

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

MINUTES

August 6, 2015

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

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

**Commissioners absent:**

None

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

Jeff Evans, Executive Officer	Colleen Goddard, Trust Account Auditor
John Lundquist, Assistant Attorney General	Renee Paulsen, Licensing Specialist
Sandy Malék, Investigator	Lori SchraderBachar, Site Manager

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

Paul McLaughlin, IAR  
Robert Caluzzi

**Call to Order:**

Duggan called the meeting to order at 9:00 a.m.  
Quorum was established.

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

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Goede to approve the open session and the closed session June 4, 2015 minutes.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Commissioner Reports:**

DeMott discussed the progress the Rules Committee made at their July 22, 2015 meeting.

**Staff Reports:**

Lundquist further elaborated and provided an explanation to the Commissioners of the memorandum that was drafted re: Questions related to *North Carolina State Board of Dental Examiners v. FTC*. Lundquist also announced that the hearing scheduled for today's Commission meeting has been cancelled as a signed settlement agreement was received.

SchraderBachar thanked Duggan for attending Board Chairperson Meeting where PLB staff and the Chairs of each Professional Licensing Bureau met on July 15<sup>th</sup>. SchraderBachar announced that the Professional Licensing Bureau newsletter will be published after Labor Day and that any item for the newsletter must be submitted by August 15th. Lastly, SchraderBachar mentioned that if there are any proposals from the Commission for legislative changes, they need to be prefiled by September 15<sup>th</sup>.

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 months of June and July 2015. Evans mentioned that interviews for the open position of Licensing Specialist will take place at the end of August.

**Rules Task Force:**

DeMott reported that at the July meeting that chapters 3, 5 and 10 of the 193E Iowa Administrative Code. The next meeting will be held at a future date, which is yet to be determined. The Rules Task Force Committee is charged with reviewing and making suggestions to the Commission of any necessary changes to Iowa Administrative Code Chapter 193E.

**Communications:**

After discussion, **Motion made by Telford to grant the application for licensure submitted by Robert J. Caluzzi.** At their regularly scheduled meeting on December 5, 2013 the Commission granted Caluzzi a waiver of 193E Iowa Administrative Code § 3.1(6) and the required 24-month active salesperson experience under a sponsoring broker to obtain an Iowa real estate broker's license. The waiver stipulated that Caluzzi was to take the broker prelicense education and pass the broker examination while actively licensed as a salesperson and affiliated with a sponsoring broker. Caluzzi's salesperson license was turned in by his then affiliated broker and placed on inactive status on February 4, 2015. Caluzzi subsequently completed the required education and passed the real estate broker examination while inactive. Caluzzi, who personally appeared before the Commission, explained his circumstances of why his license was on inactive status and why he didn't comply with the requirements needed to fulfill the aforementioned waiver.

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Public Comment:**

Paul McLaughlin spoke about his participation in the Rules Task Force Committee and the work that was done. He also mentioned that the Iowa Association of Realtor's 2015 Annual Convention will be held at Prairie Meadows Hotel and Conference Center from September 22<sup>nd</sup> - 25<sup>th</sup>.

**Formal Hearing:**

The offices of the Commission received a signed settlement agreement from the Respondent re: IREC Case No. 14-170. To permit the Commission an opportunity to review the settlement agreement, the formal hearing set in this matter was cancelled and the matter will be rescheduled for a future date if deemed necessary.

**Closed Session:**

**Motion by Kimes 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 Stolk.

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

Motion passed unanimously.

The Commission entered into closed session at 9:30 a.m. and arose there from at 10:35 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.

**Motion by Kimes to accept the signed settlement agreement in lieu of the contested case hearing that was scheduled for Case No. 14-170 and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted settlement agreement.**

Seconded by Telford.

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: 13-207, 15-096, 15-097, 15-128 and 15-134.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Haines to withdraw the July 1, 2015 Statement of Charges previously issued and to substitute in its place this Order and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted signed settlement agreement for Case No. 14-247.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Haines 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: 15-040, 15-085, 15-101, 15-119, 15-124, 15-149, 15-155, 15-156, 15-158, 15-160, 15-161, 15-174 and 15-176.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Goede to enter into a Consent Agreement with the applicants, and to authorize Evans (Executive Officer) to sign on behalf of the Commission, and then grant licensure for the following cases: 15-167, 15-168, 15-181 and 15-188.**

Seconded by DeMott.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes to grant real estate licensure for the following cases: 15-163, 15-189 and 15-206.**

Seconded by Haines.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Stolk to deny real estate licensure for Case No. 15-142.**

Seconded by Telford.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Telford to find probable cause for the following cases: 13-150, 13-174, 15-009, 15-022, 15-044, 15-070, 15-108, 15-151, 15-152, 15-153, 15-157, 15-177, 15-178, 15-180, 15-193, 15-199, 15-200, 15-201, 15-202, 15-204 and 15-207.**

Seconded by Goede.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes to find probable cause for Case No. 15-177**

Seconded by Telford.

VOTE: Aye: All                      Nay: None                      Abstaining: DeMott

Motion passed.

**Motion by Telford to close the following cases: 12-127, 12-313, 15-110 and 15-143.**

Seconded by Haines.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Haines to close Case No. 15-135.**

Seconded by DeMott.

VOTE: DeMott, aye; Duggan, aye; Goede, aye Haines, aye; Kimes, aye; Stolk, nay; and Telford, aye

Motion passed.

**Motion by Goede to grant a time extension to the Respondent to pay the civil penalty due for Case No. 14-129.**

Seconded by Haines.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

Discussion was held re: Case No. 14-206 and the allegations of the unlicensed practice of real estate. It was determined that the file will be tabled to a future meeting.

**Meeting Schedule:**

Future IREC meetings are tentatively scheduled as follows:

**Investigation Committee**

Wednesday, September 2 (Kimes, Haines)

Wednesday, September 30 (Stolk, Goede)

Wednesday, November 4 (Duggan, Kimes)

**Commission Meetings**

Thursday, September 3

Thursday, October 1

Thursday, November 5

Wednesday, December 2

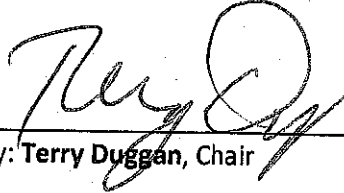
Thursday, December 3

**Meeting Adjourned**

With all agenda items covered, the meeting adjourned at 10:53 a.m.

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

9-3-15  
Date

  
By: Terry Duggan, Chair

**Iowa Real Estate Commission  
Staff Report (For June 2015)  
August 6, 2015 IREC Meeting**

**LICENSING TOTALS:**

	<u>Firms</u>	<u>Brokers</u>		<u>Salespeople</u>		<u>TOTAL LICENSEES</u>
		<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>	
June 2015	1,234	3,407	428	5,674	1,264	10,773
June 2014	1,225	3,419	448	5,435	1,260	10,562

**EXAMINATIONS ADMINISTERED BY PSI:**

	<u>May</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Broker	30	132	315	281	207	245	233
Salesperson	147	731	1,501	1,212	952	781	916

**BROKERS & SALESPERSONS PROCESSED APPLICATIONS:**

	<u>June</u>	<u>Year To Date</u>
2007		1,113
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015	60	595

**BACKGROUND CHECKS:**

Year to Date average turnaround time is 20 days.

**AUDITS:**

	<u>June</u>	<u>Year To Date Totals</u>
Continuing Education	50	252
E & O	60	401
Trust Account	30	159

**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	17.2%	2.4%

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

	<u>June</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	18	178
Final Case Disposition	32	172
Signed Informal Settlement Agreements	11	67
Signed Applicant Consent Agreements	1	14
Signed Cease and Desist by Consent Agreement	-	2
Formal Hearings	-	1
License Denials	-	2
Civil Penalties Assessed	-	\$77,500
Continuing Education Hours Assessed	-	48
CPA Audits Assessed	-	1
Trust Account Reexaminations Assessed	-	4
Probations Assessed	-	1
Suspensions Assessed	-	1
Revocations/Voluntary Surrenders	-	2
Statement of Charges Filed (Outstanding)	-	10

**REAL ESTATE EDUCATION REPORT:**

	<u>June</u>	<u>Year To Date Totals</u>
Course Approvals	40	255
Instructor Approvals	5	25
Provider Approvals	2	11
Post Course Approvals	6	17
Prior Course Approvals	0	3
Denied Courses	1	11

**Iowa Real Estate Commission  
Staff Report (For July 2015)  
August 6, 2015 IREC Meeting**

**LICENSING TOTALS:**

	<u>Firms</u>	<u>Brokers</u>		<u>Salespeople</u>		<u>TOTAL LICENSEES</u>
		<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>	
July 2015	1,240	3,414	429	5,718	1,284	10,845
July 2014	1,226	3,426	450	5,470	1,271	10,617

**EXAMINATIONS ADMINISTERED BY PSI:**

	<u>June</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Broker	21	153	315	281	207	245	233
Salesperson	131	862	1,501	1,212	952	781	916

**BROKERS & SALESPERSONS PROCESSED APPLICATIONS:**

	<u>July</u>	<u>Year To Date</u>
2007		1,113
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015	72	667

**BACKGROUND CHECKS:**

Year to Date average turnaround time is 20 days.

**AUDITS:**

	<u>July</u>	<u>Year To Date Totals</u>
Continuing Education	50	302
E & O	30	431
Trust Account	35	195

**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	18.5%	2.3%



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

	<u>July</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	34	212
Final Case Disposition	6	178
Signed Informal Settlement Agreements	-	67
Signed Applicant Consent Agreements	-	14
Signed Cease and Desist by Consent Agreement	-	2
Formal Hearings	-	1
License Denials	-	2
Civil Penalties Assessed	-	\$77,500
Continuing Education Hours Assessed	-	48
CPA Audits Assessed	-	1
Trust Account Reexaminations Assessed	-	4
Probations Assessed	-	1
Suspensions Assessed	-	1
Revocations/Voluntary Surrenders	-	2
Statement of Charges Filed (Outstanding)	-	9

**REAL ESTATE EDUCATION REPORT:**

	<u>July</u>	<u>Year To Date Totals</u>
Course Approvals	48	303
Instructor Approvals	7	32
Provider Approvals	4	15
Post Course Approvals	5	22
Prior Course Approvals	0	3
Denied Courses	1	12