

OKLAHOMA ABSTRACTORS BOARD
MINUTES OF REGULAR MEETING
January 17, 2023

1. A regular meeting of the Oklahoma Abstractors Board (OAB) was called to order by Chairperson Randy Coffman at 10:00 a.m., at the OLERS Conference Room, 421 NW 13th Street, Suite 100, Oklahoma City, Oklahoma.
2. Darla Ringo called the roll. Attending were: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains.
3. The Minutes of the Regular Meeting of the OAB, conducted on December 20, 2022, were reviewed. A motion was made by Mr. Lower to approve the minutes with that correction. The motion was seconded by Mr. Mapes. Motion carried.
Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.
4. **Chairperson's Report-Randy Coffman:** Mr. Coffman reported that there is something he would like the Board to proceed into. We all are aware of what some of the public thinks and some of the criticisms of our industry and we've encouraged people to file complaints with us and we would act directly and seriously on those. He feels that we have. However, there is also a certain amount of discontent with different companies and situations where problems seem to persist.

We have an inspection process and Kathy goes out every other year and inspects everyone. There is nothing in the Abstractors Act that prohibits the Board from calling on a company if they choose to beyond our normal inspection times. The Board can do that if they feel there is a need to do that. He thinks it is time for us to, through the Enforcement Committee, to have additional inspections in areas where we feel they are necessary.

That will enable the Board to give a good answer when people bring up that certain companies or counties are always a problem. We'll be able to say that we've gone beyond what the law requires to take a look at that county or company and are able to report on what we've found.

He feels like it is a duty upon the Board to do that for the sake of the public on whose behalf we serve. We'll start doing that soon, but that's the only timetable we have so far.

Ms. Loggains asked if the intent was for additional inspections or for the Board to call upon those companies. Mr. Coffman clarified that he was referring to additional inspections. She asked if it would focus on companies that had multiple complaints and he confirmed that a complaint would generate its own investigation. Ms. Loggains asked if he had thought about having the Board Member who represents that area reach out to that company instead of having an actual inspection. Mr. Coffman stated that is

something that is always open for a Board Member to do and he encourages them to do so if they desire.

Ms. Smith confirmed that there have been instances where Board Members have gotten involved before. Ms. Loggains asked if those instances have helped. Ms. Smith stated that the problem is that complaints are usually taken very seriously, and an investigation is opened. If there are consistent calls, meaning only a few, she will contact them, and previous Board Members have contacted them. She believes that what he's talking about are the companies that we know are problems, but we don't receive the official complaints or even phone calls that would instigate the usual investigation. She added that some of the counties are in process of getting competitors as permits have been issued and plants are being built, but that's not a quick fix and doesn't fix the problem company, it only gives the consumer a choice.

Mr. Coffman said that if we go visit companies that we hear rumors about and it comes back that everything is great, we can say we've checked into them in response to conjecture. We will have done our due diligence instead of waiting for complaints before we do anything.

Ms. Yates stated that she felt it was a great idea and should be done in a way where there is an actionable item should we find anything.

Mr. Koller brought up being unable to get into his state email and asked about putting personal business emails out there. Ms. Smith responded that she's not allowed to put any email but the official one and OMES has made the process to difficult that the state provided emails require an incredible amount of attention.

Ms. Loggains stated that the first time she hears about a complaint is when it has already gone through the Enforcement Committee. Ms. Smith replied that complaints require investigation and there is a process that has to be adhered to.

5. **Administrator's Report (Board Report):** Ms. Smith reported that there had been an issue arise with the online licensing provider because they're having extreme difficulty with the fact that we offer both individual and corporate licenses. The individual side works fine, but the corporate side does not. We've asked for other agencies for whom the platform is working well so that we might collaborate with them and make adjustments to or processes where we can. They're frustrated, we're frustrated, so we're supposed to have a sit down with them and she will be going to a roundtable with OMES about the provider.

Ms. Loggains pointed out that the Insurance Department does both individuals and companies. Ms. Smith responded that she reached out to them first, but they use a product developed through the National Association of Insurance Agencies and unfortunately, we're required to use the approved provider.

Mr. Ward asked if she had contacted the Real Estate Commission. Ms. Smith replied that she had not because we were about to get on a conference call with OMES and they wanted to reach out to see if there was anyone comparable to us. Ms. Smith stated that she would reach out to the Director of OREC.

Ms. Smith presented the request for a form adjustment that had been made a few times by members of the real estate transaction process. On the second page, under non-regulated charges, we would like to place a space for a “Pre-closing Gap Check” so that companies might show that fee.

After review and discussion, a motion was made by Mr. Ward to approve the addition of the item to the form. Second by Ms. Loggains. Motion carried.

Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.

6. Committee Reports.

a.) **Budget and Finance – Jeff Mapes:** Mr. Mapes gave an update on the budget reporting that the annual budget is \$298,063.00 with encumbrances of \$57,778.65, which gives us a total Year-To-Date Encumbrances and Expenses of \$156,998.54 and a variance of \$141,164.46. The revenue for the month of December was \$20,385.00 and expenses were \$18,131.82 which leaves us with an ending cash balance of \$903,346.28.

After review and discussion, a motion was made by Mr. Mapes to approve the report as presented. Second by Ms. Yates. Motion carried.

Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.

Ms. Smith responded to the request made last month about our ending cash balance. She reached out to our financials person with OMES and was told that the money doesn't sit out in a bank anywhere. Once a deposit is made, it is transitioned over to the State Treasury. We are only allowed to ask for interest on those funds if we have statutory authority to do so and we do not. We could attempt to change Title 1 to create that ability, but it is very difficult to get that to pass through the legislature. We are also not allowed to change banks because we're using the approved vendor.

b.) **Rules and Regulations – Randy Coffman:** Mr. Coffman asked for an update. Ms. Smith responded that we're still in the comment period. The public hearing is the next big step and will be part of the February Board Meeting. If it is approved there, it goes out to the legislature and moves forward in the process.

c.) **Licensing and Testing-Rex Koller:** Mr. Koller reported that there have been no one who took the test since the last board meeting. The next testing date January 19th at the testing center.

d.) **Inspections-Katherine Smith:** Ms. Smith reported that there had been no inspections since the last Board Meeting.

e.) **Enforcement Committee Reports-Scott Ward:**

Applications for Licenses: Presented to the Board for approval was a list of applicants for abstract licenses or renewals, which are set out in the attachments hereto. A motion was made by Mr. Ward on behalf of the Enforcement Committee to approve all the licenses presented, subject to administrative review and to make sure all compliance issues were met, and appropriate fees paid. Second by Ms. Ringo. Motion passed.

Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.

Renewal of Certificate of Authority (With NO Fee Changes): Presented to the Board for approval were applications for renewal of Certificate of Authority with their rate sheet by Antlers Abstract & Title, LLC (Pushmataha), American Eagle Title Insurance Co. dba Coal County Abstract, Eufaula Abstract & Title Company, Inc. (McIntosh), First American Title Insurance Company (Canadian), First American Title Insurance Company (Cleveland), First American Title Insurance Company (Oklahoma), First American Title Insurance Company (Pottawatomie), Greer Guaranty Abstract Company (Greer), Guaranty Abstract & Title of Stigler, LLC (Haskell), Harmon County Abstract, LLC (Harmon), Hugo Abstract & Title, LLC (Choctaw), Latimer County Abstract and Title Company, Love County Abstract Company, Inc., SCA Title, LLC (Adair), Solomon Abstract, LLC dba Solomon Abstract Co. (Kingfisher), and Wagoner County Abstract Company. A motion was made by Mr. Ward on behalf of the Enforcement Committee to approve the applications. Second by Ms. Yates. Motion passed.

Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.

Renewal of Certificate of Authority (With Fee Changes): Presented to the Board for approval were applications for renewal of Certificate of Authority with their rate sheet by Home Title Guaranty Co. (Pontotoc), and The Musselman Abstract Company, Inc. (Washington). A motion was made by Mr. Ward on behalf of the Enforcement Committee to approve the applications. Second by Ms. Yates. Motion passed.

Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.

Rate Changes Only: Presented to the Board for approval were amended rate sheets by SCA Title, LLC dba Leflore County Abstract & Title. A motion was made by Mr. Ward on behalf of the Enforcement Committee to approve the amended rate sheet. Second by Ms. Ringo. Motion passed.

Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.

Application for New Certificate of Authority: Presented to the Board for approval was an application for a New Certificate of Authority by Oklahoma Digital Abstract, LLC dba American Eagle Abstract Wagoner County. A motion was made by Mr.

Ward on behalf of the Enforcement Committee to approve the application. Second by Ms. Yates. Motion passed.

Ms. Smith read the Director's Report into the record: Comes now Katherine Smith, State Administrator of Abstracting of the Oklahoma Abstractors Board, and states:

The application for certificate of authority has been received in proper form and reviewed.

Proper notification was made by posting on the OAB website, notifying the Court Clerk and County Clerk of Wagoner County, as well as all Certificate of Authority holders in Wagoner County.

No comments were received from any party.

Payment of the applicable fees have been made in the correct amount of \$1,600.00. E&O Insurance in the sum of \$1,000,000.00 and a County records bond of \$50,000.00 have been posted.

Inspections have been performed by the Inspectors on behalf of the OAB and all have found an adequate abstract plant available for use.

The name of the company is not deceptively similar to other certificate of authority or permit holders, and the company has an actual physical presence in the county of Wagoner.

According to the foregoing, the application for a Certificate of Authority is in compliance with Title 1 of the Oklahoma Statutes and 5:11-9-1 of the Permanent Rules of the OAB.

As the State Administrator of Abstracting of the Oklahoma Abstractor's Board, I hereby recommend that the Application for Certificate of Authority submitted by Oklahoma Digital Abstract LLC dba American Eagle Abstract Wagoner County be approved.

Signed Katherine Smith, dated December 30, 2022.

Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.

Renewal of Permit to Build an Abstract Plant: Presented to the Board for approval was an application for a Renewal of Permit to Build an Abstract Plant by Smith Brothers Abstract & Title, LLC. (Canadian). After discussion and comments, a motion was made by Mr. Ward on behalf of the Enforcement Committee to approve the application. Second by Ms. Yates. Motion passed.

Yeas: Jeff Mapes, Lisa Yates, Randy Coffman, Scott Ward, and Sue Ann Loggains.
Nos: None.

Abstention: Ms. Ringo, Mr. Lower, and Mr. Koller abstained from voting as the application relates to their company's business interests.

Complaints OAB-2022-W141: Ms. Smith reported that the complaint was regarding the company building an abstract without an order, unnecessary delay, items left out of the abstract, and the company's inability to acquire documents. After review, the Enforcement Committee states that because the complaint is based upon the attorney opinion rather than the actual abstract, other than one missing document, this falls outside the scope of the OAB. However, although there is no clear documentation either way, it appears that there may have been the withholding of a base abstract until the supplemental was paid for, which is a violation. Because it's not clear, the Enforcement Committee is recommending a letter of caution to ensure the Respondent is aware of the potential violation. Otherwise, the OAB has no jurisdiction to act on this complaint. The recommendation of the Enforcement Committee is closure of the complaint. Ms. Smith asked for a motion to approve the recommended action from the Enforcement Committee. A motion was made by Mr. Ward. Second by Ms. Yates. Motion passed.

Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.

7. **New Business:** Mr. Coffman asked for new business. There was none.
8. **Report Legal Counsel-Whitney Herzog-Scimeca:** Ms. Scimeca stated that she had been working with the Enforcement Committee and on the case that has been filed in Carter County – CV-2022-159. The Board has filed a Motion to Dismiss as well as a Motion to Transfer for Non-convenience and an Entry of Appearance. There hasn't been a response to those motions, but she expects there will be soon.
9. **Visitor's Comments:** Mr. Coffman asked for any visitor comments. There were none.
10. **Announcement of next meeting:** Tuesday, February 21, 2023, at 10:00 a.m., 421 NW 13th Street, Suite 100 (OLERS) Conference Room, Oklahoma City, Oklahoma.
11. **Adjournment:** Mr. Coffman asked for a motion to adjourn the meeting. Motion was made by Ms. Ringo. Second by Mr. Ward. Motion passed.
Yeas: Darla Ringo, Jeff Lower, Jeff Mapes, Lisa Yates, Randy Coffman, Rex Koller, Scott Ward, and Sue Ann Loggains. Nos: None.