

The Escrow Commission met on January 9, 2007 at HiLine Community College for a morning open session. Commissioners in attendance were Robert Golden, Stan Pilon, Laurie LeMay, Susan Kinyon and Phil Dryden. Sharon Holman was in attendance to formally retire from commission. 10 industry guests were present. Members of the DFI in attendance were Whittier Johnson, Licensing Program Manager, Kwadwo Boateng, Examination Program Manager, Joe Wong, Financial Examiner, Joe Vincent, DFI Counsel, and Beth Craig, Administrative Assistant.

Commission Vacancy: Position is open due to Sharon Holman completing her second 5 year term Sharon was presented with a formal thank you from Deborah Bortner, Acting Division Director by Whittier Johnson.

Anyone interested (especially 18.44 companies) in serving on the commission are encouraged to go on line and print out the application form, complete, and send to DFI as instructed on the form.

Enforcement: No Report at this time

Examination: No Report. It was noted that both Lana Monfort and Kate Dixon are no longer going to be auditing Escrow Licensees. Joe Wong is being trained to replace one of the ladies and they are still looking for one other person to hire for the position. **Anyone interested in an audit position** or who knows someone who might be please let DFI know.

Vessel Escrow Services: Interpretive letter #06 – 01 ES has been rescinded. After receiving a input from the Vessel Industry, DFI, and Joe Vincent, General Counsel, decided to rescind for additional research. It was decided it was in the best interest of all parties to go through a rule making process that would include hearings. Molly Holden of Pacific Maritime Title was present and gave us her thoughts on the matter. Her company is not opposed to regulation, however, they were concerned about the manner in which the Interpretive letter was done; without their knowledge or input. They are more than willing to work with DFI to find an equitable solution to the issue of whether or not marine vessels document work comes under "escrow" in 18.44. Jerry Baker was also present and stated his disappointment in the rescination and encouraged DFI to not drop the matter as he strongly feels the consumer is not protected in vessel transfers.

Definition of Escrow: Joe Vincent General Council Stated he feels the current definition of Escrow, that has been in the 18.44 WAC since inception, needs updated to incorporate the many new types of "escrow" that have proliferated with technology and the Internet.

OIC (Office of the Insurance Commissioner) **Report on Title Companies** Commissioner Stan Pilon asked that the report concerning title company violations of the \$25 per person per year rule be discussed. After a lengthy discussion of the results, cause, and ramifications to the Independent Settlement Agents, it was noted that a Panel has been formed by the OIC to review the entire Title Business in Washington. It was also noted that the

entire Title Industry nation wide is being scrutinized by HUD for Section 8 RESPA violations. California, along with many other states, are examining the fees Title and Settlement companies collect. The coming year should be interesting from all aspects for the Title Industry as a whole.

OLD Business

Commissioner Pilon asked for a clarification on what constitutes performance that will allow you to collect a fee for Reconveyance tracking. Whittier Johnson stated a letter of clarification will be issued soon by DFI regarding this matter. Bottom line you have to provide a service (do some work) and be able to show you have by logging your activities, in order to collect a fee.

NEW Business

Commissioner Golden asked for a clarification on escrow licensing. He thought there had been a rule change that allowed a party to set for the exam and then put their license on hold. DFI pointed to 18.44 where it clearly states a new license cannot be put on hold.

Lori LeMay asked DFI to be sure and put our September Conference on their calendar, for DFI annual update for all attending members.

RENEW your escrow license on the WEB: To renew your license within minutes, access DFI website. RENEW Your Escrow License on Line and use your Credit card to renew, then immediately print out your new license at your desk.

Dates for 2007 Commission Meetings are as follow: January 9, 2007, April 10, 2007, July 10, 2007, and October 9, 2007.

Sharon Holman
EAW Commission Representative