

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
December 3, 2015

Commissioners present for all or part of the meeting:

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

Staff present for all or part of the meeting:

Jeff Evans, Executive Officer	Jill Simbro, Education Director
John Lundquist, Assistant Attorney General	Renee Paulsen, Background Coordinator
Sandy Malek, Investigator	Colleen Goddard, Auditor
Tracy Lindgren, Licensing Specialist	

Others Present for all or part of meeting:

Ron Hansen, Superintendent of Banking

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

Paul McLaughlin, Iowa Association of Realtors	Dave Riley, FSBOHome.com
Tyler Frederiksen, Norsemen Realty	

Call to Order:

Duggan called the meeting to order at 9:06 a.m.
Quorum was established.

Motion by Kimes to approve the agenda.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Approval of Minutes:

Motion by Goede to approve the open session and the closed session November 5, 2015 minutes.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports:

No reports.

Other Reports:

Ron Hansen introduced himself to the Commission as the new Superintendent of Banking and said that he looked forward to working with the Iowa Real Estate Commission and the Professional Licensing Bureau.

Staff Reports:

Evans reminded the Commissioners that if they expect to be reimbursed for travel expenses, original and itemized receipts will need to be submitted to staff. Evans provided copies and submitted the IREC Staff report for November 2015 to the Commission. Evans stated that real estate license renewals began on Monday, November 16th and to date, approximately 1300 licensees have renewed. Evans thanked the staff and Commissioners for the extra time put into the last meeting and the two hearings that took place in November.

Communications:

After discussion, **Motion made by Goede to deny Waiver 15-07.** Tyler Fredricksen, petitioner, spoke to the Commission and explained the health circumstances of his current broker, along with his previous experiences of running a small business. The petitioner, who currently has an active salesperson license with the State of Iowa, asked the Commission for 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.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Administrative Rules:

Motion by Telford to Notice 193E Iowa Administrative Code Chapter 3, 4 and 5.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Rules Task Force Committee:

DeMott reported the rules task force committee meeting is scheduled for January 13th and the next topics to be addressed are 193E Chapter 10 (Advertising) and 193E Chapters 16 and 17 (Education). Commission members assigned to the rules task force are Goede and DeMott. Duggan volunteered to replace Haines.

Public Comment:

McLaughlin discussed the suggested changes to 193E Iowa Administrative Code Chapter 3, 4 and 5 and that they had the approval of the Iowa Association of Realtors (IAR). McLaughlin also inquired about the previous talked about legislation dealing with timeshares and subdivided land.

Closed Session:

Motion by Telford 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 DeMott.

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

Motion carried unanimously.

The Commission entered into closed session at 10:00 a.m. and arose there from at 10:30 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 settlements and/consent agreements for the cases discussed in closed session and to authorize Duggan (Chair), Stolk (Vice Chair) or Jeff Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for the following cases: 14-224, 15-003, 15-070, 15-116, 15-209, 15-212, 15-242, 15-246, 15-281 and 15-282.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to accept the signed settlements and/consent agreements for the cases discussed in closed session and to authorize Duggan (Chair), Stolk (Vice Chair) or Jeff Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for IREC Case No. 15-203.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: Goede

Motion passed.

Motion by DeMott 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 15-257, 15-258 and 15-301.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes 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 when all other licensing requirements have been met for the following cases: 15-316 and 15-327.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to find probable cause for the following cases: 15-288, 15-306, 15-307, 15-309 and 15-324.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to close the following cases: 14-199, 14-200, 15-228, 15-296 and 15-303.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

After discussing IREC Case No. 12-347 and the allegations of the unlicensed practice of real estate,

Motion by Telford to close the file.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 15-272 and the allegations of the unlicensed practice of real estate.

Motion by Kimes to issue "Notice of Intent to Impose Civil Penalty" pursuant to 193E Iowa Administrative Code § 21.5 to the Respondent.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 15-278 and the allegations of the unlicensed practice of real estate.

Motion by Telford to close the file.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 15-318 and the allegations of the unlicensed practice of real estate.

Motion by Telford to initiate "Notice of Intent to Impose Civil Penalty" or propose a "Cease and Desist Order by Consent Agreement" for the Respondent's consideration.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Future Meeting Dates:

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

Wednesday, February 3 (DeMott, Kimes)
Wednesday, March 2 (Duggan, Stolk)
Wednesday, April 6
Wednesday, May 4
Wednesday, June 8
No July Meeting
Wednesday, August 3

Commission Meetings

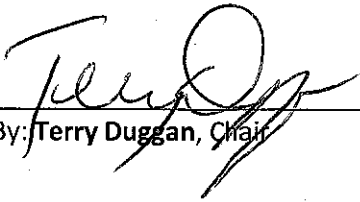
Tuesday, December 22
Thursday, February 4
Wednesday, March 3
Thursday, April 7
Thursday, May 5
Thursday, June 9
No July Meeting
Thursday, August 4

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 10:47 a.m.

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

2-4-16
Date


By: Terry Duggan, Chair

**Iowa Real Estate Commission
Staff Report (For November 2015)
December 3, 2015 IREC Meeting**

LICENSING TOTALS:

	Firms	<u>Brokers</u>		<u>Salespeople</u>		<u>TOTAL LICENSEES</u>
		Active	Inactive	Active	Inactive	
November 2015	1,253	3,442	461	5,807	1,404	11,114
November 2014	1,246	3,463	468	5,581	1,379	10,915

EXAMINATIONS ADMINISTERED BY PSI:

	<u>October</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Broker	42	248	315	281	207	245	233
Salesperson	159	1,345	1,501	1,212	952	781	916

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>November</u>	<u>Year To Date</u>
2007		1,113
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015	57	936

BACKGROUND CHECKS:

Year to Date average turnaround time is 21 days.

AUDITS:

	<u>November</u>	<u>Year To Date Totals</u>
Continuing Education	50	452
E & O	33	559
Trust Account	26	320

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<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	4.8%	1.8%

2015 16.3% 2.9%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>November</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	21	329
Final Case Disposition	31	301
Signed Informal Settlement Agreements	18	127
Signed Applicant Consent Agreements	4	25
Signed Cease and Desist by Consent Agreement	-	2
Formal Hearings	2	3
License Denials	-	3
Civil Penalties Assessed	-	\$146,250
Continuing Education Hours Assessed	-	124
CPA Audits Assessed	-	5
Trust Account Reexaminations Assessed	-	6
Probations Assessed	-	1
Suspensions Assessed	-	3
Revocations/Voluntary Surrenders	-	2
Statement of Charges Filed (Outstanding)	-	9

REAL ESTATE EDUCATION REPORT:

	<u>November</u>	<u>Year To Date Totals</u>
Course Approvals	36	512
Instructor Approvals	10	57
Provider Approvals	2	22
Post Course Approvals	2	54
Prior Course Approvals	0	6
Denied Courses	3	30