

**UTAH RESIDENTIAL MORTGAGE
REGULATORY COMMISSION MEETING**

Heber M. Wells Building
Room 210
9:00 A.M.
July 6, 2016
TELEPHONIC MEETING

MINUTES

DIVISION MEMBERS PRESENT

Mark Fagergren, Education and Licensing Director
Jeffery Nielsen, Chief Investigator
Justin Barney, Hearing Officer
Elizabeth Harris, Assistant Attorney General
Amber Nielsen, Board Secretary
Marvin Everett, Division Investigator
Tim Cuthbertson, Division Investigator
Lark Martinez, Mortgage Education Coordinator
Mike Page, Division Staff
Desha Pages, Division Staff

COMMISSION MEMBERS PRESENT

Steve Hiatt, Chair
George P. Richards, Vice Chair
Cathy J. Gardner, Commissioner
John T. Gonzales, Commissioner
Kay Ashton, Commissioner

The meeting on July 6, 2016 of the Utah Residential Mortgage Regulatory Commission began at 9:02 a.m. with Chair Hiatt conducting.

PLANNING AND ADMINISTRATIVE MATTERS

A motion was made and seconded to approve the April 6, 2016 minutes. Vote: Vice Chair Richards, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes; Commissioner Ashton, yes. The motion is approved.

A motion was made and seconded to approve the June 1, 2016 minutes. Vote: Chair Hiatt, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes; Commissioner Ashton, yes. The motion is approved.

Public Comment Period

There were no comments given.

DIVISION REPORTS

Director's Report

Director Stewart is excused from today's meeting. Mr. Fagergren remarked the Division is working to get a replacement for Commissioner Gonzales. Mr. Fagergren thanked Commissioner Gonzales for his service and his willingness to serve until a replacement can be named.

Enforcement Report – Jeffery Nielsen

Mr. Nielsen reported in May the Division received 2 complaints; opened 4 cases; closed 1 case; leaving 68 open mortgage cases. The AG's office had 3 cases. Mr. Nielsen reported in June the Division received 3 complaints; opened 1 case; closed 4 cases; leaving 60 open mortgage cases. The AG's office has 7 cases.

Stipulation for Review

Alpine Mortgage, LLC

Mr. Nielsen opened discussion on the statutory requirement that rules be written regarding signing on behalf of someone else. Commissioner Ashton noted in the previous meeting the Division would draft a proposal for the language of that rule. Mr. Nielsen asked if the Commission had any guidance for the Division in drafting that language. Commissioner Gardner stated that unless there were a power of attorney no one should sign for anyone else and certainly should not sign someone else's name; in cases where someone else would be signing the words "oh behalf of" should be present.

Education/Licensing Report – Mark Fagergren

Mr. Fagergren clarified some information regarding the Uniform State Test discussion from the previous month. Mr. Fagergren disagrees that education is more important than testing; he believe the testing is a critical component. Mr. Fagergren noted that when licensing the Division looks at experience, education, and testing as the three critical components. The statute says the test must test on Utah rules adopted by the Commission; adopting the UST would require a statutory change, since the UST does not contain any Utah law. Mr. Fagergren presented the outline for the Utah State exam. Mr. Fagergren wanted to stress this is not a Division decision; this is a Commission decision. Mr. Fagergren noted the Utah State test needs an update and will not be updated until a decision has been made by the Commission.

Chair Hiatt feels the Commission should make a decision, but would rather make this decision at a live meeting when all members are present. Mr. Barney noted

next month is the AARMR Conference and he and Director Stewart will not be present. Commissioner Gardner feels ready to make a proposal today. Commissioner Gardner believes the UST does not test on Utah law; she feels the Utah State exam gives the Commission and industry an opportunity to ensure licensees have learned the information and allows the opportunity to prevent and correct problems. Commissioner Ashton supports adopting the UST since he feels much of the Utah laws are covered in the national regulation, there will be far more people from the larger companies who will get licensed, and Commissioner Ashton is concerned the larger companies will want to eventually push mortgage bankers to being regulated under DFI. Vice Chair Richards noted that for his securities license he has to take a national test every two years or so. Commissioner Gardner recommends that the Commission holds a live meeting and will make a decision at that time. A motion was made that the discussion and decision/action on the UST be moved to the September Commission Meeting which will be live. Vote: Chair Hiatt, yes; Vice Chair Richards, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes; Commissioner Ashton, yes. The motion is approved.

There are no education stipulations to review this month.

Hearing Officer Report – Justin Barney

Mr. Barney reported there are no licensing stipulations for review this month.

Commission and Industry Issues

Mr. Barney will draft the language regarding signatures as well as language for the other pending proposals.

A motion was made to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Chair Hiatt, yes; Vice Chair Richards, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes; Commissioner Ashton, yes. The motion is approved.

CLOSED TO PUBLIC

An Executive Session was held from 9:58 a.m. to 10:05 a.m.

OPEN TO PUBLIC

Results of Executive Session

Results of Stipulations

Alpine Mortgage, LLC – Approved with Division Concurrence

A motion was made to adjourn the meeting. Vote: Chair Hiatt, yes; Vice Chair Richards, yes; Commissioner Gardner, yes; Commissioner Gonzales, yes; Commissioner Ashton, yes. The motion is approved. The meeting adjourned at 10:06 a.m.