



# Insurance Department

## State of Utah

GARY R. HERBERT  
Governor  
GREG BELL  
Lieutenant Governor  
NEAL T. GOOCH  
Insurance Commissioner

## State of Utah Title and Escrow Commission Meeting Meeting Information

**Date:** May 9, 2011 **Time:** 9:00 AM **Place:** East Bldg, **Copper** Room

### MEMBERS

#### Commission Members

xChair Cortlund G. Ashton, Salt Lake Cnty  
xCo-Chair Garry M. Goodsell, Iron Cnty  
xDirk Keyes

xCanyon W. Anderson, Davis Cnty  
xJerry M. Houghton, Tooele Cnty

#### Department Staff

xPerri Babalis, *AG Counsel*  
Tammy Greening, *Examiner*  
Adam Martin, *Examiner*

xSuzette Green-Wright, *MC Dir.*  
Jilene Whitby, *PIO Recorder*

xMark Kleinfield, *ALJ*  
xBrad Tibbitts, *P&C Dir.*

#### Public

Pete Stevens  
David Moore  
Jack Marinello  
Tom Hatch

Tejay Rasband  
Alan Stallinger  
Scott Sabey  
Al Newman

Michelle Lietchy  
Jerry Houghton  
Lincoln Scoffield  
James Seaman Troy Lilly

### MINUTES

#### *General Session: (Open to the Public)*

- **Welcome and Introductions** / Cortlund Ashton, Chair **9:35am**
- **Adopt Minutes of March Meeting**  
Jerry made a **motion** to make correction a correction on page 2, second to last line, change the word "change" to "chains." Motion to adopt the minutes with amendments made by Garry, seconded by Jerry and passed unanimously.
- **Executive Session** – Not needed
- **Reports**
  - **Concur with Licensee Report**
    - Public members raised concerns on confusion of "Escrow Security Title" name being different entities. Perri added that Department of Commerce would initially take the name and the Utah Insurance Department also decides. Suzette will talk to Randy in licensing about it.
    - **Motion** made by Canyon to concur with the report, seconded by Dirk, passed unanimously.
  - **Concur with Complaint & Enforcement Reports.**
    - Deferred concurring until June meeting as there are questions to be answered. **Put on agenda for next meeting.**
    - Request for Attorney Exemption: None
- **Administrative Proceedings Action**
  - **Stipulation & Order:**
    - **James Tyler Holden-** License# 216762  
Mr. Holden`s performed 26 closings while license was lapsed. Mark recommended forfeiture of \$3,000 and 12 month probation.
    - **Mountain View Title & Escrow Inc.,** E-case# 2787  
Mountain View Title – Allowed an unlicensed person to do business. Forfeiture of \$2,500 and is required to prepare a comprehensive business plan with regards to the appointment of individual licensees associated with the agency. **Motion** to concur by Jerry Houghton, seconded by Garry Goodsell, and passed unanimously.
- **Old Business**

- **Discuss Changes to R590-99 (R592-14)**  
Canyon reviewed old minutes from rule draft on “failure to record a document.” Underwriters have not yet commented on this. Board heard suggestion from a member of the public. Draft for this rule will be kept on hold until hearing from underwriters. Follow-up on the June agenda.
- **Discuss Changes to R592-6-4.**
  - Question from previous meeting: Can wife loan money in her name or entity and what would be the definition of “affiliate?” Perri researched the matter and explained the definition of “affiliate” and “control” from the insurance code. She suggested that by using the definition of “control” it limits the situation to a business transaction.
  - A public member suggested that "non-familial transaction” be defined in the code.
  - A public said that most producers are in violation of and do not see a purpose for this rule. Another suggested that time should not be spent crafting a rule to support a weak statute.
  - Cort suggested amendments to the rule. **Motion** made by Canyon asking Perri to redraft the rule, seconded and passed unanimously.
- **Setting Search Standards / Jerry**  
Jerry requested the formation of a subcommittee on search standards because underwriters wanted to provide input.
- **Dual Licensing Discussion - Continued / Cort**
  - Board listened to comments from public regarding this rule. Cort addressed Alan`s issue. Cort asked to defer this issue and asked the Insurance Department to further define the rule. Board discussed scenarios of dual licensees performing transactions with the public and clarified concerns.
  - Cort asked Suzette to get a final determination on how the department interprets this rule as some questions still need to be resolved.
- **Update on Mobile Notary Performing Escrow Services**
  - From last meeting, Department and Lieutenant Governor`s office were trying to make notaries aware that they should not perform escrow without being licensed.
  - Suzette and Commissioner Gooch met with Representative Morley and then later this week with the Lt. Governor to discuss this issue.
  - Old minutes were read. Mr. Troy Lilly who is a notary clarified they are not providing any escrow services and mentioned that under those rules, we would have to assure that FEDEX, UPS and such services would also have to be required to be licensed.
  - Board discussed subject with Mr. Lilly and other members of the public expressing what the concerns are in regards to mobile notaries.
  - **To be continued.**
- **Appointment Process for Two New Members / Brad**
  - Names have been sent to Governor`s office after being reviewed. Predicting a response for June meeting.
- **New Business**
  - **Approval for New Laptop for Tammy / Suzette**  
Suzette requested a new laptop for Tammy. **Motion** to approve purchase of new laptop by Canyon, seconded by Jerry, motion passed.
- **Other Business from Committee Members**  
Salt Lake County recorder is going to refuse to record the rest of the documents electronically with the new fee that goes into effect May 10, 2011. This could be temporary.
- **Adjourn:**
- **Next Meeting:** June 13, 2011, Copper Room

#### 2011 Meetings

Jan. 10	Feb. 14	Mar. 14	Apr. 11	May 9	Jun. 13
Jul. 11	Aug. 8	Sep. 12	Oct. 11	Nov. 14	Dec. 12