

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
June 02, 2022
9:00 a.m.

The meeting was conducted partially via Zoom because of the current public health recommendation due to COVID-19 to minimize public gatherings. Access to this meeting was made available to the public and to the Commissioners through Zoom.

Commissioners present for all or part of the meeting

Jim Clingman via Zoom	Dakotah Reed via Zoom
John Sweeney via Zoom	Helen Kimes
Jan DeMott	

Commissioners not present for the meeting

Wendy Caminhato

Staff present for all or part of the meeting

Jeff Evans, Executive Officer	Colleen Goddard, Trust Account Auditor
John Lundquist, Assistant Attorney General	Danielle Bartkiw, Licensing Specialist
Renee Paulsen, PLB Investigator	Lori SchraderBachar, Bureau Chief via Zoom
Ashley Thompson, Background Manager	

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

Theresa Kenkel, Petersen Court Reporters	Kathleen O'Neill, Department of Inspections and Appeals
Tisha Andrie via Zoom	

Call to Order

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

Motion by Reed to approve the agenda.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Election of Officers

Motion by DeMott to nominate Clingman as Chair of the Commission.

Seconded by Reed.

Vote: Aye: DeMott, Kimes, Reed, Sweeney Nay: None Abstaining: Clingman

Motion passed.

Motion by Kimes to nominate Reed as Vice-Chair of the Commission.

Seconded by DeMott.

Vote: Aye: Clingman, DeMott, Kimes, Sweeney Nay: None Abstaining: Reed
Motion passed.

Approval of Minutes

Motion by Kimes to approve the April 14, 2022 IREC Meeting open and closed session minutes.

Seconded by Reed.

Vote: Aye: Clingman, DeMott, Kimes, Reed Nay: None Abstaining: Sweeney
Motion passed.

Commissioner Reports

Clingman's "impact story" letter, describing how serving on the Iowa Real Estate Commission has impacted him was shared with the Commission. The letter was sent to Megan Hall, Director of Boards and Commissions, Office of the Governor.

Staff Reports

Lundquist reports on the formal hearing scheduled to start at 9:30 a.m. and informed Commissioners there would be a short recess just prior to set up.

SchraderBachar reviewed two articles with Board Members: "Board Member Dos and Don'ts" and "Random Thoughts from a Public Protection Administrator." SchraderBachar reminded those currently sitting on the Iowa Real Estate Commission that their duty is to protect the public through the examination, licensing, and regulation of all real estate licensees.

Evans asked Commissioners to sign, date, and return their per diems and travel reports. Evans welcomed Commissioner Sweeney to the Iowa Real Estate Commission and followed with compliments to Paulsen for taking on the added workload and temporary duties of the vacant Education Director, in addition to her current job duties as the PLB Investigator. Evans plans on meeting with the Board of Directors of IAR and will provide them with a Commission update.

Professional Examination Services Contract with PSI Services, LLC

Discussion was held for the contract renewal for professional examination services for the Iowa Real Estate Commission for the time period July 1, 2022 – June 30, 2023.

Motion by DeMott to renew the current contract with PSI for the time period of July 1, 2022 – June 30, 2023 for the examination fee in the amount of \$95.00.

Seconded by Kimes.

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

ARELLO

Evans discussed the upcoming 2022 Annual Conference, being held August 29 – September 2, 2022 in Nashville, TN.

Motion by Reed to approve sending Evans, Lundquist, and Commissioner Clingman to the 2022 ARELLO Annual Conference.

Seconded by DeMott.

Vote: Aye: DeMott, Kimes, Reed, Sweeney Nay: None Abstaining: Clingman
Motion passed unanimously

2022 Legislation

An update and summary on Senate File 2324, an Act relating to the designation of real estate teams and advertising, was provided by Evans and Lundquist. The bill was signed May 2, 2022 by Governor Reynolds and is effective on or after December 31, 2022.

Public Comment

None

SchraderBachar left the meeting at 9:25 a.m.

Formal Hearing

A hearing was held before the Commission in Case No. 21-260. Administrative Law Judge Kathleen O'Neill assisted the Commission in conducting the hearing and a certified court reporter recorded the proceedings with the Respondent not present. The hearing was open to the public, pursuant to Iowa Code section 272C.6(1). Hearing commenced at 9:30 a.m. and concluded at 10:25 a.m.

Lundquist, Thompson, Kenkel and Andrie left the meeting at 10:25 a.m.

Closed Session (1)

Motion by Kimes to enter into closed session pursuant to Iowa Code 21.5(1)(f) to deliberate IREC Case No. 21-260.

Seconded by Reed.

Roll Call: Clingman, aye; DeMott, aye; Kimes, aye; Reed, aye; and Sweeney, aye.

Motion passed unanimously.

The Commission entered into closed session at 10:26 a.m. and arose from there at 10:41 a.m.

Open Session (1)

Motion by DeMott to return to open session.

Seconded by Kimes.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Reed to request that Administrative Law Judge O'Neill prepare a written decision for IREC Case No. 21-260 in accordance with the findings and deliberations made in closed session.

Seconded by Kimes.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

O'Neill left the meeting at 10:42 a.m.

Thompson and Lundquist returned to meeting at 10:42 a.m.

Meeting broke at 10:42 a.m. and reconvened at 10:50 a.m.

Closed Session (2)

Motion by Reed to go into closed session pursuant to Iowa Code §§ 21.5(1)(a) & 272C.15(5) to review the petitioners' submission of their criminal records and to make an eligibility determination.

Seconded by DeMott.

Roll Call: Clingman, aye; DeMott, aye; Kimes, aye; Reed, aye; and Sweeney, aye.

Motion passed unanimously.

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

Open Session (2)

Motion by DeMott to return to open session.

Seconded by Kimes.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to draft a favorable eligibility determination for IREC Eligibility Determination 22-01 (IREC Case No. 22-098), as discussed in closed session.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to draft an unfavorable eligibility determination for IREC Eligibility Determination 22-02 (IREC Case No. 22-100), as discussed in closed session.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Closed Session (3)

Motion by DeMott to go into closed session pursuant to Iowa Code §§ 21.5(1)(a) & (d) & (f), 272C.15(5) 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 Reed.

Roll Call: Clingman, aye; DeMott, aye; Kimes, aye; Reed, aye; and Sweeney, aye.

Motion passed unanimously.

The Commission entered into closed session at 11:13 a.m. and arose from there at 12:40 a.m.

Open Session (3)

Motion by Kimes to return to open session.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Reed to accept the signed settlements and/or consent agreements for the cases discussed in closed session and to authorize Clingman (Chair), Reed (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed Settlement Agreement/Consent Agreement for the following cases: 20-172, 21-190, 21-227, 21-240, 21-281, and 22-006 as discussed in closed session.

Seconded by Kimes.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott to accept the signed Voluntary Surrender of Broker License through Consent Order for IREC Case Nos. 22-072, 22-083, and 22-084 and to authorize Clingman (Chair), Reed (Vice Chair), or Evans (Executive Officer) to sign the Order.

Seconded by Kimes.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott to find probable cause and to authorize Clingman (Chair), Reed (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed Settlement Agreement for the following cases: 21-155, 21-186, 21-250, 21-325, 22-051, 22-055, 22-058, 22-059, 22-061, 22-062, 22-064, 22-065, 22-066, 22-085, 22-087, 22-092, 22-093, 22-109, and 22-112 as discussed in closed session.

Seconded by Reed.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to find probable cause for IREC Case No. 21-078 as discussed in closed session and to accept the signed Voluntary Surrender of Salesperson License through Consent Order and to authorize Clingman (Chair), Reed (Vice Chair), or Evans (Executive Officer) to sign the Order.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously

Motion by Reed to grant licensure for IREC Case No. 22-162.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes 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. 22-151, IREC Case No. 22-161, and IREC Case No. 22-166 as discussed in closed session.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Reed to find probable cause for the following cases: 20-177, 20-332, 20-337, 21-062, 21-089, 22-038, 22-040, 22-041, 22-042, 22-045, 22-071, 22-076, 22-122, 22-124, 22-133, 22-159, and 22-165 discussed in closed session.

Seconded by Kimes.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to close the following cases: 21-355, 22-007, 22-008, 22-009, 22-010, 22-028, 22-029, 22-030, 22-031, 22-035, 22-039, 22-043, 22-046, 22-067, 22-073, 22-075, and 22-105 as discussed in closed session.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 21-234 and the allegations of the unlicensed practice of real estate.

Motion by DeMott to accept the signed Cease and Desist Order by Consent Agreement and to authorize Clingman (Chair), Reed (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed Consent Agreement.

Seconded by Reed.

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

Discussion was held re: IREC Case No. 21-237 and the allegations of the unlicensed practice of real estate.

Motion by DeMott to accept the signed Cease and Desist Order by Consent Agreement and to authorize Clingman (Chair), Reed (Vice Chair), or Evans (Executive Officer) to sign the accepted, signed Consent Agreement.

Seconded by Reed.

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

Discussion was held re: IREC Case No. 22-123 and the allegations of the unlicensed practice of real estate.

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

Seconded by Reed.

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

Discussion was held re: IREC Case No. 22-131 and the allegations of the unlicensed practice of real estate.

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

Seconded by Reed.

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

Discussion was held re: IREC Case No. 22-132 and the allegations of the unlicensed practice of real estate.

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

Seconded by Reed.

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

Future Meetings

Investigation Committee Meetings

No July Meeting
Wednesday, August 3
Wednesday, September 7
Wednesday, October

Regularly Scheduled Meetings

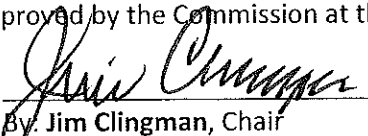
No July Meeting
Thursday, August 4
Thursday, September 8
Thursday, October 6

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 12:50 p.m.

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

8.4.22
Date


By: Jim Clingman, Chair

**Iowa Real Estate Commission
 Staff Report – As of 05/01/22
 June 2, 2022 IREC Meeting**

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>
Active	7,465	2,915	
Inactive	1,323	300	
Suspended	16	18	
TOTAL	8,804	3,233	12,037

	<u>Firms</u>	<u>Broker Sole Proprietors</u>	<u>TOTAL BROKERAGES</u>
Active	1,209	343	1,552

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Broker	101	449	294	309	296	296
Salesperson	1,024	3,490	2,885	2,463	2,040	2,091

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>Year To Date</u>
2013	835
2014	845
2015	972
2016	1,031
2017	978
2018	1,035
2019	1,057
2020	1,119
2021	1,231
2022	473

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2022)</u>
Exam	369	37	
Rule 5.3	41	15	
Reciprocity	6	5	
TOTAL	416	57	473

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

<u>Turnaround Time (Days)</u>		<u>2022</u>
Minimum	7	Total Processed 604
Maximum	19	
Average (YTD 2022)	14	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	96
E & O	161
Trust Account	51

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
2017	17.87%	2.9%
2018	4.16%	0.59%
2019	1.22%	3.37%
2020	20.13%	1.87%
2021	23.92%	1.48%
2022	34.78%	0.00%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	136

Commission Action:

Closed	37
Closed with Informal Cautionary Letter	13
Closed and Granted License	5
Signed Informal Settlement Agreements	17
Signed Applicant Consent Agreements	5
Signed Cease and Desist by Consent Agreement	2
Statement of Charges Filed	1
License Denials	-
Formal Hearings	1
Total	81

IREC Staff Action:

Closed	12
License Suspension	-
Other	-
Total	<u>12</u>

Complaint Cases Closed YTD	93
Average Amount Of Time (Open To Close)	144 Days

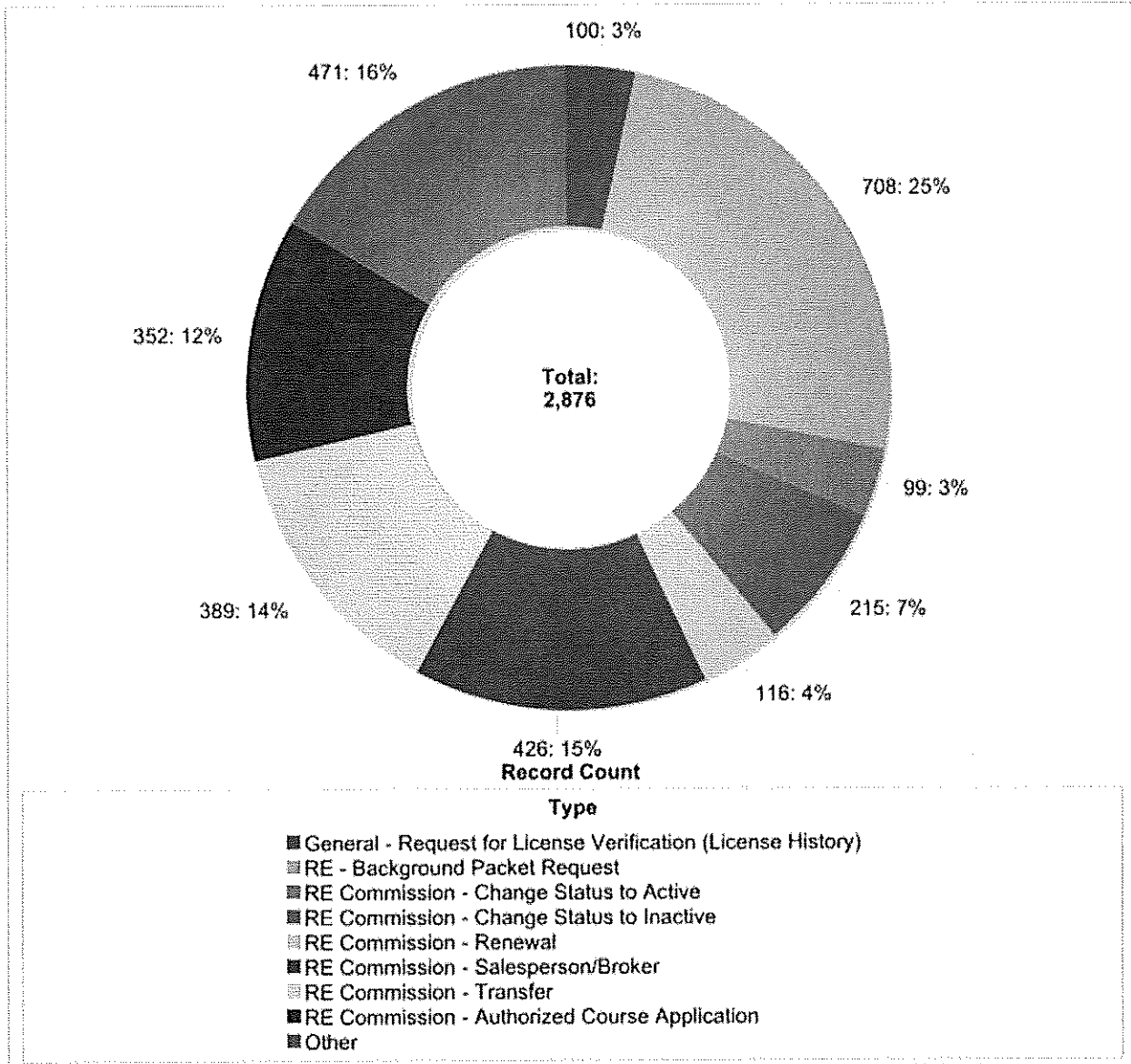
Disciplinary Action Totals:

Civil Penalties Assessed	\$ 41,500
Continuing Education Hours Assessed	24
CPA Audits Assessed	-
Trust Account Reexaminations Assessed	-
Probations Assessed	2
Suspensions Assessed	4
Revocations/Voluntary Surrenders	1
Cease and Desist Injunction	4
License Denial	-
Statement of Charges Filed (Outstanding)	2

REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	337
Provider Approvals (New/Renewed)	9
Instructor Approvals (New/Renewed)	38
Pre/Post Course Approvals	24
Examination Authorization	2

IREC APPLICATIONS PROCESSED (2022):



**Iowa Real Estate Commission
 Staff Report – As of 06/01/22
 June 2, 2022 IREC Meeting**

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>
Active	7,533	2,918	
Inactive	1,344	306	
Suspended	16	18	
TOTAL	8,893	3,242	12,135

	<u>Firms</u>	<u>Broker Sole Proprietors</u>	<u>TOTAL BROKERAGES</u>
Active	1,215	341	1,556

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Broker	165	449	294	309	296	296
Salesperson	1,393	3,490	2,885	2,463	2,040	2,091

BROKERS & SALESPERSONS PROCESSED APPLICATIONS:

	<u>Year To Date</u>
2013	835
2014	845
2015	972
2016	1,031
2017	978
2018	1,035
2019	1,057
2020	1,119
2021	1,231
2022	575

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2022)</u>
Exam	455	44	
Rule 5.3	49	15	
Reciprocity	6	6	
TOTAL	510	65	575

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

<u>Turnaround Time (Days)</u>		<u>2022</u>
Minimum	7	Total Processed 711
Maximum	72	
Average (YTD 2022)	14	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	103
E & O	207
Trust Account	67

PERCENTAGE OF NONCOMPLIANCE FOR E&O AND CE AUDITS:

<u>Year</u>	<u>E&O</u>	<u>Continuing Education</u>
2017	17.87%	2.9%
2018	4.16%	0.59%
2019	1.22%	3.37%
2020	20.13%	1.87%
2021	23.92%	1.48%
2022	32.85%	0.98%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	167
 <u>Commission Action:</u>	
Closed	37
Closed with Informal Cautionary Letter	13
Closed and Granted License	5
Signed Informal Settlement Agreements	17
Signed Applicant Consent Agreements	5
Signed Cease and Desist by Consent Agreement	2
Statement of Charges Filed	1
License Denials	-
Formal Hearings	1
Total	81
 <u>IREC Staff Action:</u>	
Closed	18
License Suspension	-
Other	-
Total	<u>18</u>
Complaint Cases Closed YTD	98
Average Amount Of Time (Open To Close)	137 Days

Disciplinary Action Totals:

Civil Penalties Assessed	\$ 61,700
Continuing Education Hours Assessed	24
CPA Audits Assessed	-
Trust Account Reexaminations Assessed	-
Probations Assessed	2
Suspensions Assessed	4
Revocations/Voluntary Surrenders	3
Cease and Desist Injunction	4
License Denial	-
Statement of Charges Filed (Outstanding)	1

REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	436
Provider Approvals (New/Renewed)	9
Instructor Approvals (New/Renewed)	43
Pre/Post Course Approvals	28
Examination Authorization	2

IREC APPLICATIONS PROCESSED (2022):

