

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
October 3, 2019

Commissioners present for all or part of the meeting

Terry Duggan, Chair	Twee Duong
Dennis Stolk, Vice Chair	Helen Kimes
Jim Clingman	Michael Telford
Jan DeMott via telephone	

Staff present for all or part of the meeting

Jeff Evans, Executive Officer	John Lundquist, Assistant Attorney General
Renee Paulson, PLB Investigator	Ashley Thompson, Background Manager
Lori SchraderBachar, PLB Site Manager	Jill Simbro, Education Director
Danielle Bartkiw, Licensing Specialist	Colleen Goddard, Trust Account Auditor
Lori SchraderBachar, PLB Site Manager	Danielle Bartkiw, Licensing Specialist
Jeff Plagge, Superintendent of Banking at 9:07a.m.	

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

Ryan Baldwin, KR Business Brokers, Inc.
Gabe Walsh, Iowa Association of Realtors

Call to Order

Duggan called the meeting to order at 9:00 a.m.
Quorum was established.
Introductions were made.

Motion by Telford to approve the agenda.

Seconded by Stolk.

VOTE	Aye	All	Nay	None	Abstaining	None
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Motion passed unanimously.

Approval of Minutes

Motion by Kimes to approve the open and closed sessions of the September 5, 2019 IREC meeting minutes.

Seconded by Clingman.

VOTE	Aye	All	Nay	None	Abstaining	None
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Motion passed unanimously.

Commissioner Reports

Stolk reported on his attendance of the ARELLO Annual Conference in Denver, Colorado on September 18 – 21, 2019. In attending the conference, Stolk found that many of the other jurisdictions are facing the same challenges and issues that Iowa is facing.

Duggan reported on his attendance of the ARELLO Annual Conference in Denver, Colorado on September 18 – 21, 2019. He raised the topics of the North Carolina Real Estate Commission and their stance on the moral turpitude law, qualifications for real estate licensing in other jurisdictions, and fair housing opportunities.

Jeff Plagge, Superintendent of Iowa Division of Banking

Plagge introduced himself to the Commission and gave a brief history of his banking background. Plagge was appointed by Iowa Governor Reynolds and began his service in September 2019. Plagge commended the Professional Licensing Bureau, citing the 19,000 renewal applications in 2018. Plagge believes the biggest challenge that the industry is facing revolves around technology and cyber-attacks.

Staff Reports

Lundquist reported on his attendance at the ARELLO Annual Conference in Denver, Colorado on September 18 – 21, 2019. Lundquist thought the meeting was a productive one with many interesting topics broached. Lundquist also commended Stolk and his willingness to volunteer and be an active participant in the always popular and well attended Law Update segment of the conference.

SchraderBachar reported that the PLB's last vacant position was filled by Danielle Bartkiw. Bartkiw was hired as a licensing specialist and will work the Real Estate, Architecture, Landscape Architecture, and Interior Design boards. SchraderBachar also reported that PLB staff has started testing for the upcoming December 31, 2019 renewal period.

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 announced that after the upcoming real estate license renewals are completed, every real estate licensee that is currently licensed with the Iowa Real Estate Commission will have had to create a "My Iowa PLB" account on the licensing database that went live on September 11, 2017. The renewal window for licenses set to expire on December 31, 2019 is November 16th – December 31st.

Plagge left the meeting at 9:20 a.m.

Communications

After discussion, **Motion by Telford to approve waiver 19-06 with the condition that said waiver shall expire June 21, 2020 in the absence of the submission of a broker application from waiver petitioner Ryan Baldwin.** Ryan Baldwin, petitioner, addressed the Commission asking to waive 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. Baldwin was previously licensed with the Iowa Real Estate Commission as a salesperson and later, a broker between the years 2000 - 2007. Baldwin let his license lapse in 2007, due to a career change. Baldwin became licensed as a salesperson on June 21, 2018 and is looking to get licensed as broker a broker again before June 21, 2020. Baldwin also provided proof that he has completed all broker prelicense education requirements and has submitted a "Waiver for Completing Criminal History Background Checks" to the Commission. Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Baldwin left the meeting at 9:23 a.m.

ARELLO

Lundquist reported on his attendance at the ARELLO Annual Conference in Denver, Colorado on September 18 – 21, 2019. Evans reiterated what Stolk, Duggan, and Lundquist previously reported on. Evans also provided a brief report on the ARELLO License Portability Task Force, which is charged with the viability and potential obstacles to professional license portability, specifically as they apply to the real estate licensees regulated by ARELLO membership jurisdictions.

FBI National Record Check Process Changes

Evans reported on the background waiver changes from the FBI and DCI that went into effect on October 1, 2019. The new process will require applicants to complete both a state and federal waiver.

Public Comment

Walsh reported that the legal hotline for the Iowa Association of Realtors is now available and open to members.

Closed Session

Motion by Clingman 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.

Roll Call: Clingman, aye; Duggan, aye; Duong, aye; Kimes, aye; Stolk, aye; Telford, aye; and DeMott, aye.

Motion passed unanimously.

The Commission entered into closed session at 9:33 a.m. and arose from there at 10:33 a.m.

A brief break took place from 10:33 a.m. to 10:37 a.m.

Open Session

Motion by Clingman to return to open session.

Seconded by Duong.

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: 16-127, 18-229, 18-246, 19-049, 19-055, and 19-083.

Seconded by Clingman.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to find probable cause and to authorize Duggan (Chair), Stolk (Vice Chair) or Evans (Executive Officer) to sign the accepted signed settlement agreement for IREC Case No. 19-048.

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 as discussed in closed session for IREC Case No. 19-171 and IREC Case No. 19-195.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to issue a "Notice of Intent to Deny License" for IREC Case No. 19-150.

Seconded by Duong.

VOTE: Aye: Clingman, DeMott, Duong, Kimes, Stolk, Telford Nay: Duggan

Motion passed.

Motion by Stolk to find probable cause for the following cases: 19-015 and 19-180.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to close the following cases: 18-184, 19-032, and 19-079.

Seconded by Telford.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Telford to close IREC Case No. 18-187.

Seconded by Duong.

VOTE: Aye: DeMott, Duggan, Duong, Kimes, Stolk, Telford Nay: Clingman

Motion passed.

Motion by Telford to close IREC Case No. 18-194.

Seconded by Clingman.

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

Motion passed.

Motion by Telford to close IREC Case No. 19-017.

Seconded by Clingman.

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

Motion passed.

Discussion was held re: IREC Case No. 18-190 and the allegations of unlicensed practice of real estate.

Motion by Clingman to close the file.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 18-191 and the allegations of unlicensed practice of real estate.

Motion by Clingman to close the file.

Seconded by Kimes.

VOTE: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 19-153 and the allegations of unlicensed practice of real estate.

Motion by Telford to close the file.

Seconded by Clingman.

VOTE Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Future Meetings

Future IREC meetings are tentatively scheduled as follows:

Investigation Committee

Wednesday, November 6
Wednesday, December 4
No January Meeting
Wednesday, February 12
Wednesday, March 4
Wednesday, April 1
Wednesday, May 6
Wednesday, June 3
No July Meeting

Commission Meetings

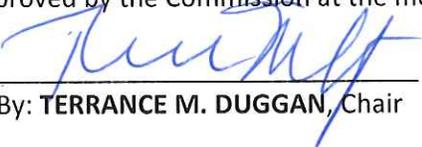
Thursday, November 7
Thursday, December 5
No January Meeting
Thursday, February 13
Thursday, March 5
Thursday, April 2
Thursday, May 7
Thursday, June 4
No July Meeting

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 10:57 a.m.

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

11/7/19
Date


By: TERRANCE M. DUGGAN, Chair

**Iowa Real Estate Commission
 Staff Report – As of 10/01/19
 October 3, 2019 IREC Meeting**

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>	<u>Firms</u>
Active	6,907	3,057		
Inactive	1,375	366		
Suspended	14	20		
TOTAL	8,296	3,443	11,739	1,114

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Broker	149	296	296	298	324	315
Salesperson	1,720	2,040	2,091	1,796	1,638	1,501

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>Year To Date</u>
2011	562
2012	625
2013	835
2014	845
2015	972
2016	1,031
2017	978
2018	1,035
2019	871

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2019)</u>
Exam	727	62	
Rule 5.3	59	9	
Reciprocity	12	2	
TOTAL	798	73	871

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

<u>Turnaround Time (Days)</u>		<u>2019</u>
Minimum	7	Total Processed 821
Maximum	94	
Average	16	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	236
E & O	80
Trust Account	273

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
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	1.25%	1.70%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	199
<u>Commission Action:</u>	
Closed	11
Closed and Granted License	10
Closed with Informal Cautionary Letter	3
Signed Informal Settlement Agreements	30
Signed Applicant Consent Agreements	21
Signed Cease and Desist by Consent Agreement	3
Statement of Charges Filed	-
License Denials	-
Formal Hearings	-
Total	78
<u>IREC Staff Action:</u>	
Closed	36
License Suspension	2
Total	<u>38</u>
Complaint Cases Closed YTD	116
Average Amount Of Time (Open To Close)	146 Days
<u>Disciplinary Action Totals:</u>	
Civil Penalties Assessed	\$ 43,750
Continuing Education Hours Assessed	76
CPA Audits Assessed	-
Trust Account Reexaminations Assessed	3
Probations Assessed	4
Suspensions Assessed	-
Revocations/Voluntary Surrenders	-
Statement of Charges Filed (Outstanding)	-

REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	616
Instructor Approvals (New/Renewed)	95
Provider Approvals (New/Renewed)	23
Pre/Post Course Approvals	36
Denied Courses	-

IREC APPLICATIONS PROCESSED (2019):

