

**UTAH RESIDENTIAL MORTGAGE REGULATORY
COMMISSION MEETING**

Heber M. Wells Building
Second Floor - Room 210

9:00 A.M.

March 2, 2005

MINUTES

STAFF MEMBERS PRESENT

Dexter Bell, Division Director
Mark Fagergren, Education/Licensing Director
Jon Brown, Enforcement Director
Dee Johnson, Investigator
Ron Kunzler, Assistant Attorney General
Shelley Wismer, Assistant Attorney General
Renda Christensen, Board Secretary
Amanda Orme, Mortgage Education Secretary
Amy Corak, Real Estate Education Secretary
Denise Halligan, Division Staff

COMMISSION MEMBERS PRESENT

A Thompson Calder, Chair
Eva Rees, Commissioner
Julie McCan, Commissioner
Alan Bowyer, Commissioner

GUESTS

John Norman
Dave Luna
Leslie Peterson
Lance Miller
Al Bingham

The meeting on March 2, 2005 of the Utah Residential Mortgage Regulatory Commission began at 9:00 a.m. with Chair Tom Calder conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes

The minutes from the February 2, 2005 meeting were approved as written.

DIVISION REPORTS

Enforcement Report – Jon Brown

Mr. Brown reported in February the number of written complaints received were 27, new cases opened for investigation were 14, files closed during the month were 17, leaving a total of 108 cases open. A breakdown of the open investigation cases were as follows: from 2001 there is 1 case open, 13 cases from 2002, 30 cases from 2003, 47 cases from 2004, and 15 case from 2005.

He said there is a large volume of cases to be investigated of unlicensed activity because of the failure to take the mortgage exam. Investigators will be going down again to the St. George area in March and will be knocking on more doors.

We are still down one investigator on the mortgage side. There is a temporary hiring freeze in the Department, so we haven't been able to interview for the position.

Mr. Brown said the on-line renewals seem to be going over well, but it will increase the number of open cases. He mentioned when Ms. Christensen did a CE audit of licensees renewing on-line, she found a high percentage of licensees had not reported truthfully about having completed their courses.

Director's Report – Dexter Bell

Director Bell reported the numbers for renewals show the mortgage individuals have been renewing at a lower rate as than to real estate. There were 469 mortgage licensees with a February 2005 expiration date that have not renewed. 124 licensees renewed, and 67 of those renewed on-line, which is 54%. The numbers in Real Estate show 211 licensees with a February 2005 expiration date not renewing, and 412 who did renew. On-line numbers show 169 renewing, which is 41%.

Director Bell said the Division Bill, SB172, passed and will become effective on May 2, 2005. A House Amendment was proposed by Rep. Ray which will replace the DFI representative on the mortgage commission with a mortgage licensee with 3 years experience. The Principal Lending Manager ("PLM") implementation has been pushed back until May 1, 2006.

There was discussion on the proposed mortgage advertising rules. After reviewing the current draft, it was decided that Ms. Wismer would clarify some of the wording, and have a revised draft before the end of the meeting. A public input session will be held on April 27th to discuss a proposed rule about

mortgage advertising.

Education/Licensing Report – Mark Fagergren

Mr. Fagergren reported there is now one course approved for distance/on-line education for pre-license education. They have been added to the list on our website so individuals will be able to contact the vendor.

Mr. Fagergren brought up the PLM license and what will be needed to get ready for the license. An exam will have to be in place, schools will have to be approved to teach the course, etc. Everything must be ready by January 1, 2006 so people can begin to qualify in preparation for May, 2006. He suggested that a committee be established to create an outline for classes and the exam. He recommends having two separate committees, one for the curriculum and one for the exam.

INFORMAL HEARINGS

10:37 Julie Holden – Application for License

11:07 Harry Welker – Application for License

12:05 Ryan Swanson – Post-Revocation Hearing

Executive Session was held from 12:53 p.m. until 1:25 p.m. This was a working lunch.

1:00 Dennis Bennett – Application for License
Requested a continuance

1:34 Nancy Ruybal – Application for License

REVIEW LIST OF LESSER CRIMINAL CONVICTIONS

Alix L. Brosig
Bennett & Associates
Kuuipo Dally
Dollar Mortgage Corp.
Brandon Geary
James Getty
Gary Harrison
Mitchel P. Johnson
Justin Lance
Thomas Lohman

Jonathan Reardon
Neustar Financial Services/Paul L. Meacham
Angie A. Scroggin

OTHER BUSINESS

Ms. Wismer brought in a revised version of the advertising rule for the Commission and Division's review.

Executive Session was held from 2:25 p.m. until 2:50 p.m.

EXECUTIVE SESSION

Results of Executive Session

Julie Holden – Granted on probation, pending broker notification

Harry Welker – Denied

Ryan Swanson – Revocation was reversed

Dennis Bennett – Allowed to reschedule. This will be the final extension allowed.

Nancy Ruybal – Denied

Lesser Criminal Convictions

Alix L. Brosig - Approved

Bennett & Associates - Approved

Kuuipo Dally - Approved

Dollar Mortgage Corp. - Approved

Brandon Geary - Approved

James Getty - Approved

Gary Harrison - Approved

Mitchel P. Johnson - Approved

Justin Lance - Approved

Thomas Lohman - Approved

Jonathan Reardon - Approved

Neustar Financial Services/Paul L. Meacham - Approved

Angie A. Scroggin – Schedule for hearing

Stipulations

Todd Cella – Approved

J. Paul Hasna - Approved

OTHER BUSINESS

Director Bell said there are two individuals, Kyle Washington and Carl Rodgers, that have been revoked who are asking for hearings. Both of these individuals have passed the 30-day period to request hearings. The Commission has

decided to defer making a decision on these two individuals until the next Commission meeting on April 6, 2005 so they can have time to review the documents.

Executive Session was held from 3:00 p.m. until 3:20 p.m.

A motion was passed to adjourn at 3:25 p.m.