



Washington State Department of Financial Institutions

# Division of Consumer Services

## WINTER 2020 UPDATE

### CINDY FAZIO NAMED NEW DIRECTOR OF CONSUMER SERVICES

Lucinda (Cindy) Fazio has been appointed as the new Director of Consumer Services. Cindy has extensive experience in the regulation of non-depository financial institutions gained in her fifteen years with the Division.

For the past five years, Cindy was Chief of Regulatory Affairs, directing all rule writing, legislative review, and interpretive matters for all statutes implemented by the Division. As part of the Division’s management team, she created and implemented the Division’s strategic plan, advanced legislation and rules implementing legislation, and has been a primary contact and resource for compliance professionals.



### Stats At A Glance As Of December 31, 2019

#### Number of Licensees

Mortgage Brokers	316
Loan Originators	15,716
Check Cashers and Sellers	98
Small Loan Agents	22
Consumer Loan Companies	711
Money Transmitters	202
Escrow Agents	59
Payday Lenders	22

#### Complaints Received

1,202

#### Enforcement Actions Issued

116

#### Investigations Opened

80

#### Investigations Closed

89

\*This information was pulled specifically for this report and may be subject to change.

# Updates from the Division of Consumer Services

## **Mortgage Broker Practices Act and Consumer Loan Act Rules Amended**

DFI adopted amended rules under the Mortgage Broker Practices Act (WAC 208-660) and the Consumer Loan Act (WAC 208-620). The amendments included provisions on temporary authority to conduct business for mortgage loan originators, and amendments to the student education loan servicing rules. The final rules became effective November 24, 2019.

## **Expedited Application Processing for Military, Veterans, Spouses, and Dependents**

In recognition of the tremendous sacrifices made by our military and their families, DFI is offering expedited application processing for military members, veterans, spouses, and dependents. The expedited processing is available for Mortgage Loan Originator applications. The expedited application processing supports Governor Inslee's Executive Order 19-01 supporting veteran and military family transitions.

## **Auto-renewal Process for MLO Licenses**

In November the Division began using an auto-renewal process for renewing MLO licenses. If the individual MLO met certain criteria the license renewal request was automatically approved in the NMLS system after five days. This reduced the number of MLO renewals that licensing staff had to manually process.

## **Temporary Authority to Operate for Certain Mortgage Loan Originators**

As of November 24, 2019, Mortgage Loan Originators applications from certain individuals may qualify for Temporary Authority to operate while the individual is meeting state application requirements. Temporary Authority to Operate is part of federal legislation, Sec. 106 of S.2155, which amended the federal SAFE Act.

## **Seen and Heard**

- Rick St. Onge, Division of Consumer Services Chief of Examinations, was re-elected President of the Money Transmitters Regulators Association in September of 2019.
- Deborah Taellious, Division of Consumer Services Licensing Chief, is a member of the Conference of State Bank Supervisors Performance Standards Committee (PSC). The PSC sets forth the standards used for the CSBS Bank and Mortgage Accreditation Program.