

**UTAH RESIDENTIAL MORTGAGE REGULATORY
COMMISSION MEETING**

Heber M. Wells Building

Room 250

9:00 a.m.

October 2, 2013

MINUTES

STAFF MEMBERS PRESENT

Jonathan Stewart, Division Director
Mark Fagergren, Education/Licensing Director
Jeffery Nielsen, Chief Investigator
Justin Barney, Hearing Officer
Xanna DeGooyer, Assistant Attorney General
Jennie Jonsson, Administrative Law Judge
Renda Christensen, Board Secretary
Jan Buchi, Mortgage Education Coordinator
Marv Everett, Investigator
John Bickmore, Investigator
Kadee Wright, Investigator
Jennica Robison, Division Staff

COMMISSION MEMBERS PRESENT

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

GUESTS

Bud Gardner

The meeting on October 2, 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 – A motion was made to approve the minutes from the September 4, 2013 meeting. Vote: Chair Christensen, yes; Vice Chair Hiatt, yes; Commissioner Miller, yes; Commissioner Dailey, yes; Commissioner Gonzales, yes. The motion passes.

DIVISION REPORTS

Director's Report – Jonathan Stewart

Director Stewart discussed the proposed statute changes being given to the legislature:

- 1) Independent underwriters will be required to be licensed. This is a requirement for the SAFE Act.
- 2) Allow a licensee to voluntarily surrender their license similar to 58-1-306, a Division of Occupational and Professional Licensing statute. There are times when a licensee would rather surrender their license than having other sanctions. Currently, our statute does not allow a licensee to surrender their license.

Director Stewart presented a plaque of appreciation to Chair Christensen. She has served the industry and Division by serving as an Appraiser Board member for four years, and four years on the Mortgage Commission. She is an asset to the industry, and the Division is sorry to have her leave.

Director Stewart and Mr. Nielsen attended the AARMR Conference last month. Director Stewart reported on items that he learned at the conference:

- 1) Foreign entities – whether or not to license foreign entities.

Concerns are oversight and supervision, going overseas to administer an audit, and language barriers. There is also no way to have criminal background or credit checks. Typically, there are two to four auditors that are sent to administer an audit, and the cost for traveling overseas would have to be paid by the entity, not the agency. Some states are licensing entities in Canada.

One state has statutory language which states no location can be licensed outside the United States or a U.S. Territory. The Division currently does not have any language in the statute regarding foreign entities. Currently, several states license entities in Canada. Commissioner Miller suggested adding general language in rule under licensing requirements to specifically address foreign entities at the Division's discretion.

Mr. Nielsen said the concern with overseas licensing is with the public information being protected.

Administrative Law Judge administered the Oath of Office to the new Commissioner, Cathy J. Gardner.

Nominations were held for the office of Chair. The new Chair of the Mortgage Commission for the year 2013-2014 will be Steve Hiatt. The new Vice Chair of the Mortgage Commission for the year 2013-2014 will be Commissioner Lance Miller.

Enforcement Report – Jeffery Nielsen

Mr. Nielsen reported in September the Division received 10 complaints; opened 19 cases; referred no cases to the Attorney General's office; closed 2 cases; leaving the total number of mortgage cases at 68.

The two Stipulations that were sent to the Commission have both been withdrawn. There is another Stipulation for review today. The individual representing the entity was given the opportunity to address the Commission but has chosen not to appear.

Stipulation for Review

Citywide Home Loans

T. Blake Reese

Education and Licensing Report – Mark Fagergren

Mr. Fagergren said the Division's newsletter has been sent out.

The Instructor Development Workshop will be held on October 28 and 29, 2013. Commissioner Miller has accepted the offer to sit on the panel of Commissioners/Board Members to answer questions from those in attendance.

Ms. DeGooyer announced to the Commission that she will be leaving the Attorney's General office as of October 10, 2013.

Melissa Kasparian has asked for a few minutes to address the Commission regarding the Order issued on her license.

COMMISSION AND INDUSTRY ISSUES

Updates on Rules – Justin Barney

Mr. Barney said Rule 204 regarding fingerprinting and credit reports for renewal in 2015 is now in the public comment period. The Division has not received any comments as of this date.

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 Miller, yes; Commissioner Gonzales, yes; Commissioner Dailey, yes. An Executive Session was held from 10:36 a.m. to 11:17 a.m.

Results of Stipulation

Citywide Home Loans – Rejected

T. Blake Reese – An Amended Order will be issued

OPEN TO PUBLIC

A motion was made to adjourn the meeting. Vote: Chair Christensen, yes; Commissioner Gonzales, yes; Commissioner Dailey, yes. The motion carries. The meeting adjourned at 11:18 a.m.