

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
OFFICE OF CONSUMER FINANCE**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

December 14, 2015

ROLL CALL

Present:

Allan Daniels
Donald Calcaterra Jr.
Pava Leyrer
Michael Kus
Bill Roberts
Michael Winks
Allison Johnston- Excused

DIFS Staff:

Kirt Gundry
Barb Strefling
Michelle Tullar
Mark Weigold
Brenda Gardner - Excused

Call to order at 8:30 am

Meeting was held via Conference Call.

Board Composition and Transition Matters

- General discussion was held regarding board composition and transitioning of board membership. Three board positions will be open for appointment in 2016 due to term limits. Chairman Calcaterra is eligible for reappointment.

Next Meeting(s)

- February 3, 2016: 8:30 am in Lansing (Face-to-Face)
- May 11, 2016: 8:30 am in Lansing (Face-to-Face)
- August 2016: to be determined

Adjourned at 9:29 am

Michael Winks, Acting MIAB Secretary

Michelle Tullar, DIFS Recording Secretary

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
OFFICE OF CONSUMER FINANCE**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

November 4, 2015

ROLL CALL

Present:

Allan Daniels
Donald Calcaterra Jr.
Allison Johnston
Pava Leyrer
Bill Roberts
Michael Winks
Michael Kus - Excused

DIFS Staff:

Kirt Gundry
Barb Strefling
Michelle Tullar
Mark Weigold
Brenda Gardner - Excused

Call to order at 8:33 am

- Motion to approve 8/12/15 MIAB minutes; motion passed
- Motion to approve 11/4/15 Agenda; motion passed

DIFS Updates

- Current licensee population/statistics
 - MLOs
 - 11/1/15: Total 9,782 – 8,551 approved, 1 approved-conditional, 1,230 approved-inactive
 - 11/1/14: Total 8,879 – 7,123 approved, 1 approved-conditional, 1,755 approved-inactive
 - Applications currently pending: 151
 - First Mortgage Licensees and Registrants
 - 11/1/15: Total 646 – 440 Licensees, 206 Registrants
 - 11/1/14: Total 621 – 428 Licensees, 193 Registrants
 - Applications currently pending: 7 Licenses, 3 Registrations
 - Secondary Mortgage Licensees and Registrants
 - 11/1/15: Total 201 – 3 Licensees, 198 Registrants
 - 11/1/14: Total 198 – 3 Licensees, 195 Registrants
 - Applications currently pending: 0 Licenses, 5 Registrations
 - CFS Licensees
 - 11/1/15: 13
 - 11/1/14: 15
 - Applications currently pending: 1 (Class 1)
- DIFS has received 3,169 MLO applications in 2015 to date, averaging 317 applications per month.

- Renewal period runs from November 1- December 31. MLOs must complete their continuing education or will be unable to renew. Reminder to MLOs: clear pending deficiencies and open requirements in NMLS as soon as possible.
- Renewals submitted after December 31 are subject to a late penalty in the amount of \$25 per day, up to a maximum of \$1,000.
- Company MLO Bond – Companies with an MLO bond must have either a continuation certificate or a new bond in place for 2016. Bonds must be mailed to DIFS in hard copy. NMLS and the Surety Bond Working Group are developing a process for companies to request surety bonds through NMLS (electronic format, including electronic signature and attestation) in the future.
- Renewal fees & expectations
 - MLO renewal fee decreased from \$250 to \$200 for this renewal cycle; application fee for a new license remains at \$250
 - First and Secondary Mortgage Company renewal fee– due to increase in Detroit Consumer Price Index, maximum fee for this renewal cycle increased from \$4,421 to \$4,527
 - Expected non-renewal rates, based on prior experience:
 - MLOs – 20%
 - First Mortgage – 5%
 - Secondary Mortgage – 5%
 - Class 1 and Class 2 Consumer Financial Services – 7%

Licensing/Compliance/Examination/Enforcement Discussion

- Mortgage Examination and Investigation Section activity through October 31, 2015
 - Examinations: 95
 - Investigations: 42
 - New business visitations: 56
- DIFS Prohibition Orders: Most recent prohibitions on DIFS website are a result of convictions by the federal government or Attorney General's Office. Discussion held that a prohibition order affects an individual's employment and licensing opportunities in many financial services industries, in addition to mortgage. Prohibition orders are posted on DIFS website; DIFS is working with MDTMB on a solution to allow orders to be sorted by the user. In the meantime, orders can be downloaded into a spreadsheet for sorting. Another option is to use "Control Find" and type in a name. DIFS also uploads prohibition orders into NMLS.

Federal Legislation

- H.R. 2643: State Licensing Efficiency Act of 2015: passed House of Representatives on 10/28/15, will now go to Senate Committee. Bill would allow NMLS the ability to process background checks for a broad range of non-depository license types in addition to mortgage applicants.

State Legislation

- S.B. 578 Amendment to Consumer Mortgage Protection Act: referred to Committee on Banking and Financial Institutions on 10/22/2015; is expected to move quickly and hopefully be finalized by year-end. The amendment would eliminate two required forms in Sections 6 and 7 of the CMPA: the "Borrowers Bill of Rights" and the "Consumer Caution and Home Ownership Counseling Notice." It will add language requiring the lender to instead provide the federal RESPA Toolkit booklet to all first and second mortgage loan applicants.

- S.B. 599-604: amendments will allow for flat recording fees for deeds and mortgages. Discussion held regarding proposed change from current fees on a per page basis to a new flat cost per document.
- S.B. 558, 559, 560: discussion held regarding bill package, which would abolish dower rights to align Michigan law with the Supreme Court ruling on same sex marriage.
- Credit Union Modernization Package (H.B. 5017, 5018, 5019, 5020, 5021, 5022): modernization of Credit Union Act is being proposed by industry. Amendments include: establishing a dedicated regulatory fund; authority regarding financial counseling; trust services; and electronic transactions.

CFPB

- Discussion held regarding PHH case and the company's appeal of an administrative law judge decision. Director Cordray's June decision on this appeal raises many questions regarding compliance matters. Industry is seeking clear guidance and more transparency on CFPB policies.
- TRID Update (effective October 3, 2015)
 - Loan Estimate process has been challenging for non-standard products; systems were functioning more slowly; title companies were not fully prepared in some cases; and there was some borrower confusion. Process is improving with time.
 - Discussed possibility of TRID "Black Hole" that could arise when lender requirements to provide both the Loan Estimate and Closing Disclosure documents may clash if there is a change in the transaction.
- Discussion held regarding finalized HMDA Rule; data collection will begin in 2017 with 2018 reporting; challenges for vendors are expected
- Complaint Portal: portal is now live; is narrative rather than statistical; complaints are not vetted by CFPB; company responses are limited due to privacy concerns

MIAB

- General discussion held regarding prior goals and possible goals for 2016.
- Board members to consider further; ideas and comments can be submitted to Chairman Calcaterra.
- MIAB board member transitions will be significant in 2016; list of candidates should be developed. Board will schedule December conference call to discuss further.

Industry Updates and Submitted Agenda Items

- H.R. 2121 SAFE Transitional Licensing Act: appears to be moving in Congress without significant opposition; MBA & CSBS have been involved in developing acceptable language for the bill.
- H.R. 1210 Portfolio Lending and Mortgage Access Act: would provide a safe harbor for depository institutions and mortgage loan originators for loans held in portfolio. Is expected to go to the House of Representatives for consideration.
- H.R. 3808: pertains to proposed FHFA Final Rule which provides that captive insurance companies can no longer be members of Federal Home Loan Bank.

Action Items

- December Conference Call to be held re: Board composition and transition issues

Next Meeting(s)

- December 14, 2015: 8:30 am – 9:30 am (Conference Call)

- February 3, 2016: 8:30 am in Lansing (Face-to-Face)
- May 11, 2016: 8:30 am in Lansing (Face-to-Face)
- August 2016: to be determined

Adjourned at 11:07 am

Allison Johnston, MIAB Secretary

Michelle Tullar, DIFS Recording Secretary

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
OFFICE OF CONSUMER FINANCE**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

August 12, 2015

ROLL CALL

Present: Allan Daniels
Michael Kus
Pava Leyrer
Bill Roberts
Michael Winks
Donald Calcaterra Jr. – Excused
Allison Johnston – Excused

DIFS Staff: Patrick McPharlin, DIFS Director & Guest
Brenda Gardner
Kirt Gundry
Barb Strefling
Michelle Tullar
Mark Weigold

Call to order at 8:38 am

- Motion to approve 5/27/15 MIAB minutes; motion passed
- Motion to approve 8/12/15 Agenda; motion passed

Introductions

- Board members welcomed Director McPharlin and thanked him for his time and insights shared

DIFS Updates

- Current licensee population/statistics
 - MLOs
 - 8/10/15: Total 8,912 – 7,998 approved, 1 approved-conditional, 912 approved-inactive, 1 approved-surrendered
 - 8/10/14: Total 8,308 – 6,881 approved, 1 approved-conditional, 1,425 approved-inactive
 - Applications currently pending: 233
 - First Mortgage Licensees and Registrants
 - 8/10/15: 630
 - 8/10/14: 607
 - Applications currently pending: 18
 - Secondary Mortgage Licensees and Registrants
 - 8/10/15: 198
 - 8/10/14: 199
 - Applications currently pending: 6

- CFS Licensees
 - 8/10/15: 14
 - 8/10/14: 15
 - Applications currently pending: 1
- DIFS has been receiving approximately 300 MLO applications per month. June 2015 was the highest at 382; year-to-date, 2,200 applications have been received. Many applications are from students just out of college. Nationally, NMLS reported that the average age of an MLO is 56.
- High numbers of MLOs with “approved-inactive” status is due to loss of sponsorship; DIFS removes and adds sponsorship changes daily. DIFS does not track movement of approved-inactive MLOs from a non-depository to a depository sponsor. It was noted that movement between sponsors is higher in a good market.
- MLO renewals and Continuing Education (CE) Requirements
 - Renewal period opens November 1 in NMLS. Annual renewal fees will be announced as soon as available.
 - NMLS to send reminders on or about August 31
 - DIFS to send CE reminders soon, with a follow-up in October
 - MMLA usually resends all DIFS renewal and education emails to association members
- NMLS Deficiencies discussion: Deficiencies are listed in NMLS; DIFS cannot renew licensees with outstanding deficiencies. Each licensee manages his/her own account in NMLS and must clear any outstanding items.
- Continuing Education: Complete CE requirements as soon as possible. Any CE deficiencies must be cleared before DIFS can renew a license. Do not wait until the end of December to complete education; there is a lag time in system for providers to report education credits.

Licensing/Compliance/Examination/Enforcement Discussion

- Mortgage Examination and Investigation Section activity YTD 2015
 - Examinations: 53
 - Investigations: 30
 - New business visitations: 37
- MLOs with unpaid administrative fines: Discussion held that unpaid fines can result in bond claims. Question was raised regarding whether company sponsor can receive advance notice of a bond claim when company provided the bond. Further discussion will be held at next meeting.
- Discussion held regarding licensing requirements for independent processors. Discussion will continue at next meeting.
- DIFS Prohibition Orders: Question was raised regarding whether list on DIFS website could be sorted, such as chronologically or alphabetically. DIFS staff will research.
- AARMR Annual Regulatory Conference: Update provided by DIFS. Conference was well attended by both industry and regulators, with over 300 participants. Discussion items included:
 - “Super Priority” Liens filed by homeowners’ associations: not an issue in Michigan
 - Lead Generators: is licensing as a broker required?
 - Transitional Licensing for MLOs: currently being considered by Congress
 - TRID: now called “Know Before You Owe”
 - CSBS proposal on net worth requirements: concerns expressed that small servicers could be put out of business

- Social media and advertising guidelines: some states have added statutory language regarding social media; FFIEC has issued guidance

State Legislation

- Consumer Mortgage Protection Act Modernization/Amendment
 - Needed due to federal regulations
 - Discussed elimination or revision of two Michigan-specific forms
 - Both Industry and DIFS would like a bill introduced by October
 - DIFS will review CFPB Toolkit booklet to determine if Toolkit disclosures can be used in lieu of the state-specific forms
 - Goal is to reduce regulatory burden and unnecessary forms but still maintain consumer protections
- “Flat Recording Fees” Bill: Bill is being proposed by title insurance industry to set uniform flat fees for recording deeds and mortgages in Michigan. Current fees vary by county and number of pages, which may cause closing delays under new federal regulations.

CFPB

- 5th Anniversary of Dodd-Frank Act noted
- Discussion held regarding CFPB’s enforcement activities; need for clarification and/or rulemaking in various areas; compliance requirements can be extremely difficult for small companies in particular
- Discussion held regarding implementation of Know Before You Owe on October 3. Industry has been preparing for changes, but changes are significant and challenges are expected.
- Realtor License Number: Required on closing disclosure, but not on loan estimate

MIAB

- MIAB Goals for Term:
Prior term goals: Harmonize MLOLA with CFPB Regulations on loan modification personnel; Continued participation in legislative/regulatory policy discussions; Assist Industry and DIFS with monitoring emerging issues to foster Industry compliance (Federal laws & regulations, court cases, industry trends, etc.); Identify need to develop or revise existing FAQs and guidance on the following: RESPA-TILA integration efforts, social media policies, role of loan assistants, contract processors, seller financing, and other issues as deemed appropriate.
- Further discussion to be held at next meeting

Industry Updates and Submitted Agenda Items

- Discussion held regarding H.R. 2021 – SAFE Transitional Licensing Act of 2015: appears bill may move forward in Congress

Action Items

- Remaining Agenda Items will be tabled until November 4th Board Meeting. An interim conference call of the Board will be scheduled if deemed necessary.

Next Meeting(s)

- November 4, 2015: 8:30 am in Lansing (Face-to-Face)
- February 3, 2016: 8:30 am in Lansing (Face-to-Face)
- May 2016: to be determined (Terms end May 19, 2016)

Adjourned at 11:02 am

Pava Leyrer, Acting MIAB Secretary

Michelle Tullar, DIFS Recording Secretary

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
OFFICE OF CONSUMER FINANCE**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

May 27, 2015

ROLL CALL

Present: Donald Calcaterra Jr.
Allan Daniels
Allison Johnston
Michael Kus – Via telephone
Pava Leyrer – Via telephone
Bill Roberts
Michael Winks – Via telephone

DIFS Staff: Patrick McPharlin, DIFS Director & Guest
Brenda Gardner
Kirt Gundry
Diane Lane
Barb Strefling
Mark Weigold

Call to order at 8:38 am

- Motion to approve 2/11/15 MIAB minutes; motion passed
- Motion to approve 5/27/15 Agenda; motion passed

Introductions

Board members welcomed Director McPharlin, appointed as DIFS Director by Governor Snyder effective 5/18/15.

DIFS Updates

- Discussion was held regarding the DIFS annual mortgage seminar, which was done in conjunction with the MMLA Compliance Event on May 5, 2015. The seminar was well attended. DIFS received good feedback regarding the seminar in a survey sent via e-mail to all attendees.
- DIFS has moved to the State of Michigan Stevens T. Mason Building. Office of Consumer Finance is located on the 6th floor. DIFS mailing address is the 7th floor. DIFS will send updated address information and staff telephone numbers to MIAB members.
- Current licensee population/statistics
 - MLOs
 - 5/25/15: Total 8,270 – 7,664 approved, 1 approved-conditional, 600 approved-inactive, 5 approved-surrendered
 - 05/25/14: Total 7,926 – 6,851 approved, 1 approved-conditional, 1074 approved-inactive
 - Currently receiving approximately 300 new applications per month; 245 applications currently pending

- First Mortgage Licensees and Registrants
 - 5/26/15: 628
 - 5/26/14: 597
 - Applications currently pending: 16
- Secondary Mortgage Licensees and Registrants
 - 5/26/15: 192
 - 5/26/14: 197
 - Applications currently pending: 4
- CFS Licensees
 - 5/26/15: 14
 - 5/26/14: 15
 - Applications currently pending: 1
- Discussion held regarding DIFS settlement with Western Sky. DIFS will forward pertinent information to MIAB members to help spread word about the settlement to potential claimants.
- Discussion held regarding DIFS website. Consumer section of the website was reconfigured in April to make it easier for consumers to use.

Licensing/Compliance/Examination/Enforcement Discussion

- Examination findings generally are consistent with findings from recent years
- Most significant development in 2015 will be the new TILA-RESPA Integrated Disclosures (TRID), which become effective later this year
- DIFS is conducting TRID training sessions for mortgage examination staff
- Year-to-date Mortgage Examination and Investigation Section activity
 - Examinations: 32
 - Investigations: 19
 - New business visitations: 26
- General discussion held regarding independent processors. DIFS is currently reviewing the issue.

NMLS

- Various NMLS Surveys are currently open. Board members are encouraged to complete the surveys if possible.

State Legislation

- Consumer Mortgage Protection Act (CMPA) Modernization/Amendment: Discussed possible revisions to the Act due to changes in federal regulations. Two state-specific forms now required by CMPA should be updated or possibly eliminated.

CFPB

- HMDA: Final rule is expected July 2015, to be effective January 2017.
- TILA-RESPA Integrated Disclosures "TRID" Rule: Becomes effective August 1, 2015. Discussed broad impacts; a delay of effective date is not expected.
- Servicing Rule Revisions: May be finalized by year-end.

MIAB

- Upcoming year will be the final year of membership on the board for Chairman Daniels and board members Pava Leyrer and Michael Winks. Chairman Daniels thanked the Board and DIFS staff for their support, dedication, and professionalism.

- Election of Officers: Formal nominations for the coming year were made and votes taken. The following officers were elected by unanimous vote:
 - Donald Calcaterra Jr., Chairman
 - Bill Roberts, Vice-Chairman
 - Allison Johnston, Secretary
- Chairman Calcaterra and DIFS staff thanked Allan Daniels for his many contributions and years of service as Board Chairman.
- Chairman Calcaterra established a new special committee of the board to be named the Transition Committee. Allan Daniels was nominated and appointed to a new position of Government Affairs Liaison, effective until his term expires in May 2016.
- Reviewed and discussed MIAB goals for the coming year. Chairman Calcaterra asked for suggestions; a compiled list will be distributed to the group for further discussion at the August meeting.

Industry Updates and Submitted Agenda Items

- Discussion held regarding H.R. 2121- SAFE Transitional Licensing Act of 2015
- CHLA Proposal regarding CFPB “Know Before You Owe” Campaign: Chairman Calcaterra to send CHLA proposed disclosure form to DIFS for review
- CSBS/AARMR Proposal on Regulatory Standards for Non-Bank Mortgage Servicers: Public comment period ends 6/23/15

Action Item(s)

- Suggestions for new MIAB Goals to be sent to Chairman Calcaterra for compilation and distribution.
- Chairman Calcaterra will forward CHLA information to DIFS.
- DIFS will forward information regarding Western Sky Settlement to MIAB members.
- DIFS will forward updated address information and staff telephone numbers to MIAB members.

Next Meeting(s)

- August 12, 2015 at 8:30 am in Lansing (Face-to-Face)
- November 4, 2015: 8:30 am in Lansing (Face-to-Face)
- February 3, 2016: 8:30 am in Lansing (Face-to-Face)

Adjourned at 11:06 am

Michael Winks, MIAB Secretary

Diane Lane, Acting DIFS Recording Secretary

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
OFFICE OF CONSUMER FINANCE**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

February 11, 2015

ROLL CALL

Present: Donald Calcaterra Jr.
Allan Daniels
Allison Johnston
Michael Kus
Pava Leyrer
Bill Roberts
Michael Winks, Excused

DIFS Staff: Brenda Gardner
Kirt Gundry
Barb Strefling
Michelle Tullar
Mark Weigold

Call to order at 8:35 am

- Motion to approve 11/24/14 MIAB minutes; motion passed
- Motion to approve 2/11/15 Agenda; motion passed

DIFS, NMLS, and State Legislative Updates

- DIFS will be moving to the State of Michigan Stevens T. Mason Building, scheduled May and June of 2015
- Current licensee population/statistics
 - MLOs
 - 12/31/14: Total 9,016 – 7,157 approved, 1 approved-conditional, 1,858 approved-inactive
 - 12/31/13: Total 8,363 – 6,630 approved, 1 approved-conditional, 1,732 approved-inactive
 - 02/08/15: Total 7,423 – 7,178 approved, 1 approved-conditional, 244 approved-inactive
 - 02/08/14: Total 7,027 – 6,543 approved, 1 approved-conditional, 483 approved-inactive
 - First Mortgage Licensees and Registrants
 - 02/09/15: 606
 - 02/09/14: 587
 - Secondary Mortgage Licensees and Registrants
 - 02/09/15: 191
 - 02/09/14: 193
 - CFS Licensees
 - 02/09/15: 14
 - 02/09/14: 15

- 2014 Renewal Statistics as of 2/9/15
 - MLOs: 9,083 renewals sent; 6,999 processed; 2,084 non-renewals (77% renewed)
 - First Mortgage: 627 renewals sent; 595 processed; 32 non-renewals (95% renewed)
 - Secondary Mortgage: 202 renewals sent; 191 processed; 11 non-renewals (95% renewed)
 - CFS: 15 renewals sent; 14 processed; 1 non-renewal (93% renewed)
- 2014 Non-Renewal Rates as of 2/9/15
 - MLOs: 23 %
 - First Mortgage: 5%
 - Secondary Mortgage: 5%
 - CFS: 7%
- New Application Volume
 - Applications received
 - MLOs
 - 2014: 2939
 - 2013: 3948
 - First Mortgage Licenses and Registrations
 - 2014: 118
 - 2013: 133
 - Second Mortgage Licenses and Registrations
 - 2014: 16
 - 2013: 24
 - CFS Licenses
 - 2014: 1
 - 2013: 1
 - Pending Applications as of 2/10/15
 - MLOs: 283
 - First Mortgage Licenses and Registrations: 17 (11 new/6 transfers of ownership)
 - Second Mortgage Licenses and Registrations: 0
 - CFS Licenses: 0
- DIFS sends at least three renewal reminder emails, and also contacts individuals via phone. Many individuals have company emails on file. If an individual leaves the company and DIFS is unable to contact him or her, DIFS will reach out to the company.
- Annual Reports are due by March 2, 2015.
- First Mortgage Registration-Change of Ownership reminder: A new application must be submitted; a registration cannot be transferred.
- NMLS
 - NMLS Mortgage Call Report (MCR) annual standard financial statement is required by DIFS and attested to by the licensee in NMLS. DIFS Form 1076 is now considered obsolete and has been removed from DIFS website.
 - Discussion was held regarding NMLS 2015 MCR changes effective first quarter of 2015.
- Legislation
 - SB 664: Amendment to Debt Management Act - now 2014 PA 362
 - HB 5593: Amendment to MLOLA - no action

- SB 1087: Mortgage loan originator loss mitigation exemption – signed by Governor Snyder on December 27, 2014, now 2014 PA 421
- Discussed DIFS upcoming presentation at the House Financial Services Committee meeting: discussion to include DIFS mission, history, and services; overview of Office of Consumer Finance responsibilities and their intersection with Dodd-Frank Act
- First and Second Mortgage Acts combination: discussions between DIFS and Industry to continue in 2015

Industry Updates and Submitted Agenda Items

- Fannie Mae Collateral Underwriter: New valuation risk management tool became effective January 2015. Discussion held regarding industry concerns that Fannie Mae has provided limited guidance/information to date. Effectiveness of tool has yet to be determined.
- Real Estate Continuing Education changes as of January 2015: Michigan Realtors® received a grant from LARA to establish CE Marketplace, which will approve continuing education courses and track credits. This change is expected to speed up course approval. Hours will be self-reported through CE Marketplace. Eighteen hours of continuing education are required every three years.
- Realtor Captive Mortgage Companies: discussion held regarding real estate companies forming mortgage companies with licensed MLOs. As part of licensing process, DIFS investigates company structure and control persons for character, fitness, and experience.
- Discussion regarding Active Depository MLOs: Industry concerned regarding active MLOs who have failed the licensing exam, but are still qualified to operate as federally registered MLOs. There is no exam requirement for MLOs employed by Depositories.
- FHFA Proposal - Minimum Financial Eligibility Requirements for Fannie Mae and Freddie Mac Seller/Servicers: Proposal is in the early stages; minimum net worth, capital ratio, and liquidity level requirements for non-depositories would be increased.

Licensing/Compliance/Examination/Enforcement Discussion

- MIAB Goal: Harmonize Industry Practice with Examination Expectations
- Mortgage Examination and Investigation Section –activity totals for 2014
 - Examinations: 135
 - Investigations: 43
 - Visitations: 46
- Most significant development in 2015 will be the new TILA-RESPA Integrated Disclosures (TRID) which become effective August 1, 2015
 - DIFS is planning four TRID training sessions for mortgage examination staff
 - CFPB has indicated that the bureau will enforce the new rules effective August 1
- Mortgage Seminar
 - DIFS is preparing for annual mortgage seminar, scheduled for May 5, 2015 in Howell
 - Seminar will be held in conjunction with the MMLA Compliance Conference again this year

CFPB

- HMDA: comments regarding expanded reporting requirements closed 10/22/14; Final Rules to be issued
- Complaint Narratives: final policy to be issued
- TRID Rule: becomes effective August 1, 2015
- CFPB “Rate Checker” Tool: launched in January; discussed industry concerns that tool can be misleading and does not include sufficient information for consumers; more narrative is required
- CFPB Proposed Amendments to “Small Creditor” and “Rural” definitions: comment period ends 3/30/15

MIAB

- Independent Processors Working Group - DIFS provided answers to processing questions; topic may be included on future meeting agenda(s) if needed
- Election of Officers takes place at first meeting following May 19th each year
- Discussion held regarding MIAB Goals

Other

- Nomination of Officers – formal nominations to be held at May board meeting

Action Item(s)

- Chairman Daniels will forward to DIFS information regarding a processing company solicitation being sent to licensees

Next Meeting(s)

- May 27, 2015 at 8:30 am in Lansing (Face-to-Face)
- August 12, 2015 at 8:30 am in Lansing (Face-to-Face)
- November 2015: date to be determined

Adjourned at 10:04 am

Pava Leyrer, acting MIAB Secretary

Michelle Tullar, DIFS Recording Secretary