAGE RECOVERY FUND APPLICATION

Application for Co-Sponsorship of Mortgage Training for Mortgage Licensees and/or Mortgage License Applicants

Submit one application for each event request. If the Department of Finance approves this Application, it will participate as, and must be identified as, a co-sponsor of the mortgage education training event.

Applicant	Name and Address			
	NMLS # <i>as applicable</i>		Contact Name	
	Phone	()	Email	

Event Information	Name of Event			
	Topic of Event			
	Address(es) of Event(s)		Date(s) of Event(s)	

If this **same** event is being presented in more than one location, on more than one date, or both, under this single co-sponsorship request, please include information here (*attach additional page if necessary*):

Proposed Speaker(s) Information

**** Attach a résumé and a course outline for each speaker and course. ****

(If more speaker information needs to be provided, attach the information on a separate page)

Name of Speaker(s)	Address and Telephone No.	Brief Description of Speaker's Topic

Course Information	Number of Total Anticipated Attendees	
	Program's Primary Target Group (Mortgage brokers/loan originators, consumers, realtors, etc.)	
	Estimated Course Duration	
	Course Registration Fee	\$_____ per person/group* <i>*if fees vary by early/late registration or other reasons, please explain in comments.</i>
	Has the course been approved by NMLS for continuing education credit(s)?	<input type="checkbox"/> Yes <input type="checkbox"/> No

<p>Total Anticipated Costs for Event(s) **</p> <p><i>**attach proposed or estimated costs and any documentation such as contracts for each item with initial submission**</i></p> <p><i>Prior to full disbursement of approved co-sponsorship funds, all final costs must be documented and submitted to the Department</i></p> <p><i>Funds will be disbursed by the Department after receipt, review and approval of all final receipts, billings, costs, or other documentation verifying actual approvable expenditures for the event(s).</i></p>	Speaker Fees	\$_____
	Education Materials	\$_____
	Travel	\$_____
	Lodging	\$_____
	Venue	\$_____
	Total Requested Amount	\$_____

Comments/Additional Information: _____

By submitting this request for co-sponsorship, the applicant understands that if the request is approved the Department must be identified as a co-sponsor of the program on all announcements, flyers, and other informational materials advertising the program, in a form and manner approved by the Department. Questions and requests for additional information may be directed to the Department of Finance at: mortgage@finance.idaho.gov.

Applicant Signature _____ Date _____

Please submit this completed application, including all attachments, via (i) fax ((208) 332-8096), (ii) attached to an email in PDF format (mortgage@finance.idaho.gov), (iii) U.S. Mail at: Idaho Department of Finance, PO Box 83720, Boise, ID 83720-0031, or (iv) hand delivery at: Idaho Department of Finance, 800 Park Blvd., Suite 200, Boise, ID 83712.