



## Escrow Committee Webinar

We will begin shortly

**Call In #:** 1-855-929-3239

**Meeting #:** 800 341 163

**Password:** october92018

If you have a question during the presentation, please send a message to the presenter using the chat feature.

There will be a portion at the end of the webinar where there will be a Q&A. We will try to get to as many questions as possible.

- This webinar is being recorded and will be available on our website.

*If you run into technical difficulties contact WebEx support at:*

*1-866-229-3239*



# Escrow Committee Meeting Agenda

Tuesday October 9, 2018

10:00 a.m.

**Webinar**

Call in number: 1-855-929-3239

Meeting number: 800 341 163

Meeting password: October92018

1. Welcome – Devon Phelps
2. Approve Meeting Minutes from May and July 2018
3. Licensing Update
4. Examination Update
5. Enforcement Update
6. Old Business
7. New Business

## **Committee Members**

Philip Dryden, Chair  
Laurie LeMay  
Susan Berry  
Aubryum M. Drugge  
TBD

## **Consumer Services Division Representatives:**

Charlie Clark, Deputy Director / CS Division Director  
Devon Phelps, Financial Legal Examiner  
Deborah Taellious, Licensing Program Manager  
Rick St. Onge, Examinations Program Manager  
Steve Sherman, Enforcement Program Manager  
Alan Leingang, Examinations Supervisor  
Joepaul Wong, Examinations Supervisor  
Charles Moore, Licensing Management Analyst  
Dawn Woolery, Licensing Management Analyst  
Michele Gill, Webinar Facilitator

# Escrow Committee Meeting Minutes

## May 8, 2018

Attendees:

### **Committee Members Present:**

Philip Dryden  
Laurie LeMay  
Susan Berry

### **Consumer Services Division Representation:**

Cindy Fazio, Chief of Regulatory Affairs  
Lorenda Lillard, Chief of Licensing and Administrative Operations  
Steven Sherman, Enforcement Chief  
Joepaul Wong, Examinations Supervisor  
Alan Leingang, Examinations Supervisor  
Charles Moore, Licensing Supervisor  
Dawn Woolery Licensing Supervisor  
Carolyn Sabin, Enforcement MA3  
Michele Gill, Webinar Facilitator

### **Guests:**

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

Pamela Nix	Aubry Ludberg
Shalini Chhabra	Kay Oliver

**Meeting Called to Order at 10:00 a.m.**

### **Welcome**

Quorum met, approval of minutes for the July and October 2017, meetings. Laurie moved Susan seconded the motion and the minutes were approved unanimously.

### **Licensing Update**

Escrow Agent Numbers as of March 31, 2018:

- 61 Main Offices (59 reported at October 2017 meeting)
- 11 Branch offices (10 reported at October 2017 meeting)
- 87 Active Escrow Officers ( 80 reported at October 2017 meeting)
- 28 Inactive Escrow officers (31 reported at October 2017 meeting)
- 115 Total Escrow Officers (111 reported at October 2017 meeting)

We have seen an increase in Escrow Officers over the last year with a new total of 87. We encourage any qualified staff to take the exam so back-ups are in place.

## **Examinations Update**

- 2 Exams completed in January
- 3 Exams completed in February
- 3 Exams completed in March



**8 exams completed from January-March 2018**

Average number of violations per exam: 1

## **Common Violations**

There were no common violations cited. However, we are seeing more nonnumeric Closing Disclosure issues. Escrow is being named as the title company, so escrow fees are being charged to the CD under the title company's name. This may be due to several multiple out of-state exams, where out of state escrow companies act as title companies nationally.

## **Enforcement Update**

From January to March 2018, Enforcement received 9 Escrow complaints, Resolved 9 complaints.

### **Investigations:**

Investigations – Open (EARA only) 4

Investigations – Open (All Industries) 94.

### **Enforcement Actions—EARA**

**Statement of Charges (Issued in Period) 0**

**Consent Orders (Issued in period) 0**

**Criminal Referrals 0**

**Final Orders (issued in period) 0**

**Civil Actions: (injunction, enforce subpoena) 0**

**Temporary Cease and Desist: 0**

## **Old Business**

Cindy confirmed with the committee they did not want to make any changes to the test following the test review sessions. The committee confirmed that the test will not be changed at this time.

## **New Business**

Cindy told the Committee about the E-Notary rule changes being proposed by the Department of Licensing affecting chapters 42.44, 42.45 RCW, and WAC 308-30. The public hearing on the proposed rule is May 9<sup>th</sup>. Phil said that the Escrow Association of Washington has been involved in the rulemaking. He advised the committee to be prepared for changes coming with reporting and recording of notary activities.

We have received one Escrow Committee Member application, it is pending review, and a decision should be coming soon.

### **Meeting Adjourned at 10:18 a.m.**

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

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

# Escrow Committee Meeting Minutes

## July 10, 2018

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  
Steven Sherman, Enforcement Chief  
Joepaul Wong, Examinations Supervisor  
Alan Leingang, Examinations Supervisor  
Charles Moore, Licensing Supervisor  
Dawn Woolery Licensing Supervisor  
Michele Gill, Webinar Facilitator

### **Guests:**

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

Michele McGhuey  
Tammy Warnke

**Meeting Called to Order at 10:00 a.m.**

### **Welcome**

Quorum not met, May 2018 minutes to be reviewed/approved at the October 2018 meeting.

### **Licensing Update**

Escrow Agent Numbers as of June 30, 2018:

- 62 Main Offices (61 reported at May 2018 meeting)
- 11 Branch offices (11 reported at May 2018 meeting)
- 84 Active Escrow Officers ( 87 reported at May 2018 meeting)
- 29 Inactive Escrow officers (28 reported at May 2018 meeting)
- 113 Total Escrow Officers (115 reported at May 2018 meeting)

Currently have 4 pending applications, one of which is a Bellevue, WA company.

## **Examinations Update**

- 3 Exams completed in April
- 2 Exams completed in May
- 3 Exams completed in June



**8 exams completed from April-June 2018**

Average number of violations per exam: 1

## **Common Violations**

Information Security plan and Inaccurate Closing Disclosures.

## **Enforcement Update**

From April to June 2018, Enforcement received 8 Escrow complaints, Resolved 9 complaints.

### **Investigations:**

Investigations – Open (EARA only) 2

Investigations – Open (All Industries) 102

### **Enforcement Actions—EARA**

**Statement of Charges (Issued in Period) 0**

**Consent Orders (Issued in period) 3**

**Criminal Referrals 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**

We have received one Escrow Committee Member application, review has happened, and appointment is in process.

### **Meeting Adjourned at 10:12 a.m.**

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

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

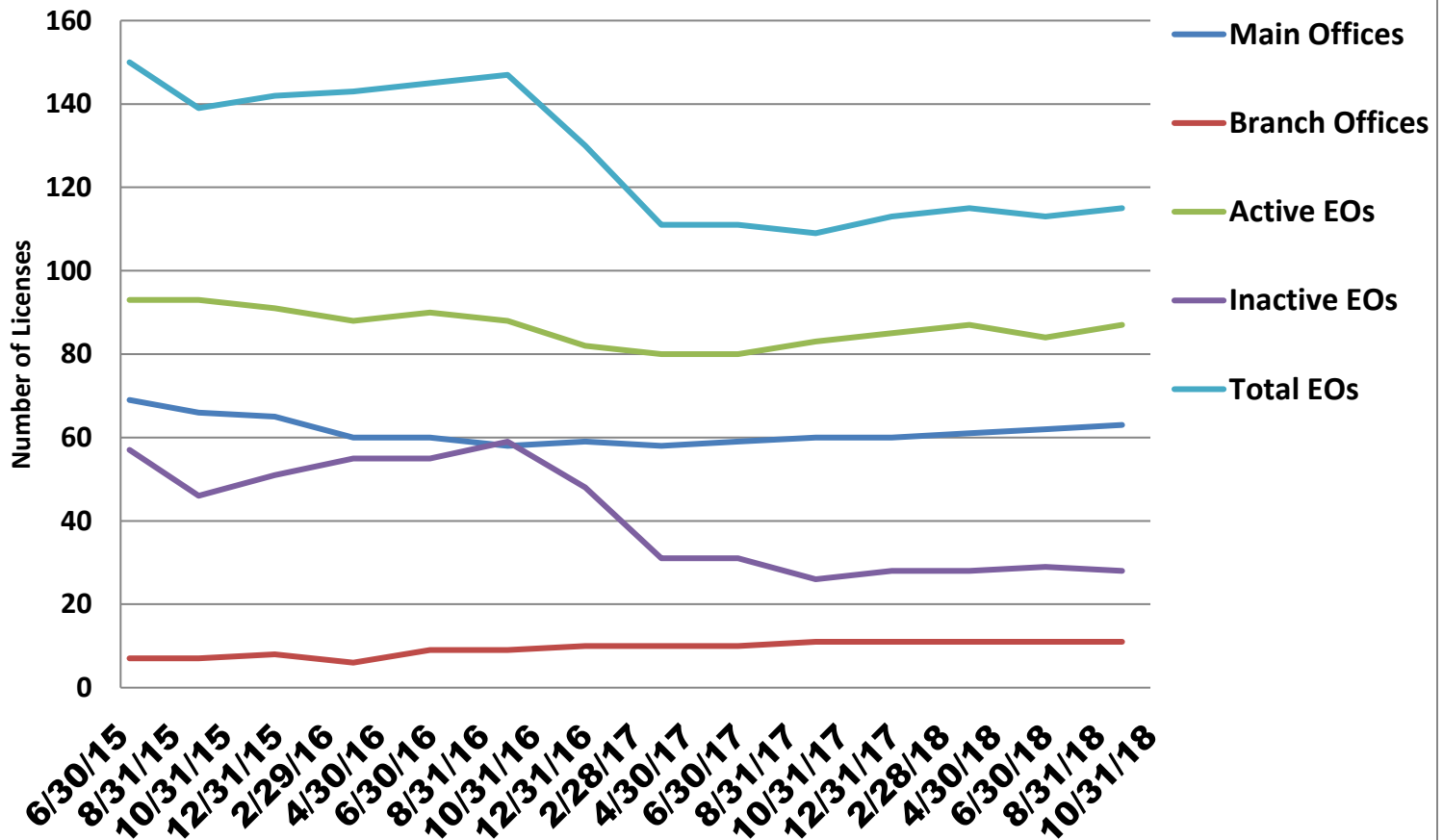
# Escrow Committee

## Licensing Unit Quarterly Report

October 9, 2018

	9/28/18	6/29/18	3/30/18	12/29/17
Main Offices	63	62	61	60
Branch Offices	11	11	11	11
Active EOs	87	84	87	85
Inactive EOs	28	29	28	28
Total EOs	115	113	115	113

### Current Escrow Licensee Trends



# CS - Examination Unit Report

## Escrow Program

Escrow Committee Meeting  
October 9, 2018

### Examination Summary

- 2 Exams completed in July
  - 2 Exams completed in August
  - 3 Exams completed in September
- } **Seven exams completed from July through September 2018**

Average number of violations per exam: no findings

Composite Rating	Number of Exams	Previous Avg. Exam Cost	Current Avg. Exam Cost	Exam Cost Change
1	4	\$ 1,551.14	\$ 1,558.31	\$ 7.17
2	2	\$ 1,923.15	\$ 1,909.00	(\$ 14.15)
3	0	\$ 2,544.18	N/A	N/A
4	0	\$ 4,187.50	N/A	N/A
5	0	\$ 19,343.75	N/A	N/A
No Rating	1	N/A	N/A	N/A

### Common Violations

There were no common violations cited during Q3 2018.



**Escrow Committee**  
**Enforcement Unit Quarterly Report**  
**July 1, 2018 - September 30, 2018**

<b>Complaints</b>	<b>EARA Quarter</b>	<b>EARA 2018</b>	<b>All Industries Quarter</b>
Received in period	6	23	303
Closed in period	5	24	311
<b>Open as of 9/30/2018</b>	<b>EARA</b> 8	<b>Other Industries</b> 194	<b>Total Complaints Open</b> 202

**Investigations**

Investigations – Open (EARA only)	3
Investigations – Open (all industries)	93

<b>Enforcement Actions 3<sup>rd</sup> Quarter</b>	
CCSA	0
CLA	14
EARA	0
MBPA	13
UMSA	3

**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