

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
June 1, 2017

Commissioners present for all or part of the meeting

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

Commissioners not present

Helen Kimes

Staff present for all or part of the meeting

Jeff Evans, Executive Officer	Diane Welcher, 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	Joan Hilgenberg, Terrus Real Estate Group
Lyndsay Robinson, Terrus Real Estate Group	Rosemarie Waskel, Terrus Real Estate Group

Call to Order

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

Introductions were made.

Motion by DeMott to approve the agenda.

Seconded by Stolk.

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 May 4, 2017 IREC meeting minutes.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Commissioner Reports

None.

Staff Reports

Lundquist welcomed new Commissioner Hansen to the Iowa Real Estate Commission.

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. The Bureau continues to make progress working with Vertiba to hopefully have the new PLB licensing system operational and live in September. Evans reported on his progress on the RFP for examination services. Evans welcomed Welcher to the Bureau as a Licensing Specialist.

ARELLO

After discussion, motion by Telford for the Commission to approve Evans, Lundquist and Commissioner Duggan to attend the 2017 Annual Conference in Honolulu, Hawaii from September 22 – 24, 2017.

Seconded by DeMott.

VOTE: Aye: DeMott, Hansen, Stolk, Telford Nay: None Abstaining: Duggan
Motion passed.

Request for Proposal for Professional Examination Services

Evans reported he is working with the Department of Administrative Services and Lundquist on the RFP to seek out a qualified contractor to provide electronic professional examination services and examination administration services, as the current contract with PSI Services, LLC expires June 30, 2017. It was discovered that there would be a possibility that additional time would be needed to implement the examination in the event the incumbent was not awarded the contract.

After discussion, motion by Stolk to grant a three (3) month contract extension with PSI Services, LLC beginning July 1, 2017.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None
Motion passed unanimously.

Administrative Rules 193E – Chapter 7

After discussion, motion by Telford to file notice of intended action for the amendments made to 193E Chapter 7.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None
Motion passed unanimously.

Discussion was also held concerning House File 541, which amended Iowa Code § 558A and now allows for the electronic delivery of the property condition disclosure form. When speaking about the proposed changes to 193E Iowa Administrative Code chapter 14, the Commission came to a consensus that there should be an acknowledgement of receipt if the property condition disclosure form is electronically delivered.

Communications

After discussion, motion made by Telford to grant waiver 17-04, which asked to waive 193E Iowa Administrative Code § 4.1(10), which requires an applicant applying for an original salesperson license to complete all the required education during the 12 months prior to the date of application. The petitioner, Lyndsay Robinson, spoke to the Commission and provided details on her family hardships in 2016 and why she was unable to complete all of the required pre-licensing education within 12 months prior to submitting her real estate salesperson application.

Seconded by Stolk.

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

Motion passed.

Public Comment

McLaughlin reported the Iowa Association of Realtors (IAR) Summer Jubilee is being held in Davenport, Iowa from June 6 – 8, 2017. McLaughlin also reported that IAR formed an advisory group to review possible options for buying, building, or leasing in the Des Moines Metro area. IAR's current lease is up in the spring of 2019.

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; Hansen, aye; Stolk, aye; Telford, aye.

Motion passed unanimously.

The Commission entered into closed session at 10:16 a.m. and arose from there at 11:37 a.m.

Open Session

Motion by DeMott 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: 16-150, 16-244, 17-040, 17-088, and 17-089.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott 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. 16-392, 17-090, 17-093, 17-103, and 17-107.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk 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. 17-135 and IREC Case No. 17-145.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to grant licensure for IREC Case No. 17-134.

Seconded by Hansen.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Stolk to find probable cause for the following cases: 15-270, 17-113, 17-115, 17-119, 17-128 and 17-133 as discussed in closed session.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott to close the following cases: 17-073, 17-075, 17-082, 17-098, 17-110, 17-111, 17-114, and 17-127 as discussed in closed session.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott to close IREC Case No. 16-343 as discussed in closed session.

Seconded by Telford.

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

Motion passed.

Discussion was held re: IREC Case No. 16-365 and the allegations of the unlicensed practice of real estate.

Motion by Stolk to close the file.

Seconded by Hansen.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 16-366 and the allegations of the unlicensed practice of real estate.

Motion by Telford to issue "Notice of Intent to Impose Civil Penalty" in the amount of \$3,000 pursuant to 193E Iowa Administrative Code § 21.5.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 16-367 and the allegations of the unlicensed practice of real estate.

Motion by Telford to issue "Notice of Intent to Impose Civil Penalty" in the amount of \$3,000 pursuant to 193E Iowa Administrative Code § 21.5.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 17-022 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

No July Meeting
Wednesday, August 2 (Duggan, Kimes)
Wednesday, September 6 (DeMott, Hansen)
Wednesday, October 4 (Stolk, Telford)
Wednesday, November 1
Wednesday, December 6
No January Meeting

Commission Meetings

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 11:48 am.

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

8-3-17
Date


By: TERRANCE M. DUGGAN, Chair

**Iowa Real Estate Commission
Staff Report (For May 2017)
June 1, 2017 IREC Meeting**

LICENSING TOTALS:

	Firms	<u>Brokers</u>		<u>Salespeople</u>		<u>TOTAL IND. LICENSEES</u>
		Active	Inactive	Active	Inactive	
May 2016	1,260	3,393	405	5,935	1,209	10,942
May 2017	1,284	3,390	398	6,118	1,209	11,115

EXAMINATIONS ADMINISTERED BY PSI:

	<u>April</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Broker	34	90	298	324	315	281	207
Salesperson	217	702	1,796	1,638	1,501	1,212	952

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>May</u>	<u>Year To Date</u>
2009		531
2010		604
2011		562
2012		625
2013		835
2014		845
2015		972
2016		1,031
2017	130	499

BACKGROUND CHECKS:

Year to Date average turnaround time is 20 days.

AUDITS:

	<u>May</u>	<u>Year To Date Totals</u>
Continuing Education	50	158
E & O	41	171
Trust Account	22	131

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	15.79%	1.9%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>May</u>	<u>Year To Date Totals</u>
Complaint Cases Opened	36	145
Final Case Disposition	35	131
Signed Informal Settlement Agreements	15	45
Signed Applicant Consent Agreements	3	8
Signed Cease and Desist by Consent Agreement	-	2
Formal Hearings	-	1
License Denials	-	1
Civil Penalties Assessed	-	\$60,750
Continuing Education Hours Assessed	-	112
CPA Audits Assessed	-	3
Trust Account Reexaminations Assessed	-	1
Probations Assessed	-	1
Suspensions Assessed	-	2
Revocations/Voluntary Surrenders	-	-
Statement of Charges Filed (Outstanding)	-	10

REAL ESTATE EDUCATION REPORT:

	<u>May</u>	<u>Year To Date Totals</u>
Course Approvals	31	252
Instructor Approvals	5	25
Provider Approvals	1	6
Post Course Approvals	7	23
Prior Course Approvals	-	5
Denied Courses	1	5