

CentralBank and Trust Co.

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June 8, 2009

Robert E. Feldman, Executive Secretary
Attention: Comments
Federal Insurance Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Re: Secure and Fair Enforcement for Mortgage Licensing Act of 2008

Dear Mr. Feldman:

The direction taken by this proposed legislation is aimed at the wrong aspect of the mortgage lending industry. Mortgage lenders employed by agency regulated institutions are the heart of this business and are the best educated and experienced segment of mortgage lending. More importantly, they are some of the closest supervised and heavily regulated employees in the banking industry. In house compliance officers, along with outside auditors and state and federal examiners hold these lenders to a very high standard of the industry. Employees of agency regulated institutions should not be the target of socialistic registration requirements. In order to bring about positive change, any such registrations should be directed at the mortgage brokerage industry which is filled with unqualified, poorly trained sales people with very lax supervision by their managing brokers and state and federal government. These incentive based compensated employees have only one objective – make as many loans as possible. The more loans they make, the more money they make. This incentive based compensation structure is a breeding ground for fraud and incompetence which is what we have seen in the recent past coming out of this industry. State licensing for mortgage brokers is limp at best. The damaging effects wrought by the mortgage brokerage industry will last for many years. However, it is imperative that we address the problem where it happened, and not senselessly over-regulate or punish agency-related institutions that did not cause or contribute to this problem.

This legislation would make much more sense if “non” were inserted everywhere it refers to agency-regulated institutions.

The agency regulated institutions are already supervised by federal regulatory agencies and are accountable for their actions and the actions of their employees. NON agency regulated institutions (brokers) should be the target of any registration legislation as they are not supervised or adequately held accountable for their actions or the actions of their employees.

Finally, this type of registration requirement will most likely drive the legitimate and experienced mortgage lenders from the market due to the potential for privacy invasion.

As a mortgage lender with over 30 years in this business, I respectfully urge you to redirect this registration effort towards the original problem (the mortgage broker industry) rather than continuing to burden legitimate lenders who are already adequately supervised and regulated.

Sincerely,



Mark Eaton
Vice President