

Escrow Committee Meeting Minutes

January 23, 2019

Attendees:

Committee Members Present:

Philip Dryden
Laurie LeMay

Consumer Services Division Representation:

Charlie Clark, DFI Deputy Director / Director of Consumer Services
Cindy Fazio, Chief of Regulatory Affairs
Devon Phelps, Financial Legal Examiner
Deborah Taellious, Licensing Chief
Rick St. Onge, Examination Chief
Alan Leingang, Examinations Supervisor
Joepaul Wong, Examinations Supervisor
Steven Sherman, Enforcement Chief
Charles Moore, Licensing Supervisor
Michele Gill, Webinar Facilitator

Guests:

**Guest list as generated by the webinar program – may not be complete*

Shalini	Nancy G.	Janice Oneil
Whitney	Tamara L. Warnke	Michele McGhuey
Cyril Zoldak	Bill Noel	

Meeting Called to Order at 9:00 a.m.

Welcome

Quorum not met, October 2018 minutes were tabled for approval until next meeting pending a quorum is met.

Licensing Update

Escrow Agent Numbers as of December 31, 2018:

- 61 Main Offices (63 reported at October 2018 meeting)
- 11 Branch offices (11 reported at October 2018 meeting)
- 88 Active Escrow Officers (87 reported at October 2018 meeting)
- 27 Inactive Escrow officers (28 reported at October 2018 meeting)
- 115 Total Escrow Officers (115 reported at October 2018 meeting)

Examinations Update

- 2 Exams completed in October
- 2 Exams completed in November
- 4 Exams completed in December



8 exams completed from October - December 2018

Average number of violations per exam: 0

Common Violations

Inaccurate settlement Statement

The Closing Disclosure incorrectly states escrow fees as payable to the title company.

Discussion Point

Administration of outstanding checks

The Department is revising its administration of outstanding check guidance to ensure licensees maintain compliance with both the Escrow Agent Registration Act and the Uniform Unclaimed Property Act.

DFI will recap the DOR conversation and provide the revised guidance to the committee. The Department will also review the rules for amendment. DFI will continue the discussions with DOR and Escrow Committee.

Enforcement Update

From October to December 2018, Enforcement received 2 Escrow complaints, Resolved 3 complaints.

Investigations:

Investigations – Open (EARA only) 5

Investigations – Open (All Industries) 95

Enforcement Actions—EARA

Statement of Charges (Issued in Period) 0

Consent Orders (Issued in period) 0

Final Orders (issued in period) 0

Civil Actions: (injunction, enforce subpoena) 0

Temporary Cease and Desist: 0

Old Business

No old business to discuss.

New Business

Wire transfer scams are on an uptick and becoming common around the country. DFI asks the committee to be on high alert, perhaps discussing at association meetings. These are a great concern for independent escrow agents as the scams involve significant amounts of money and there are questions about the insurance coverage available for these instances.

Charlie asked the committee to comment on any impact of the government shutdown. Are lending programs or transactions being held up? The committee reported seeing impacts particularly with USDA and FHA program issues. Also, some IRS transcripts are not available and this is slowing down underwriting. Charlie asked the committee members to email him with other impacts they see in their business.

Meeting Adjourned at 10:23 a.m.

You may listen to a recording of the entire meeting at:

<https://dfi.wa.gov/escrow-agents/committee>

DRAFT