

**MINUTES OF REGULAR MEETING
COMMISSION ON CONSUMER CREDIT
February 13, 2013**

The regular monthly meeting of the Commission on Consumer Credit was held at 10:00 a.m. at the Department of Consumer Credit Conference Room, 3613 N.W. 56th Street, Suite 240, Oklahoma City, Oklahoma 73112. The Notice and Agenda for the meeting was posted at the Department's office, outside the main public entrance of the 3 Corporate Plaza office building and on the Department's Internet website on February 8, 2013.

I. Call to Order.

Chairman Bob Moses called the meeting to order at 10:00 a.m.

II. Roll Call.

PRESENT: Chairman Bob Moses; Vice-Chairman Cass Fahler; Suzy Casper; Rick Harper; James Lee; Odell Roland; Spencer Stanley; and Joe Wilbanks.

ABSENT: Armando Rosell and Mick Thompson

Chairman Moses announced that a quorum was present.

STAFF: Scott Leshner, Administrator; Roy John Martin, General Counsel; Ruben Tornini, Deputy Administrator; Lindsie Lundy, Administrative Programs Officer; Treasure Tytenicz, Executive Secretary and Commission Secretary; Karen Banks, Senior Consumer Credit Examiner; Brad Custard, Senior Consumer Credit Examiner; Fred Britt, Senior Consumer Credit Examiner; Drew S'Renco, Senior Consumer Credit Examiner; Maggie Ice, Consumer Credit Examiner, Rich Kellogg, Consumer Credit Examiner; Meredith Fazendin, Legal Research Assistant, and Megan Willson, Administrative Assistant II.

GUESTS: Laura Swingle, Office of Management and Enterprise Services; Steve Goodenow, Executive Lending Group, Eric Johnson, Hudson Cook, LLP.

III. Discussion and possible action regarding the minutes of the regular meeting held January 9, 2013.

Commissioner Suzy Casper made a motion to approve the minutes of the regular meeting held January 9, 2013. Commissioner James Lee seconded the motion. The roll call was as follows:

Chairman Moses – Y; Vice-Chairman Fahler – Abstain; Casper – Y; Harper – Abstain; Lee – Y; Roland – Y; Rosell – Y; Stanley – Y; Wilbanks – Y.

IV. Public comments. (Limited to three minutes per person).

There were no public comments. Commissioner Joe Wilbanks asked why the Commission changed from using electronic packets on iPads to hard copy paper packets. Chairman Bob Moses answered that staff needed to utilize the iPads rather than having them be unavailable for several days leading up to the Commission meeting. He also stated that some Commissioners were not using the iPads during the Commission meeting so it was

best to return to using paper copies for the agenda packets.

Commissioner Armando Rosell arrived at 10:05 a.m.

V. Staff announcements and discussion.

There were no staff announcements.

VI. Presentation of the Monthly Budget and Financial Reports. Discussion and possible action regarding the Monthly Budget and Financial Reports.

Laura Swingle, from the Office of Management and Enterprise Services (OMES), presented the January 2013 budget and financial reports.

Commissioner Armando Rosell made a motion to approve the January 2013 budget and financial reports. Commissioner Suzy Casper seconded the motion. The motion was unanimously approved.

VII. Presentation and discussion regarding the specific entities regulated by the Department of Consumer Credit.

Brad Custard, Senior Consumer Credit Examiner, presented information to the Commission regarding Supervised Lenders. Karen Banks, Senior Consumer Credit Examiner, presented information to the Commission regarding Credit Service Organizations. Fred Britt, Senior Consumer Credit Examiner, presented information to the Commission regarding Mortgage Brokers.

VIII. Discussion regarding the annual Budget Hearing of the Department of Consumer Credit before the Oklahoma House of Representatives and Oklahoma Senate Appropriations Subcommittees on Natural Resources and Regulatory Services.

Administrator Scott Leshar informed the Commission that he presented the Department's budget information before both the House and the Senate at the joint Appropriation and Budget sub-committee on Natural Resources and Regulatory Services. Administrator Leshar stated that the Department's appropriation amount has continued to decrease over the past four years and that we are not requesting an increase in our appropriation for this year either. At the meeting presentation at the Capitol, Administrator Leshar highlighted to the House and Senate Committees that the Department was on an IT shared services agreement prior to the Legislature making that agreement mandatory and that once it became mandatory, the amount the Department paid for the IT shared services doubled. He also shared with both Committees that because of legislation passed last year, the Department went from a 70/30 split in fees to an 80/20 split and that we now have the authority to rebate fees so that the industry can continue to pay for their own regulation.

Commissioner Joe Wilbanks asked if Administrator Leshar presented this information before the entire Legislature and Administrator Leshar said he presented the information just to the House and Senate sub-committees on Natural Resources and Regulatory Services.

IX. Discussion and possible action regarding adding to the Commission Procedural Rules'

calendar that all committee membership will be re-evaluated and decided at every February Commission meeting.

Chairman Moses asked if there was anyone who did not want to serve on any of the committees due to time constraints. Commissioner Rick Harper and Commissioner Armando Rosell both said they would not be able to serve on any committees.

Commissioner Armando Rosell made a motion to add to the Commission Procedural Rules' calendar that all committee membership will be reevaluated and decided at every February meeting. Vice-Chairman Fahler seconded the motion. The motion was unanimously approved.

- X. Discussion and possible action regarding the Budget and Legislation Committees and the appointment of Commissioners to serve on the Budget and Legislation Committees.

General Counsel Roy John Martin gave the suggestion to have two separate motions made under this agenda item. One motion would be to select members for the Budget Committee and the other motion would be to select members for the Legislation Committee. Chairman Moses led the discussion to arrive at three members to nominate for the Legislation Committee.

Vice-Chairman Fahler made the motion to nominate Commissioner Spencer Stanley, Commissioner Joe Wilbanks, and Commissioner James Lee to serve on the Legislation Committee. Commissioner Suzy Casper seconded the motion. The motion was unanimously approved.

Chairman Moses then led the discussion to arrive at three members for the Budget Committee.

Commissioner Armando Rosell made the motion to nominate Vice-Chairman Cass Fahler, Commissioner Joe Wilbanks and Commissioner Suzy Casper to serve on the Budget Committee. Commissioner Rick Harper seconded the motion. The motion was unanimously approved.

- XI. Discussion and possible action regarding the creation of a Long-Term Planning Committee and the appointment of Commissioners to serve on the Long-Term Planning Committee.

Chairman Moses stated there would be two motions on this agenda item. The first motion would be to create the Long-Term Planning Committee and the second motion would be to select members to serve on this Committee. There is a need to create this Committee so that there is a long term plan in place for the Department on how to handle challenges and growth within the Department. Commissioner Armando Rosell suggested that the members on this Committee be the Department Administrator and the Chairman of the Commission. Administrator Leshar also suggested that the former Chairman, Commissioner Spencer Stanley, be nominated to serve on this Committee.

Commissioner Joe Wilbanks made the motion to create the Long-Term Planning Committee. Commissioner Odell Roland seconded the motion. The motion was unanimously approved.

Chairman Moses then led the discussion regarding members to be nominated to serve on the Long-Term Planning Committee. Commissioner Rosell stated again that he thought the Department Administrator and the Commission Chair should be required membership on this Committee. Commissioner Harper said that since the Commission will review membership each year that the Committee should focus on nominating members today and revisit membership when the Commission reviews Committees next February. Administrator Leshar also suggested Commissioner Mick Thompson to serve on this Committee.

General Counsel Roy John Martin clarified that the vote to nominate members to serve on this Committee was for individual members, not for fixed spots.

Commissioner Armando Rosell made the motion to nominate Administrator Leshar, Chairman Moses, Commissioner Stanley and Commissioner Thompson to serve on the Long-Term Planning Committee. Commissioner Odell Roland seconded the motion. The motion was unanimously approved.

- XII. Presentation and discussion regarding the implementation of a mortgage examination, mortgage examination accreditation and mortgage examiner certifications.

Administrator Leshar informed the Commission that Melinda Kinard, with the Conference of State Bank Supervisors, would arrive at the Department that afternoon to conduct a preliminary visit before the regular on-site evaluation occurs.

Vice-Chairman Fahler asked if this agenda item could be removed from automatically being on the agenda each month since great progress had been made in the accreditation process. Commissioner Rick Harper said he would prefer this to remain a standard agenda item listed on each month's agenda and so it will remain on each month's agenda.

- XIII. Legislation report. Discussion and possible action regarding legislation report.

Administrator Leshar stated that the Department is tracking 115 bills. The Department is closely following the Department sponsored bills, HB 1828, HB 1829, and SB 107. Both House bills will be heard in the House Economic Development and Financial Services Committee next week. SB 107 passed out of the Senate Business and Commerce last week. In addition, the Department is closely following HB 1466 by Rep. Jason Murphy, which allows the Governor one time appointments of any board member in a state agency. Commissioner Stanley said the bill would also give that privilege to the House Speaker and the Senate President Pro-Tempore.

No action was taken.

- XIV. Department of Consumer Credit staff reports. Discussion and possible action regarding the following Department of Consumer Credit staff reports:

- A.Licensing Report by Lindsie Lundy, Administrative Programs Officer;
- B.Examination Report by Ruben Tornini, acting Chief Examiner and Other Reports by Ruben Tornini, Deputy Administrator;

C. Enforcement Report by Roy John Martin, General Counsel;
D. Other Administrator Reports

Lindsie Lundy delivered the Licensing Report. The Department received \$208,000 revenue intake for January 2013. A large part of that amount was due to the end of the notification renewal period and the Department had 1,623 licenses that were renewed.

Ruben Tornini, acting Chief Examiner, delivered the Examination Report. Tornini reported that there were 136 examinations conducted by the Department in January. As Deputy Administrator, Mr. Tornini had no other reports to present to the Commission.

Roy John Martin delivered the Enforcement Report. Martin informed the Commission there were no new enforcement filings for January. There are several enforcement filings in February and those will be reflected on next month's Enforcement Report. Roughly ninety-four (94) referrals were received from the Licensing Division regarding the failure to pay late license renewal fees. The majority of licensees that failed to pay late license renewal fees were mortgage loan originators.

Scott Leshar delivered other Administrator Reports. Administrator Leshar briefed the Commission on the Cash Estimate Sheet update.

Commissioner Rosell suggested that the Commission start a Rainy Day Fund so that we roll over some of our excess revenue for future needs the Department may have, especially those considered by the Long-Term Planning Committee. Administrator Leshar stated that we must have a minimum of six months reserve funds in our account because when the fiscal year ends in June, renewal season doesn't start for another six months.

Commissioner Armando Rosell made a motion to approve items A-D of the Staff Reports. Commissioner Joe Wilbanks seconded the motion. The motion was unanimously approved.

- XV. New business (Any matter not known about or which could not have been reasonably foreseen prior to the time of posting the agenda).

There were no new business items for the Commission's consideration.

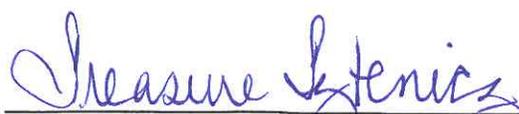
- XVI. Adjournment.

Chairman Moses adjourned the meeting at 11:10 a.m. without objection.





Bob Moses, Chairman



Treasure Tytenicz, Commission Secretary