

**UTAH RESIDENTIAL MORTGAGE REGULATORY
COMMISSION MEETING**

Heber M. Wells Building
Room 210
9:00 A.M.
July 2, 2008

MINUTES

STAFF MEMBERS PRESENT

Mark B. Steinagel, Director
Dee Johnson, Enforcement Director
Mark Fagergren, Education and Licensing Director
Traci Gundersen, Assistant Attorney General
Renda Christensen, Board Secretary
Elizabeth Beazley, Investigator

COMMISSION MEMBERS PRESENT

Rodney "Butch" Dailey, Chair
Maralee Jensen, Vice Chair
Lance Miller, Commissioner
Heather MacKenzie, Commissioner

GUESTS

Kevin Swenson	Ron Duyker
John Norman	Shannon Taylor
David Luna	Howard Tolley
Jeremy Plouzek	Einar Schow

The meeting on July 2, 2008 of the Utah Residential Mortgage Regulatory Commission began at 9:04 a.m. with Chair Dailey conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes - The minutes from the June 4, 2008 were approved as written.

DIVISION REPORTS

Director's Report – Mark B. Steinagel

Director Steinagel said the marketing rule (courses can't be marketed without Division approval) approved by the Commission went into effect on June 23, 2008. There were no comments from the public during the comment period.

The 15-day rule that was adopted is in the public comment period and as of now there have been no comments. The earliest effective date it can go into effect will be July 22, 2008.

The Governor announced last week that all state offices will be changing their hours of operation. The Division is involved in this change and starting on August 4, 2008 we will be open at 7:00 a.m. until 6:00 p.m., Monday through Thursday. The Division will be closed on Friday.

Director Steinagel handed out draft copies of the proposed REPC form. It is still in the public comment period with the Real Estate Commission. The Division has received many comments and there still is one week left in the comment period. There will be a public hearing on the REPC in two weeks at the regularly scheduled Real Estate Commission meeting on July 16, 2008 at 2:00 p.m.

Ms. Christensen asked if the Commission would hold a second live meeting in one month for informal hearings on applicants. Currently, there are hearings scheduled into November and if a second meeting were held it would bring the hearings current. The Commission has agreed to hold the additional meeting and Ms. Christensen will check the room availability to set the date.

A copy of the National Mortgage Licensing System ("NMLS") act was distributed to the Commission. Director Steinagel has contacted Senator Martinez's office to find the current status of the bill and is waiting for a response from them. There are two issues on this bill that need to be addressed. The first is the Act itself and this bill will almost mandate the program. There is a provision at the end of the bill stating for those states that do not join the NMLS, HUD shall adopt a program that complies with this act for those states that don't fall in line with the NMLS and its licensing program. As it stands now, the Division would be subject to all the licensing provisions under this Act if it passes as it stands. The NMLS would be an annual renewal and some of the states would have to give up some of their authority. The biggest concern at this point is how the annual renewal will effect the Division. It will affect licensees. Another major concern is the approval of CE and pre-licensing education through the NMLS, not the Division. Also, if someone has ever committed a felony—ever—they would not be able to be licensed, and there would also be credit reports run on licensees.

Director Steinagel has asked Chair Dailey to attend the AARMR conference with him in August. A major portion of the conference will be to address these issues and the implementation of this bill.

Enforcement Report – Dee Johnson

Mr. Johnson reported in the month of June the Division received 24 complaints, screened 78 complaints, opened 7 cases, closed 20 cases, leaving 68 open mortgage cases. He said the numbers of cases will be increasing shortly because of the increased number of complaints received in all the industries.

There are four Stipulations being presented to the Commission today. Each of the individuals was given the opportunity to address the Commission but none have chosen to appear.

Review of Proposed Stipulation:

Patricia Rea Anthony
Candice Walters
Heather Byron
David Wheeler

Education/Licensing Report – Mark Fagergren

Mr. Fagergren said he is pleased with the marketing rule approval and that people will now have to get courses approved before being marketed. The 15-day rule requiring people to get their CE in a timely fashion will also be a good thing and will help in on-line renewals.

The Division has concerns on the NMLS bill. Currently, the Division is now able to do on-line education and CE, tracking your CE, getting courses approved in 30 days or less, and fees have been reduced. The Division doesn't oppose change, but all of these will be in jeopardy if this bill goes into effect.

Mr. Fagergren said there has been a lot in the news lately about how the University of Utah retrieved lost information and how individual information was at risk. The Division is also sensitive to personal information being used and has contacted our testing provider to mask the social security numbers (except the last four numbers) on all applications.

The fee reductions that were passed by the Legislature this year went into effect on July 1, 2008.

CLOSED TO PUBLIC

LICENSE HEARINGS:

10:04 Larry Gordon – Application for License

CLOSED TO PUBLIC

A motion was made to go into Executive Session from 10:39 a.m. to 10:54 a.m.

10:55 Gavin Ekstrom – Application for License
 Bret Maturra, Character Witness
 Charles Smalley, Investigator for Division of Real Estate

CLOSED TO PUBLIC

A motion was made to go into Executive Session from 12:43 p.m. to 1:05 p.m. This is a working lunch.

1:08 Jared Godfrey – Application for License

CLOSED TO PUBLIC

A motion was made to go into Executive Session from 1:44 p.m. to 2:10 p.m.

2:12 Tony Versteeg – Application for Renewal of License
 Edward Flint, Attorney

3:09 Eric Bjornn – Application for License

CLOSED TO PUBLIC

A motion was made to go into Executive Session from 3:30 p.m. to 4:02 p.m.

Results of Executive Session

Stipulations:

Patricia Rea Anthony – Approved
Candice Walters - Approved
Heather Byron - Approved
David Wheeler - Approved

A motion was passed to adjourn at 4:04 p.m.