

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
May 4, 2017

Commissioners present for all or part of the meeting

Terry Duggan, Chair	Jan DeMott
Dennis Stolk, Vice-chair	Mike Telford

Commissioners not present

Helen Kimes

Staff present for all or part of the meeting

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

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

Paul McLaughlin, Iowa Association of Realtors (IAR)

Call to Order

Stolk called the meeting to order at 9:10 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.

Election of Officers

Motion by Stolk to nominate Duggan as Chairman of the Commission.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to nominate Stolk as Vice-chairman of the Commission.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Approval of Minutes

Motion by Telford to approve the open session and the closed session April 6, 2017 IREC meeting minutes.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports

Duggan reported on his attendance at the 2017 ARELLO Mid-Year meeting held in Louisville, KY in April. He felt the meeting was productive and informative and felt the keynote speaker that addressed the conference attendees was very good.

Staff Reports

Lundquist expressed appreciation to the Commission for authorizing him to also attend the ARELLO meeting. He also felt that the meeting was very productive and placed value on the networking with his colleagues from other jurisdictions.

SchraderBachar reported one new Commission member, Elizabeth Hanson, from Polk County, has been appointed by the Governor to complete the term of public member Carol Haines, and her term expires on April 30, 2018. SchraderBachar stated there is one industry member position still open and encouraged the Commissioners to refer potential candidates to apply with the Governor's office. The Bureau continues to make progress working with Vertiba to have the new PLB licensing system operational in September.

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 reported that Commissioner DeMott was appointed to her second term with the Commission and confirmed by the Senate on April 19, 2017. Evans also reported that PLB is interviewing for a new Licensing Specialist who will replace Black. Black is leaving state employment in early July.

ARELLO

2017 Mid-Year Meeting, April 26-29, 2017 in Louisville, Kentucky

Evans reported that the Mid-Year meeting was very beneficial as it provided great networking opportunities for attendees to discuss similar issues with other states' representatives. One of the topics discussed was teams and other items as it pertained to real estate licensees and their advertising practices.

District 2/3 Conference, June 8-10, 2017 in Charleston, West Virginia

Motion by Telford for the Commission to approve sending Malek to the 2017 ARELLO District 2/3 Conference.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Request for Proposal for Professional Examination Services

Evans reported he is working with the Department of Administrative Services on the RFP for the real estate examinations, as the current contract with PSI expires June 30, 2017. Evans spoke of the possibility there will be a June Commission meeting conference call to discuss and vote on the new contract.

2017 Proposed Legislation

Discussion was held on House File 541, which was signed by the Governor in April and will become effective July 1, 2017. Both Evans and Lundquist reviewed the highlights of the bill. Evans thanked McLaughlin for the efforts of McLaughlin, Jennifer Kingland, and the Iowa Association of Realtors. Evans added that the rulemaking process will need to commence to implement the changes in the statute.

Public Comment

None

Closed Session

Motion by DeMott 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 Telford.

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

Motion passed unanimously.

The Commission entered into closed session at 9:36 a.m. and arose from there at 10:42 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 Telford 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: 16-216, 16-262, 17-016, 17-028, 17-037 and 17-038.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk 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. 16-248, 17-057, 17-058, 17-068, 17-069, 17-072, 17-078, 17-079 and 17-094.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

After discussion, Motion by Telford to enter into a Consent Agreement with the Applicant, 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. 17-092.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to enter into a Consent Agreement with the Applicant, 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. 17-100.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to enter into a Consent Agreement with the Applicant, 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. 17-105.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to grant licensure for IREC Case No. 17-101.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to find probable cause for the following cases: 16-308, 17-003, 17-036, 17-066, 17-081, 17-084, 17-085, 17-088, 17-089, 17-095, and 17-096 as discussed in closed session.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to close the following cases: 16-253, 16-254, 17-007, 17-055, 17-067 and 17-074 as discussed in closed session.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 16-342 and the allegations of the unlicensed practice of real estate.

Motion by DeMott to close the file.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 17-060 and the allegations of the unlicensed practice of real estate.

Motion by Telford to close the file.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 17-063 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, May 31 (Duggan, Telford)
No July Meeting
Wednesday, August 2 (Duggan, Kimes)
Wednesday, September 6 (DeMott, TBD)
Wednesday, October 4
Wednesday, November 1
Wednesday, December 6
No January Meeting

Commission Meetings

Thursday, June 1
No July Meeting
Thursday, August 3
Thursday, September 7
Thursday, October 5
Thursday, November 2
Thursday, December 7
No January Meeting

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 11:27 am.

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

6-1-17

Date


By: Terry Duggan, Chair

Iowa Real Estate Commission Staff Report (For April 2017) May 4, 2017 IREC Meeting

LICENSING TOTALS:

	<u>Brokers</u>			<u>Salespeople</u>		<u>TOTAL IND. LICENSEES</u>
	<u>Firms</u>	<u>Active</u>	<u>Inactive</u>	<u>Active</u>	<u>Inactive</u>	
April 2016	1,259	3,379	405	5,846	1,202	10,832
April 2017	1,277	3,365	396	6,033	1,200	10,994

EXAMINATIONS ADMINISTERED BY PSI:

	<u>March</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Broker	21	56	298	324	315	281	207
Salesperson	161	485	1,796	1,638	1,501	1,212	952

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>April</u>	<u>Year To Date</u>
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015		972
2016		1,031
2017	35	270

BACKGROUND CHECKS:

Year to Date average turnaround time is 22 days.

AUDITS:

	<u>April</u>	<u>Year To Date Totals</u>
Continuing Education	58	108
E & O	54	130
Trust Account	26	108

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
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	23.44%	4.7%
2017	13.85%	0%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>April</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	18	109
Final Case Disposition	23	96
Signed Informal Settlement Agreements	9	30
Signed Applicant Consent Agreements	2	5
Signed Cease and Desist by Consent Agreement	-	2
Formal Hearings	1	1
License Denials	-	1
Civil Penalties Assessed	-	\$42,250
Continuing Education Hours Assessed	-	88
CPA Audits Assessed	-	2
Trust Account Reexaminations Assessed	-	1
Probations Assessed	-	1
Suspensions Assessed	-	2
Revocations/Voluntary Surrenders	-	-
Statement of Charges Filed (Outstanding)	-	9

REAL ESTATE EDUCATION REPORT:

	<u>April</u>	<u>Year To Date Totals</u>
Course Approvals	29	221
Instructor Approvals	3	20
Provider Approvals	1	5
Post Course Approvals	3	16
Prior Course Approvals	1	5
Denied Courses	3	4