

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309

MINUTES
May 7, 2020
9:00 a.m.

The meeting was conducted via Zoom because of the public health recommendations to minimize public gatherings. Public access to this meeting was made available through Zoom.

Commissioners present for all or part of the meeting

Terry Duggan, Chair	Jim Clingman
Dennis Stolk, Vice Chair	Jan DeMott
Wendy Carminhato	Helen Kimes

Commissioners not present for the meeting

Twee Duong

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

Kristen Brend, Iowa Association of Realtors	Rush Nigut
Kyle Kuehl	Chad Boge

Call to Order

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

Quorum was established.

Introductions were made.

Carminhato introduced herself to Commissioners and Staff. She is originally from Ecuador and has spent the last 20 years in Iowa. Carminhato is employed as a Mortgage Loan Officer for U.S. Bank.

Motion by Clingman to approve the agenda.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Election of Officers

Motion by Stolk to nominate Duggan as Chair of the Commission.

Seconded by DeMott.

Vote: Aye: Carminhato, Clingman, DeMott, Kimes, Stolk Nay: None Abstaining: Duggan

Motion passed.

Motion by Clingman to nominate Stolk as Vice-Chair of the Commission.

Seconded by Kimes.

Vote: Aye: Carminhato, Clingman, DeMott, Duggan, Kimes Nay: None Abstaining: Stolk
Motion passed.

Approval of Minutes

Motion by Clingman to approve the March 5, 2020 IREC Meeting open and closed session minutes and to authorize Executive Officer Evans to sign the minutes on behalf of the Commission.

Seconded by Kimes.

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

Commissioner Reports

None.

Staff Reports

Lundquist briefed Commissioners that on March 16th legislative leaders announced a decision to halt the 2020 legislative session for at least 30 days to mitigate the spread of the coronavirus (COVID-19). Consequently, Senate also paused the process for approval of board and commission appointments made by Governor Reynolds.

SchraderBachar thanked Commissioners and Staff for their continued hard work. She announced that she posted two documents for Board Members on the Google Drive: "Board Member Dos and Don'ts" and "Random Thoughts from a Public Protection Administrator." SchraderBacher then asked the Commission to consider for future discussion the following items: What is PLB and Commission staff doing well? Are there things PLD and Commission staff can do better? Are there things PLB and Commission staff aren't currently doing that you would like to be done?

Evans reminded the Commissioners to sign and return their per diems by Thursday, May 14th. Evans welcomed Carminhato to the Board and thanked the Commission and Commission staff for their hard work and their proven ability to work independently.

ARELLO

Evans reported on ARELLO 2020 Mid-Year Meeting (Web Conference), which took place on April 29th – May 4th, 2020. Evans announced that the big takeaway he took from his participation was the conversation that took place in the ARELLO Examination Accreditation Program committee meeting. Evans announced the Commission's examination administrator, PSI, was exploring online proctoring as a means to increase capacity to onboard as many as possible, as soon as possible. Evans informed Commissioners that staff members Paulsen and Thompson also attended portions of the ARELLO Web Conference.

Duggan reported on his attendance to the ARELLO Web Conference.

Professional Examination Services Contract Renewal with PSI Services, LLC

After discussion, **Motion by Clingman to grant an extension of the current contract with PSI for one year beginning July 1, 2020 with an examination fee of \$95.00.**

Seconded by DeMott.

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

Accommodations for National Criminal History Check, Renewals, and Continuing Education Due to Covid-19.

Evans led the discussion for section eighty-two of the proclamation continuing the State Public Health emergency declaration (March 17th – May 27th), temporarily suspending the provisions in 543B.15(9), allowing real estate applicants to become licensed without the completion of a background check. Evans explained that license applications can be processed without the fingerprint card/background check, however the \$51.00 fee for the background check is collected before the applicant is licensed. Evans noted that applicants must still answer all questions on the application and disclose all convictions regardless of the date when entered or whether the criminal record has been expunged. Upon the expiration of the proclaimed disaster emergency, applicants will be given thirty days to mail in a completed fingerprint card, along with the completed waiver forms. Evans noted that the Commission's Background Manager, Thompson, was doing a great job of logging and tracking information for all individuals licensed before completing a background check. Evans complimented Thompson on her organization and thanked her for her hard work.

After discussion and pursuant to section seventy-nine of the proclamation continuing the State Public Health Emergency Declaration (March 17th – May 27th) and the temporary suspension of the provisions in Iowa Code chapter 543B and 193E Iowa Administrative Code:

Motion by Stolk to allow all 36 hours of required continuing education to be taken via distance learning for all licenses set to expire on December 31, 2020 and to waive the requirement that at a minimum 12 hours of continuing education are to be taken via live instruction.

Seconded by DeMott.

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

Motion passed.

After discussion and pursuant to section sixteen of the proclamation continuing the State Public Health Emergency Declaration (March 17th – May 27th) and the temporary suspension of provisions in 543B.15(8):

Motion by Kimes to allow for all 60-hr course completion certificates dated March 19, 2019 or later a sixth-month extension for examination candidates to sit for the real estate salesperson licensing examination and subsequently apply for a salesperson license, and to sunset this extension on December 31, 2020.

Seconded by Stolk.

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

Motion passed.

After discussion and pursuant to section sixteen of the proclamation continuing the State Public Health Emergency Declaration (March 17 – May 27th), and the temporary suspension of provisions in 543B.15(8):

Motion by Stolk to allow for all 72-hour broker prelicense education course completion certificates dated March 19, 2018 or later a sixth-month extension for examination candidates to sit for the real estate broker licensing examination and subsequently apply for a broker license, and to sunset this extension on December 31, 2020.

Seconded by Kimes.

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

Motion passed.

Public Comment

Brend from the Iowa Association of Realtors (IAR) announced that the 2020 Summer meetings will be held virtually from June 8th – 12th.

Closed Session

Motion by Stolk 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 DeMott.

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

Motion passed.

The Commission entered into closed session at 10:14 a.m. and arose from there at 11:37 a.m.

Open Session

Motion by Clingman to return to open session.

Seconded by Stolk

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

The Commission took a short break at 11:37 a.m. and reconvened at 11:44 a.m.

Motion by Kimes to accept the signed settlements and/or consent agreements for the cases discussed in closed session and to authorize Evans (Executive Officer) to sign the accepted, signed Settlement Agreements/Consent Agreements for the following cases: 18-178, 18-189, 18-193, 19-204, and 20-003.

Seconded by Stolk.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by DeMott to find probable cause and to authorize Evans (Executive Officer) to sign the accepted, signed Settlement Agreements for the following cases: 20-051, 20-061, 20-069, 20-084, 20-086, and 20-097 as discussed in closed session.

Seconded by Clingman.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Clingman to find probable cause in IREC Case No. 20-073 and issue an "Emergency Order to Suspend License" as discussed in closed session.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Clingman to grant licensure for IREC Case No. 20-074.

Seconded by Kimes.

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 the following cases: 20-060, 20-067, and 20-108

Seconded by Stolk.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Clingman to find probable cause for the following cases: 20-022, 20-033, 20-034, 20-040, 20-041, 20-042, 20-043, 20-045, 20-064, 20-072, and 20-091 as discussed in closed session.

Seconded by Stolk.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Clingman to find probable cause in IREC Case No. 19-232 as discussed in closed session.

Seconded by Stolk.

Vote: Aye: Carminhato, Clingman, Duggan, Kimes, Stolk Nay: None Abstaining: DeMott

Motion passed.

Motion by Kimes to close the following cases: 19-097, 19-109, 19-116, 19-183, 20-015, 20-023, 20-024, 20-030, 20-032, 20-054, and 20-056 as discussed in closed session.

Seconded by Stolk.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Motion by Kimes to close IREC Case No. 19-114 as discussed in closed session.

Seconded by Stolk.

Vote: Aye: Carminhato, DeMott, Duggan, Kimes, Stolk Nay: Clingman Abstaining: None

Motion passed.

Discussion was held re: IREC Case No. 19-044 and the allegations of the unlicensed practice of real estate.

Motion by Clingman to issue a "Notice of Intent to Impose Civil Penalty".

Seconded by Kimes.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Discussion was held re: IREC Case No. 19-073 and the allegations of the unlicensed practice of real estate.

Motion by Stolk to issue a "Notice of Intent to Impose Civil Penalty".

Seconded by Kimes.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Discussion was held re: IREC Case No. 19-088 and the allegations of the unlicensed practice of real estate. No action taken as this complaint file will be tabled to a future meeting.

Discussion was held re: IREC Case No. 20-018 and the allegations of the unlicensed practice of real estate.

Motion by Kimes to close.

Seconded by Stolk.

Vote: Aye: All Nay: None Abstaining: None

Motion passed.

Discussion was held re: IREC Case No. 20-083 and the allegations of the unlicensed practice of real estate. No action taken as this complaint file will be tabled to a future meeting.

Future Meetings

Investigation Committee Meetings

Wednesday, June 10
No July Meeting
Wednesday, August 5
Wednesday, September 2
Wednesday, September 30
Wednesday, November 4
Wednesday, December 2

Regularly Scheduled Meetings

Thursday, June 11
No July Meeting
Thursday, August 6
Thursday, September 3
Thursday, October 1
Thursday, November 5
Thursday, December 3

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 12:25 p.m.

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

June 11, 2020
Date

M. M. L. FOR IREC
By: TERRANCE M. DUGGAN, Chair

**Iowa Real Estate Commission
 Staff Report – As of 05/01/20
 May 7, 2020 IREC Meeting**

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>	<u>Firms</u>
Active	6,826	2,976		
Inactive	1,258	353		
Suspended	13	18		
TOTAL	8,097	3,347	11,444	1,132

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Broker	50	267	296	296	298	324
Salesperson	677	2,280	2,040	2,091	1,796	1,638

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	419

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2020)</u>
Exam	352	21	
Rule 5.3	34	5	
Reciprocity	5	2	
TOTAL	391	28	419

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

<u>Turnaround Time (Days)</u>		<u>2020</u>
Minimum	2	Total Processed 412
Maximum	42	
Average (YTD 2020)	4	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	86
E & O	168
Trust Account	145

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	5.95%	2.33%

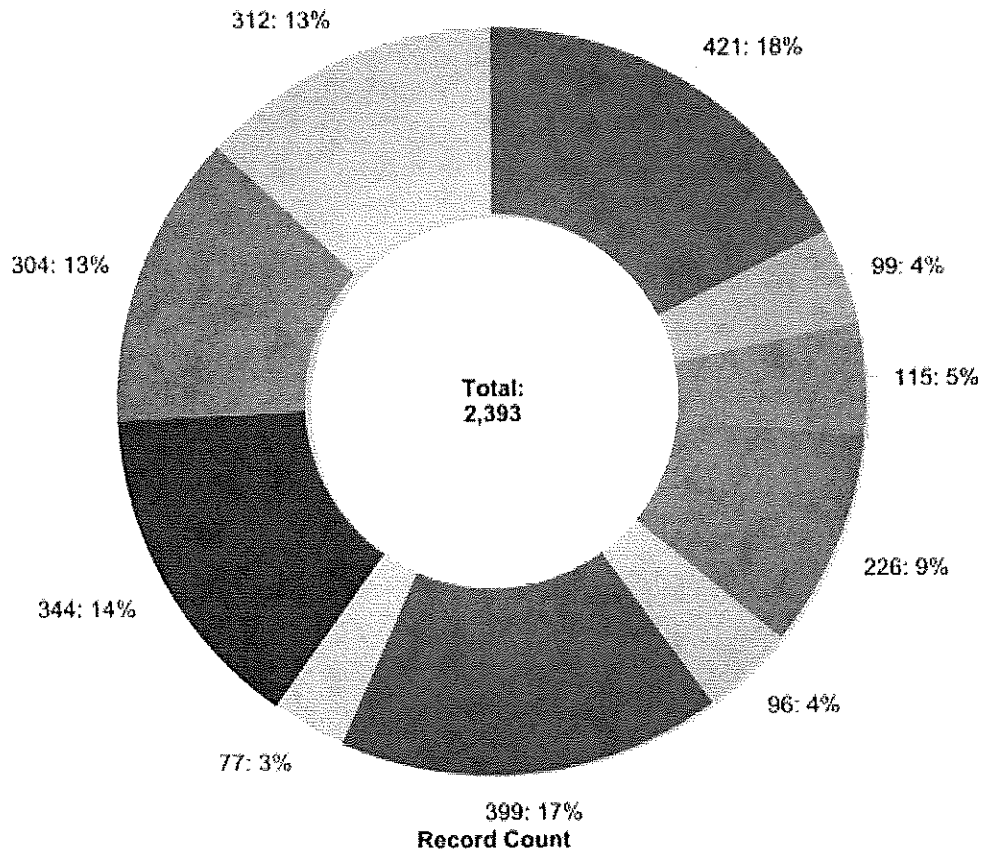
INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	111
<u>Commission Action:</u>	
Closed	23
Closed with Informal Cautionary Letter	7
Closed and Granted License	3
Signed Informal Settlement Agreements	11
Signed Applicant Consent Agreements	3
Signed Cease and Desist by Consent Agreement	-
Statement of Charges Filed	-
License Denials	1
Formal Hearings	-
Total	48
<u>IREC Staff Action:</u>	
Closed	26
License Suspension	-
Other	1
Total	<u>27</u>
Complaint Cases Closed YTD	75
Average Amount Of Time (Open To Close)	213 Days
<u>Disciplinary Action Totals:</u>	
Civil Penalties Assessed	\$ 8,500
Continuing Education Hours Assessed	16
CPA Audits Assessed	-
Trust Account Reexaminations Assessed	-
Probations Assessed	-
Suspensions Assessed	1
Revocations/Voluntary Surrenders	1
Statement of Charges Filed (Outstanding)	-

REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	291
Instructor Approvals (New/Renewed)	41
Provider Approvals (New/Renewed)	6
Pre/Post Course Approvals	15
Denied Courses	-

IREC APPLICATIONS PROCESSED (2020):



Type

- General - Request for Background Check Packet
- General - Request for License Verification (License History)
- RE Commission - Change Status to Active
- RE Commission - Change Status to Inactive
- RE Commission - Renewal
- RE Commission - Salesperson/Broker
- RE Commission - Tradename
- RE Commission - Transfer
- RE Commission - Authorized Course Application
- Other