

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
November 1, 2018

Commissioners present for all or part of the meeting

Terry Duggan, Chair	Helen Kimes
Dennis Stolk, Vice Chair	Michael Telford
Jim Clingman	

Commissioners not present for the meeting

Jan DeMott

Staff present for all or part of the meeting

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

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

Kathleen O'Neill, IA Dept. of Appeals	Forrest Guddall, DIA-AHD
Sandy Malek, Retired	Theresa Kenkel, Court Reporter
Zak Hingst, IA Division of Banking	Jennifer Jaschen, Homes Services of Iowa

Call to Order

Duggan called the meeting to order at 9:03 a.m.
Quorum was established.

Motion by Telford to approve the agenda.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Approval of Minutes

Motion by Clingman to approve the open session and the closed session September 6, 2018 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 2018 ARELLO annual conference on September 26-29 in St. Louis, MO.

Staff Reports

Lundquist reported there would be a hearing scheduled for 9:30 a.m. today and on his attendance at the 2018 ARELLO annual conference on September 26-29 in St. Louis, MO.

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 also reminded the Commissioners that fall renewals begin November 16, 2018 and that staff has updated both the 2018 Renewal Tips and the frequently asked questions on the PLB website. Evans thanked those involved with the hearing today for their attendance and preparation.

SchraderBachar reported that the Commission's open seat for a public member is still open and encouraged the Commissioners for referrals. Discussion was held on the requirements for the current open seat. SchraderBachar announced Lucas Longman, who was not in attendance, as the Professional Licensing Bureau's new Investigator; his expected start date is November 5, 2018.

ARELLO

Evans reported on his attendance at the 2018 ARELLO annual conference on September 26-29 in St. Louis, MO. Evans acknowledged and praised Lundquist as an Iowa Representative. Evans stated that all ARELLO reports are on the shared Google drive, along with Goddard's Investigator Workshop report.

Administrative Rules

SchraderBachar reported that a public hearing was held on September 5, 2018 concerning the Notice of Intended Action for Administrative Rules 193, ARC4007C re: Chapter 1 re: Organization and Operation. No public attended.

Motion by Telford to have staff "Notice to Adopt" ARC 4007C and the changes made to 193 Chapter 1.
Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Public Comment

None.

Closed Session (1)

Motion by Stolk 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 Clingman.

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

Motion passed unanimously.

The Commission entered into closed session at 9:15 a.m. and arose from there at 9:35 a.m.

Open Session (1)

Motion by Telford to return to open session.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Clingman 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: 16-369, 17-112, 17-147, 17-271, 17-272, 18-129, and 18-163.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Clingman to accept the signed settlement and/or consent agreement for the case discussed in closed session and to authorize Stolk (Vice Chair) or Jeff Evans (Executive Officer) to sign the accepted, signed Settlement Agreement/Consent Agreement for IREC Case No. 18-152.

Seconded by Telford.

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

Motion passed.

Motion by Clingman to find probable cause for the case discussed in closed session and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted, signed settlement agreement for the following case: 18-192.

Seconded by Kimes.

VOTE: Aye: Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to grant licensure for IREC Case No. 18-213.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Clingman 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. 18-209 and IREC Case No. 18-210.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to find probable cause for the following cases: 18-200 and 18-212.

Seconded by Clingman.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to close IREC Case No. 18-201 as discussed in closed session.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 18-130 and the allegations of the unlicensed practice of real estate.

Motion by Clingman to accept the signed consent agreement and cease and desist order and to authorize Duggan (Chair), Stolk (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed agreement.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Duggan left the meeting at 9:40 a.m. and rejoined at 9:42 a.m.

Discussion was held re: IREC Case No. 18-151 and the allegations of the unlicensed practice of real estate.

Motion by Telford to accept the signed consent agreement and cease and desist order and to authorize Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted, signed agreement.

Seconded by Kimes.

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

Motion passed.

Meeting recessed at 9:42 a.m. and reconvened at 9:52 a.m.

Formal Hearing

A hearing was held before the Commission in Case No. 18-162. Administrative Law Judge Forrest Guddall assisted the Commission in conducting the hearing and a certified court reporter recorded the proceedings. The hearing was open to the public. Hearing commenced at 9:53 a.m. and concluded at 10:52 a.m.

Closed Session (2)

Motion by Telford to enter into closed session pursuant to Iowa Code Section 21.5(1)(f) to deliberate IREC case No. 18-162.

Seconded by Kimes.

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

Motion passed unanimously.

The Commission entered into closed session at 10:53 a.m. and arose from there at 11:38 a.m.

Open Session (2)

Motion by Stolk to return to open session.

Seconded by Clingman.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to request that Administrative Law Judge Guddall prepare a written decision for IREC Case No. 18-162 in accordance with the findings and deliberations made in closed session.

Seconded by Stolk.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Future Meetings

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

Tuesday, December 18
No January Meeting
Wednesday, February 6
Wednesday, March 6
Wednesday, April 3
Wednesday, May 1
Wednesday, June 5
No July Meeting

Commission Meetings

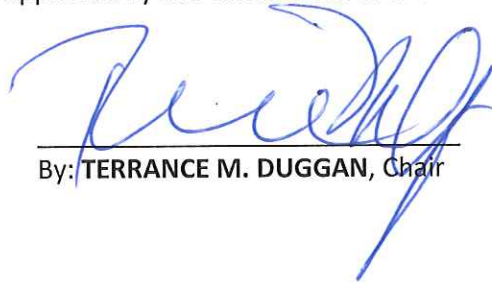
Wednesday, December 19
No January Meeting
Thursday, February 7
Thursday, March 7
Thursday, April 4
Thursday, May 2
Thursday, June 6
No July Meeting

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 11:43 a.m.

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

12-19-18
Date


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

Iowa Real Estate Commission Staff Report – As of 10/31/18 November 1, 2018 IREC Meeting

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>	<u>FIRMS</u>
Active	6,669	3,098		
Inactive	1,373	404		
Suspended	13	20		
TOTAL	8,055	3,522	11,559	1,101

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Broker	177	296	298	324	315	281
Salesperson	1,570	2,091	1,796	1,638	1,501	1,212

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>Year To Date</u>
2010	604
2011	562
2012	625
2013	835
2014	845
2015	972
2016	1,031
2017	978
2018	921

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2018)</u>
Exam	748	57	
Rule 5.3	72	29	
Reciprocity	15	18	
TOTAL	835	104	939

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

<u>Turnaround Time (Days)</u>		<u>2018</u>
Minimum	7	Total Processed 1,018
Maximum	157	
Average	11	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	168
E & O	569
Trust Account	361

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
2012	21%	5%
2013	11%	3%
2014	4.8%	1.8%
2015	15.9%	3.2%
2016	23.44%	4.7%
2017	17.87%	2.9%
2018	4.22%	0.59%

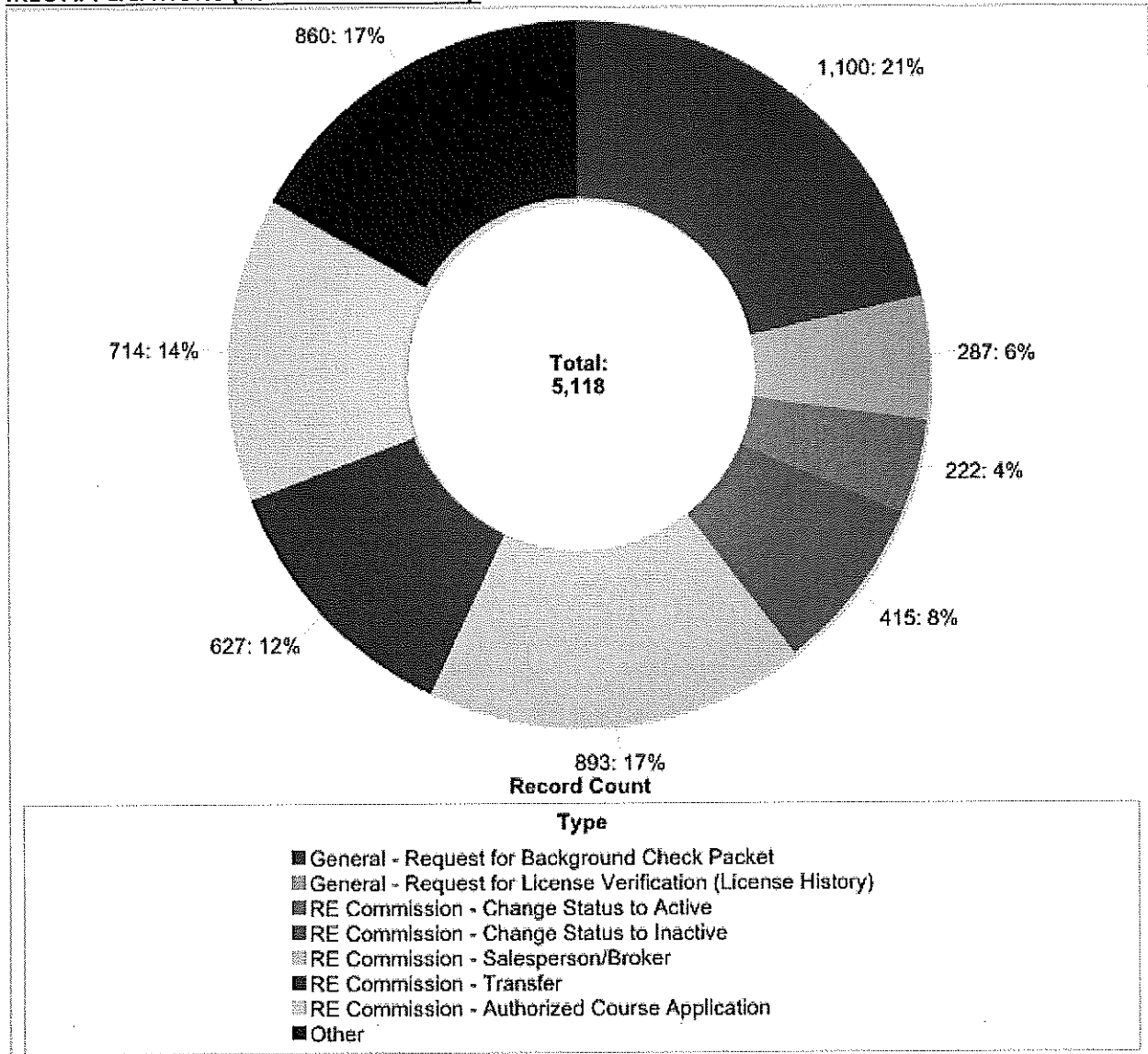
INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	217
<u>Commission Action:</u>	
Closed	69
Closed and Granted License	8
Closed with Informal Cautionary Letter	24
Signed Informal Settlement Agreements	67
Signed Applicant Consent Agreements	7
Signed Cease and Desist by Consent Agreement	1
Statement of Charges Filed	1
License Denials	1
Formal Hearings	-
Total	178
<u>IREC Staff Action:</u>	
Closed	51
License Suspension	2
Total	53
Complaint Cases Closed YTD	231
Average Amount Of Time (Open To Close)	140 Days
<u>Disciplinary Action Totals:</u>	
Civil Penalties Assessed	\$86,250
Continuing Education Hours Assessed	172
CPA Audits Assessed	2
Trust Account Reexaminations Assessed	5
Probations Assessed	1
Suspensions Assessed	1
Revocations/Voluntary Surrenders	-
Statement of Charges Filed (Outstanding)	2

REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	527
Instructor Approvals (New/Renewed)	47
Provider Approvals (New/Renewed)	25
Pre/Post Course Approvals	37
Denied Courses	-

IREC APPLICATIONS (2018 YEAR-TO-DATE):



IREC LICENSES WITH 12/31/18 EXPIRATION DATE:

