

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309

MINUTES
June 11, 2014

Commissioners present for all or part of the meeting:

Terry Duggan, Chair	Michael Telford
Dennis Stolk, Vice Chair	Carol Haines
John Goede	Janet DeMott
Helen Kimes	

Commissioners absent:

None

Staff present for all or part of the meeting:

James Schipper, Superintendent of IDOB	Jill Simbro, Administrative Assistant
Jeff Evans, Executive Officer	Cheryl Merriman, Licensing Specialist
Lori SchraderBacher, Site Manager	Pam Griebel, Assistant Attorney General
Dave Batts, Education Director	Colleen Goddard, Auditor
Sandy Malek, Investigator	

Members of Public in attendance:

Paul McLaughlin, IAR
Sandra Clasen, IAR

Call to Order:

Terry Duggan called the meeting to order at 9:18 a.m.
Quorum was established.

Motion by Telford to approve the agenda.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Goede to approve the May 1, 2014 minutes.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Goede to approve the May 1, 2014 closed minutes.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

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VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Goede to approve the May 1, 2014 closed minutes.

Seconded by Haines.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports:

Duggan briefly spoke about the ARELLO District 2 & 3 Conference that he attended with Evans in Omaha, Nebraska.

Mike Telford gave an overview on his participation in the Strategic Planning workgroup and complimented Commission staff on their work.

Staff Reports:

Griebel advised new Commission members of the laws pertaining to confidentiality of discipline complaint cases, along with open meeting laws.

Batts announced his retirement at the end of June, 2014.

SchraderBachar – No Report

Evans welcomed new Commission members, DeMott and Kimes, and provided them with new member packets. Evans thanked Telford for participating in the Strategic Planning workgroup, along with thanking Goede for proving the Commission report to the IAR Board of Directs at their summer meetings. Evans announced that the newsletter for the professional licensing bureau was mailed out electronically on May 30, 2014 and requested any contributions from the Commission members to be included in future issues. Evans provided a staff update informing the Commission that a temporary employee has been hired to scan and electronically file prior years paper applications. Evans thanked retiring Education Director, David Batts, for his years of service and wished him well.

RFP for Errors & Omissions Insurance Update:

Evans gave an update on the 2014 E&O insurance Request for Proposals (RFP) and announced that there will be a teleconference Commission meeting on July 10, 2014 to select a vendor and award a three year contract beginning on January 1, 2015 and ending on December 31, 2017, with the option of three one year extensions at the discretion of the Commission.

Home Base Iowa Act – Senate File 303:

Griebel explained the Act and summarized the bill. Iowa has created the act to offer credit for military service training and experience in the licensing process. Griebel announced that a process will need to be in place by January 2015. Griebel suggested the Commission review the administrative code and consider a rolling five year review.

Duggan requested volunteers for a Rules Review Committee. Jan De Mott volunteered. Duggan requested that the remaining Commission members check their future availability as more volunteers will be needed and this will be discussed during the July Teleconference.

Review of 193E Iowa Administrative Code § 5.1(2):

Discussion of 193E Iowa Administrative Code § 5.1(2). McLaughlin from IAR drafted and proposed a rule change to allow a broker license by reciprocity or by rule 5.3, only if broker qualifications are satisfied, despite what the applicant's real estate license title is in another jurisdiction. This will be reviewed and considered by the Rules Review Committee, which will be established in July 2014.

Public Comment:

McLaughlin introduced intern, Sandra Clasen. McLaughlin gave a report on Legislative issues being closely monitored by the IAR. McLaughlin also announced that the 2014 Annual Convention will be held September 16 – 19, 2014 in Cedar Rapids, Iowa and invited the Commission to attend.

Closed Session:

Motion by Telford to go into closed session pursuant to Iowa Codes § 21.5(1)(d) and § 21.5(1)(f) to discuss Findings of Fact, Conclusions of Law, Decision & Order; and pursuant to § 21.5(a) and 21.5(d) to discuss Informal Settlements, Consent Agreements, or Consent Orders signed by Respondents; and pursuant to § 21.5(1)(a) and 543B.52(1) to review open complaint cases.

Seconded by Stolk.

VOTE: Roll call: Duggan, aye; Goede, aye; Stolk, aye; Telford, aye; DeMott, aye; Haines, aye; Kimes, aye.
Motion carried unanimously.

The Commission entered into closed session at 10:28 a.m. and arose there from at 11:42 a.m.

Open Session:

Motion by Telford to return to open session.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Superintendent of Banking Report:

Schipper welcomed the new Commission members, thanked them for their service, and gave an overview of the relationship between the Department of Banking and the Professional Licensing Bureau.

Motion by Stolk to approve finding of fact, decision and order for case 12-107.

Seconded by Haines.

VOTE: Duggan, aye; Stolk, aye; Haines, aye; Goede, aye. Nay: none Abstaining: Telford, Kimes, DeMott.

Motion passed.

Motion by Telford to accept signed settlements and/or consent agreements for cases and to authorize the Chair, Vice Chair or Executive Officer Evans to sign accepted Consent Agreements: 11-112, 14-011, 14-043, 14-063

Seconded by Goede.

VOTE: Aye: all Nay: none Abstaining: DeMott (Case 14-011)

Motion passed.

Motion by Telford to find probable cause and to authorize the Chair, Vice Chair or Executive Officer Evans to sign the accepted signed settlements and/or consent agreements: 14-055, 14-056, 14-065, 14-066, 14-074, 14-076, 14-080 and 14-081.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to find probable cause for the following cases: 13-163, 13-184, 13-189, 14-058, 14-071, 14-079 and 14-084.

Seconded by Kimes.

VOTE: Aye: all Nay: none Abstaining: Stolk (Case 14-071), Duggan (14-084)

Motion passed.

Motion by Telford to deny license for the following case: 14-018

Seconded by Goede.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to enter into a Consent Agreement, with Executive Officer Evans signing on behalf of the Commission, and then issue license for the following cases: 14-069, 14-075, 14-077, 14-091 and 14-097

Seconded by Goede.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion made by Stolk to close the following cases: 10-138, 10-140, 14-049, 14-061, 14-062, 14-072 and 14-082.

Seconded by Goede.

VOTE: Aye: all Nay: none Abstaining: DeMott (Case 14-072)

Motion passed.

Meeting Schedule:

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

- No July 2014 Meeting
- Wednesday, August 6th (Duggan, Goede)
- Wednesday, September 3rd (Stolk, Kimes)
- Wednesday, October 1st
- Wednesday, November 5th
- Wednesday, December 3rd
- No January 2015 Meeting
- Wednesday, February 4th 2015

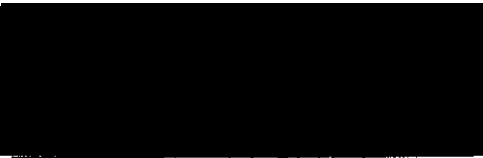
Commission Meetings

- Thursday, July 10 (teleconference)
- Thursday, August 7th
- Thursday, September 4th
- Thursday, October 2nd
- Thursday, November 6th
- Thursday, December 4th
- No January 2015 Meeting
- Thursday, February 5th

Duggan adjourned the meeting at 12:07 p.m.

Respectfully submitted,

7-11-14
Date


Chair, Terry Duggan

Iowa Real Estate Commission Staff Report (For May 2014) June 11, 2014 IREC Meeting

Audits (Comparison of Average Percentages of Non-Compliance)

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
2007	17%	5%
2008	15%	4%
2009	33%	6%
2010	18%	5%
2011	15%	5%
2012	21%	5%
2013	11%	3%
2014	4%	1%

Background Checks

Average turn round time is approximately 25 days.

Complaints/Informal Settlement Agreements

103 complaint files have been opened 2014 YTD, with 27 opened in May.
 Findings of Fact, Conclusions of Law, Decision and Order signed at May IREC Meeting: N/A
 Informal Settlement Agreements Signed At May IREC Meeting: 4
 Consent Agreements Entered Into At May IREC Meeting: 1
 Cases Closed At May IREC Meeting: 2
 License Denial At May IREC Meeting: 1

Licensing Totals

	<u>Firms</u>	<u>Brokers</u>		<u>Salespeople</u>	
		<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>
May 2014	1,214	3,410	445	5,372	1,254
May 2013	1,187	3,416	474	5,147	1,351

**Data gathered on the last working day of the month.*

Applications received (brokers and salespersons only):

7-1-05 thru 12-31-05	429
2006	1,275
2007	1,113
2008	861
2009	531
2010	604
2011	562
2012	625
2013	733
2014 YTD	405

Trust Account Audits

162 audits have been completed so far in 2014, with 31 conducted in the month of May.

Real Estate Education Director Report

Course Approvals	35
Course Denials	-
Instructor Approvals	26
Provider Approvals	3
Post Course Approvals	2
Post Course Denials	-
Pre Course Approvals	3
C.E. Audits Mailed	50
C.E. Audits Mailed (2 nd Notice)	8
C.E. Audits Reviewed	38
C.E. Course Class Audits	-
Exam in Lieu of CE Letter Sent	1
Complaint Cases Initiated	-