

Iowa Real Estate Commission  
200 East Grand, Suite 350  
Des Moines, IA 50309  
MINUTES  
April 2, 2015

**Commissioners present for all or part of the meeting:**

|                          |                 |
|--------------------------|-----------------|
| Terry Duggan, Chair      | John Goede      |
| Dennis Stolk, Vice Chair | Helen Kimes     |
| Carol Haines             | Michael Telford |

**Commissioners absent:**

Jan DeMott

**Staff present for all or part of the meeting:**

|  |                                     |
|--|-------------------------------------|
| Jeff Evans, Executive Officer              | Jill Simbro, Education Director     |
| John Lundquist, Assistant Attorney General | Renee Paulsen, Licensing Specialist |
| Sandy Malek, Investigator                  | Lori SchraderBachar, Site Manager   |

**Members of Public in attendance for all or part of the open session of the meeting:**

Tadas Dabsys, PSI (via telephone)

**Call to Order:**

Duggan called the meeting to order at 9:02 a.m.  
Quorum was established.

**Motion by Stolk to approve the agenda.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Haines to approve the open session and the closed session March 5, 2015 minutes.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**PSI CONTRACT RENEWAL**

After phone discussion with Tadas Dabsys, PSI Executive Vice President, Motion made by Kimes to grant an extension of the current contract with PSI for one year beginning July 1, 2015 for an examination fee in the amount of \$101.00. This is a price increase of \$1.00 per exam. Dabsys explained the increase is due to The Association of Real Estate License Law Officials (ARELLO) placing some pressure on the examination providers to increase the ARELLO-accreditation fee from \$1 to \$2 in all jurisdictions.

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Commissioner Reports:**

None

**Staff Reports:**

Lundquist provided a synopsis to the Commission on the recent Supreme Court ruling in *North Carolina State Board of Dental Examiners v. Federal Trade Commission* and the potential impact it may have on the Iowa Real Estate Commission as it pertains to unlicensed practice. Lundquist also provided an explanation as to the differences between the North Carolina Dental Board and the Iowa Real Estate Commission.

SchraderBachar announced that the next newsletter will be published in June and if Commission members have any articles they should submit them by May 1st to Evans.

Evans reminded the Commissioners to properly complete, along with sign and date their per diem forms and travel vouchers for their time and travel expenses while attending the meeting. Evans provided the Commissioners the IREC Staff Report for the month of March 2015.

**Communications:**

After discussion, **Motion made by Telford to grant waiver 15-04, allowing for the eight (8) hour "Contract Law and Contract Writing" course to be waived.** The petitioner, who is a licensed attorney since 2003, and licensed salesperson since September 2012, asked the Commission for a waiver of 193E Iowa Administrative Code § 3.1(5). The petitioner specifically requested the Commission to waive three of the education class requirements for a real estate broker's license: Real Estate Law and Agency; State and Federal Laws Affecting Real Estate; Contract Law and Contract Writing.

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**ARELLO**

**Motion made by Telford to approve Evans and Duggan to attend the ARELLO Mid-Year Meeting April 15-18, 2015 in Albuquerque, NM.**

Seconded by Stolk

Vote: Aye: Haines, Goede, Stolk, Kimes, Telford      Nay: None                      Abstaining: Duggan

Motion passed.

**Public Comment:**

None

**Closed Session:**

**Motion by Stolk to enter into closed session pursuant to Iowa Code §§ 21.5(1)(a), 21.5(1)(d) and 272C.6(4) to review pending licensee discipline cases and investigations, including any cases ready for final resolution through closure or consent order.**

Seconded by Goede.

VOTE: Roll call: Duggan, aye; Haines, aye; Stolk, aye; Goede, aye; Kimes, aye; and Telford, aye.

Motion passed unanimously.

The Commission entered into closed session at 9:37 a.m. and arose there from at 10:25 a.m.

**Open Session:**

**Motion by Kimes to return to open session.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Haines to accept the signed settlement and/or consent agreements and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted settlement and/or consent agreements for the following cases: 14-149, 14-151 and 15-027.**

Seconded by Telford.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes to find probable cause and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted signed settlement agreement for the following cases: 15-005, 15-013, 15-014, 15-035, 15-058, 15-060, 15-061, 15-065, 15-067, 15-072, 15-074 and 15-084.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Haines to enter into a Consent Agreement with the applicant, authorize Evans (Executive Officer) to sign on behalf of the Commission, and then grant licensure for the following cases: 15-063, 15-075, 15-080, 15-081 and 15-088.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Haines to grant real estate licensure Case No. 15-089.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Haines to deny real estate licensure for Case No. 15-092.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Haines to find probable cause for the following cases: 14-170, 15-003, 15-016, 15-028, 15-029, 15-047, 15-038, 15-039 and 15-077.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Stolk to close the following cases: 15-001, 15-002, 15-032, 15-059.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Telford to rescind probable cause and close Case No. 15-006.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Meeting Schedule:**

Future IREC meetings are tentatively scheduled as follows:

**Investigation Committee**

Wednesday, May 6<sup>th</sup> (Stolk, Haines)  
Wednesday, June 3<sup>rd</sup> (Duggan, Kimes)  
No July Meeting  
Wednesday, August 5  
Wednesday, September 2  
Wednesday, September 30  
Wednesday, November 4  
Wednesday, December 2

**Commission Meetings**

Thursday, May 7<sup>th</sup>  
Thursday, June 4<sup>th</sup>  
No July Meeting  
Thursday, August 6  
Thursday, September 3  
Thursday, October 1  
Thursday, November 5  
Thursday, December 3

**Meeting Adjourned**

With all agenda items covered, the meeting adjourned at 10:30 a.m.

These minutes accurately reflect the minutes approved by the Commission at the meeting on:

5-7-15

Date

  
By: Terry Duggan, Chair

## Iowa Real Estate Commission Staff Report (For March 2015) April 2, 2015 IREC Meeting

**LICENSING TOTALS:**

|            | Firms | Brokers |          | Salespeople |          | TOTAL LICENSEES |
|------------|-------|---------|----------|-------------|----------|-----------------|
|            |       | Active  | Inactive | Active      | Inactive |                 |
| March 2015 | 1,234 | 3,378   | 411      | 5,480       | 1,214    | 10,483          |
| March 2014 | 1,202 | 3,375   | 443      | 5,224       | 1,233    | 10,275          |

**EXAMINATIONS ADMINISTERED BY PSI:**

|             | <u>February</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> |
|-------------|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Broker      | 21              | 43          | 315         | 281         | 207         | 245         | 233         |
| Salesperson | 119             | 252         | 1,501       | 1,212       | 952         | 781         | 916         |

**BROKERS & SALESPERSONS PROCESSED APPLICATIONS:**

|      | <u>March</u> | <u>Year To Date</u> |
|------|--------------|---------------------|
| 2007 |              | 1,113               |
| 2008 |              | 861                 |
| 2009 |              | 531                 |
| 2010 |              | 604                 |
| 2011 |              | 562                 |
| 2012 |              | 625                 |
| 2013 |              | 835                 |
| 2014 |              | 845                 |
| 2015 | 91           | 332                 |

**BACKGROUND CHECKS:**

Year to Date average turnaround time is 19 days.

**AUDITS:**

|                      | <u>March</u> | <u>Year To Date Totals</u> |
|----------------------|--------------|----------------------------|
| Continuing Education | 0            | 102                        |
| E & O                | 0            | 200                        |
| Trust Account        | 18           | 62                         |

**PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:**

| <u>Year</u> | <u>E&amp;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        | 4.8%           | 1.8%                        |
| 2015        | 23.0%          | 4.0%                        |

**INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:**

|  | <u>March</u> | <u>Year To Date Totals</u> |
|--|--------------|----------------------------|
| Complaint Cases Opened                       | 37           | 106                        |
| Final Case Disposition                       | 32           | 72                         |
| Signed Informal Settlement Agreements        | 14           | 22                         |
| Signed Applicant Consent Agreements          | 1            | 8                          |
| Signed Cease and Desist by Consent Agreement | -            | 2                          |
| Formal Hearings                              | -            | -                          |
| License Denials                              | -            | 1                          |
| Civil Penalties Assessed                     | -            | \$28,750                   |
| Continuing Education Hours Assessed          | -            | 24                         |
| CPA Audits Assessed                          | -            | -                          |
| Trust Account Reexaminations Assessed        | -            | 2                          |
| Probation Time Assessed                      | -            | -                          |
| Suspensions                                  | -            | -                          |
| Indefinite Suspensions                       | -            | -                          |
| Revocations/Voluntary Surrenders             | -            | -                          |

**REAL ESTATE EDUCATION REPORT:**

|                        | <u>March</u> | <u>Year To Date Totals</u> |
|------------------------|--------------|----------------------------|
| Course Approvals       | 55           | 150                        |
| Instructor Approvals   | 7            | 12                         |
| Provider Approvals     | 3            | 9                          |
| Post Course Approvals  | 2            | 7                          |
| Prior Course Approvals | 3            | 3                          |
| Denied Courses         | 1            | 4                          |