**From:** Bill Glaze [mailto:bglaze@longviewcap.com]
**Sent:** Monday, July 06, 2009 3:15 PM
**To:** Comments
**Subject:** RIN: 3064-AD43

Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, D.C. 20429

RE: RIN: 3064-AD43: Registration of Mortgage Loan Originators

Please do not enact requirements for licensing bank employees who originate mortgage loans. The SAFE Act requires a nationwide registry of mortgage lenders, however, the original intent of the Act was to register and monitor mortgage loan originators for un-regulated entities such as mortgage brokers and mortgage companies, not community banks.

I do not believe requiring bank employee's to register as a mortgage loan originator will help reduce the amount of mortgage fraud. This requirement will have a negative impact on banks and bank employees for several reasons, including:

- <u>The decision to hire an employee is an assessment of risk by bank management after all pertinent information has been obtained regarding the potential employee.</u> This is a business decision that needs to be made by the individual bank, not the government. Our employees are already vetted through a background check for bank security and Bank Secrecy Act purposes.
- <u>The registry threatens the right of privacy of the individual bank employee.</u> Confidential information regarding the criminal history, fingerprints and potential unfounded complaints lodged against a person will be available to the general public.
- <u>The registry process does not prove competency of a mortgage loan originator</u>. For years banks have placed special emphasis on training of all loan officers to understand how to make sound credit decisions that are compliant with all regulations because failure to do can be detrimental to the customer and will negatively affect the bank's profitability.
- <u>Community banks are already heavily regulated</u>. This requirement adds an additional layer of regulation that is ineffective.
- <u>Registering employees will be costly to community banks</u>. Profitability of community banks is vital to our survival in the current economic environment. Community banks expenses have already significantly increased this year due to higher FDIC insurance premiums.
- <u>Community banks did not cause this problem</u>. Regulations to reduce mortgage fraud should be directed to the entities that have created the problem, such as mortgage company employees who are frequently paid on a 100% commission basis. This is the primary motivation for mortgage fraud.

I feel that the registration of bank employed mortgage loan originators is detrimental to community banks and their employees. Community banks already have safeguards in place to prevent mortgage fraud and comply with all mandated regulations.  I appreciate your consideration.

Sincerely
William C. Glaze, Vice President
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