

**UTAH RESIDENTIAL MORTGAGE REGULATORY
COMMISSION MEETING**

Heber M. Wells Building

Room 2B

9:00 a.m.

January 9, 2013

TELEPHONIC MEETING

MINUTES

STAFF MEMBERS PRESENT

Jonathan Stewart, Division Director
Mark Fagergren, Education/Licensing Director
Jeffery Nielsen, Chief Investigator
Xanna DeGooyer, Assistant Attorney General
Renda Christensen, Board Secretary
Jody Colvin, Division Staff
Marv Everett, Investigator

COMMISSION MEMBERS PRESENT

Holly Christensen, Chair
Steve Hiatt, Vice Chair
Lance Miller, Commissioner
Rodney "Butch" Dailey, Commissioner
John Gonzales, Commissioner

GUESTS

Abbie Kerkman

The meeting on January 9, 2013 of the Utah Residential Mortgage Regulatory Commission began at 9:00 a.m. with Chair Christensen conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes – There was no meeting in December so there were no minutes to review or approve today.

DIVISION REPORTS

Director's Report – Jonathan Stewart

Director Stewart reported the Division's bill is with Legislative Research and has not been numbered yet. He will meet with Representative Gage Froerer today.

NMLS has released their 2013.1 Release Portfolio scheduled to be released on March 18, 2013. The purpose is to communicate system enhancements. Director Stewart reported on several of the targeted enhancements:

- NMLS is being updated to allow state regulators to adopt the newly created Uniform State Test Component in lieu of existing State-specific Test Components

to satisfy the SAFE Test State Component Requirement. The new functionality will allow mortgage loan originators to enroll for and take the Uniform State Test Component.

- NMLS Consumer Access will now include the display of self-reported disciplinary actions for federally registered MLOs. Disciplinary action information is comprised of details provided by a mortgage loan originator regarding yes responses to Disclosure Questions on an application for federal registration in the Federal Registry of NMLS.

Enforcement Report – Jeffery Nielsen

Mr. Nielsen reported in December the Division received 7 complaints; opened 12 cases; closed 7 cases; 3 cases are with the AG's office; leaving the total number of mortgage cases at 42.

Stipulation for Review

Allarie Younica – In lieu of a hearing today.

Ms. Younica was offered the opportunity to appear today, but has declined.

Licensing and Education Report – Mark Fagergren

Mr. Fagergren reported Division staff was able to complete the 2013 mortgage license renewals for on-time applications. The cover of the newsletter as of the date of submission of the article indicated that our staff has already processed 74% of loan originator renewal applications, and 72% of mortgage entity and branch office renewal requests. As of yesterday, the staff has completed 100% of all submitted applications that have come in during the first week of the year.

A breakdown of the numbers show there were 2,976 MLOs and 633 entities that have been renewed. Unfortunately, there are 791 MLOs that have failed to renew or reinstate, and 118 entities. The numbers of applications with deficiencies show 39 entities and approximately 24 individuals that have submitted their renewals and have not cleared up their deficiencies.

Mr. Fagergren commented on the Uniform State Test. There has been pressure put on state agencies to adopt this test. The Uniform State Test is not really a state test; it is just information that could be added to the general portion of the exam. There are currently 36 state agencies that have adopted the test, and there are 16 state agencies that are undecided as to whether they will adopt the test. These states include California, Colorado, Montana, and New Mexico. Idaho was one of the first state agencies that have adopted the test and will do so on April 1, 2013.

The Utah Division of Finance has also chosen to adopt the Uniform State Test. An advantage of this would be that our Division will no longer have an exam written to cover two different agencies that have conflicting statutes. Utah is only one of five states who have committed not to adopt the Uniform State Test.

Beginning April 1, 2013 through March 31, 2014 any Utah originators who want to take this 25-question Uniform State Test can take it, and if they pass it, they can be licensed in any of these 36 state agencies (once they adopt the Uniform State Test.) After that year, they would have to take a 125-question test, which includes the general and uniform state component.

Mr. Fagergren said there has been another request from an individual requesting an exception for his PLM experience. The Commission and the Division discussed this request, and said they could not make an exception to the rule. If the individual requests to come before the Commission, the topic will be added to the agenda for further discussion.

COMMISSION AND INDUSTRY ISSUES

Updates on Rules – Jonathan Stewart

Mr. Palumbo was not present, so Director Stewart gave the report that there are no rule updates this month. On December 22, 2012, Mr. Palumbo returned to the Division of Consumer Protection as Chief Investigator. Director Stewart said the Division is interviewing applicants to replace this position.

CLOSED TO PUBLIC

A motion was made to close the meeting to discuss the character, professional competence, or physical and mental health of an individual. Vote: Chair Christensen, yes; Vice Chair Hiatt, yes; Commissioner Dailey, yes; Commissioner Miller, yes; Commissioner Gonzales, yes. An Executive Session was held from 9:38 a.m. to 9:43 a.m.

Results of Stipulations

Allaire Younica - Approved

A motion was made to adjourn the meeting. Vote: Chair Christensen, yes; Vice Chair Hiatt, yes; Commissioner Miller, yes; Commissioner Gonzales, yes. The motion carries. The meeting adjourned at 9:44 a.m.