

**DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
CONSUMER FINANCE SECTION**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

June 24, 2009

ROLL CALL

Present:

Tim Ross
Allan Daniels
Mark Jansen
Michael Winks
Michael Kus
Pava Leyrer

OFIR Staff:

Jean Boven
Mark Weigold
Marlene Bukoski
Paige Colley
Lori Thelen

Call to order @ 8:40 am

Roll Call

- Bruce Rosenblat – Excused

Introduction:

- Welcomed new member of OFIR- Paige Colley
- Farewell/Thank You to OFIR member Marlene Bukoski

Loan Officer Testing, Education & Registration:

- OFIR has approved 3,055 Loan Officers; individuals who are not sponsored will show in NMLS as Approved-Inactive. These individuals will not appear on the OFIR website.
- Generally takes 48hrs once a LO has been approved as a registrant to appear on our website. It will appear immediately on NMLS once a LO has been approved as a registrant.
- Companies will transition to NMLS in January 2010; they can tie LO to the company information at that time.
- Any type of mortgage loan origination requires loan officer registration in MI, it does not matter what the individual's job title may state. Job description and duties dictate registration requirements.

- Some out of state companies have decided not to register LO's until S.A.F.E. is in effect and education is not required to be done live in Michigan. However, these companies cannot legally originate loans in MI without registered LO's.
- 6/22- Enhancement to NMLS, attestation will not be handled online. Correction to form FIS 2080 now has additional questions regarding Company access and review to individual record in NMLS, and has eliminated exemption for education requirement.
- LO can challenge an OFIR denial of registration, if an individual provides additional information.
- Testing for MI is currently on hold with NMLS until S.A.F.E. is in effect. Federal portion is looking at August 1st start time. State portion will only include state specific information, and will be available later in 2009.
- Pearson Vue reports - 3,619 individuals have passed LO exam, 6,710 have registered to take the exam, and this includes retakes. Currently there is no date for when the LO exam will expire, eventually there may be; the passing rate is 57%.
- Pearson Vue Incident- an individual who took the LO exam tried to walk out with papers that had questions and answers written down from test. Currently this person is not allowed to immediately re-take the exam while the investigation is ongoing.

S.A.F.E. Act Update

- Senate bills for S.A.F.E. Act, are 462, 463, 464, and 465
- S.A.F.E. Act- went to the senate this week and was voted out on 6/24/09. They will go to the House on 7/14/09 to get signed by Governor before 7/31/09.
- NMLS will have 2 tests – Both Federal & State, each portion has to be passed with a minimum of 75%.
- Approved MI LO registrants will not have to take NMLS state portion of the exam.
- NMLS test procedures will allow an individual to retake the portion of test that was not passed, either Federal or State, but will not have to retake a portion that was completed and passed with a minimum of 75%.

Pre-Licensing Courses

- Individuals who have taken the 24hrs of Pre-Licensing Education course already will be grandfathered in under S.A.F.E. Act for education requirements.
- Individuals who have not taken the 24 hours are not grandfathered in will have to take 20 or 24hrs (depending on Michigan SAFE language) of education that is approved through NMLS.
- Instructors, who teach the 24hrs of Pre-Licensing Education courses, currently are required to take the 24hrs of education but we are checking into this question.
- CE will not be required for LO's in 2009, it does not matter if an individual was exempt and grandfathered under the 24hr pre-registration requirement or has previously taken the 24hrs of education.
- Under the S.A.F.E. Act- potential costs will be, each individual will have to be re-fingerprinted through NMLS; background check (FBI only) will come back to the state not the sponsoring company. No charge on NMLS for existing LO registrants. A credit report will be pulled on each individual LO; NMLS fee for this is unknown currently.

Mortgage Industry Advisory Board

Meeting Minutes June 24, 2009

- Transition NMLS fee for a company is \$100, and for an individual is \$30.
- In order to renew a license each company and individual has to be on the NMLS.

Continuing Education Courses

- CE will not be required for LO's in 2009, it does not matter if an individual was exempt and grandfathered under the 24hr pre-registration requirement or has previously taken the 24hrs of education.
- Further discussion on CE will be tabled until there is a clear direction for the future and requirements from NMLSR.

Motions Approved

- Approval of Minutes – 02-18-09, 02-25-09, and 03-11-09, motion to approve, seconded, and approved.
- Officers Terms/Elections were discussed – Nominations were made for all offices: Officers to stay the same for Secretary: Pava Leyrer, Vice President: Michael Kus, and President: Tim Ross for one more year, motion to approve, seconded, and approved. Terms will expire at next election which is the first meeting after May 19, 2010.

Action Items

- Discuss and review member of MIAB applying as an Instructor for Pre-Licensing Courses at next meeting.

Next Meeting:

To be announced in August (possible dates will be e-mailed) – Teleconference Call

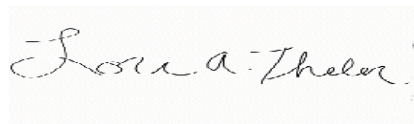
Adjourned @ 10:55 am



8/06/09

Pava Leyrer, Secretary

Date



8/06/09

Lori Thelen, Recording Secretary

Date

**DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
CONSUMER FINANCE SECTION**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

March 11, 2009

ROLL CALL

Present:

Tim Ross
Allan Daniels
Mark Jansen
Bruce Rosenblat
Pava Leyrer

OFIR Staff:

Jean Boven
Marlene Bukoski
Lori Thelen

Call to order @ 8:45 am

Roll Call

- Michael Winks – Excused
- Michael Kus – Excused
- Mark Weigold - Excused

Discussion and Review:

Meeting Minutes

- Board Meeting Minutes from 2-18-2009 and 2-25-2009 will be approved at next meeting.

Provider Application Follow-Up

- MSource Training and Consulting, Inc. – waiting for letter authorizing use of course content material and proprietary school information. Many instructors have been approved, waiting on one instructor for resume and references.
- Mortgage U – school amended agenda; we asked for new application, letter of request and new agenda. Course material is the same.
- Courses with amendments will keep the same course number if no material changes have occurred.
- No new provider applications received or assigned.

Loan Officer Testing & Registration:

- Received higher call volumes and applications since e-mail notification was sent out by Commissioner in regard to low number of registration applications of loan officers.
- About 1,400 Loan Officers have applied with Michigan, 370 have been approved by OFIR.
- Loan Officer Exam results; pass rate 62.69%, those retaking the exam 52%, 1st and 2nd test taking cumulative rate is 60.49%. Total loan officers registered for exam is 3,880.
- Pearson VUE – is receiving complaints of some test questions on the exam that appear to have 2 correct answers or ambiguous; OFIR will have to check with performance review to verify.
- Board discussed reviewing the loan officer exam through Pearson VUE in a closed session because of complaints.
- Under S.A.F.E Act, it is predicted that loan officers will have to retake the loan officer exam.
- Revised FIS2080 form has been generated and will be placed on OFIR website soon.
- Status of checklist submitted by MIAB board members for the loan officer registration process is to be reviewed to possibly be put on OFIR website as a quick guide.

Business Rules

- Establishment of business rules; compared the outline with insurance rules which were incorporated into application packet, so that rules were clearly stated for applicants.
- Board would like to discuss with Mark concerns with the National law, planning steps with business rules that are going to be set by the board.

Motions Approved

- Motion to approve MSource Training & Consulting, Inc. if Board receives both outstanding requirements; letter to authorize use of course materials, and proprietary school information, seconded, and approved.
- Motion to approve Mortgage U's amendment to course, subject to review by board members if all materials are included, seconded, and approved.

Next Meeting:

April 22, 2009 @ 10:00am – 11:00am Conference Call
If new applications are received will schedule an earlier meeting

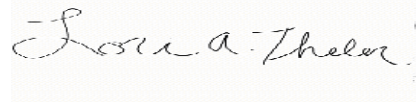
Adjourned @ 10:40 am



6/24/09

Pava Leyrer, Secretary

Date



6/24/09

Lori Thelen, Recording Secretary

Date

**DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
CONSUMER FINANCE SECTION**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

February 25th, 2009

ROLL CALL

Present:

Tim Ross
Allan Daniels
Mark Janssen
Bruce Rosenblat
Pava Leyrer
Michael Kus

OFIR Staff:

Jean Boven
Mark Weigold
Marlene Bukoski
Lori Thelen

Guest:

Jim Westrin

Call to order @ 8:35 am

Roll Call

- Michael Winks – Excused

Discussion and Review:

Meeting Minutes

- Board Meeting Minutes from 2-18-2009 will be approved at next meeting.

Legal Review:

- Meetings are not subject to the Open Meetings Act.
- Continuing Education- will not be required the first year, even with S.A.F.E. Act, it will be needed the following year after registering.
- Continuing Education- 6 hrs of Michigan currently, under S.A.F.E. Act will be 8 hrs. Must amendments current statutory language to use 8 hrs.

- Background check will have to go through NMLSR for fingerprints and background check- it is unknown if loan officers will have to redo the prints and fees to comply with S.A.F.E. Act.

Provider Application Follow-Up

- MSource Training and Consulting, Inc. – has at least one instructor already approved. Deemed incomplete; provider submitted duplicate of another course packet from another provider. Would need acknowledgement letter from original provider to sign off on copy write for another provider to use same materials.
- Provider Application- has this course been submitted already for initial review
- Instructor Application – if an instructor has been denied before it should be indicated on form. Providers are responsible for instructors.
- No new provider applications to be assigned.

Loan Officer Testing & Registration:

- Low loan officer registration application letter from Commissioner was signed on 2/24/09 - purpose of letter is to inform industry that applications submitted after 3/1/09 may not be approved by 4/1/09.
- Over 2,000 people have passed the loan officer exam, and over 1,000 have applied for registration but not yet approved.
- Loan officer employer has to notify OFIR that the individual is in the process of getting registered and has had the criminal history check completed (clean) to have 90 days to meet the requirements and originate loans with no compensation.
- Board will come up with steps for quick reference of how to become registered as a loan officer, and send to OFIR for review for possibility of adding to OFIR website.
- Suggested idea to make OFIR website easier to navigate through.
- Suggested idea of creating a direct link under the OFIR website front page “What’s New” section for Loan Officer Registration.

Course Content

- If approved provider has a change or amendment to course content, should file new course information and get rid of old materials. Handle as a new application with a new outline.
- Industry Changes – or modifications to course material must be notified to the board for review. At renewal if no changes to the course content, it must be stated.

Business Rules

- Recommend renewal on April 1st each year, submit new application 60 days prior to expiration of all course materials and or any changes made- highlighted and list of information that has changed.
- Requested to check on Real-estate procedures for business rules.

Motions Approved

- Motion to amend Provider application to add requirement if open and obvious of duplicate material we shall require applicant to get permission from original submitter- motion to approve, seconded, approved.
- Motion to add requirement on Instructor Application if a person has ever submitted an application and been approved for what company? - motion to approve, seconded, approved.
- Industry Changes – or modifications to course material must be notified to the board for review. At renewal if no changes to the course content, it must be stated – motion to approved, seconded, and approved.

Action Items

- Updated chart for recommendations for commissioner regarding business rules.

Next Meeting:

March 11, 2009 @ 8:30 am – 11:00am face to face

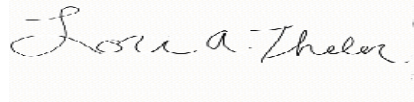
Adjourn @ 11:04 am



6/24/09

Pava Leyrer, Secretary

Date



6/24/09

Lori Thelen, Recording Secretary

Date

**DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
CONSUMER FINANCE SECTION**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

February 18, 2009

ROLL CALL

Present:

Michael Winks
Tim Ross
Bruce Rosenblat
Pava Leyrer
Michael Kus

OFIR Staff:

Mark Weigold
Marlene Bukoski
Lori Thelen

Call to order @ 10:05 am

Roll Call

- Jean Boven – Excused
- Allan Daniels – Excused
- Mark Janssen – Excused

Discussion and Review:

Provider Application Follow-Up

- MSource Training and Consulting, Inc. – will be reviewed and discussed at face to face meeting on 2/25/09.
- No new provider applications to be assigned.

Loan Officer Testing & Registration:

- OFIR has received fewer than 1,000 applications, 55 approvals that are posted on our website, 3 withdrawal applications.
- Main cause of delay in processing applications is due to waiting for fingerprint and background check information, and complete FIS 2080 forms.
- Less than 40 pending applications for Brokers/Lenders/Serviceers
- 3,800-3,900 Loan Officers have signed up to take the LO exam, 2,000 have passed the LO exam.

- NMLS update – Committees are being set up from all states (4 individuals from each state) to review federal test portion. At the end will review state portion. Pearson Vue is the selected testing vendor for National Testing.
- No Education Providers have been approved at this time.

Rules for Continuing Education

- Face to Face/ Distance Learning- requested again to review information that is available for CE and discuss at face to face meeting on 2/25/09.
- Highlight pros and cons from Real Estate procedures to discuss at next face to face meeting.

Motions Approved

- Approval of Minutes – 01-21-09, motion to approve, seconded, and approved.

Action Items

- Publishing Standards set by MIAB- tabled to next meeting to set standards, and create table for business decisions that need to be made.

Next Meeting:

February 25, 2009 @ 8:30 am – 11:00am face to face

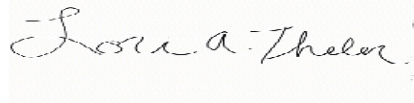
Adjourn @ 10:54 am



6/24/09

Pava Leyrer, Secretary

Date



6/24/09

Lori Thelen, Recording Secretary

Date

**DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
CONSUMER FINANCE SECTION**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

January 21, 2009

ROLL CALL

Present: Allan Daniels
Michael Winks
Tim Ross
Bruce Rosenblat
Mark Janssen
Pava Leyrer
Michael Kus

OFIR Staff: Marlene Bukoski
Lori Thelen

Call to order @ 10:05 am

Roll Call

- Jean Boven – Excused
- Mark Weigold – Excused

Discussion and Review:

Old Business

- Complete Mortgage Training School– missing information, letter to be sent, Motion to deem incomplete, seconded.
- Applications for instructors are to provide more than one reference.
- No new provider applications to be assigned.

Continuing Education:

- Discussed recommendation to commissioner concerning Continuing Education- will establish rules on CE for Michigan based on 6hrs, and will modify after S.A.F.E. Act is implemented.
- Board will hold recommendations and add items as needed to present one list of CE recommendations following Michigan Law. Recommendations to the commissioner on CE guidelines will be modified once S.A.F.E. Act is in affect.
- Content of Memo – remove bullet point # 3 for 2 hours of nontraditional to comply with Michigan Law.
- Instructor credit- Board will hold off on recommendations until S.A.F.E. Act is implemented

Rules for Continuing Education

- Reviewed and discussed Real Estate procedures and forms – waiting for additional information from department.
- Face to Face / Distance Continuing Education – we need one application for face to face and distance learning; MIAB will have to come up with procedures of how it will be processed. Make sure the application addresses both needs.
- Create specific guidelines and rules for both face to face and distance learning.
- Courses will expire one year from when the course was approved.
- Create a list of course topics that are unacceptable, and compile a detailed list by e-mailing Pava suggestions. We will discuss at next board meeting

Motions Approved

- Approval of Minutes – 01-14-09, motion to approve as amended, seconded, and approved.
- Content of Memo – remove 2hrs nontraditional CE - bullet point # 3 from the table recommendation for CE. Motion to approve, seconded, approved.
- CE requirements of 6hrs: 3hrs Federal, 2hrs Ethics, and 1hr of Michigan Specific – Motion to approve, seconded, approved.
- Table created by Allan, has 4 bullet points that need to be included in CE table to be recommended to commissioner – motion to approve, seconded, and approved.
- Complete Mortgage Training School – if the school sends in additional items that were requested, reviewers of application can review and approve, if not submitted completely it will be tabled until the next meeting – motion to approve, seconded, and approved.

Action Items

- Send out updated list of outstanding issues that need to be covered at upcoming MIAB meetings
- The publishing of standards set by MIAB tabled to next meeting

Next Meeting:

February 18, 2009 @ 10:00 am–11:00 am Teleconference
February 25, 2009 @ 8:30 am – 11:00am face to face

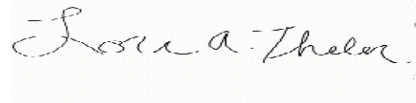
Adjourn @ 11:00 am



2/18/09

Pava Leyrer, Secretary

Date



2/18/09

Lori Thelen, Recording Secretary

Date

**DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION
CONSUMER FINANCE SECTION**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

January 14, 2009

ROLL CALL

Present: Allan Daniels
Michael Winks
Tim Ross
Bruce Rosenblat
Mark Janssen
Pava Leyrer
Michael Kus

OFIR Staff: Marlene Bukoski
Lori Thelen
Jean Boven
Mark Weigold

Call to order @ 8:40 am

Roll Call

Approval of Minutes – 12-17-08, Minutes, motion to approve, seconded, approved

Discussion and Review:

Old Business

- Discussed adding additional questions to FAQ's.
- Discussed the number of loan officer's who have taken the exam.
- Under S.A.F.E Act, regardless of vendor, the test will be required again. It will limit each loan officer to take the exam a total of 3 times with 30 days in-between each retake, if do not pass, they will have to wait a year to retake again.
- Continuing education under the S.A.F.E. Act will count for every state in the future. Michigan does not have reciprocity with other states at this time.
- OFIR staff is processing applications for loan officers, and requesting all new FIS 2080 forms because fingerprints were unavailable until 1/1/09.
- OFIR sent notification after the 12/18/08 mortgage loan officer amendments regarding fingerprints and background checks to all licensed and registered mortgage brokers, lenders, and servicers through mail, e-mail, and on-line.
- State police checks have been conducted already, turn around time average 3 to 5 business days.
- As OFIR approves loan officers, verification of approved loan officers will be available on OFIR's webpage under the loan officer locator.

- OFIR will send out notification to all loan officer applicants notifying them about fingerprints requirements even if loan officer may have already had them completed.
- If a loan officer is approved, OFIR will send out an e-mail to the individual and to the company. The loan officer ID# will be the loan officer registration number.
- If individual waits until end of March to apply, it will delay process and may not get approved before deadline.
- Creation of new loan officer test for 7/1/09 by Pearson VUE is put on hold until NMLS picks its testing vendor.

Provider Application Follow-up:

- Middleton Real Estate Training, Inc. – Recommend approval now that all requirements have been met. Motion to approve, seconded, approved.
- Complete Mortgage - will be reviewed by board for approval

Continuing Education:

- Discussed checklist for continuing education instructors.
- Requirement of continuing education instructors- establish what an instructor is?
- Renewal process for continuing education instructors.
- Each company will have to manually put in all company information into NMLS, cannot be transferred from other system.
- Will need to develop an audit system on state level for continuing education providers.
- Motion to do instructor review for continuing education same as pre-education review with same qualifications for right now, seconded, approved.
- Development of criteria for online continuing education courses.
- NMLS eventually will approve courses for continuing education when available.
- MIAB moves that requirements of continuing education should be 8hrs: 3hrs federal updates, 2hrs ethics, 2hrs lending standards for non-traditional mortgage products, 1hr state regulations in compliance with S.A.F.E. Act, Motion, seconded, approved.
- Table for recommendations to commissioner needs to be updated completely.

Action Items

- Distance Learning requirements
- List of motions that have been approved since MIAB meetings occurred

Next Meeting:

January 21, 2009 @ 10:00 am–11:30 am Teleconference

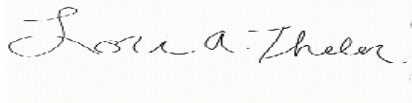
Adjourn @ 10:59 am



1/21/09

Pava Leyrer, Secretary

Date



1/21/09

Lori Thelen, Recording Secretary

Date