

**UTAH RESIDENTIAL MORTGAGE REGULATORY
COMMISSION MEETING**

Heber Wells Building

9:00 a.m.

October 1, 2014

Room 210

MINUTES

STAFF MEMBERS PRESENT

Jonathan Stewart, Division Director
Mark Fagergren, Education/Licensing Director
Jeffery Nielsen, Chief Investigator
Justin Barney, Hearing Officer
Judith Jensen, Assistant Attorney General
Renda Christensen, Board Secretary
Jan Buchi, Mortgage Education Coordinator
Jennica Gruver, Division Staff
Marv Everett, Investigator
Tim Cuthbertson, Investigator

COMMISSION MEMBERS PRESENT

Steve Hiatt, Chair
Lance Miller, Vice Chair
Cathy Gardner, Commissioner
John Gonzales, Commissioner
George Richards, Commissioner

The meeting on October 1, 2014 of the Utah Residential Mortgage Regulatory Commission began at 9:04 a.m. with Chair Hiatt conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes

A motion was made and seconded to approve the minutes from the September 3, 2014 meeting. Vote: Chair Hiatt, yes; Vice Chair Miller, yes; Commissioner Richards, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes.

DIVISION REPORTS

Director's Report – Jonathan Stewart

Director Stewart discussed the proposed legislative changes with the Commission. Some of the changes are minor and some are oversights that should have been changed in previous sessions.

In 61-2c-206(c) clarify that the PLM is not required to oversee operations at a corporate office as long as the corporate office does not originate Utah loans. If a

corporate office is not originating, there is no need for supervision.

Two items that the Division wants to clarify are: that construction loans fall under the jurisdiction of the DRE; clarify the Division's jurisdiction over reverse mortgages. Different reverse mortgage products (open-ended and closed-ended) where it is unclear if it should be regulated by DFI or DRE. The Division will do research to see how construction loans are handled in other states, and report back to the Commission.

Enforcement Report – Jeffery Nielsen

Mr. Nielsen reported in September the Division received 10 complaints; opened 12 cases; closed 2 cases on the Attorney General's list; closed 1 case; leaving 86 open mortgage cases.

Stipulation for Review

Castle & Cooke Mortgage, LLC

The Respondent was given the opportunity to address the Commission but has chosen not to appear.

Education and Licensing Report – Mark Fagergren

Mr. Fagergren reminded those in attendance that the Instructor Development Workshop will be held October 22-23, 2014 at the Park City Marriott.

A Request for Proposal will be going out by tomorrow for the testing services used by the Division. The Division is pleased with the performance of the company, but State agencies have to work with the lowest bidder, and we may have to change. Hopefully, we will have an answer by the time this meeting is held next month. Our existing contract expires at the end of this year.

The Division has been working diligently to draft rule for the proposed Option 3, and Mr. Barney will be presenting this today.

The Division has a two-hour continuing education course that has been approved, and Ms. Buchi is preparing a proposed outline for the 2015 Utah Mortgage Continuing Education Course. Mr. Fagergren passed out the outline for the Commission to review and discuss.

The Dodd Frank rule amendments that went into effect the first of the year have had us update the Lending Manager Education Curriculum Outline. Mr. Fagergren handed out the proposed draft showing the changes needed for discussion. The exam goes into effect today.

There are no stipulations to review this month.

COMMISSION AND INDUSTRY ISSUES

Updates on Rules – Justin Barney

Mr. Barney reviewed the proposed rule change for R162-2c-201. After a number of meetings and discussions, hopefully, this proposed outline has included everything discussed.

A motion was made and seconded to approve the changes to R162-2c-201 subject to modification. Vote: Chair Hiatt, yes; Vice Chair Miller, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes; Commissioner Richards, yes. The motion passes.

Motions were made and seconded to approve the outlines presented regarding the continuing education course outline and the Lending Manager education curriculum outline. Vote: Chair Hiatt, yes; Vice Chair Miller, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes; Commissioner Richards, yes. The motion passes.

There are no stipulations to review this month.

INFORMAL HEARING:

10:12 Todd H. Whittaker, Application for License

A brief recess was taken from 12:20 until 12:30. The meeting continued at that time.

CLOSED TO PUBLIC

A motion was made to go into Executive Session. Vote: Chair Hiatt, yes; Vice Chair Miller, yes; Commissioner Richards, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes. Executive Session was held from 1:09 p.m. to 1:17 p.m.

OPEN TO PUBLIC

Results

Castle & Cooke Mortgage, LLC - Approved

Mr. Whittaker will be notified by mail as to the outcome of his hearing.

A motion was made to adjourn the meeting. Vote: Chair Hiatt, yes; Vice Chair Miller, yes; Commissioner Richards, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes. The meeting adjourned at 1:18 p.m.