MINUTES OF REGULAR MEETING  
COMMISSION ON CONSUMER CREDIT  
January 8, 2014

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 January 3, 2014.

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; Jerry Douglas; Rick Harper; Spencer Stanley; Joe Wilbanks and Mick Thompson.

ABSENT: Armando Rosell, James Lee and Suzy Barnes

Chairman Moses announced that a quorum was present.

STAFF: Scott Lesher, Administrator; Ruben Tornini, Deputy Administrator; Roy John Martin, General Counsel; William Weaver, Chief Examiner; Lindsie Lundy, Administrative Programs Officer; Sheila Killingsworth, Business Manager; Treasure Tytenicz, Executive Secretary and Commission Secretary; Meredith Fazendin, Legal Administrative Programs Officer.


III. Discussion and possible action regarding the minutes of the regular meeting held December 11, 2013.

Commissioner Harper made a motion to approve the minutes of the regular meeting held December 11, 2013. Commissioner Stanley seconded the motion. The motion was unanimously approved.

IV. Public Comments.

There were not any public comments.

V. Staff announcements and discussion.

There were not any staff announcements.


Laura Swingle, from OMES, presented the December 2013 budget and financial report.

Commissioner Armando Rosell arrived during the discussion of this agenda item and participated in the roll call vote for this agenda item.
Commissioner Stanley made a motion to approve the December 2013 budget and financial reports. Commissioner Wilbanks seconded the motion. The motion was unanimously approved.

VII. 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 William Weaver, Chief Examiner;
C. Enforcement Report by Roy John Martin, General Counsel;
D. Operations Report, including the Strategic Plan update, by Ruben Tornini, Deputy Administrator;
E. Other Administrator Reports.

Lindsie Lundy delivered the Licensing Report.

William Weaver delivered the Examination Report.

Roy John Martin delivered the Enforcement Report.

Ruben Tornini delivered the Operations Report and Strategic Plan update.

Administrator Lesher discussed other Administrator reports.

VIII. Discussion and possible action regarding the filing of Notices of Rulemaking Intent for the following proposed permanent rules:

Title 160, Chapter 15, Pawn Transactions
Subchapter 5. Licensing
160:15-5-1 [AMENDED]
160:15-5-6 [AMENDED]

Title 160, Chapter 30, Credit Services Organization
Subchapter 3. Licensing
160:30-3-1.1 [AMENDED]
160:30-3-3.4 [AMENDED]

Title 160, Chapter 35, Oklahoma Rental Purchase Act
Subchapter 3. Licensing
160:35-3-1.1[AMENDED]
160:35-3-1.4 [AMENDED]

Title 160, Chapter 50, Health Spas
Subchapter 3. Registration
160:50-3-1.1[AMENDED]
160:50-3-11 [AMENDED]
Title 160, Chapter 55, Mortgage Brokers, Mortgage Lenders, and Mortgage Loan Originators
160:55-1-1 [AMENDED]
160:55-1-2 [AMENDED]
Subchapter 3. Licensing
160:55-3-1.1 [AMENDED]
160:55-3-3.1 [AMENDED]
160:55-3-8 [AMENDED]
160:55-3-9.1 [AMENDED]
160:55-3-12 [AMENDED]
160:55-3-13 [AMENDED]
Subchapter 7. Records
160:55-7-1 [AMENDED]
Subchapter 9. Enforcement
160:55-9-3 [AMENDED]
160:55-9-4 [AMENDED]
160:55-9-5 [AMENDED]
160:55-9-6 [AMENDED]
160:55-9-7 [AMENDED]

Title 160, Chapter 60, Precious Metal and Gem Dealers
Subchapter 3. Licensing
160:60-3-1[AMENDED]
160:60-3-6 [AMENDED]

Title 160, Chapter 65, Supervised Lenders
Subchapter 3. Licensing
160:65-3-1 [AMENDED]
160:65-3-6 [AMENDED]

Title 160, Chapter 70, Deferred Deposit Lenders
Subchapter 3. Licensing
160:70-3-1[AMENDED]
160:70-3-6 [AMENDED]

Administrator Lesher and General Counsel Martin discussed the proposed Notices of Rulemaking Intent. The proposed rule amendments re-organize rules stating that if an application is not reviewed for any failure on the part of an applicant shall be deemed a withdrawal of the application and not a denial. The proposed rule amendments remove a provision regarding the refund of certain fees if a license applicant fails to comply with the application process. A proposed rule amendment removes a provision that requires a licensee to return a license when an address change is requested or when a business location is closed. A proposed rule amendment (except for credit services organizations, pawnbrokers and supervise lenders), removes the requirement that a delinquency notice shall be mailed to a licensee if a license is not renewed.

The proposed mortgage rule amendments implement the mortgage licensing requirements for mortgage lenders established in House Bill 1828 by specifying that an application, bond, minimum net worth, criminal background checks of control persons and credit reports of
control persons are required. A licensed mortgage loan originator must also be designated to oversee any activity of a mortgage lender that satisfies the definition of a mortgage broker as defined by the Oklahoma SAFE Act.

The proposed rule amendments clarify that a mortgage loan originator designated to oversee mortgage loan origination activities for a mortgage broker or mortgage lender may not serve as the designated mortgage loan originator for any other mortgage broker, mortgage lender or branch office. The proposed rule amendments also update references regarding the proper venue for administrative appeals and the requirements for orders issued by the Administrator.

A proposed rule amendment establishes a process for a licensee to request an inactive license status in accordance with the Oklahoma SAFE Act. A proposed rule amendment removes a requirement that licensees return a license to the Administrator upon notification of an address change or upon notification that a business location is closing.

Proposed rule amendments also remove language regarding the failure of an applicant to provide information requested by the Administrator and language regarding the failure of an applicant to qualify for a license. The proposed rule amendments include new provisions stating that if applicants fail to provide information requested by the Administrator, a failure to provide information as requested by the Administrator shall be deemed a withdrawal of an application.

A proposed rule amendment specifies that mortgage loan originator license applicants must pass a qualified written test developed by the Nationwide Mortgage Licensing System and Registry (NMLS&R) in accordance with standards established by the Oklahoma SAFE Act. The proposed testing rule amendment will authorize the Administrator to adopt any qualified written test developed by NMLS&R in accordance with standards established by the Oklahoma SAFE Act.

The proposed rule amendments are subject to review by the Governor and the Department’s Cabinet Secretary. The proposed rule amendments will be published in the February 3, 2014 edition of the Oklahoma Register. The comment period will occur from February 3, 2014 through March 5, 2014. A public hearing regarding the proposed rule amendments will be held at the Department on March 5, 2014 at 1:30 p.m.

Commissioner Stanley made a motion to approve the proposed Notices of Rulemaking Intent. Commissioner Douglas seconded the motion. The motion was unanimously approved.

IX. Discussion and possible action regarding a contract for legal services with Lester, Loving & Davies, P.C.

Administrator Lesher presented and discussed a proposed one (1) year contract for legal services with Lester, Loving & Davies, that is also subject to review and approval by the Oklahoma Attorney General’s Office.

Commissioner Harper made a motion to approve the proposed contract for legal services with Lester, Loving & Davies, P.C. Commissioner Rosell seconded the motion. The motion was unanimously approved.
X. Discussion and possible action regarding recommendations of the Long Term Planning Committee concerning the offices of the Department of Consumer Credit.

    Commissioner Stanley stated that the recommendation of the Long Term Planning Committee was for the Administrator and Department staff to proceed with a new building.

    Commissioner Stanley made a motion authorizing the Administrator and staff to proceed with a new building. Commissioner Wilbanks seconded the motion. The motion was unanimously approved.

XI. Presentation and discussion regarding revisions to the Department of Consumer Credit Employee Manual regarding leave policy.

    Administrator Lesher discussed revisions to the Department of Consumer Credit Employee Manual regarding the scheduling of annual leave for Department staff.

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

    Administrator Lesher discussed the status of the mortgage examination, accreditation and certification process.

XIII. Nominations and elections of the Chairman and Vice-Chairman of the Commission.

    Without objection, Chairman Moses stated that agenda item XIII would follow agenda item X.

    Chairman Moses asked for nominations regarding the Chairman of the Commission.

    Commissioner Stanley made a motion nominating Chairman Moses to serve as Chairman. Commissioner Rosell seconded the motion. The motion was unanimously approved.

    Chairman Moses asked for nominations regarding the Vice-Chairman of the Commission.

    Chairman Moses made a motion nominating Vice-Chairman Fahler to serve as Vice-Chairman. Commissioner Rosell seconded the motion. The motion was unanimously approved.

    Commissioner Rosell departed the meeting following agenda item XIII.

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

    There was not any new business for consideration.
XV. Adjournment

Without objection, Chairman Moses adjourned the meeting at 10:46 a.m.

Bob Moses, Chairman

Lindsie Lundy, Commission Secretary