

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
February 13, 2020
9:00 a.m.

Commissioners present for all or part of the meeting

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

Commissioners not present for the meeting

Dennis Stolk, Vice Chair

Staff present for all or part of the meeting

Jeff Evans, Executive Officer	Lori SchraderBachar, PLB Site Manager
John Lundquist, Assistant Attorney General	Danielle Bartkiw, Licensing Specialist
Renee Paulsen, PLB Investigator	Jill Simbro, Education Director
Ashley Thompson, Background Manager	Colleen Goddard, Trust Account Auditor

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

Richard Adams	Kordereau Kenneth-Michael Sellers
Trevor Williams	

Call to Order

Duggan called the meeting to order at 9:02 a.m.
Quorum was established.
Introductions were made.

Motion by Telford to approve the agenda.

Seconded by Clingman.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Approval of Minutes

Motion by Clingman to approve the open and closed sessions of the December 5, 2019 IREC meeting.

Seconded by Duong.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Telford to approve the open and closed sessions of the December 19, 2019 IREC Meeting.

Seconded by Clingman.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Commissioner Reports

None

Staff Reports

Lundquist briefed Commissioners on Senate Study Bill 3122, which was proposed by Governor Kim Reynolds. This legislation would make it easier for people with a professional license in another state to get licensed in Iowa, provided they become a resident. It also grants some exceptions for some convicted felons who would otherwise be denied a professional license if they proved they would be a good candidate and are rehabilitated. The bill also waives some license and application fees.

SchraderBachar announced amendments to the Bureau rules in 193 Iowa Administrative Code Chapters 4, 8, and 14 went into effect on January 22, 2020 re: ARC 4828C.

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 complimented Staff for their hard work through renewal season. Evans reported 900 licenses lapsed as of December 31, 2019, which falls in line with previous years.

ARELLO

After discussion, **Motion by Telford to approve sending Evans, Lundquist, Commissioner Duggan, and Commissioner Stolk to the 2020 ARELLO Mid-Year Meeting in Savannah, GA from April 28 – May 2nd, 2020.**

Seconded by Kimes.

Vote: Aye: Clingman, DeMott, Duong, Kimes, Telford Nay: None Abstaining: Duggan
Motion passed.

Communications

After discussion, **Motion by Telford to grant waiver 20-01.** The petitioner, who is a licensed attorney in Iowa since 1995, 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. Iowa 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, 2020, this waiver shall expire and will be deemed withdrawn.

Seconded by Kimes

Vote: Aye: All Nay: None Abstaining: None
Motion passed.

After discussion, **Motion by Clingman to approve waiver 20-02 with the condition that said waiver shall expire January 3, 2022 in the absence of the submission of a broker application from waiver petitioner Trevor Williams.** Trevor Williams, 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. Williams introduced himself to the Commission and gave a summary of his 15-year professional history and experience buying and selling real estate within his own personal corporation.

Seconded by Telford.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Public Comment

None

Kimes left the room at 9:26 a.m.

Closed Session (1)

Motion by Clingman to go into closed session pursuant to Iowa Code §§ 21.5(1)(a) & (d) & (f) to discuss the decision to be rendered in a contested case.

Seconded by Duong.

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

Motion passed.

The Commission entered into closed session at 9:27 a.m. and arose from there at 9:33 a.m.

Kimes entered the room at 9:33 a.m.

Open Session (1)

Motion by Clingman to return to open session.

Seconded by Telford.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Telford to accept the Findings of Fact, Conclusions of Law, Decision and Order in IREC Case No. 19-150 and to authorize Duggan (Chair), Stolk (Vice Chair), or Evans (Executive Officer) to sign the Decision and Order.

Seconded by Clingman.

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

Motion passed.

Closed Session (2)

Motion by Clingman to go into closed session pursuant to Iowa Code §§ 21.5(1)(a) & (d) & (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; DeMott, aye; Duggan, aye; Duong, aye; Kimes, aye; and Telford, aye.

Motion passed.

Telford left the meeting at 11:03 a.m.

The Commission entered into closed session at 9:42 a.m. and arose from there at 11:10 a.m.

Open Session (2)

Motion by Kimes to return to open session.

Seconded by Clingman.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

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 Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for the following cases: 17-207, 18-093, 19-024, 19-099, and 19-180.

Seconded by Duong.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Clingman to grant licensure for IREC Case No. 20-006.

Seconded by Duong.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Clingman to grant licensure for IREC Case No. 20-009 and IREC Case No. 20-010.

Seconded by Duong.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

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. 19-235.

Seconded by Duong.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Clingman to find probable cause for the following cases: 18-215, 19-239, 20-003, 20-007, 20-028, and 20-037 as discussed in closed session.

Seconded by Duong.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Clingman to close the following cases: 18-251, 18-255, 18-259, 18-260, 18-262, 19-023, 19-028, 19-057, 19-058, 19-061, and 19-093 as discussed in closed session.

Seconded by Duong.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Clingman to close IREC Case No. 18-258.

Seconded by Duong.

Vote: Aye: Clingman, Demott, Duggan, Duong Nay: None Abstaining: Kimes

Motion passed.

Motion by Kimes to rescind the probable cause finding and close IREC Case No. 18-212 and IREC Case No. 19-209 as discussed in closed session.

Seconded by Clingman.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Discussion was held re: IREC Case No. 19-044 and the allegations of the unlicensed practice of real estate. No action needed as this complaint file will be tabled to a future meeting.

Future Meetings

Investigation Committee

Wednesday, March 4
Wednesday, April 1
Wednesday, May 6
Wednesday, June 3
No July Meeting
Wednesday, August 5
Wednesday, September 2
Wednesday, September 30

Committee Meetings

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

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 11:30 a.m.

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

3-5-20
Date


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

Iowa Real Estate Commission Staff Report – Year-End 2019 February 13, 2020 IREC Meeting

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>	<u>Firms</u>
Active	6,497	2,935		
Inactive	1,154	343		
Suspended	14	19		
TOTAL	7,665	3,297	10,962	1,098

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Broker	267	296	296	298	324	315
Salesperson	2,280	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	1,057

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2019)</u>
Exam	856	94	
Rule 5.3	71	16	
Reciprocity	14	6	
TOTAL	941	116	1,057

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

<u>Turnaround Time (Days)</u>		<u>2019</u>
Minimum	7	Total Processed 1,294
Maximum	94	
Average	14	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	267
E & O	82
Trust Account	303

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	1.22%	3.37%

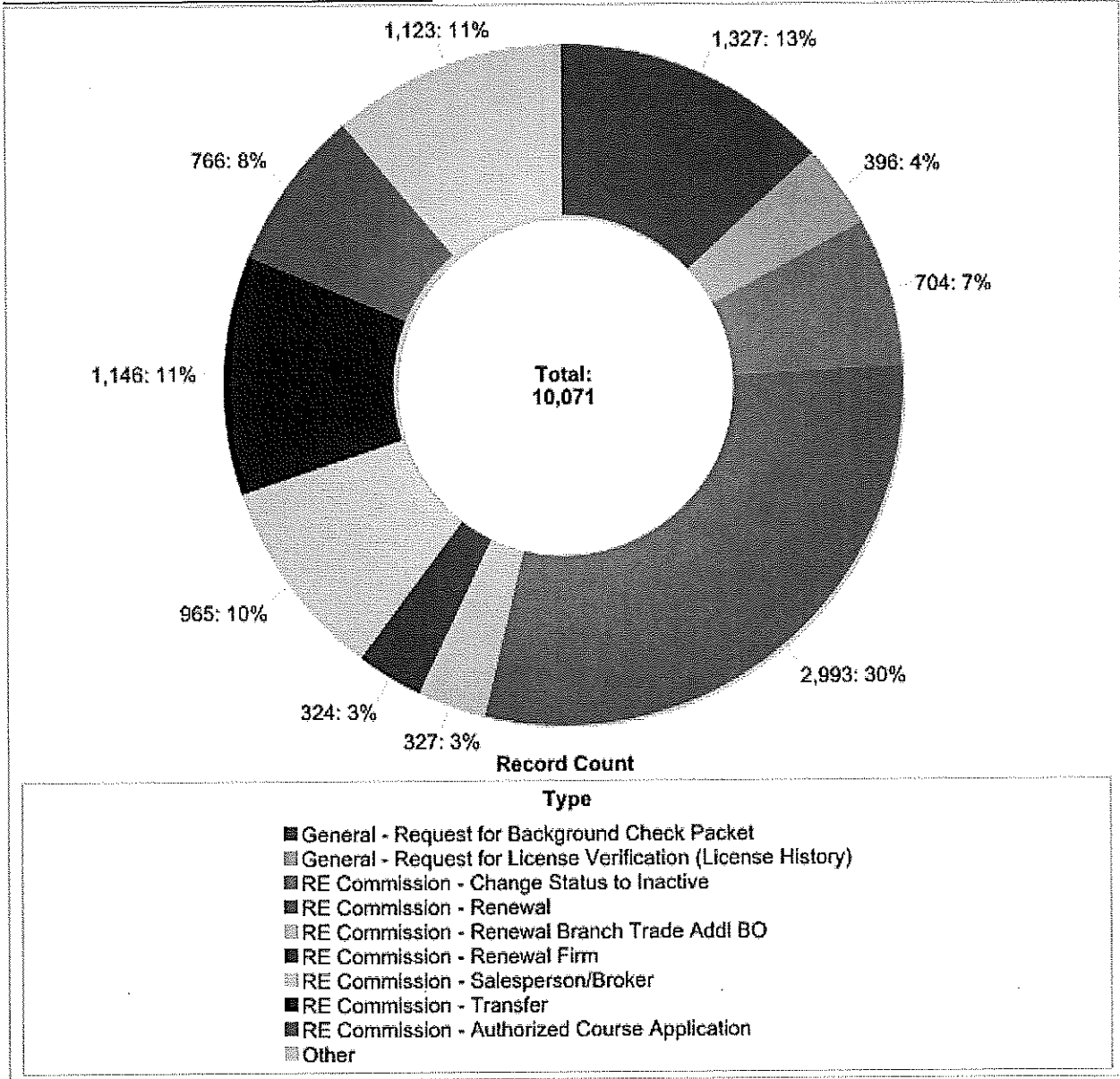
INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	243
<u>Commission Action:</u>	
Closed	30
Closed with Informal Cautionary Letter	22
Closed and Granted License	14
Signed Informal Settlement Agreements	41
Signed Applicant Consent Agreements	28
Signed Cease and Desist by Consent Agreement	3
Statement of Charges Filed	-
License Denials	-
Formal Hearings	1
Total	138
<u>IREC Staff Action:</u>	
Closed	49
License Suspension	3
Total	<u>52</u>
Complaint Cases Closed YTD	190
Average Amount Of Time (Open To Close)	174 Days
<u>Disciplinary Action Totals:</u>	
Civil Penalties Assessed	\$ 48,750
Continuing Education Hours Assessed	84
CPA Audits Assessed	-
Trust Account Reexaminations Assessed	3
Probations Assessed	7
Suspensions Assessed	1
Revocations/Voluntary Surrenders	-
Statement of Charges Filed (Outstanding)	-

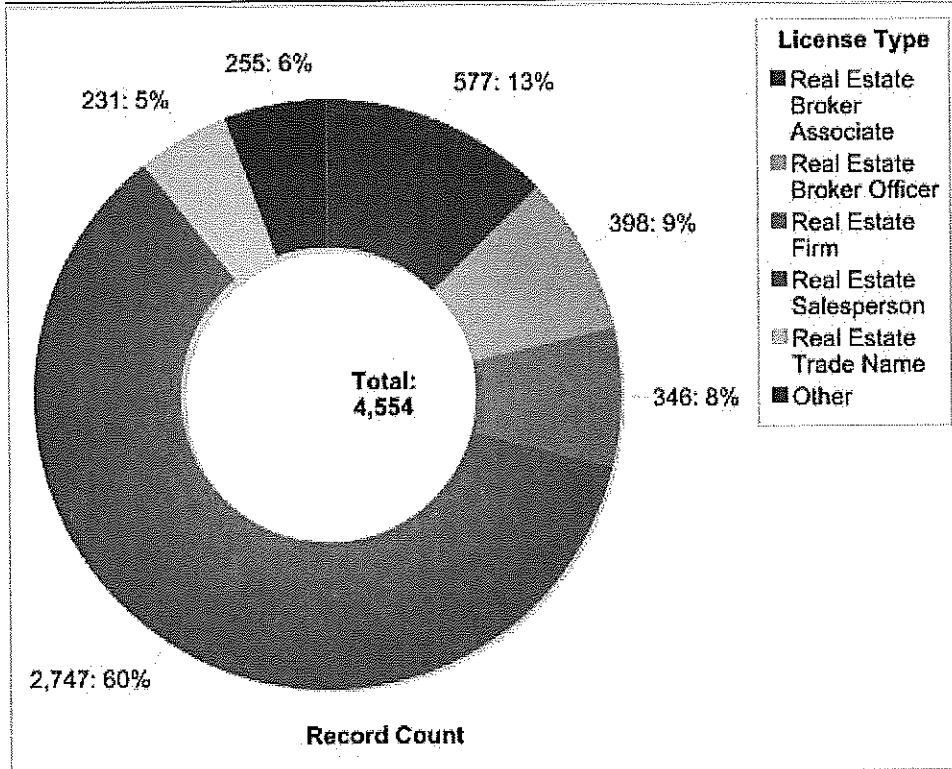
REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	729
Instructor Approvals (New/Renewed)	129
Provider Approvals (New/Renewed)	31
Pre/Post Course Approvals	80
Denied Courses	-

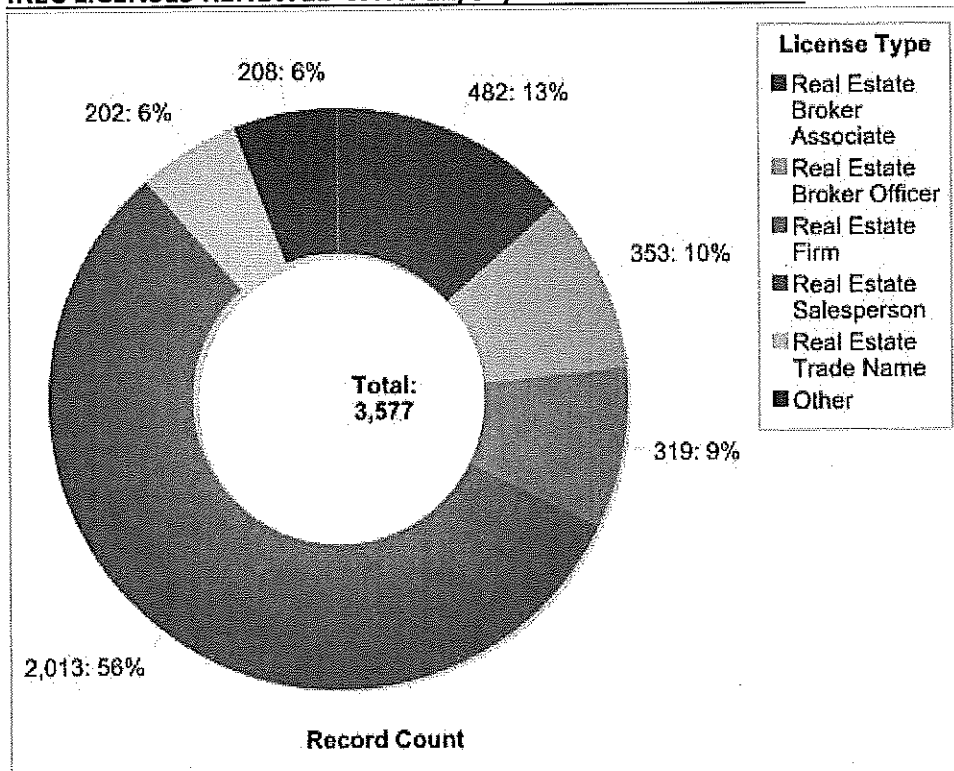
IREC APPLICATIONS PROCESSED (2019):



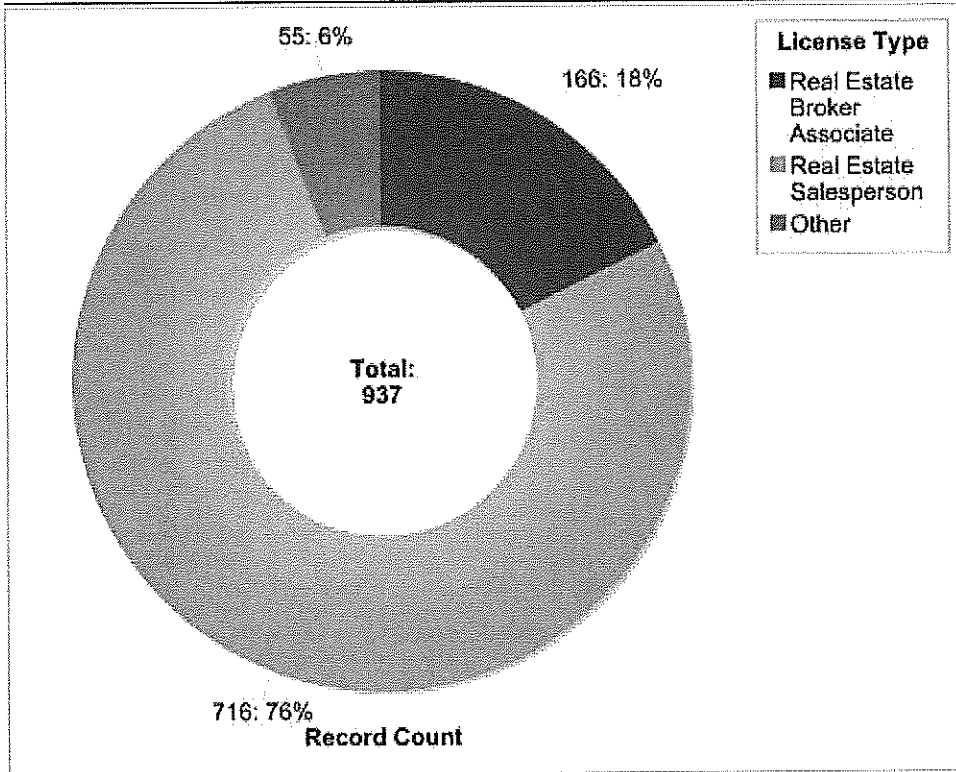
IREC LICENSES WITH 12/31/19 EXPIRATION DATE:



IREC LICENSES RENEWED WITH 12/31/19 EXPIRATION DATE:



IREC LICENSES LAPSED ON 01/01/20 WITH 12/31/19 EXPIRATION DATE:



**Iowa Real Estate Commission
 Staff Report – As of 02/01/20
 February 13, 2020 IREC Meeting**

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>	<u>Firms</u>
Active	6,610	2,966		
Inactive	1,228	346		
Suspended	13	19		
TOTAL	7,851	3,331	11,182	1,110

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Broker	267	296	296	298	324	315
Salesperson	2,280	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	1,057
2020	153

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2020)</u>
Exam	126	8	
Rule 5.3	15	4	
Reciprocity	-	-	
TOTAL	141	12	153

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

<u>Turnaround Time (Days)</u>		<u>2020</u>
Minimum	2	Total Processed 81
Maximum	7	
Average (YTD 2020)	4	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	23
E & O	56
Trust Account	63

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	1.22%	3.37%
2020	0%	8.70%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	27

Commission Action:

Closed	-
Closed with Informal Cautionary Letter	-
Closed and Granted License	-
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	8
License Suspension	-
Total	<u>8</u>
Complaint Cases Closed YTD	8
Average Amount Of Time (Open To Close)	128 Days

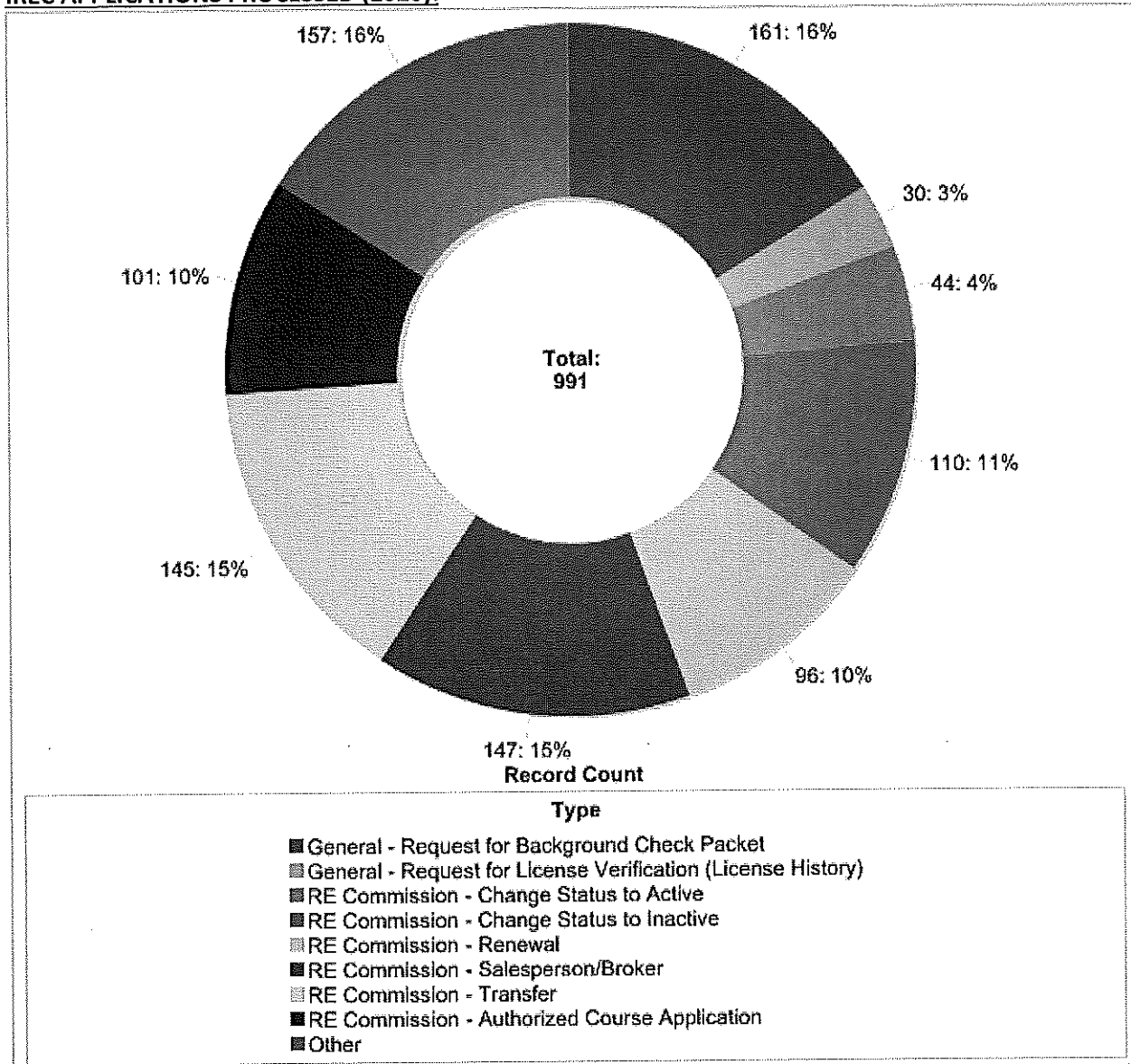
Disciplinary Action Totals:

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)	-

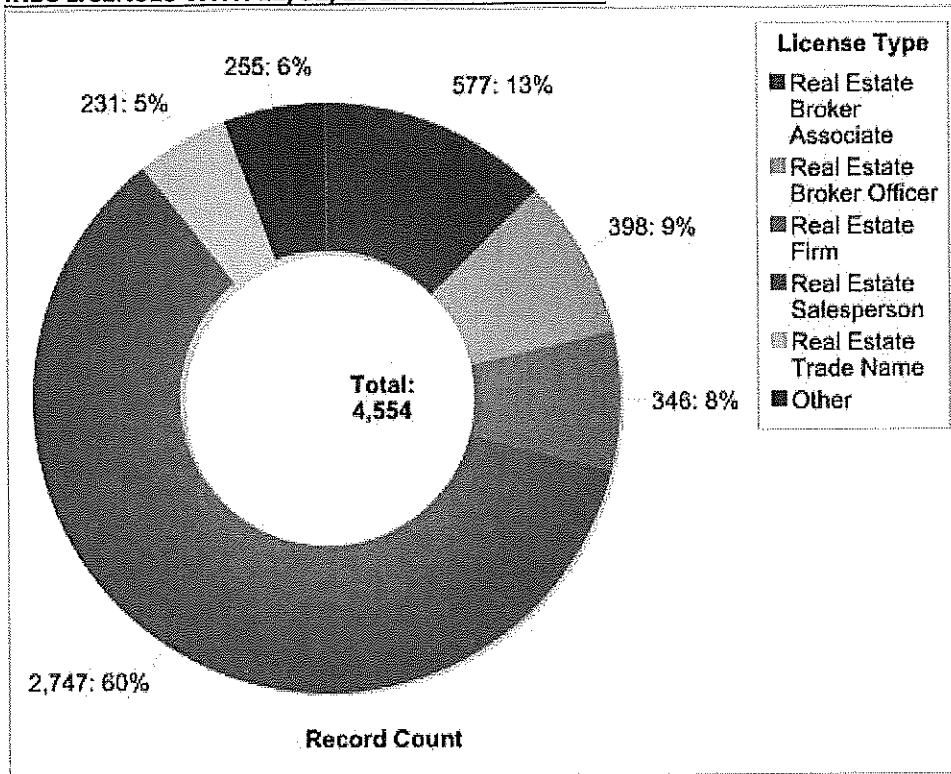
REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	80
Instructor Approvals (New/Renewed)	24
Provider Approvals (New/Renewed)	3
Pre/Post Course Approvals	-
Denied Courses	-

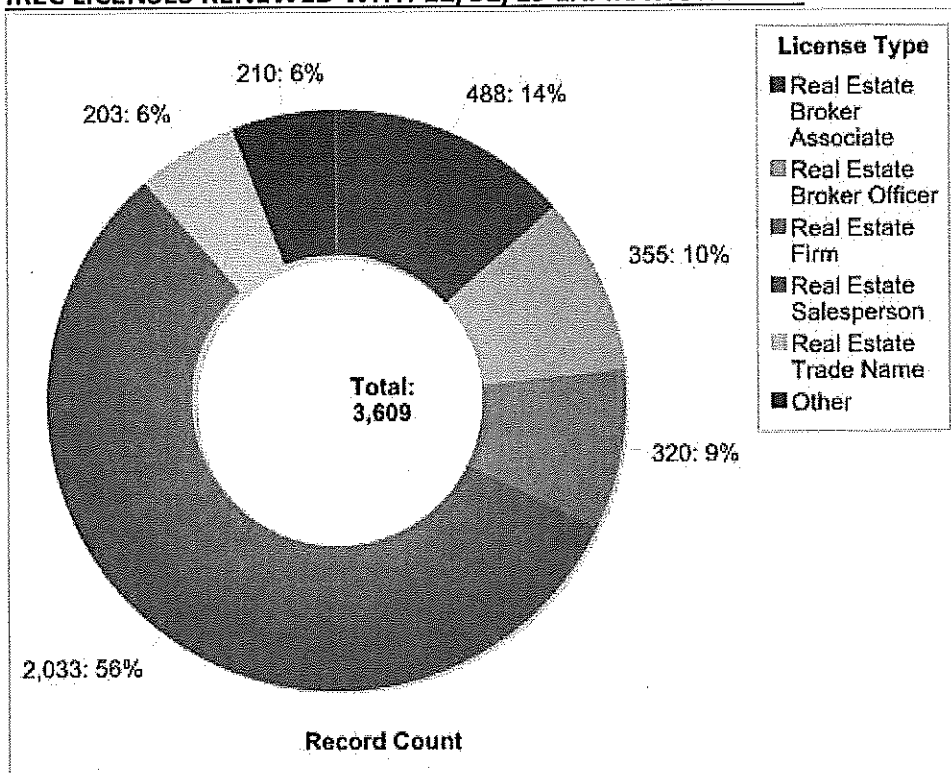
IREC APPLICATIONS PROCESSED (2020):



IREC LICENSES WITH 12/31/19 EXPIRATION DATE:



IREC LICENSES RENEWED WITH 12/31/19 EXPIRATION DATE:



IREC LICENSES LAPSED ON 01/01/20 WITH 12/31/19 EXPIRATION DATE:

