

**UTAH RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION MEETING**

Heber M. Wells Building

Room 210

9:00 A.M.

October 5, 2011

**MINUTES**

**DIVISION MEMBERS PRESENT**

Jonathan Stewart, Division Director  
Mark Fagergren, Licensing/Education Director  
Xanna Hardman, Assistant Attorney General  
Kent Nelson, Chief Investigator  
Jennie Jonsson, Hearing Officer  
Renda Christensen, Board Secretary  
Jan Buchi, Mortgage Education Coordinator  
Tiffeni Wall, Real Estate Education Coordinator  
Marv Everett, Investigator  
Travis Cardwell, Investigator  
Jody Colvin, Division Staff

**COMMISSION MEMBERS PRESENT**

Lance Miller, Chair  
Holly Christensen, Commissioner  
Steve Hiatt, Commissioner

**GUESTS**

Gary Nielson  
Jeremy Plouzek  
Sara Saylor  
Michael Brumble  
Teresa Trujillo

The meeting on October 5, 2011 of the Utah Residential Mortgage Regulatory Commission began at 9:08 a.m. with Chair Miller conducting.

Commissioner Dailey is excused from the meeting today because of illness.

**PLANNING AND ADMINISTRATIVE MATTERS**

### Approval of Minutes

A motion was made to approve the minutes from the September 7, 2011 meeting. Vote: Chair Miller, yes; Commissioner Christensen, yes; Commissioner Hiatt, yes. The motion carries.

## **DIVISION REPORTS**

### **Director's Report – Jonathan Stewart**

Director Stewart announced the Division is starting a new "live chat" feature on our website that will begin sometime this month.

The Department and Division are still looking for a replacement for Brigg Lewis.

Director Stewart reviewed the proposed outline for statutory changes that will be submitted in our Division bill to the legislature. These proposed changes cover new items required by HUD rules implementing the SAFE Act, and include the following: requiring processors who operate as independent contractors to be licensed; requiring the Division to report all violations to NMLS; requiring licensees to include all closed loans in call reports; and requiring call reports to be submitted to the NMLS quarterly.

Chair Miller asked to have call reports defined by rule, and in discussion it was suggested to use the HUD definition. He also suggested that we define "referral fees" so it will be easier to understand. After discussing this issue, it was decided to have Ms. Jonsson draft a rule and present it to the Commission at the next meeting. Definitions should include: services rendered, the number of loans closed, in-house referral fees, and split commissions.

### **Enforcement Report – Kent Nelson**

Mr. Nelson reported in September the Division received 12 complaints; 0 screenings; opened 12 cases; closed 38 cases; leaving the total number of open mortgage cases at 74. On the report the term "N/R" means that there are no complaints to report that haven't been screened. That item will be phased out in coming reports.

Mr. Nelson also mentioned there were approximately 70 complaints against one company received this month. The number of open cases will reflect that jump on next months report. Mr. Nelson and Mr. Everett have met with the Attorney General's office on this case and anticipate being able to report next month that criminal charges will be filed against the licensee.

Stipulation for Review:  
Don Richard Barlow, Jr.

The respondent was advised of his right to appear today, but has chosen not to appear.

**Education/Licensing Report – Mark Fagergren**

Mr. Fagergren followed up on Director Stewart's comment on the Division's new "live chat" feature that will be starting soon. We are both excited and apprehensive that this feature will be a good thing. Our technicians could potentially be able to visit with three or four people at one time.

The renewal period will begin the first of November and run through the end of December. Last year our technicians were overwhelmed with phone calls during renewal. There are a lot of overall questions that we don't anticipate as much this year (i.e., different CE requirements, national test, etc.).

The Division's newsletter had an article on some requirements we don't have this year as well as renewal information. This is the last newsletter before we enter the renewal cycle again.

Mr. Fagergren reminded everyone about the Instructor Development Workshop being held on October 24 and 25, 2011 in Park City. The chairs of our three commissions/board will be involved with our Director on a panel discussion on the second day. We have an excellent instructor coming in from Missouri who is an author and very good educator. All of our Commissioners will be invited as our guests.

Last month we spoke about some concerns regarding education. Ms. Buchi has done a lot of research, in addition to her own input from getting calls from people in various states.

Ms. Buchi discussed the NMLS 20 hours, Utah MLO 40 hours, and the PLM 40 hours of education. She focused on the MLO 40 hours and the NMLS 20 hours of education, and prepared a comparison chart to help in the discussion. There have been complaints that the courses are duplicative. After discussion on this comparison chart, it was suggested that some areas could be reduced and perhaps lower the hours from 40 to 28 hours of education.

**Industry and Commission Issues – Jennie Jonsson**

Ms. Jonsson reported that two rules have been out for public comments, and

no comments have been received. The two rules are R162-2c-102, definitions, and R162-2c-204, license renewal and reinstatement. A motion was made to make both of these rules effective on October 11, 2011. Vote: Chair Miller, yes; Commissioner Christensen, yes; Commissioner Hiatt, yes. The motion carried.

Ms. Jonsson did some checking to see what would be required to reduce the number of hours required for the pre-license education courses. In the MLO course it could be done by rule. The PLM license would require statute amendments.

### **OPEN TO PUBLIC**

#### LICENSE/RENEWAL HEARING:

10:07 Ashley Jawn Roe – Application for License  
Donald Worthington

Election of new Vice Chair: Commissioner Christensen has been elected to serve as the new Vice Chair.

### **CLOSED TO PUBLIC**

There was a motion to close the meeting to discuss the character, professional competence, or physical and mental health of an individual. Vote: Chair Miller, yes; Commissioner Christensen, yes; Commissioner Hiatt, yes. Executive Session was held from 11:08 a.m. to 11:30 a.m.

Deliberation of Stipulation  
Deliberation on Hearing

### **OPEN TO PUBLIC**

#### Results of Stipulation

Don Richard Barrow, Jr. - Rejected

A motion was made to adjourn the meeting. Vote: Chair Miller, yes; Commissioner Christensen, yes; Commissioner Hiatt, yes. Director Stewart concurs. The meeting was adjourned at 11:30 a.m.