

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
November 3, 2016

Commissioners present for all or part of the meeting

Terry Duggan, Chair
Dennis Stolk, Vice Chair
Helen Kimes
Mike Telford
John Goede (via telephone)

Commissioners not present

Jan DeMott

Staff present for all or part of the meeting

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

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

None

Call to Order

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

Introductions of new Commission staff were made.

Motion by Telford to approve the agenda.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Approval of Minutes

Motion by Kimes to approve the open session and the closed session October 6, 2016 IREC meeting minutes.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports

Duggan reported that he recently received his renewal notices via mail from Rice Insurance Services Company, LLC (RISC) and emphasized the importance and value of maintaining errors and omissions insurance.

Staff Reports

SchraderBachar reported she is excited to have a full staff. The quarterly Professional Licensing Newsletter will be available by end of December.

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 announced that real estate licensure renewals will begin on Monday, November 14th for approximately 4,600 licenses that are set to expire on December 31, 2016.

Administrative Rules

Motion by Kimes to adopt the amendments made to 193E Iowa Administrative Code Chapters 3, 4 and 5.

Seconded by Telford.

Discussion led by Duggan acknowledging the nice work done by everyone involved in the process.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Public Comment

None

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 Stolk.

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

Motion passed unanimously.

The Commission entered into closed session at 9:10 a.m. and arose from there at 10:07 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 Stolk 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: 16-222, 16-236, 16-242, 16-264, and 16-294.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to find probable cause 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 agreement for IREC Case No. 16-227.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to enter into a Consent Agreement with the Applicants, with Executive Officer Evans signing on behalf of the Commission and then grant licensure when all other licensing requirements have been met for IREC Case No. 16-326.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to grant licensure for IREC Case No. 16-319.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to grant authorization to take the appropriate licensing examination for IREC Case No. 16-287 and have Commission staff draft a letter for a prelicense determination as discussed in closed session.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to issue a Notice of Intent to Deny License for IREC Case No. 16-296.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to find probable cause for the following cases: 16-285, 16-309, 16-317.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to find probable cause for IREC Case No. 16-209.

Seconded by Kimes.

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

Motion passed.

Motion by Telford to close the following cases: 13-214, 16-251, 16-269, 16-288, 16-293, 16-303, and 16-318.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 15-148 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. 16-250 and the allegations of the unlicensed practice of real estate.

Motion by Goede to issue "Notice of Intent to Impose Civil Penalty" in the amount of \$5,000 pursuant to 193E Iowa Administrative Code § 21.5.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion carried unanimously.

Discussion was held re: IREC Case No. 16-251 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. 16-290 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.

Future Meeting Dates

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

Wednesday, November 30 (Duggan, Stolk)
Wednesday, February 1 (Kimes, Goede)
Wednesday, March 1
Wednesday, April 5
Wednesday, May 3

Commission Meetings

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 10:20 a.m.

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

12-1-16
Date


By: Terry Duggan, Chair

**Iowa Real Estate Commission
Staff Report (For October 2016)
November 3, 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>	
October 2016	1,275	3,431	435	6,126	1,311	11,303
October 2015	1,253	3,434	452	5,817	1,354	11,247

EXAMINATIONS ADMINISTERED BY PSI:

	<u>September</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Broker	15	192	324	315	281	207	245
Salesperson	87	1,374	1,638	1,501	1,212	952	781

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>October</u>	<u>Year To Date</u>
2008		861
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015		972
2016	51	861

BACKGROUND CHECKS:

Year to Date average turnaround time is 21 days.

AUDITS:

	<u>October</u>	<u>Year To Date Totals</u>
Continuing Education	50	443
E & O	89	384
Trust Account	24	281

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	22.4%	4.7%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>October</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	27	342
Final Case Disposition	28	308
Signed Informal Settlement Agreements	10	131
Signed Applicant Consent Agreements	3	27
Signed Cease and Desist by Consent Agreement	0	4
Formal Hearings	-	2
License Denials	-	-
Civil Penalties Assessed	-	\$148,000
Continuing Education Hours Assessed	-	248
CPA Audits Assessed	-	1
Trust Account Reexaminations Assessed	-	4
Probations Assessed	-	1
Suspensions Assessed	-	-
Revocations/Voluntary Surrenders	-	2
Statement of Charges Filed (Outstanding)	-	9

REAL ESTATE EDUCATION REPORT:

	<u>October</u>	<u>Year To Date Totals</u>
Course Approvals	30	553
Instructor Approvals	5	74
Provider Approvals	2	17
Post Course Approvals	17	34
Prior Course Approvals	10	40
Denied Courses	6	17