Iowa Real Estate Commission 200 East Grand, Suite 350 Des Moines, IA 50309 **MINUTES** February 7, 2019

Commissioners present for all or part of the meeting

Terry Duggan, Chair via teleconference.

Helen Kimes

Dennis Stolk, Vice Chair

Michael Telford

Jan DeMott

Commissioners not present for the meeting

Jim Clingman

Staff present for all or part of the meeting

Jeff Evans, Executive Officer Jill Simbro, Education Director

John Lundquist, Assistant Attorney General Tracy Lindgren, Background Coordinator Ashley Thompson, Licensing Specialist

Colleen Goddard, Trust Account Auditor Lucas Longman, PLB Investigator

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

Call to Order

Stolk called the meeting to order at 9:07 a.m.

Quorum was established.

Motion by DeMott to approve the agenda.

Seconded by Kimes.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Approval of Minutes

Motion by Telford to approve the open and closed sessions of the December 19, 2018 IREC meeting minutes.

Seconded by Kimes.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Motion by Telford to approve the open and closed sessions of the December 31, 2018 IREC meeting minutes.

Seconded by Kimes

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Commissioner Reports

None.

Staff Reports

SchraderBachar reported that she has been in contact with the Governor's office concerning the vacant seat for a public member and had nothing new to report.

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 reported that the renewal period ended on January 30, 2019 with approximately 3,700 out of 4,500 licenses renewed and 782 licenses that were lapsed. Evans recognized staff for their hard work during the renewal period. Evans reported that staff is currently working on enhancements and improvements for DataPro, and will start 2019 errors & omissions insurance and continuing education audits this month. Evans informed the Commission that he is continually building accessible resources within the Google shared drive, such as travel payment and meal reimbursement updates. Evans also reported that he received a report from the Consumer Federation of America with the hopes that the respective Commissions will assist consumers in the understanding of the role of real estate agents in real estate transactions.

ARELLO

Motion by Telford for the Commission to approve sending Evans, Lundquist, Commissioner Duggan, and Commissioner Stolk to the 2019 ARELLO Mid-Year Meeting.

Seconded by DeMott.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Communications

After discussion, **Motion by Telford to grant waiver 19-01.** The petitioner, who is a licensed attorney in lowa since 2012, asked the Commission for a waiver of 193E lowa 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. lowa Code § 543B.15(8) requires that a salesperson applicant complete at least thirty hours of real estate education during the twelve months prior to taking the salesperson examination, consequently, 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. If the petitioner has not obtained a passing score report on the real estate salesperson examination or before August 31, 2019, this waiver shall expire and will be deemed withdrawn. Seconded by DeMott.

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VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Public Comment

McLaughlin reported the finalization of the lowa Association of Realtor's move to 5950 Village View Drive #100, West Des Moines, Iowa. McLaughlin reported that there was a Director of Board meeting today at IAR's Winter Meetings and that the IAR Summer Meetings were scheduled for June 2019, to be held in Carroll, Iowa.

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 Kimes.

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

Motion passed unanimously.

The Commission entered into closed session at 9:25 a.m. and arose from there at 10:30 a.m.

Open Session

Motion by Kimes to return to open session.

Seconded by DeMott.

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), Stok (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for the following cases: 18-084, 18-094, and 18-236.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to find probable cause for the cases discussed in closed session and to authorize Duggan (Chair), Stok (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed Settlement Agreement for IREC Case No. 18-140.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to grant licensure for the following cases: 18-239, 19-007, and 19-011.

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 the following cases: 19-002, 19-003, 19-016, and 19-018.

Seconded by DeMott.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to find probable cause for the following cases: 18-226, 19-009, 19-010, and 19-019 as discussed in closed session.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to close the following cases: 18-224, 18-225, and 18-227 as discussed in closed session.

Seconded by Kimes.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 18-082 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 Duggan (Chair), Stok (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed agreement.

Seconded by DeMott.

VOTE: Aye: All

Nay: None

Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 18-083 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 Duggan (Chair), Stok (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed agreement.

Seconded by DeMott.

VOTE: Aye: All

Nay: None

Abstaining: None

Commission Meetings

Motion passed unanimously.

Investigation Committee

Future Meetings

Future IREC meetings are tentatively scheduled as follows:

Wednesday, March 6	Thursday, March 7
Wednesday, April 3	Thursday, April 4
Wednesday, May 1	Thursday, May 2
Wednesday, June 5	Thursday, June 6
No July Meeting	No July Meeting
Wednesday, July 31	Thursday, August 1
Wednesday, September 4	Thursday, September 5
Wednesday October 2	Thursday October 3

Wednesday, October 2 Thursday, October 3 Wednesday, November 6 Thursday, November 7 Wednesday, December 4 Thursday, December 5

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 10:40 a.m.

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

Iowa Real Estate Commission Staff Report – Year-End 2018 February 7, 2019 IREC Meeting

LICENSING	TOTALS:
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	<u>Salespersons</u>	<u>Brokers</u>	TOTA	L IND. LICEN	<u>SES</u>	<u>FIRMS</u>
Active	6,500	3	3,041			
Inactive	1,604		461			
Suspended	13		20			
TOTAL	8,117	3	3,522	11	,639	1,098
EXAMINATIONS ADI	MINISTERED BY PSI:					
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Broker	296	296	298	324	315	281
Salesperson	2,040	2,091	1,796	1,638	1,501	1,212

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

Year	To	Date
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2010	604
2011	562
2012	625
2013	835
2014	845
2015	972
2016	1,031
2017	978
2018	1,035

	<u>Salespersons</u>	<u>Brokers</u>	TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2018)
Exam	799	77	
Rule 5.3	89	35	
Reciprocity	15	20	
TOTAL	903	132	1,035

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

Turnaround Time (Days)			<u>2018</u>
Minimum	7	Total Processed	1,291
Maximum	157		
Average	13		

AUDITS:

	Year To Date Totals
Continuing Education	172
E&O	577
Trust Account	361

PERCENTAGE	OF NONCOMPLIANCE FOR E&O AND CI	E AUDITS:

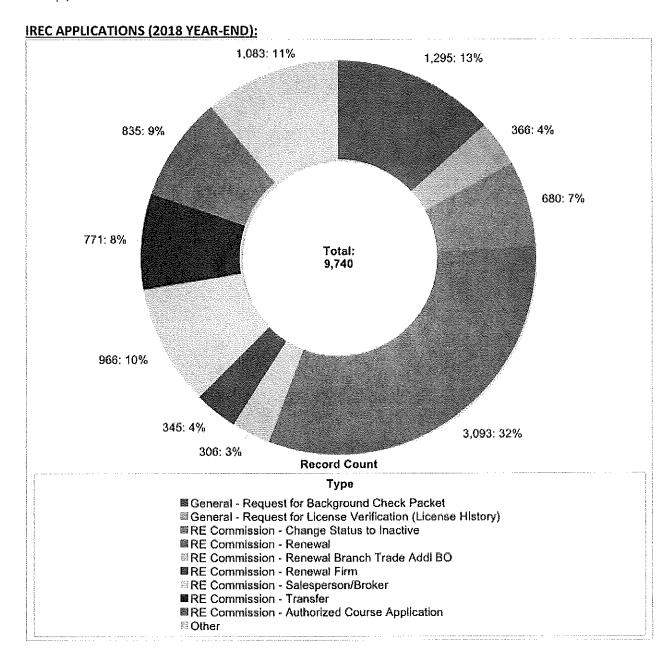
<u>Year</u>	<u>E&O</u>	Continuing Education
2012	21%	5%
2013	11%	3%
2014	4.8%	1.8%
2015	15.9%	3.2%
2016	23.44%	4.7%
2017	17.87%	2.9%
2018	4.16%	0.59%

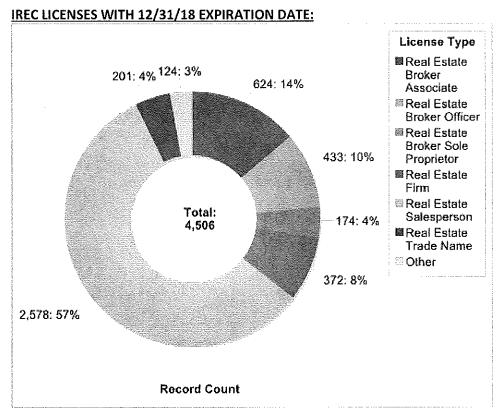
INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

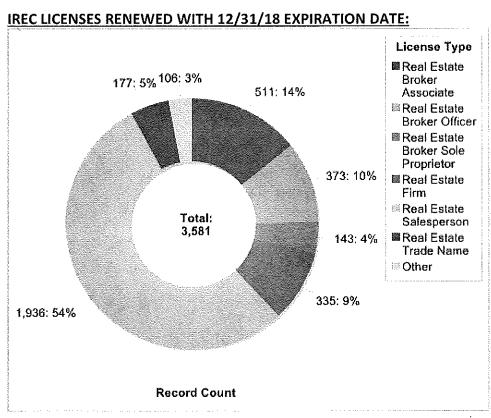
INVESTIGATIONS, CONTESTED CASE HEARINGS, SIGNAL PROPERTY.	7,11	
Complaint Cases Opened YTD		Year To Date Totals 249
Commission Action:		
Closed	70	
Closed and Granted License	11	
Closed with Informal Cautionary Letter	25	
Signed Informal Settlement Agreements	80	
Signed Applicant Consent Agreements	12	
Signed Cease and Desist by Consent Agreement	3	
Statement of Charges Filed	1	
License Denials	1	
Formal Hearings	-	
Total		178
IREC Staff Action:		
Closed	55	
License Suspension	3	
Total		58
Complaint Cases Closed YTD		236
Average Amount Of Time (Open To Close)		144 Days
Disciplinary Action Totals:		
Civil Penalties Assessed		\$97,250
Continuing Education Hours Assessed		172
CPA Audits Assessed		2
Trust Account Reexaminations Assessed		5
Probations Assessed		2
Suspensions Assessed		2
Revocations/Voluntary Surrenders		1
Statement of Charges Filed (Outstanding)		1

REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	819
Instructor Approvals (New/Renewed)	103
Provider Approvals (New/Renewed)	22
Pre/Post Course Approvals	61
Denied Courses	-







Iowa Real Estate Commission Staff Report – As of 01/31/19 February 7, 2019 IREC Meeting

LICENSING TOTALS:

	Salespersons	<u>Brokers</u>	TOTA	AL IND. LICEN	<u>SES</u>	<u>FIRMS</u>
Active	6,408		3,015			
Inactive	1,239		240			
Suspended	12		20			
TOTAL	7,659		3,375	1 1	,034	1,083
EXAMINATIONS ADMINISTERED BY PSI:						
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u> 2015</u>	<u>2014</u>	<u> 2013</u>
Broker	296	296	298	324	315	281
Salesperson	2,040	2,091	1,796	1,638	1,501	1,212

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

Year	To	Date
		5

2011	562
2012	625
2013	835
2014	845
2015	972
2016	1,031
2017	978
2018	1,035
2019	125

	<u>Salespersons</u>	<u>Brokers</u>	TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2019)
Exam	108	8	
Rule 5.3	8	-	
Reciprocity	1	-	
TOTAL	117	8	125

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

Turnaround Time (Days)			<u>2019</u>
Minimum	12	Total Processed	119
Maximum	19		
Average	17		

AUDITS:

Year To Date Totals

Continuing Education - E & O - Trust Account 44

<u>Year</u>	<u>E&O</u>	Continuing Education
2013	11%	3%
2014	4.8%	1.8%
2015	15.9%	3.2%
2016	23.44%	4.7%
2017	17.87%	2.9%
2018	4.16%	0.59%
2019	N/A	N/A

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACT	UN:	
Complaint Cases Opened YTD		Year To Date Totals 22
Commission Action:		
Closed	-	
Closed and Granted License	-	
Closed with Informal Cautionary Letter	-	
Signed Informal Settlement Agreements	-	
Signed Applicant Consent Agreements	-	
Signed Cease and Desist by Consent Agreement	-	
Statement of Charges Filed	-	
License Denials	-	
Formal Hearings	-	
Total		•
IREC Staff Action:		
Closed	7	
License Suspension	-	
Total		7
Complaint Cases Closed YTD		7
Average Amount Of Time (Open To Close)		115 Days
Disciplinary Action Totals:		
Civil Penalties Assessed		\$ -
Continuing Education Hours Assessed		-
CPA Audits Assessed		-
Trust Account Reexaminations Assessed		-
Probations Assessed		-
Suspensions Assessed		-
Revocations/Voluntary Surrenders		-
Statement of Charges Filed (Outstanding)		-

REAL ESTATE EDUCATION REPORT:

REAL ESTATE EDUCATION REPORT:	
	Year To Date Totals
Course Approvals (New/Renewed)	37
Instructor Approvals (New/Renewed)	9
Provider Approvals (New/Renewed)	2
Pre/Post Course Approvals	-
Denied Courses	-

