



## State of Utah

SPENCER J. COX  
Governor

DEIDRE M. HENDERSON  
Lieutenant Governor

## Insurance Department

JONATHAN T. PIKE  
Insurance Commissioner

### Title & Escrow Commission Special Meeting

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

**Date: March 22, 2022**

**Place: In Person**  
None

**Virtual**  
Google Meet

**Time: 10:00 AM**

*\*This special meeting was called at the request of the Title & Escrow Commission Chair under 31A-2-403(6)(c)(ii)\**

### ATTENDEES

#### TITLE & ESCROW COMMISSION

xChair, Kim Holbrook ( <i>Insurer, Davis County</i> )	xDarla Milovich ( <i>Agency, Salt Lake County</i> )
Vice Chair, Chase Phillips ( <i>Agency, Weber County</i> )	xCal Robinson ( <i>Agency, Iron County</i> )
xJeff Mathews ( <i>Public Member, Morgan County</i> )	xPerri Babalis, <i>AG Counsel - TEC</i>

#### DEPARTMENT STAFF

Jon Pike, <i>Insurance Commissioner</i>	xReed Stringham, <i>Deputy Comm.</i>	xTracy Klausmeier, <i>P&amp;C Dir.</i>
xRandy Overstreet, <i>Licensing Dir.</i>	Patrick Lee, <i>Finance Dir.</i>	xAdam Martin, <i>MC Examiner</i>
Michael Covington, <i>CE Specialist</i>	xSteve Gooch, <i>PIO Recorder</i>	

#### PUBLIC

Kirk Smith	Frank Medina	Nathan Sprague
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### MINUTES — Not Approved

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

- **Welcome** / Kim Holbrook, Chair (10:02 AM)
- **Reading of Anchor Location Determination**
- **Telephone Roll Call**
- **New Business**
  - Plan meeting with the Division of Real Estate's Real Estate Commission
    - Kim spoke with Nancy Frandsen, past chair of the TEC, who said the relationship with the DRE and REC has been beneficial, particularly when the DRE ran a media campaign on hacking and wire fraud.
    - Darla says the main challenge is that when she became responsible for attending REC meetings, they all went to Zoom. There's not a way for anyone from the TEC to make a motion or suggest a meeting to their agenda, because TEC members aren't on the board. The REC also has such a large workload for each meeting that it's hard to know what agenda item would apply to the title industry. Each meeting lasts 2-5 hours, so it's hard to attend on the day it happens. She's had to listen to a lot of meetings on weekends. That's why a few months back she suggested a TEC/REC monthly or quarterly meeting to bet both industries on the same page.

- Kim says the TEC needs to be able to identify what is applicable to title so they can pay attention to that instead of trying to listen to the whole meeting. She thinks a quarterly meeting is a great idea. It would be nice if they could call out title-specific agenda items so they don't need to listen to the whole meeting. Or maybe they could schedule their meetings in a certain way to help title participate.
- Reed contacted Rick Southwick and said the TEC would like to meet with the REC to talk about common problems. Rick said they'd be happy to meet.
- Jeff says the process will need to consider meeting length since they're additional meetings for both groups. Items that the REC works on that touch on TEC matters should be discussed, and vice versa.
- Cal says it would be nice to know what the REC is working on, so the title industry knows things they may need to work on too.
- Kim says complaints and enforcement would be good, specifically regarding affiliated business arrangements (ABA). She's seen an increase in questions about ABAs. Reed wrote a letter for the ULTA about how to file a complaint with the UID, but it would be nice to have similar information from the DRE.
- Randy suggests having one commission attend the other commission's meeting quarterly. Then it could be a discussion item on the agenda, rather than having a separate meeting.
- Darla notes that the REC has a large workload, and her impression is that the TEC wants to have an open dialogue between the two commissions to get enforcement in place for recent statutory changes. She says that hasn't been a priority for them, possibly because they haven't gotten any guidance about how to establish the rules. The REC is traditionally used to enforcing the real estate aspect of things. They may not understand how to put rules in place to enforce these new statutes. The Governor's Executive Order to review and eliminate rules may make it an uphill battle. The statute is in place, but the debate may become whether rules in place contradict what the Governor has asked agencies to do.
- Reed says he doesn't know where the REC is on enforcing the ABA statute, but they can enforce the statute without rules. He doesn't know if they've taken action for ABA violations. Darla asks how they could enforce on a statute if there's no rule requiring reporting an ABA. Reed says if they don't have a rule to require reporting, it would be someone ratting someone out for a violation. He says this may be something to discuss with the REC.
- Darla suggests that rather than having a TEC member on the REC's agenda, it would be more helpful for the TEC and REC to work on a collaborative meeting basis.
- Reed suggests that the TEC decide on agenda items, then the UID can send the agenda to the DRE and set up a meeting.
- Reed says the timing of meetings is important, whether quarterly, etc. Kim mentioned wire fraud as another subject that may be good. There are a lot of unknowns about what they're doing with ABA enforcement. There could be an item about the REC just telling what they're doing.
- Darla says they've been focused heavily on wire fraud, including additional disclosures on forms. She doesn't know if they've come up with best practices, but the REC has been navigating the wire fraud issue pretty well. Maybe they could give a summary of the steps they've taken.
- Kim thinks ABA and wire fraud are the two topics she's thought about as well. It's about establishing the relationship and communication.
- The agenda items will be:
  - Logistics of future meetings
  - ABA information
  - Collaborating on wire fraud for consumer education
- The TEC will send the agenda items to Steve, who will put together the agenda and work with the REC to set up the meeting. Kim would like to meet immediately after the next TEC meeting if possible.

- Reed asks if we want DRE Director John Stewart there, or should it just be the REC. Darla thinks it may just be the REC for now, and Director Stewart can join if they decide to meet more regularly.

*Executive Session* (None)

- **Adjourn** (10:30 AM)
  - **Motion by Cal to adjourn. Seconded by Kim. Motion passes 4-0.**
- **Next Meeting: April 11, 2022** — Big Cottonwood Room, Taylorsville State Office Building

**2022 Meeting Schedule**

<del>Jan 10</del>	<b>Feb 14</b>	<del>Mar 14</del>	Apr 11	<b>May 9</b>	Jun 13
Jul 11	<b>Aug 15</b>	Sept 12	Oct 17	<b>Nov 14</b>	Dec 19

\* bold dates denote quarterly required in-person meetings