

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
October 6, 2016

Commissioners present for all or part of the meeting

Terry Duggan, Chair
Dennis Stolk, Vice Chair
Mike Telford
John Goede
Jan DeMott

Commissioners not present

Helen Kimes

Staff present for all or part of the meeting

Jeff Evans, Executive Officer
Jill Simbro, Education Director
Tracy Lindgren, Licensing Specialist
Colleen Goddard, Trust Account Auditor
Lori SchraderBachar, Site Manager
Sandy Malek, Investigator
John Lundquist, Assistant Attorney General

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

Paul McLaughlin, Iowa Association of Realtors

Call to Order

Duggan called the meeting to order at 9:05 a.m.
Quorum was established.

Introductions of staff and public were made.

Motion by Telford to approve the agenda.

Seconded by Goede.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Approval of Minutes

Motion by DeMott to approve the open session and the closed session September 1, 2016 IREC meeting minutes.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports

None

Staff Reports

Lundquist reported on his attendance of the Association of Real Estate Licensed Law Officials (ARELLO) 2016 Annual Conference with Duggan and Evans in Vancouver, B.C. Lundquist stated that he found the content of the conference very useful, along with his continued networking with colleagues. Lundquist also updated the Commission on the Petition for Judicial Review that was filed on July 8, 2016, seeking

judicial review of a final administrative order issued by the Commission dated June 9, 2016 that revoked Edith L. Hines' broker license. Lundquist filed a Motion to Dismiss on August 18, 2016, as it was his opinion that Hines failed to comply with the service requirement of Iowa Code § 17A.19(2). On August 30, 2016, the Iowa District Court for Polk County granted the motion to dismiss.

SchraderBachar reported she contacted the Governor's office earlier in the week in regards to the open position on the Commission and that the Commission is in need of a public member with the following demographics; female, democrat or no party affiliation, and does not reside in the following counties: Clay, Dallas, Taylor, Clark, Dubuque or Scott. SchraderBachar also announced the promotion of Tracy Lindgren to the Background Coordinator position and that interviews will be conducted in the middle of October for the vacated licensing specialist position for the Architecture Board, Interior Design Board, Landscape Architecture Board, and Real Estate Commission. SchraderBachar encouraged the Commissioners that if they have any articles or remarks for the upcoming quarterly Professional Licensing Bureau newsletter, to have those submitted to Evans by November 1st.

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 September 2016 to the Commission. Evans mentioned the PLB Newsletter was distributed in September and wanted to be assured that the non-licensee members of the Commission were receiving the Newsletter. Evans announced that the proposed rule amendments for Chapters 3, 4, 5 were noticed on September 14th, with the public hearing that took place on October 4th. The public comments received were from IAR, supporting the proposed amendments. The Administrative Rules Review Committee will review the amendments at their statutory meeting on Tuesday, October 11th.

ARELLO

In September, Evans, Duggan and Lundquist attended the ARELLO 2016 Annual Conference, which was held in Vancouver, B.C. Canada. Evans presented the Commission with a written report, providing meeting highlights.

Administrative Rules

Motion by DeMott to Notice proposed amendments to 193E Iowa Administrative Code Chapters 16 and 17.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Public Comment

McLaughlin reported 640 realtors attended the Iowa Association of REALTORS® (IAR) Convention that took place September 13 – 16, 2016 in Coralville, Iowa. McLaughlin announced that Commissioner DeMott was this year's recipient of the O.G. Powell/Joan Ballantyne Distinguished Service Award. The award was presented at the Iowa Association of REALTORS® Inaugural Gala in Coralville.

Closed Session

Motion by Telford to enter into closed session pursuant to Iowa Code §§ 21.5(1)(a), 21.5(1)(d), 21.5(1)(f) and 543B.15(9) 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: DeMott, aye; Duggan, aye; Goede, aye; Stolk, aye; Telford, aye.

Motion passed unanimously.

The Commission entered into closed session at 9:26 a.m. and arose from there at 10:05 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 Goede to accept the signed settlements and/or consent agreements for the cases discussed in closed session and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for the following cases: 15-331, 16-099, 16-187, 16-190, 16-196, 16-224 and 16-231.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Goede to accept the signed settlements and/or consent agreements for the cases discussed in closed session and to authorize Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for IREC Case No. 16-188.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: Dugan

Motion passed.

Motion by Goede 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: 16-113 and 16-220

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk 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: 16-297, 16-301 and 16-302.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to grant licensure for IREC Case No. 16-276.

Seconded by Goede.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to find probable cause for the following cases: 16-127, 16-210, 16-261, 16-274, 16-279 and 16-294.

Seconded by Goede.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to close the following cases: 16-101, 16-237, 16-238, 16-266, 16-271 and 16-300.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to close IREC Case No. 15-107.

Seconded by Telford.

VOTE: Aye: Duggan, Goede, Stolk, Telford Nay: None Abstaining: DeMott

Motion passed.

Motion by Stolk to grant additional time to pay civil penalty for IREC Case No. 15-158 with a deadline of June 30, 2017.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott for staff to draft a letter for the individuals seeking a prelicense determination as discussed in closed session for IREC Case No. 16-305 and IREC Case No. 16-310.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 15-182 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 carried unanimously.

Discussion was held re: IREC Case No. 16-136 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 carried unanimously.

Discussion was held re: IREC Case No. 16-221 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 carried unanimously.

Future Meeting Dates

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

Wednesday, November 2 (Stolk, Kimes)

Commission Meetings

Thursday, November 3

Wednesday, November 30 (Duggan, TBD)

Wednesday, February 1

Wednesday, March 1

Wednesday, April 5

Wednesday, May 3

Thursday, December 1

Thursday, February 2

Thursday, March 2

Thursday, April 6

Thursday, May 4

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 10:32 a.m.

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

11-3-16

Date


By: Terry Duggan, Chair

**Iowa Real Estate Commission
 Staff Report (For September 2016)
 October 6, 2016 IREC Meeting**

LICENSING TOTALS:

	<u>Brokers</u>			<u>Salespeople</u>		<u>TOTAL LICENSEES</u>
	<u>Firms</u>	<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>	
September 2016	1,273	3,427	426	6,100	1,294	11,198
September 2015	1,253	3,434	452	5,817	1,354	11,247

EXAMINATIONS ADMINISTERED BY PSI:

	<u>July</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Broker	14	177	324	315	281	207	245
Salesperson	138	1,287	1,638	1,501	1,212	952	781

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>September</u>	<u>Year To Date</u>
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015		972
2016	46	810

BACKGROUND CHECKS:

Year to Date average turnaround time is 21 days.

AUDITS:

	<u>September</u>	<u>Year To Date Totals</u>
Continuing Education	50	393
E & O	-	295
Trust Account	32	256

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
2008	15%	4%
2009	33%	6%
2010	18%	5%
2011	15%	5%
2012	21%	5%
2013	11%	3%
2014	4.8%	1.8%
2015	15.9%	3.2%
2016	26.4%	5.3%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>September</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	35	315
Final Case Disposition	38	279
Signed Informal Settlement Agreements	13	120
Signed Applicant Consent Agreements	-	24
Signed Cease and Desist by Consent Agreement	1	4
Formal Hearings	-	2
License Denials	-	-
Civil Penalties Assessed	-	\$137,250
Continuing Education Hours Assessed	-	224
CPA Audits Assessed	-	1
Trust Account Reexaminations Assessed	-	3
Probations Assessed	-	1
Suspensions Assessed	-	-
Revocations/Voluntary Surrenders	-	2
Statement of Charges Filed (Outstanding)	-	9

REAL ESTATE EDUCATION REPORT:

	<u>September</u>	<u>Year To Date Totals</u>
Course Approvals	55	523
Instructor Approvals	5	69
Provider Approvals	2	15
Post Course Approvals	10	17
Prior Course Approvals	-	30
Denied Courses	3	11