

Iowa Real Estate Commission  
200 East Grand, Suite 350  
Des Moines, IA 50309  
MINUTES  
April 12, 2018

**Commissioners present for all or part of the meeting**

Terry Duggan, Chair	Helen Kimes
Dennis Stolk, Vice Chair	Elizabeth Hansen
Michael Telford	

**Commissioners not present for meeting**

Janet DeMott

**Staff present for all or part of the meeting**

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

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

Jim Clingman, Bridge City Realty	Tanny Miller, Exit Realty
Paul McLaughlin, Iowa Association of Realtors	Kyle Olson, Exit Realty

**Call to Order**

Duggan called the meeting to order at 9:07 a.m.  
Quorum was established.  
Introductions were made.

**Motion by Stolk to approve the agenda.**

Seconded by Hansen.

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 March 1, 2018 IREC meeting minutes.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Commissioner Reports**

Duggan and Stolk both reported on their recent attendance at ARELLO's 2018 Mid-Year meeting held in New Orleans, Louisiana. Duggan thanked Hansen for her time on the Commission.

**Staff Reports**

Lundquist reported on his attendance at ARELLO's 2018 Mid-Year meeting held in New Orleans, LA. 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. Lundquist announced that the hearing scheduled for today was cancelled due to receiving a signed settlement agreement. He mentioned that there are two hearings scheduled for May.

Evans reminded the Commissioners that if they expect to be reimbursed for travel expenses, original and itemized receipts would need to be submitted to staff. Evans congratulated Duggan on his reappointment to the Commission and to Clingman on his appointment to the Commission beginning May 1, 2018. Evans thanked Hansen for her time on the Commission and that staff appreciated her attendance, preparation, and efforts at the meetings. Evans also discussed the new Google shared drive with the Commission, where meeting packets will be available electronically starting with the May Commission meeting.

#### **Real Estate Errors and Omission Insurance**

After discussion, **Motion by Telford to extend the real estate errors and omissions program contract with Rice Insurance Services Co. for one year at the current premium rate of \$148 per license.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

#### **Communications**

After discussion, **Motion by Telford to grant waiver 18-02.** The petitioner, who is a licensed attorney in Iowa since 2010, asked the Commission for a waiver of 193E Iowa Administrative Code §§ 4.1(9) & 16.2(1) and the requirement that a newly licensed salesperson complete the required sixty (60) classroom or computer-based hours of real estate principles and practices. The Commission does require that at the time of the application for licensure the Petitioner provide evidence of completion of 12 hours of Developing Professionalism and Ethical Practices, 12 hours of Buying Practices, and 12 hours of Listing Practices.

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

After discussion, **motion made by Telford to grant waiver 18-03.** The petitioner 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. Tanny Miller, petitioner, spoke to the Commission and explained that she misunderstood the education guidelines and was not aware of the twelve month requirement and was asking that all of her prelicense education be accepted, despite the fact that all of the required coursework was older than twelve months. She stated that her husband is away often due to his service in the Military and that they were in the midst of adopting a foster child. Kyle Olson, petitioner's employing broker, also spoke on the petitioner's behalf.

Seconded by Hansen.

VOTE: Roll call: Duggan, nay; Hansen, aye; Kimes, nay; Stolk, nay; Telford, aye;

Motion denied.

After further discussion, **Motion by Telford to grant waiver 18-03 in part, 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; and 193E Iowa Administrative Code § 4.3, which requires an applicant applying for an original**

**salesperson application to submit an application no later than the last working day of the sixth calendar month following the passing of the real estate examination. Telford moved to waive the application deadlines for the 60-hour pre-license course and qualifying real estate examination, but only upon the Petitioner providing evidence of completion of 12 hours of Developing Professionalism and Ethical Practices, 12 hours of Buying Practices, and 12 hours of Listing Practices and submitting a completed application on or before September 1, 2018.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

After discussion, **Motion by Telford to deny waiver 18-04.** The petitioner, who became licensed as a salesperson in Iowa on February 7, 2018, 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. The Commission did not feel the petitioner provided documented experience substantially equal to that which a licensed real estate salesperson would ordinarily receive during a period of twenty-four months.

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

After discussion, **motion made by Kimes to grant waiver 18-05, 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.**

Petitioner is requesting a 17-day extension of her 60-hour pre-license salesperson course.

Seconded by Telford.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

### **2018 Legislation**

Lundquist reported on House File 2343, an Act prohibiting state agencies from implementing or enforcing any standard, requirement, or threshold without clear authorization. The bill passed the Iowa House on February 27<sup>th</sup>, 95-2 and the Iowa Senate on March 20<sup>th</sup>, 46-3.

### **ARELLO**

#### **2018 Mid-Year Meeting, April 4-7, 2018 in New Orleans, Louisiana**

Evans reported on his attendance at ARELLO's 2018 Mid-Year meeting held in New Orleans, Louisiana. Evans stated that the Mid-Year meeting was very beneficial as it provided great networking opportunities for attendees to discuss similar issues with other states' representatives.

### **Public Comment**

McLaughlin reported on the legislative issues that the Iowa Association of Realtors (IAR) is following and IAR's Summer Jubilee is being held in Okoboji, Iowa from June 6 – 8, 2018.

### **Formal Hearing:**

The hearing scheduled for IREC Case Nos. 17-129, 17-130 has been continued pursuant to the request of The State of Iowa after a signed consent agreement was received from the Respondent. To permit the Commission an opportunity to review the settlement agreement, the formal hearing set in this matter was cancelled and the matter will be rescheduled for a future date if deemed necessary.

**Presentation to Outgoing Commission Member Liz Hansen**

Hansen was presented with a plaque by Chair Duggan to recognize her year of service and commitment to the Commission. Hansen served on the Commission from May 1, 2017 through April 30, 2018. Cake was served and a picture was taken with Hansen and Chair Duggan. Commissioners and staff thanked Hansen for her service.

**Motion by Kimes 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 Hansen.

VOTE: Roll call: Duggan, aye; Hansen, aye; Kimes, aye; Telford, aye; Stolk, aye

Motion passed unanimously.

The Commission entered into closed session at 10:00 a.m. and arose from there at 11:06 a.m.

**Open Session**

**Motion by Stolk to return to open session.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Telford to accept the signed settlement agreement in lieu of the contested case hearing that was scheduled for today for IREC Case Nos. 17-129, 17-130 and to authorize Duggan (Chair), Stolk (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed Settlement Agreement.**

Seconded by Hansen.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Kimes 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 Jeff Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for the following cases: 17-035, 17-044, 17-123, 17-137, 17-216, 17-217, 17-221 and 17-270.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Telford to grant licensure for IREC Case Nos. 18-044, 18-057, 18-060 and 18-065.**

Seconded by Hansen.

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 Cases Nos. 18-042, 18-052, and 18-072.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Hansen to find probable cause for the following cases: 17-261, 18-020, 18-035, and 18-048 as discussed in closed session.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

**Motion by Hansen to close the following cases: 17-047, 17-235, 17-236, 17-259, 17-262, 17-285, 17-286, 18-009, 18-016, 18-030, 18-031, 18-032, 18-033, 18-036, 18-041, and 18-055 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. 17-193 and the allegations of the unlicensed practice of real estate.

**Motion by Kimes to close the file.**

Seconded by Hansen.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 17-256 and the allegations of the unlicensed practice of real estate.

**Motion by Stolk to close the file.**

Seconded by Kimes.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 17-263 and the allegations of the unlicensed practice of real estate.

**Motion by Stolk to accept the signed consent agreement and to authorize Duggan (Chair), Stolk (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed Cease and Desist Order by Consent Agreement for IREC Case No 17-263.**

Seconded by Telford.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 17-264 and the allegations of the unlicensed practice of real estate.

**Motion by Telford to issue a "Notice of Intent to Impose Civil Penalty" in the amount of \$1,000 pursuant to 193E Iowa Administrative Code § 21.5.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

Discussion was held re: IREC Case No. 17-265 and the allegations of the unlicensed practice of real estate

**Motion by Telford to issue a "Notice of Intent to Impose Civil Penalty" in the amount of \$1,000 pursuant to 193E Iowa Administrative Code § 21.5.**

Seconded by Stolk.

VOTE: Aye: All                      Nay: None                      Abstaining: None

**Future Meeting Dates**

Future IREC meetings are tentatively scheduled as follows:

**Investigation Committee**

May 2, 2018 (Kimes/DeMott)  
June 6, 2018 (Telford/Clingman)  
No July Meeting  
August 1, 2018

**Commission Meetings**

May 3, 2018  
June 7, 2018  
No July Meeting  
August 2, 2018

**Meeting Adjourned**

With all agenda items covered, the meeting adjourned at 11:20 am.

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

5-3-18  
Date

  
By: **TERRANCE M. DUGGAN**, Chair