



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Insurance Department

JONATHAN T. PIKE
Insurance Commissioner

Title & Escrow Commission Meeting

(<https://insurance.utah.gov/licensee/title/tec>)

Date: **March 11, 2024**

Time: **9:00 AM**

Place: **In Person**

Taylorsville SOB
4315 S. 2700 W.
Flaming Gorge Room
Taylorsville, UT 84129

Virtual

Google Meet

ATTENDEES

TITLE & ESCROW COMMISSION

xChair, Kim Holbrook (*Insurer, Davis County*) xNathan Sprague (*Insurer, Utah County*)
xVice Chair, Jeff Mathews (*Public, Morgan County*) xTina Williams (*Agency, Juab County*)
xKevin Parke (*Agency, Salt Lake County*)

DEPARTMENT STAFF

xJon Pike, *Insurance Commissioner* xReed Stringham, *Deputy Comm.* xTracy Klausmeier, *P&C Dir.*
xRandy Overstreet, *Licensing Mgr.* Patrick Lee, *Finance Dir.* xKelly Christensen, *P&C Asst. Dir.*
Michael Covington, *CE Specialist* xSteve Gooch, *PIO Recorder*

PUBLIC

Matt Sager	Jeff Wiener	Cort Ashton
Sarah Wade	Michael Sumner	Frank Ivory
Wendy Jeffery	Joseph McPhie	Jim Johnson
Lonn Litchfield	Rachael Ortiz	Matt Ryden
David Smith	Michael Smith	Wade Taylor
Steven Troop	Blake Heiner	Bob Rice
Frank Medina	Steve Strong	TJ Johnson
Blaine Einzinger		

MINUTES — Not Approved

General Session: (Open to the Public)

- **Welcome** / Kim Holbrook, Chair (9:01 AM)
- **Telephone Roll Call**
- **Adopt Minutes of Previous Meetings**
 - *Timestamp 02:20*
 - **Motion by Tina to adopt minutes for February 12 meeting. Seconded by Kevin. Motion passes 5-0.**
 - YEA: Kim, Nate, Tina, Kevin, Jeff
 - NAY: None
 - **Motion by Tina to adopt minutes for February 21 special meeting. Seconded by Nate. Motion passes 5-0.**
 - YEA: Kim, Nate, Kevin, Jeff, Tina

- NAY: None
- **Concurrence Reports**
 - Licenses
 - *Timestamp 04:05*
 - **Motion by Tina to concur. Seconded by Kevin. Motion passes 5-0.**
 - YEA: Kim, Nate, Tina, Kevin, Jeff
 - NAY: None
- **Update on 2024 Goals**
 - ULTA report / Kim
 - *Timestamp 05:15*
 - The ULTA talked about legislative issues at its last meeting.
 - They had a lunch and learn on Friday about topics related to mobile homes.
 - The ULTA meets after today's TEC meeting.
- **New Business**
 - Nonconcurrence in licensing FL company / Reed
 - *Timestamp 06:08*
 - The UID discussed withdrawing concurrence with the Attorney General's Office. It was determined that, under the law, a Utah license isn't required to operate in Utah. The UID will allow the license to stand. Discussion follows about the reasons for allowing the license, the definition of "license," and licensing generally.
 - Many members of the industry believe this to be a marked change in how the UID has regulated licenses previously. Discussion follows about whether the UID has taken a different position in the past, or if it was the industry's understanding of the UID's position.
 - This is the first application submitted by an out-of-state licensee. Discussion about history and the three-year experience requirement.
 - Discussion about whether the TEC would like to explore changing the law legislatively.
 - **Motion by Tina to ask the UID to make a legislative change to require three years of Utah experience. Seconded by Nate. Motion passes 5-0.**
 - YEA: Kim, Nate, Tina, Kevin, Jeff
 - NAY: None
 - Statute/rule conflict regarding concurrence / Reed
 - *Timestamp 29:20*
 - Reed describes a conflict between statute and rule about the TEC concurring with the UID's licensing activities. Discussion follows about how to handle the issue, and the history of the statutory change.
 - Need for dual licensee statute and rule / Tracy
 - *Timestamp 36:23*
 - Tracy describes some discrepancies between statute and rule about dual licensing. Discussion follows about the history of the dual licensing allowance, how it has been applied in the past, and ideas for fixing the issue.
 - The UID will work with Matt Sager and Cort Ashton on language that will be presented at a future TEC meeting.
 - R592-6 amendments - next steps / Reed
 - *Timestamp 49:45*
 - Discussion about the next steps for the UID to file R592-6, which removes the prohibition on sharing office space. The UID is open to discussing a separate rule related to office sharing.
 - The rationale behind removing the prohibition is in a memo included in the meeting attachments.
 - Discussion about how RESPA will apply, written disclosures, and other possible options for preventing consumer confusion.
 - Discussion of the rule filing process and options for industry comment.

- Discussion about whether this change will make it easier for bad actors to commit fraud.
- Questions about Bulletin 2024-2 / Reed
 - *Timestamp 01:07:35*
 - Reed describes the content and purpose of Bulletin 2024-2, which is included in the meeting attachments.
 - Discussion about the industry's concern that the bulletin means the UID will no longer enforce against inducements, and concerns that RESPA applies differently from an unfair inducement. The industry is concerned that R592-6 no longer applies to ABAs.
 - Discussion about how RESPA can be interpreted differently depending on context, agency, or situation. Along with the bulletin, this suggests ABAs may not have the same requirements as other agencies.
 - Discussion about the legislature's intent for ABAs as it applies to the DRE, which is in Title 31A, Chapter 23a, Part 10, Affiliated Business in Title Insurance.
 - The industry's concern is making sure that someone is investigating violations across the whole industry.
 - Discussion about the problems with dividing regulation of the industry between the UID and the DRE while keeping a fair playing field, and the history of the legislation that split enforcement of the industry.
 - Discussion about how to move forward legislatively, and whether to retract or amend the bulletin to make it clear that R592-6 applies to all title agencies whether they are ABAs or non-ABAs.
 - Comment from the industry about the timing of the change and the feeling that the rules are being loosened and enforcement will decrease, despite difficult times in the industry.
 - Discussion about the industry helping the UID with any needs they have regarding a revision of the bulletin.
 - Discussion about how to proceed regarding the bulletin, and making sure the industry understands that R592-6 applies to all title licensees irrespective of if they're an ABA or a non-ABA.
- **Old Business**
 - Legislative review / Reed
 - *Timestamp 01:53:45*
 - Discussion of the legislative changes during the 2024 General Session that apply to the title industry.
- **Other Business**
 - UID staffing update / Tracy
 - *Timestamp 01:58:35*
 - Tracy is working to get a new investigator that has an accounting and finance background, now that the legislature has made the UID's requirements clear.
 - Upcoming TEC/REC meeting / Kim
 - *Timestamp 01:59:30*
 - The TEC/REC meeting will be moved to May, if the REC can meet then.
- **Hot Topics**

Executive Session (None)

- **Adjourn** (11:04 AM)
 - **Motion by Tina to adjourn. Seconded by Nate. Motion passes 5-0.**
 - YEA: Kim, Nate, Tina, Kevin, Jeff
 - NAY: None
- **Next Meeting: April 8, 2024** — Flaming Gorge Room, Taylorsville State Office Building

2024 Meeting Schedule

Jan 22 Flaming Gorge	Feb 12 Flaming Gorge	Mar 11 Flaming Gorge	Apr 8 TBD	May 13* TBD	Jun 10 TBD
Jul 8 TBD	Aug 19 TBD	Sep 9 TBD	Oct 21* TBD	Nov 18 TBD	Dec 9 TBD

*Proposed TEC/REC meeting immediately following