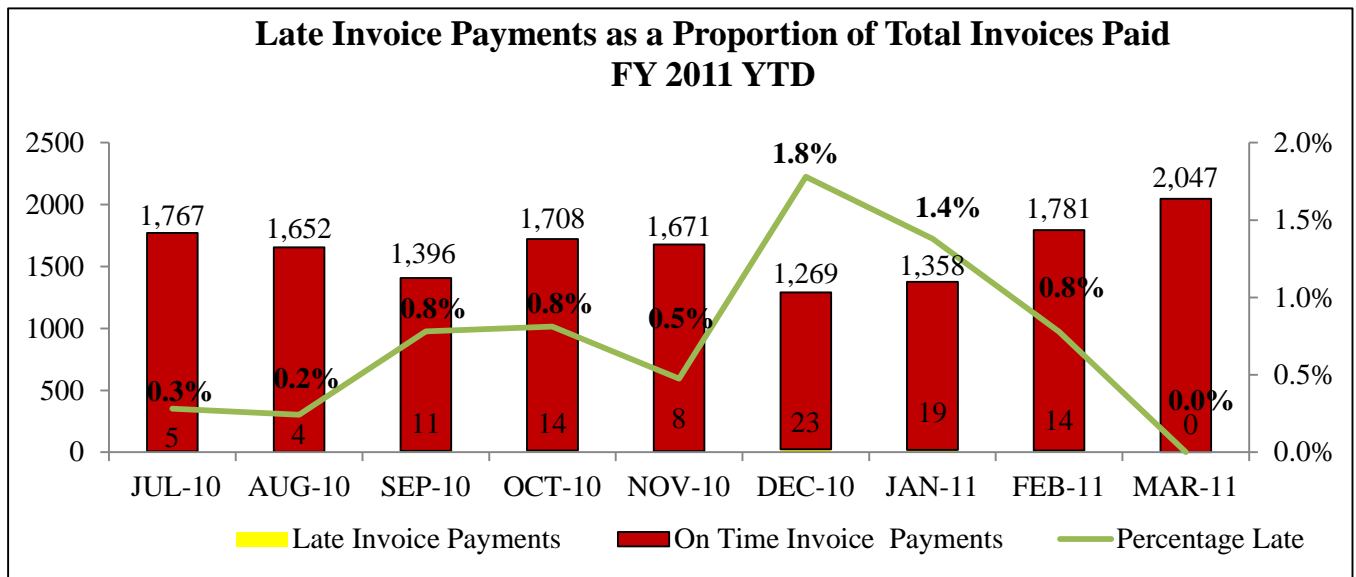


## Meeting Summary

Following is a summary of issues discussed at the DLLR Stat, held on May 12, 2011. Analysis is provided by StateStat.

### Follow-Up Item

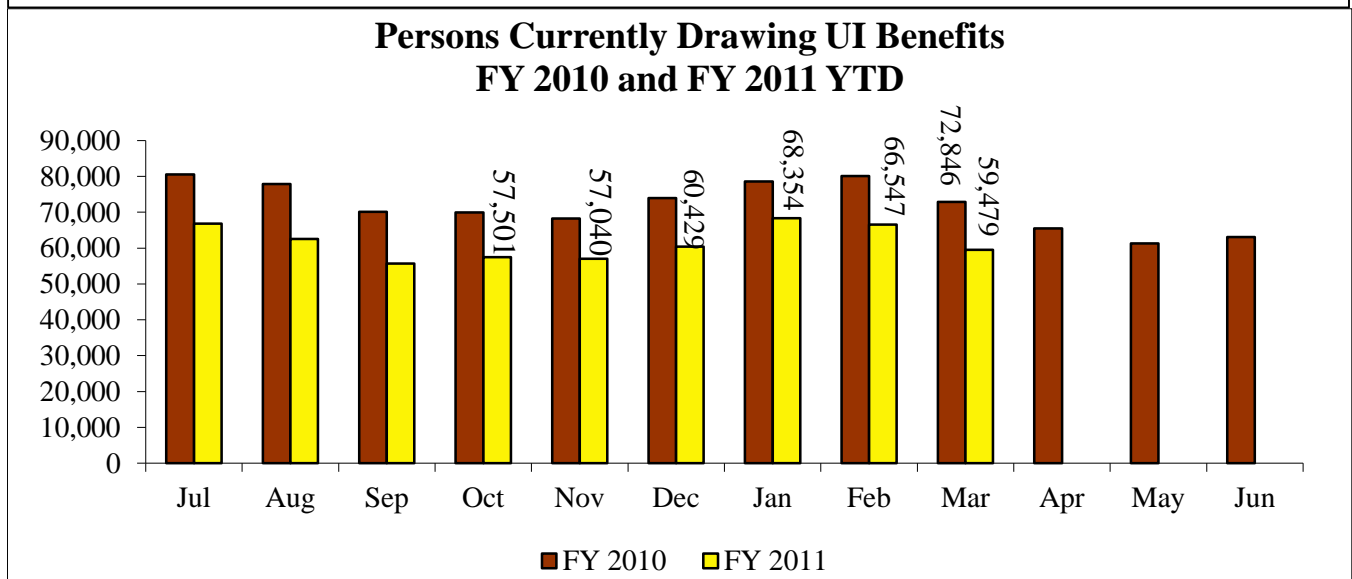
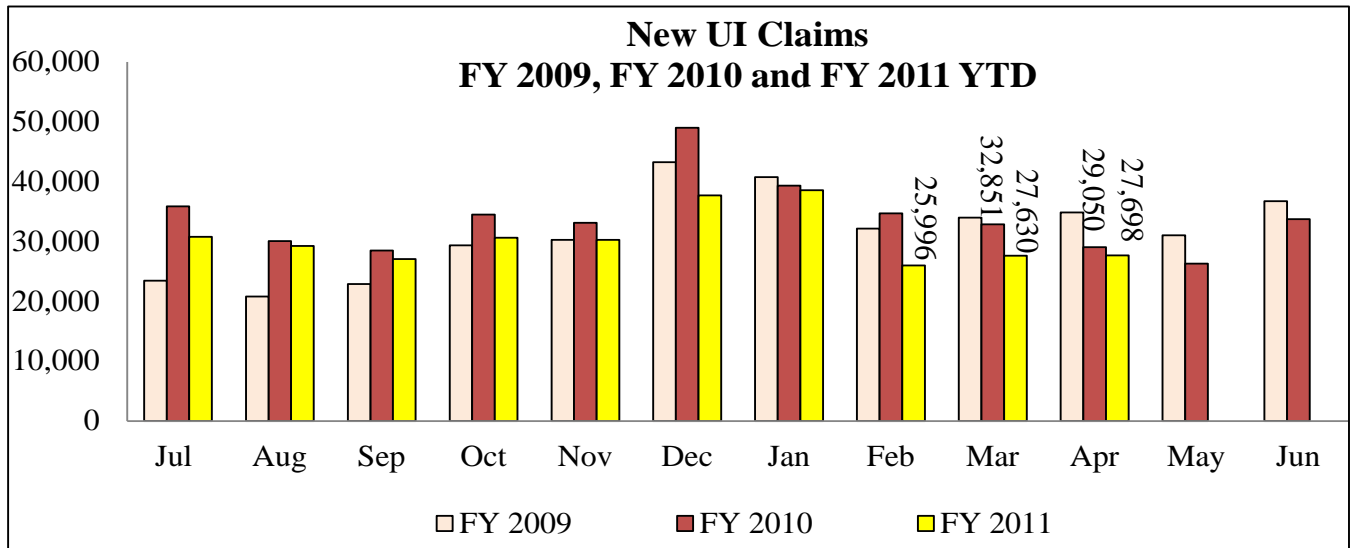
- **Late Invoice Payments.** As mentioned at the previous DLLR Stat, the agency reduced late invoice payments and amounts to zero in March.

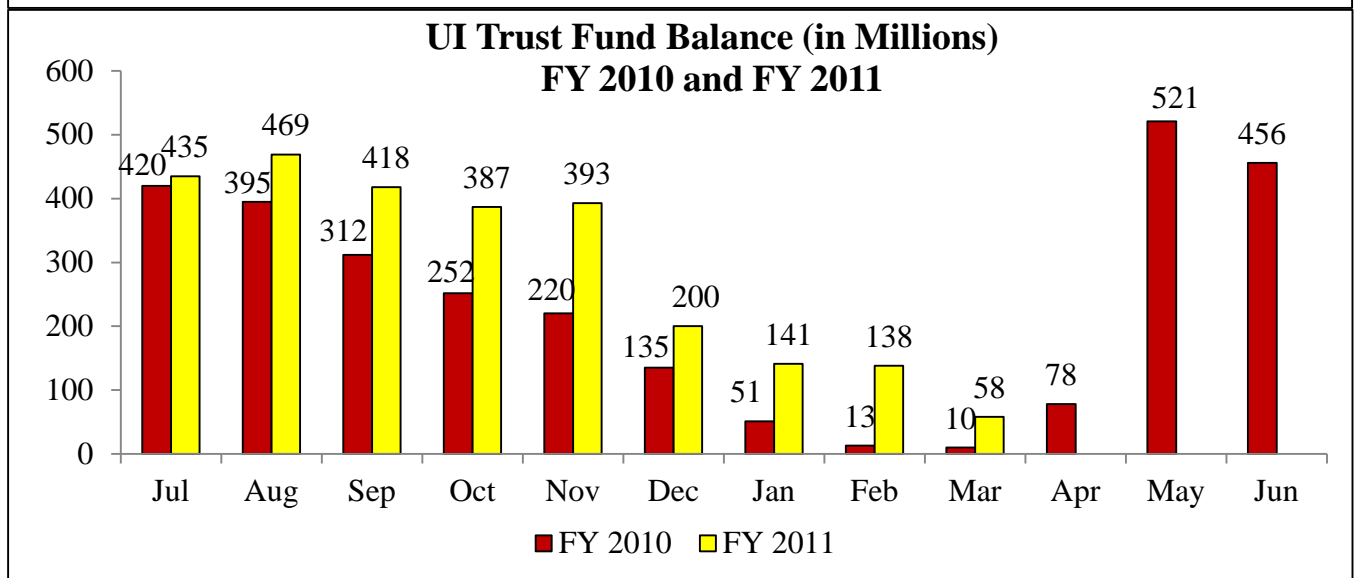
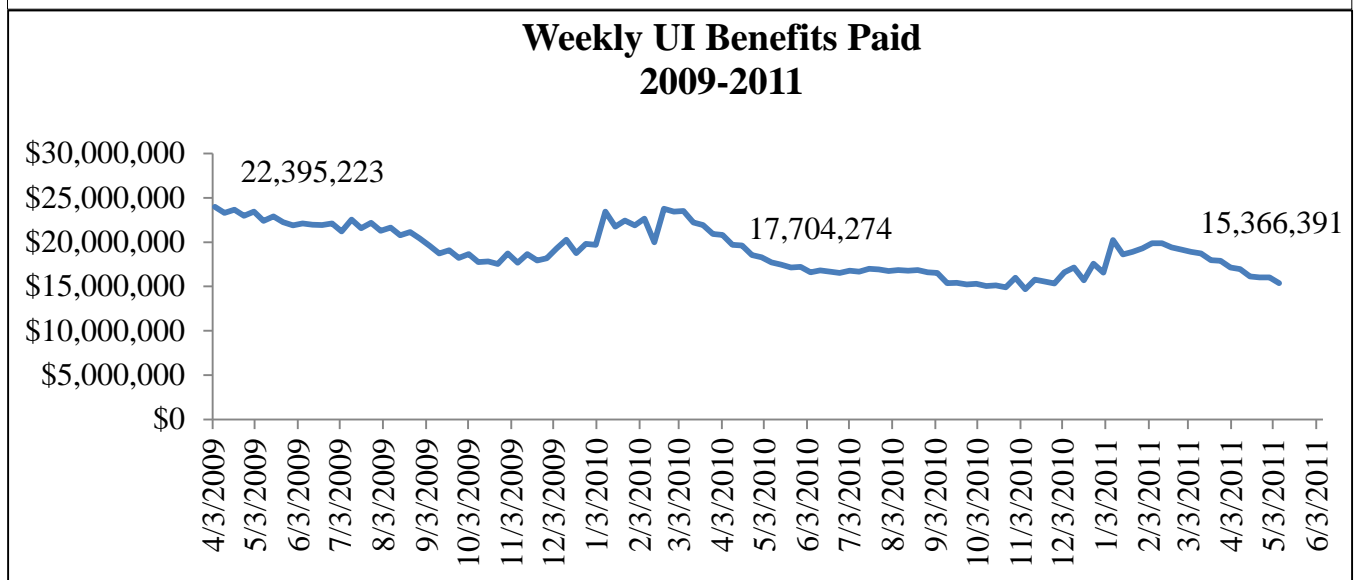
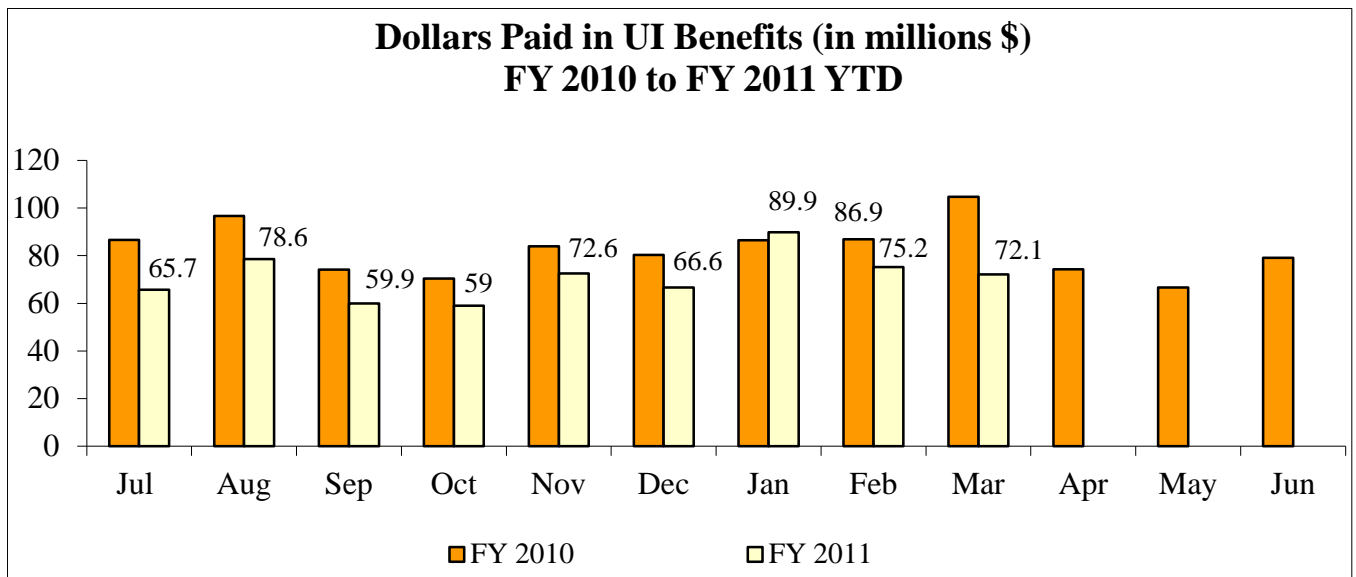


- **Apprenticeships.** Maryland will be taking part in a federally sponsored Action clinic from May 1–20 as well as the Eastern Seaboard Apprenticeship Conference from May 22–26. DLLR will use these events to learn about successes in other states and incorporate this information into the upcoming Action Summits on June 1 and June 10. Afterwards, Maryland Apprenticeship and Training Program (MATP) will draft and disseminate a series of instructions to Registered Apprenticeship programs statewide on the best practices related to the recruitment of women in apprenticeship programs. MATP will also encourage all partners to strengthen their efforts to recruit women at each of MATP’s scheduled program reviews in the future.
- **Bank of America “Customer Assistance” Center.** Beginning this month and into July, Bank of America plans to open 28 new centers to assist customers in making their mortgage payments in metropolitan areas that have been the hardest hit by the downturn in the economy and housing market, including Baltimore. Until now, the closest Bank of America “Customer Assistance” Center was located in Arlington, Virginia.
- **HIRE Maryland.** Although the HIRE credit ended at the end of last year, employers may continue to file online for tax credit certifications if employees were hired during the applicable time period in 2010. As of May 6<sup>th</sup>, 878 employers had hired 1,863 Marylanders.

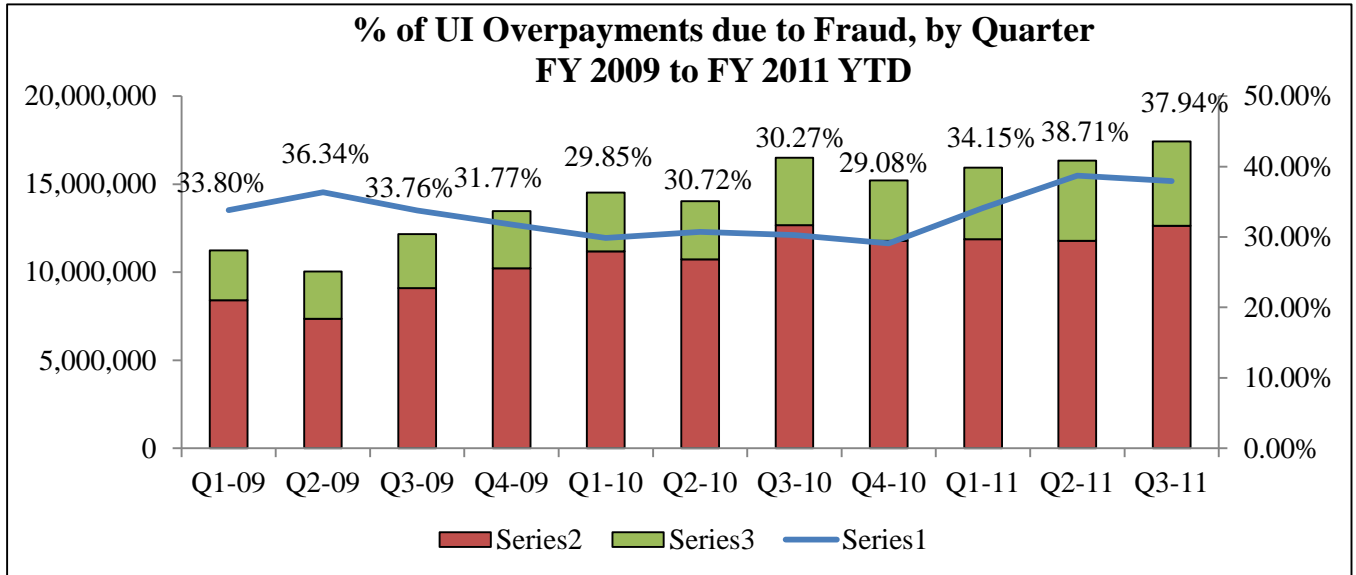
## Unemployment Insurance

- Key Metrics.** In April 2011 new claims for Unemployment Insurance (UI) increased slightly from March 2011, but remained below the year-ago level for the fourteenth consecutive month. Persons currently drawing UI benefits decreased in February to eighteen percent below the year-ago level. Dollars paid in UI benefits also decreased. Benefits paid the week of 5/7/11 were down 13 percent from 5/8/10 and down 31 percent from the week of 5/9/2009. The UI trust fund balance continued to decrease in March 2011, but remained higher than the March 2010 balance.



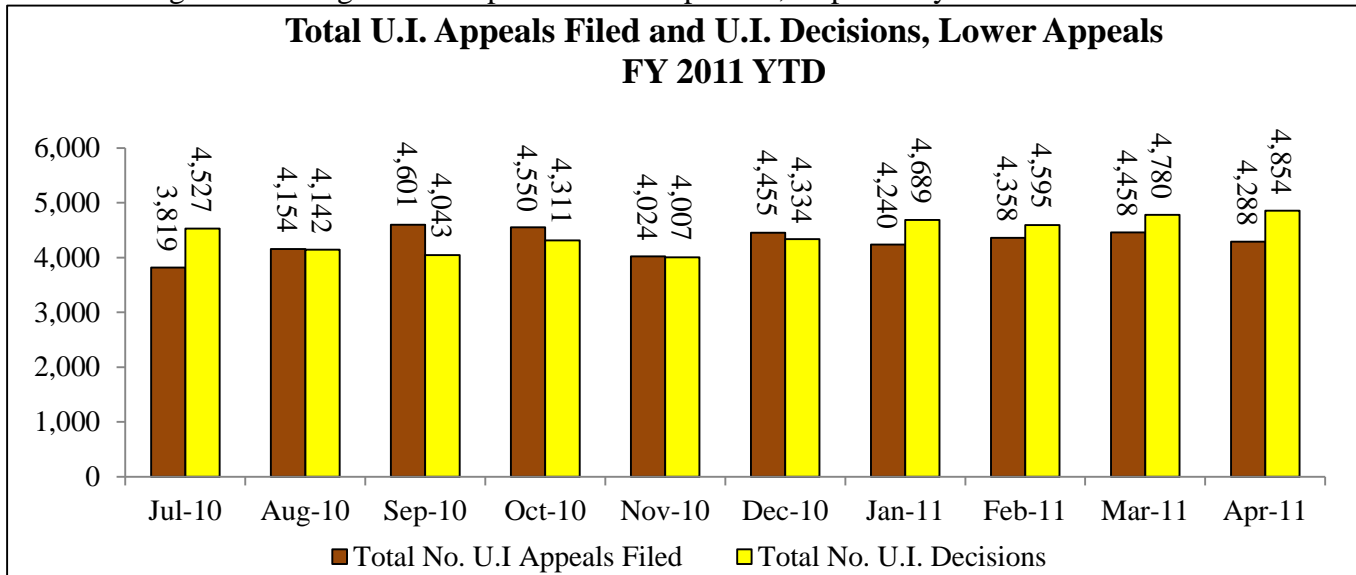


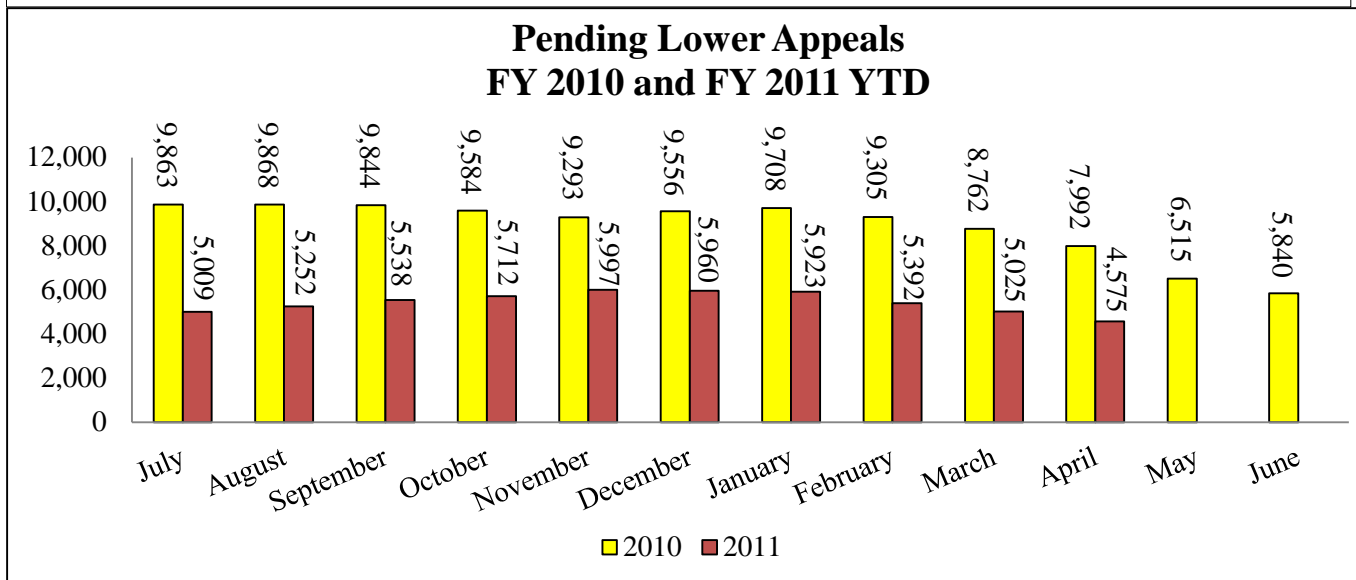
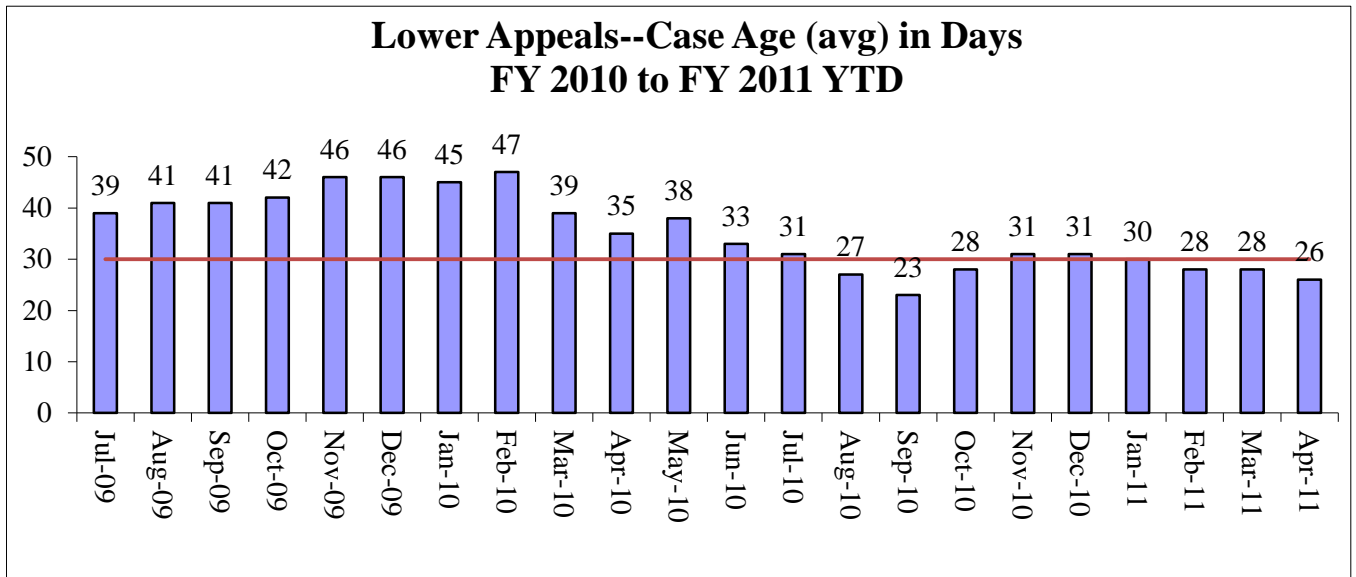
- **Overpayments.** The percent of U.I. overpayments due to fraud reached a record 38.7 percent in Q2 2011, and decreased only slightly in Q3 2011 to 37.94 percent as shown in the chart below.
  - DLLR reported that it is working with DoIT to get the RFP finalized



### Unemployment Insurance Appeals

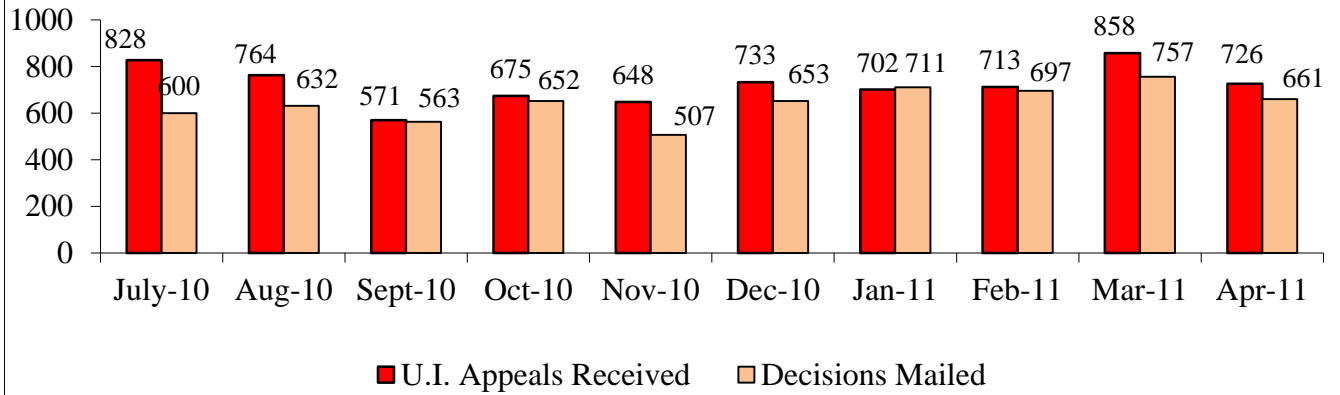
- Lower Appeals.** The number of lower appeals decisions surpassed the number of appeals filed for the fourth consecutive month in April 2011, as shown in the chart below. The average case age of lower appeals cases decreased in April. Pending lower appeals decreased in April 2011 to a level 43 percent lower than April 2010. The percent of cases out in 30 and 45 days has been increasing toward the goals of 60 percent and 85 percent, respectively.



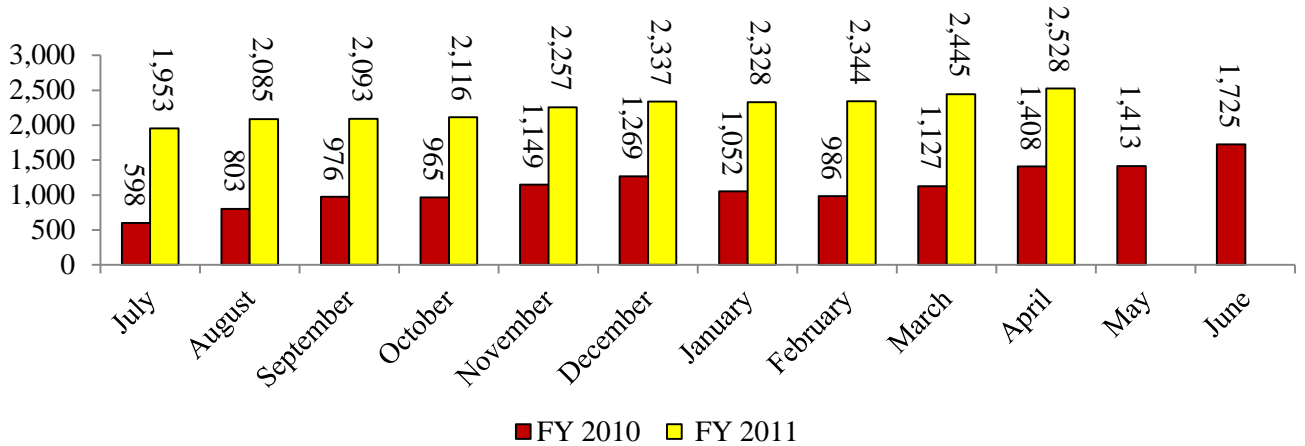


- Higher Appeals.** In April the number of higher appeals received was slightly higher than the number of decisions mailed in that month. The number of pending higher appeals was almost twice as high as in April 2010. The average case age continued to decline toward the “Acceptable Level of Performance” of 40. In the previous DLLR Stat meeting the agency reported that it was focusing on the older and more complex cases.

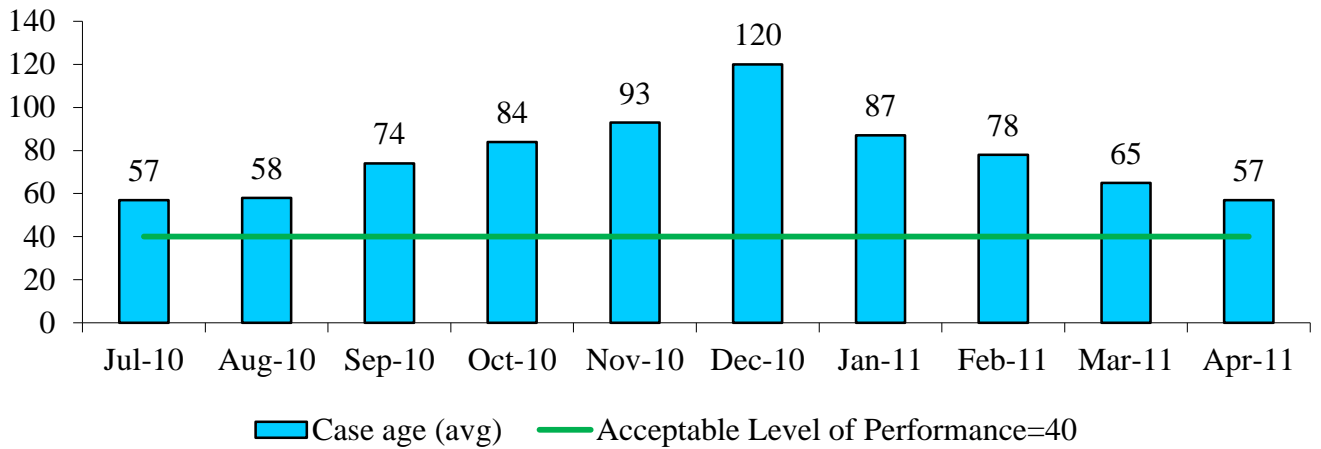
### Higher Appeals Received and Decisions Mailed FY 2011 YTD



### Pending Higher Appeals FY 2010 to FY 2011 YTD



### Higher Appeals Case Age (avg) in Days FY 2011 YTD



### Financial Regulation

- **Mortgage Fraud Index.** In a report issued this week, the Mortgage Asset Research Institute (MARI) named Maryland fifth in its ranking of states with high percentages of reported

incidents of fraud. Findings in the report are based on reports of fraud and misrepresentation by mortgage industry professionals that are submitted by lenders, agencies and insurers who subscribe. Financial Regulation Commissioner Mark Kaufman reported that the office has received fewer than five referrals annually since adopting a regulation two years ago requiring mortgage licensees to report incidents of fraud under Financial Regulation’s jurisdiction. Mr. Kaufman believes this is because many subscribers, such as national banks, are outside of the jurisdiction.

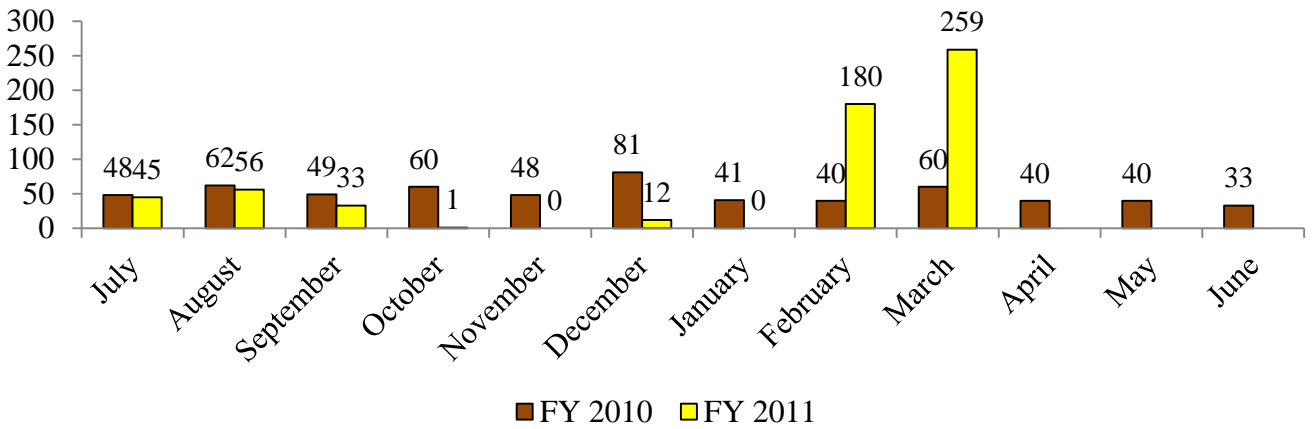
<b>Mortgage Asset Research Institute Fraud Index (MFI)--Maryland</b>		
	<b>Rank</b>	<b>MFI</b>
2009	8	152
2010	5	163

- **CCU Collections.** DLLR reported \$61,973 in collections submitted to CCU in March. The two largest collections were Sunny Mortgage LLC (\$39,780) and Morrison, Gayle Marie (\$11,700). Seventeen other accounts were also submitted during the month.

<b>CENTRAL COLLECTION UNIT (CCU)</b>	<b>Jul-10</b>	<b>Aug-10</b>	<b>Sep-10</b>	<b>Oct-10</b>	<b>Nov-10</b>	<b>Dec-10</b>	<b>Jan-11</b>	<b>Feb-11</b>	<b>Mar-11</b>
Submitted (mortgage unit)	\$0	\$0	\$509,594	\$938	\$0	\$0	\$0	\$0	\$61,973
Collected (mortgage unit)	\$987	\$1,203	\$658	\$3,144	\$622	\$585	\$402	\$44	\$0

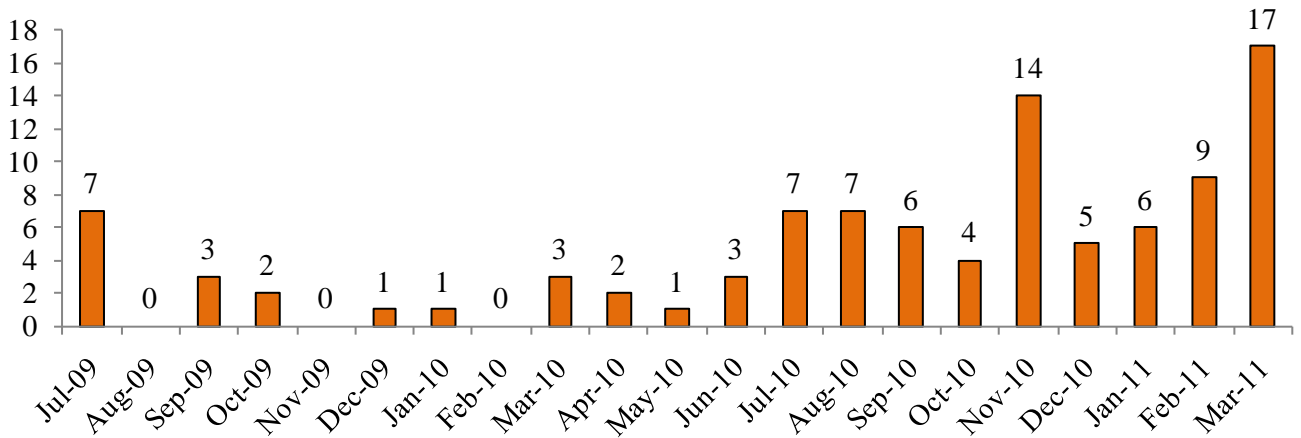
- **Nationwide Mortgage Licensing System (NMLS).** The office of Financial Regulation is researching whether any other states have early application incentives for NMLS. So far, the agency has found that experienced states do not provide an early application incentive. The agency remains cautious because other states have reported that while there is an increase in applications during a few months, the processing of those applications is less labor intensive than the initial round when everyone joined NMLS for the first time. As discussed, the agency is considering cross-training and rotating certain staff members so that they can work in different units that may have a backlog and then work in licensing during the renewal season.
- **Employer Changes.** The number of employer changes approved increased sharply in February and March, due to clean up of the NMLS sponsorship pipeline. Sponsorship is the authorization for a loan officer to conduct business under a specific license on behalf of a state licensed company.

### Mortgage Originator--Employer Changes Approved FY 2010 and FY 2011 YTD

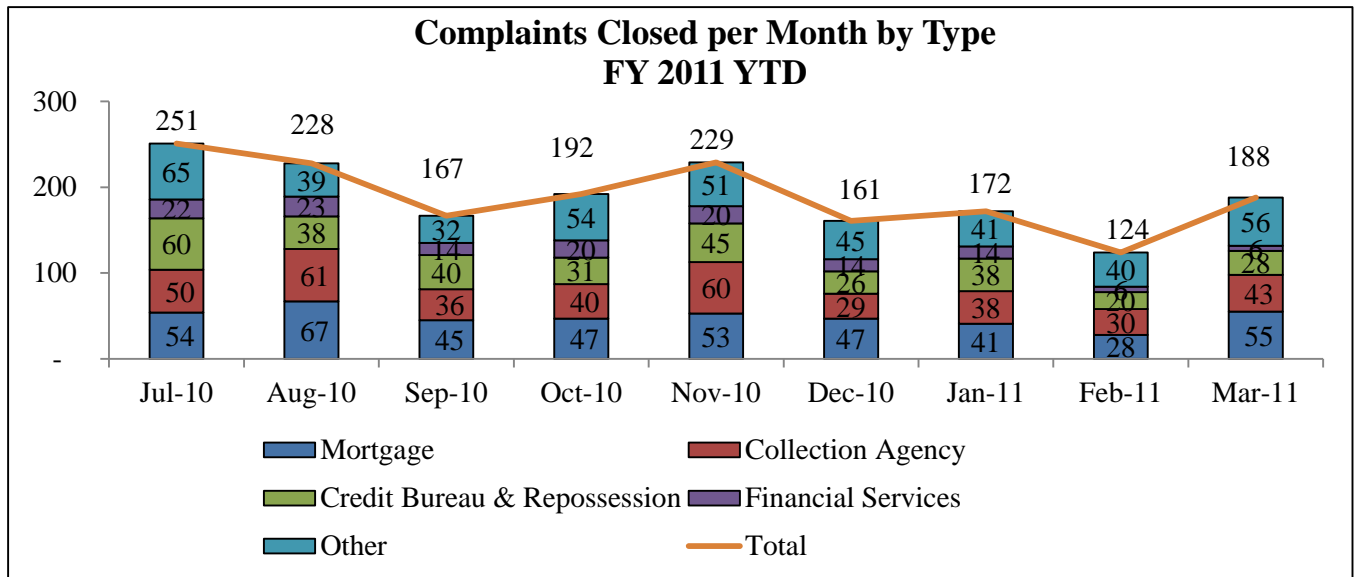


- Cease and Desist Orders.** The number of Cease and Desist (C&Ds) orders issued by the Division of Financial Regulation increased to 17 in March, as shown in the chart below. The agency reported that the 17 C&Ds included eight loan modification issues, seven collection agency issues and two mortgage issues. According to DLLR's Office of Financial Regulation's AAG, the Office can pursue fraud under HB 509 for conduct prior to the statute. As discussed in the previous DLLR Stat meeting, HB 509 authorizes the Commissioner to seek an injunction to prohibit a person who has engaged in a violation of certain laws from engaging or continuing to engage in the violation, and allows persons to bring actions for damages without exhausting administrative remedies. DLLR has reported that the agency will begin reviewing cases on this basis and will await confirmation from counsel (Liz Trimble) before proceeding

### Cease and Desist Orders FY 2010 to FY 2011 YTD

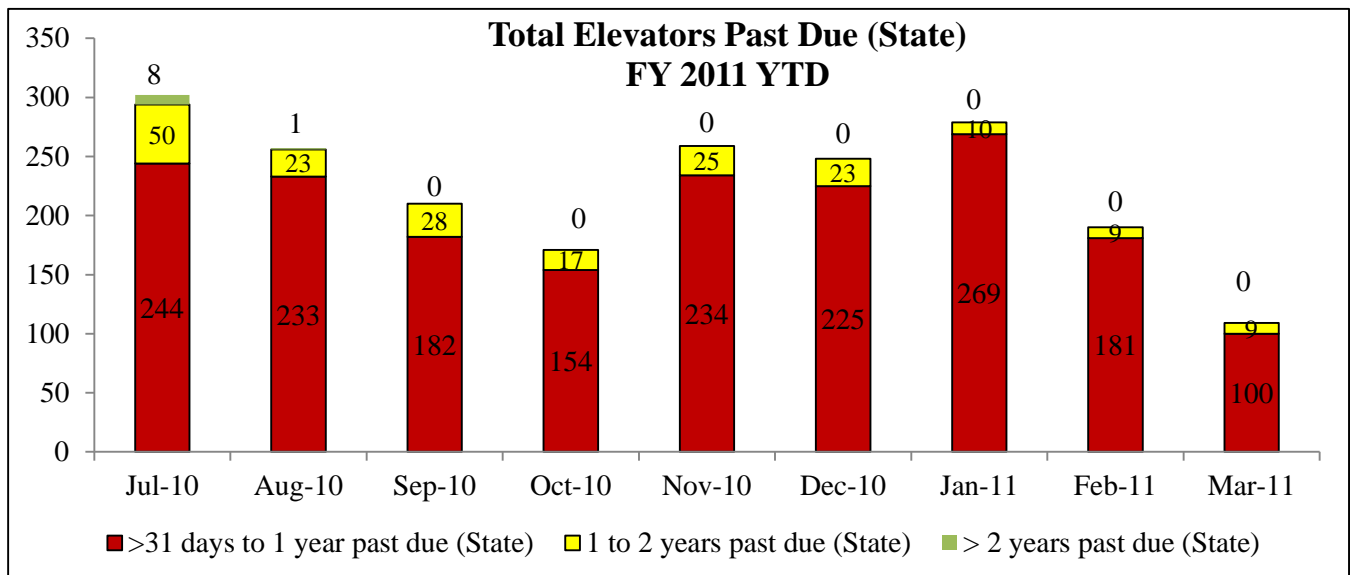


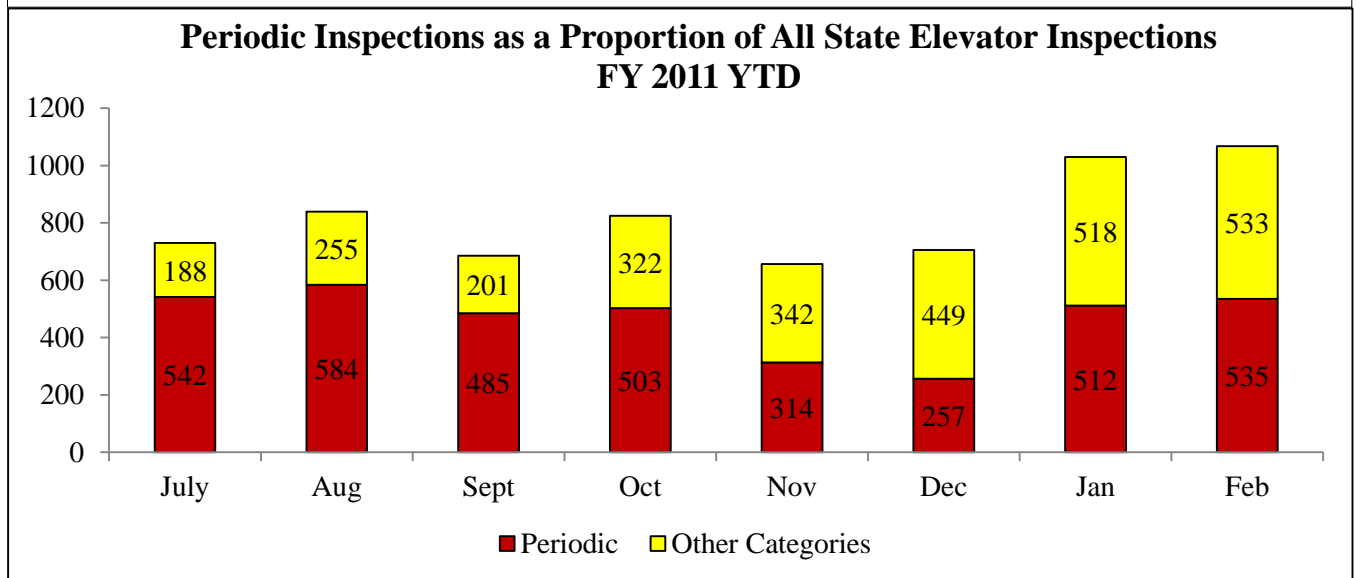
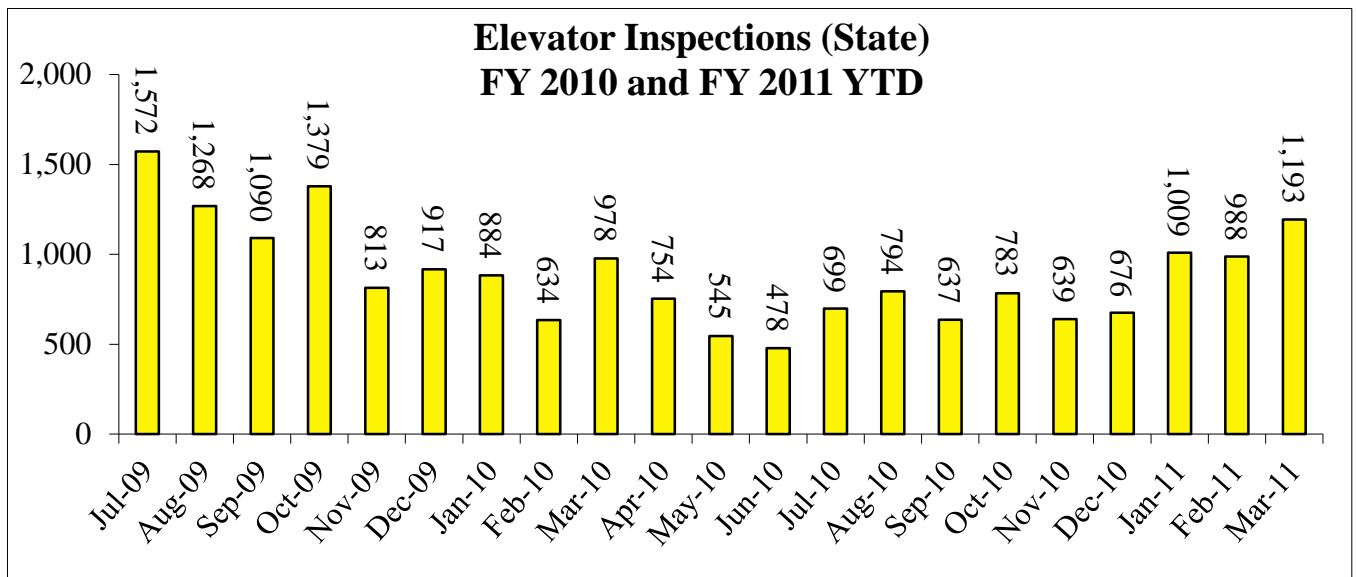
- Complaints Closed.** Complaints closed increased in March 2011, as shown in the chart below. The agency attributes the increase to more work days and no state holidays during month of March. At the previous DLLR and MVA State Stat meetings we discussed the "legal gray area" surrounding repossessions. MVA is working with DLLR to make legislative changes that will expand DLLR's authority. The two agencies will meet again in July.



### Labor and Industry

- Elevator Inspections.** An ABC2News article from April 28 reported on the number of overdue elevator inspections in the Baltimore area (*Hundreds of local elevators are past due on their required inspections*, Joce Sterman, April 28, 2011). The data reveals that Statewide, the number of past due elevator inspections has decreased, and the number of inspections that are two years past due has been zero since September 2010. The number of state elevator inspections continued to climb in March. As of July 1, 2009, State inspectors were no longer to perform periodic annual inspections. However, data submitted last month revealed that periodic inspections were the highest proportion of inspections. Third party monitoring was the second highest category.

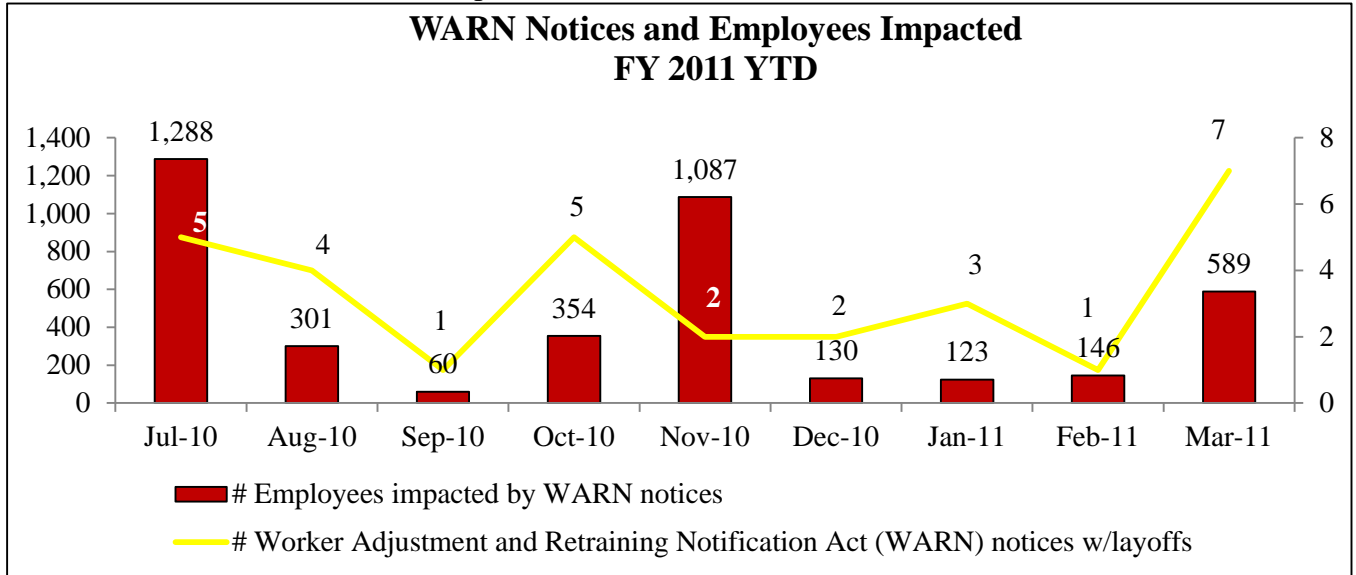




### Division of Workforce Development and Adult Learning (DWDAL)

- Veterans Outreach.** The Maryland Workforce Exchange site was re-launched on Monday, April 18 as a virtual One-Stop with additional resources and a more easily-navigable layout. Additionally, the Mil2FedJobs website, a job portal that collects two million federal jobs and matches transitioning veterans with federal positions, was launched on April 26<sup>th</sup> (<http://www.mil2fedjobs.com/>). The portal will be accessed through the Maryland Workforce Exchange. It is the first of its kind in any state to directly match transitioning service members with careers in the Federal Government.
- WARN Notices.** DLLR reported seven WARN notices in March that will affect 589 individuals—the highest number of notices and employees affected since November 2010, when the Severstal layoffs were announced. The majority of the employees affected are at Honeywell in Prince George’s County, where 190 employees were laid off effective April 8, 2011. The agency also reported that Solo Cup Company’s Corporate Office Operating Unit will lay off 101 workers as of June 30, and that the Dislocation Services Units (DSUs) have alerted the local Workforce Investment Areas (WIAs). The WIAs and the DSUs will assist with rapid response sessions for dislocated workers, helping them navigate the unemployment insurance process and find new work.

- The agency reported that the Rapid Response team is deployed with multiple resources to assist displaced workers.



Work Adjustment and Retraining Notification (WARN) Log Year 2011						
Notice Date	Company	Location	WIA	Total Employees	Effective Date	Type Code
1/10/2011	Pepsi Beverages Company	1650 Union Avenue, Baltimore, MD	Balto. City	77	3/11/2011	1
1/12/2011	ZipRealty Inc.	1122 Kenilworth Drive, Suite 217,	Balto. County	2	3/14/2011	1
1/26/2011	GE Aviation	20501 Seneca Meadows Pkwy, Germantown, MD	Montgomery County	44	4/1/2011	2
2/28/2011	Northrop Grumman	7040 Troy Hill Dr., Elkridge, MD	Mid MD.	146	4/30/2011	2
3/4/2011	Bank of America	11333 McCormick Road, Hunt Valley, MD	Balto. County	39	4/30/2011	2
3/8/2011	Honeywell	7515 & 7535 Mission Dr, Lanham-Seabrook and 8800 Greenbelt Road, Greenbelt, MD	Prince George's County	190	4/8/2011	2
3/10/2011	Cansa Hershman Recycling	6401 Quad Avenue, Baltimore, MD	Frederick	25	5/8/2011	2
3/14/2011	ARAMARK Educational Services	8000 York Road, Towson, MD	Balto. County	83	6/30/2011	1
3/22/2011	ITT, Global Information Services	7556 Teague Road, Suite 300, Hanover, MD	Anne Arundel County	48	12/30/2011	1
3/22/2011	Peapod by Giant	211 Edison Park Drive, Gaithersburg, MD	Montgomery County	120	5/31/2011	1
3/31/2011	Editor's Press	6200 Editors Park Drive, Hyattsville, MD	Prince George's County	84	5/31/2011	1