

UTAH RESIDENTIAL MORTGAGE REGULATORY COMMISSION MEETING

Heber M. Wells Building
Room 210
9:00 AM
May 6, 2009

MINUTES

STAFF MEMBERS PRESENT

Dee Johnson, Acting Director/Enforcement Director
Mark Fagergren, Education/Licensing Director
Traci Gundersen, Assistant Attorney General
Dave Mecham, Chief Investigator
Renda Christensen, Board Secretary
Amanda Orme, Mortgage Education Coordinator

COMMISSION MEMBERS PRESENT

Rodney "Butch" Dailey, Chair
Heather MacKenzie, Vice Chair
Maralee Jensen, Commissioner
Lance Miller, Commissioner
Brigg Lewis, Commissioner

GUESTS

Tyler Camp	Irene Kennedy
JR Thompson	Kevin Swenson
Tammy Lund	Don Downing
Paul Naylor	David Bornemeier
Chad Ahearn	Jeremy Plozak
David Luna	

The meeting on May 6, 2009 of the Utah Residential Mortgage Regulatory Commission began at 9:00 a.m. with Chair Dailey conducting.

Director Steinagel was out today and Mr. Johnson will be Acting Director. Mr. Mecham will sit in for Mr. Johnson's role in Enforcement.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes - The minutes from the April 1, 2009 meeting were

approved as written.

DIVISION REPORTS

Director's Report – Dee Johnson, Acting Director

On April 2, 2009 federal sentencing was held for the people involved in the Provo River Bottoms case. There were a couple of Division licensees involved in that process. Sentencing ranged from 12 months to 51 months, with a combined restitution of \$5.5 million. There was a real estate licensee, Ron Clarke, who was sentenced to 41 months, and an appraiser, Steve Cloward, who was sentenced to 33 months. This was a joint effort of the U.S. Attorney and the Mortgage Fraud Task Force. The Task Force indicates that there is more to come.

Enforcement Report – Dee Johnson

The Division has been on the road with the Caravan, and in Tooele there were about 30 people in attendance. In Vernal there were approximately 40 people, and yesterday in Logan there were approximately 130 people. Tomorrow the Caravan will be in Layton, with next week having two meetings in St. George, and one each in Richfield and Moab.

Mr. Johnson reported in the month of April, the Division received 17 complaints; screened 15 complaints; opened 5 cases; closed 2 cases; leaving 54 total mortgage cases. There are no Stipulations this month.

Education/Licensing Report – Mark Fagergren

Mr. Fagergren said the statistics over the last few months that we are losing about 100 mortgage officers per month. The inactive numbers dropped slightly.

The Division newsletter is at the post office and should be arriving soon.

In regards to the Caravan, one of the positive things about the Caravan is the Division receives real-time feedback on topics discussed.

Mr. Fagergren said Commissioner Miller was willing to go back to the curriculum and extract those hours that are SAFE mandatory hours, and those that are supplementary hours. Mr. Fagergren handed out a Utah Mortgage Pre-Licensing SAFE Education draft prepared showing the change in presentation of the hours. Commissioner Miller took the outline of the national exam which breaks down the categories by percentage, and took that percentage of the 20 hours and pulled out the corresponding number of hours out of the Division outline to correspond with the percentage allocation

of the national exam.

A motion was made to approve the Utah Mortgage Pre-Licensing SAFE Education Draft. The motion was passed unanimously.

Mr. Fagergren told the educators in attendance they should be checking the website, www.stateregulatoryregistry.org, because there is a vast amount of information available. He announced that Utah is not on the fast-track list.

Mr. Fagergren handed out a summary of the NLMS&R Proposed Education and Licensing Fees (as of May 6, 2009). The exam fees will be \$161.00 (National Exam Fee: \$92.00, State Exam Fee: \$69.00). Students who fail any portion of the exam will be required to wait a minimum of 30 days to retake the portion(s) of the exam that they missed. The exam fees would then need to be repaid for each time an applicant fails the system. The national and state exam components can be taken on different days.

The fees for Education Providers are greatly increased. The initial application fee is \$400.00 for a two-year period, and the renewal fee will also be \$400.00 every two years.

Continuing Education or Pre-licensing course approval fees will be as follows: The initial application for a one year course approval is \$300.00, with the annual renewal fee at \$200.00. All fixed course renewal dates are June 30th of each year. The Banking fees for all courses will break down as follows: \$1.50 per credit hour per student. For example, a 3-hour course taught to 35 people, $\$1.50 \times 3 \text{ credit hours} = \4.50 , $\$4.50 \times 35 \text{ students} = \157.50 banking fee. These fees are paid for every course taught (both CE and pre-licensing). Mr. Fagergren said comments will be accepted through June 1, 2009. He encouraged everyone to let their concerns be known.

Chair Dailey brought up an issue that had been brought to his attention. He is concerned about the rule that talks about individuals with multiple licenses not doing a loan, or real estate transaction, with the same client. The intent of the rule is not being followed and he doesn't think these are an arms-length transactions. There was discussion on this matter, and it was decided to add this topic for discussion to the agenda for next month.

A motion was made and unanimously passed to close the public portion of the meeting for the upcoming hearings.

CLOSED TO PUBLIC

LICENSE/RENEWAL HEARINGS:

- 10:00 Stephen Rice – Application for License
Mr. Rice requested a telephone hearing for today.
- 10:30 Envision Lending Group, Inc. – Application for Renewal
Amy Anderson, PLM
John Wadoups, Attorney
Jerry Anderson
Macy Buker
- 11:30 1st Metropolitan Mortgage of NY – Application for Renewal

A motion was made and passed unanimously to go into Executive Session from 11:36 a.m. to 1:00 p.m.

- 1:00 James Ryan Hadley – Application for Renewal
- 2:00 Tim Potter – Application for License
- 3:00 Kenneth Matthews – Application for License
Carol Matthews, Wife

A motion was made and passed unanimously to go into Executive Session from 3:18 p.m. to 3:24 p.m.

OPEN TO PUBLIC

A motion was passed unanimously to adjourn at 3:25 p.m.