

Iowa Real Estate Commission
200 East Grand, Suite 350
Des Moines, IA 50309
MINUTES
August 4, 2022
9:00 a.m.

Commissioners present for all or part of the meeting

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

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/Education Director	Lori SchraderBachar, Bureau Chief via Zoom
Ashley Thompson, Background Manager/PLB Investigator	

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

Kris Brend, IAR	Matt Blake, IAR legal counsel for IAR
Greta Haas, IAR	Theresa Kenkel, Petersen Court Reporters
Forrest Guddall, Department of Inspections and Appeals	Dan Davidson

Call to Order

Clingman called the meeting to order at 9:04 a.m.
Quorum was established.
Introductions were made.

Motion by DeMott to approve the agenda.

Seconded by Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Approval of Minutes

Motion by Kimes to approve the June 2, 2022 IREC Meeting open and closed session minutes.

Seconded by Reed.

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

Motion passed.

Commissioner Reports

Clingman announced that during each commission meeting, one board member and one member of staff will present an introduction so that members and staff have the opportunity to know one another better.

Staff Reports

Lundquist had nothing to report.

SchraderBachar announced Demetria Witt accepted the position of licensing specialist and serves three Boards for PLB. Gleason was promoted to Administrative Assistant. Paulsen was promoted to EO for the Landscape Architectural Examining Board and is also the new IREC Education Director. Thompson was promoted to PLB Investigator. SchraderBachar informed the Commission that interviews for the vacant Background Manager are next week and that she is continuing to reach out to the Governor's Office, inquiring about the open public member position on the Commission. SchraderBachar gave notice that there will be some legislation changes that affect all Boards within PLB and that the Commissioners will have to approve rule-making in the near future.

Evans asked Commissioners to sign, date, and return their per diems and travel reports. Evans congratulated Paulsen and Thompson on their promotions. Evans announced that he and Paulsen met with the IAR to discuss potential changes to prelicense education and continuing education requirements.

Real Estate Errors and Omission Insurance Group Program Contract Extension

After discussion, **Motion by Kimes to extend the real estate errors and omissions program contract for one year at the current premium rate of \$144.00 per licensee.**

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

ARELLO

Evans discussed the upcoming 2022 ARELLO Regulatory Investigations Seminar, being held November 1-3, 2022 in Raleigh, NC.

Motion by Reed to approve sending Goddard and Thompson to the 2022 ARELLO Regulatory Investigations Seminar.

Seconded by Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Public Comment

Blake introduced himself as the new legal counsel for IAR and gave a brief summary of his work history and background.

Clingman presented a personal profile to the commission and to staff. He is the youngest of 6 kids and grew up in Hedrick, Iowa and both of his parents were real estate brokers. Clingman went to Drake and later University of Iowa and has a degree in psychology. He is married with 5 children. Clingman summarized his work history which began in retail, followed by acting and singing in Hollywood, pharmaceutical work, and then settled at the post office for 20 years. He and his wife later moved to Ottumwa to be closer to his parents and in an effort to support them better, Clingman pursued his real estate license. Clingman shared that he was so inspired when he began his career in real estate and to this day still works for the same company, alongside his wife; who also works as a broker there.

Goddard presented a personal profile to the commission and to staff. She has worked for the State of Iowa for 30 years; half of that has been for the PLB. Goddard shared her love for PLB management, the real estate team, and the Real Estate Commission members. Goddard expressed she is always learning something different and new. Goddard graduated from DMACC with an Associate Science degree,

obtained her real estate license in 2002, and obtained her CPM Certification through Drake. Goddard and her husband have one daughter and one son and have been married for 20 years.

Formal Hearing

A hearing was held before the Commission in IREC Case No. 22-100 (Eligibility Determination 22-02). Administrative Law Judge Forest Guddall assisted the Commission in conducting the hearing and a certified court reporter recorded the proceedings with the Petitioner present. The hearing was closed to the public, pursuant to Iowa Code section 272C.15(6); 193 Iowa Admin. Code r. 15.4 (2). Hearing commenced at 9:33 a.m. and concluded at 11:12 a.m.

Lundquist, Thompson, Kenkel, and Davidson left the meeting at 11:14 a.m.

The Commission broke at 11:14 a.m. and reconvened at 11:22 a.m.

Closed Session (1)

Motion by DeMott to enter into closed session pursuant to Iowa Code 21.5(1)(f) to deliberate IREC Case No. 22-100 (Eligibility Determination 22-02).

Seconded by Kimes.

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

Motion passed unanimously.

The Commission entered into closed session at 11:22 a.m. and arose from there at 12:34 p.m.

Open Session (1)

Motion by Clingman to return to open session.

Seconded by Reed.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott to request Administrative Law Judge Guddall to prepare a written decision for IREC Case No. 22-100 (Eligibility Determination 22-02) in accordance with the findings and deliberations made in closed session.

Seconded by Reed.

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

Motion passed unanimously.

Guddall left the meeting at 12:39 p.m.

The Commission broke at 12:39 p.m. and reconvened at 12:44 p.m.

Lundquist rejoined the meeting at 12:44 p.m.

Closed Session (2)

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

Seconded by DeMott.

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

Motion passed unanimously.

The Commission entered into closed session at 12:46 p.m. and arose from there at 12:49 p.m.

Open Session (2)

Motion by Kimes to return to open session.

Seconded by Reed.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott to accept the Findings of Fact, Conclusions of Law, Decision and Order in IREC Case No. 21-260 and to authorize Clingman (Chair), Reed (Vice Chair), or Evans (Executive Officer) to sign the Decision and Order.

Seconded by Kimes.

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

Motion passed.

Thompson returned to meeting at 12:50 p.m.

Closed Session (3)

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

Seconded by Reed.

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

Motion passed unanimously.

The Commission entered into closed session at 12:50 p.m. and arose from there at 12:52 p.m.

Open Session (3)

Motion by Reed to return to open session.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Eligibility Determination 22-03 (IREC Case No. 22-164). No action was taken due to the petitioner submitting an incomplete petition and this matter will be tabled to a future meeting.

Closed Session (4)

Motion by Kimes 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: Carminhato, aye; Clingman, aye; DeMott, aye; Kimes, aye; Reed, aye; and Sweeney, aye.

Motion passed unanimously.

The Commission entered into closed session at 1:01 p.m. and arose from there at 2:08 p.m.

Open Session (4)

Motion by Kimes to return to open session.

Seconded by Reed.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott 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: 17-220, 20-177, 21-089, 21-107, 21-169, 21-259, 22-022, and 22-076 as discussed in closed session.

Seconded by Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes 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: 21-100, 21-336, 22-052, 22-060, 22-088, 22-097, 22-111, 22-113, 22-115, 22-116, 22-118, 22-143, 22-145, 22-146, 22-147, 22-148, and 22-149 as discussed in closed session.

Seconded by Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by DeMott 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. 22-169 and IREC Case No. 22-201 as discussed in closed session.

Seconded by Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to find probable cause for the following cases: 21-110, 21-285, 22-069, 22-080, 22-127, 22-152, 22-173, 22-174, and 22-196 as discussed in closed session.

Seconded by DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Reed to close the following cases: 22-014, 22-081, 22-102, 22-104, 22-107, 22-108, 22-120, 22-121, 22-130, 22-153, 22-154, 22-156, and 22-157 as discussed in closed session.

Seconded by Kimes.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Motion by Kimes to close IREC Case No. 22-136 as discussed in closed session.

Seconded by Reed.

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

Motion passed.

Motion by Reed to rescind the probable cause finding and close IREC Case No. 20-043 and IREC Case No. 22-124 as discussed in closed session.

Seconded by Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 21-233 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 Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 21-235 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 Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 21-236 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 Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 21-238 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 Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 21-239 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 Carminhato.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 22-079 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 DeMott.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 22-125 and the allegations of the unlicensed practice of real estate.

Motion by DeMott 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. 22-134 and the allegations of the unlicensed practice of real estate.

Motion by Kimes to close.

Seconded by Reed.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Discussion was held re: IREC Case No. 22-155 and the allegations of the unlicensed practice of real estate.

Motion by Kimes to close.

Seconded by Reed.

Vote: Aye: All Nay: None Abstaining: None

Motion passed unanimously.

Future Meetings

Investigation Committee Meetings

Wednesday, September 7

Wednesday, October 5

No November Meeting

Wednesday, November 30

Regularly Scheduled Meetings

Thursday, September 8

Thursday, October 6

No November Meeting

Thursday, December 1

Meeting Adjourned

With all agenda items covered, the meeting adjourned at 2:27 p.m.

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

9.8.22
Date


By: Jim Clingman, Chair

**Iowa Real Estate Commission
 Staff Report – As of 07/01/22
 August 4, 2022 IREC Meeting**

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>
Active	7,597	2,930	
Inactive	1,372	313	
Suspended	16	17	
TOTAL	8,985	3,260	12,245

	<u>Firms</u>	<u>Broker Sole Proprietors</u>	<u>TOTAL BROKERAGES</u>
Active	1,222	341	1,563

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Broker	191	449	294	309	296	296
Salesperson	1,694	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	700

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2022)</u>
Exam	541	56	
Rule 5.3	70	20	
Reciprocity	7	6	
TOTAL	618	82	700

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

Turnaround Time (Days)		<u>2022</u>
Minimum	7	Total Processed 826
Maximum	72	
Average (YTD 2022)	14	

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	186
E & O	288
Trust Account	92

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	26.04%	2.69%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	200

Commission Action:

Closed	49
Closed with Informal Cautionary Letter	18
Closed and Granted License	6
Signed Informal Settlement Agreements	46
Signed Applicant Consent Agreements	8
Signed Cease and Desist by Consent Agreement	4
Statement of Charges Filed	2
License Denials	-
Formal Hearings	1
Total	134

IREC Staff Action:

Closed	27
License Suspension	-
Other	-
Total	<u>27</u>

Complaint Cases Closed YTD	161
Average Amount Of Time (Open To Close)	136 Days

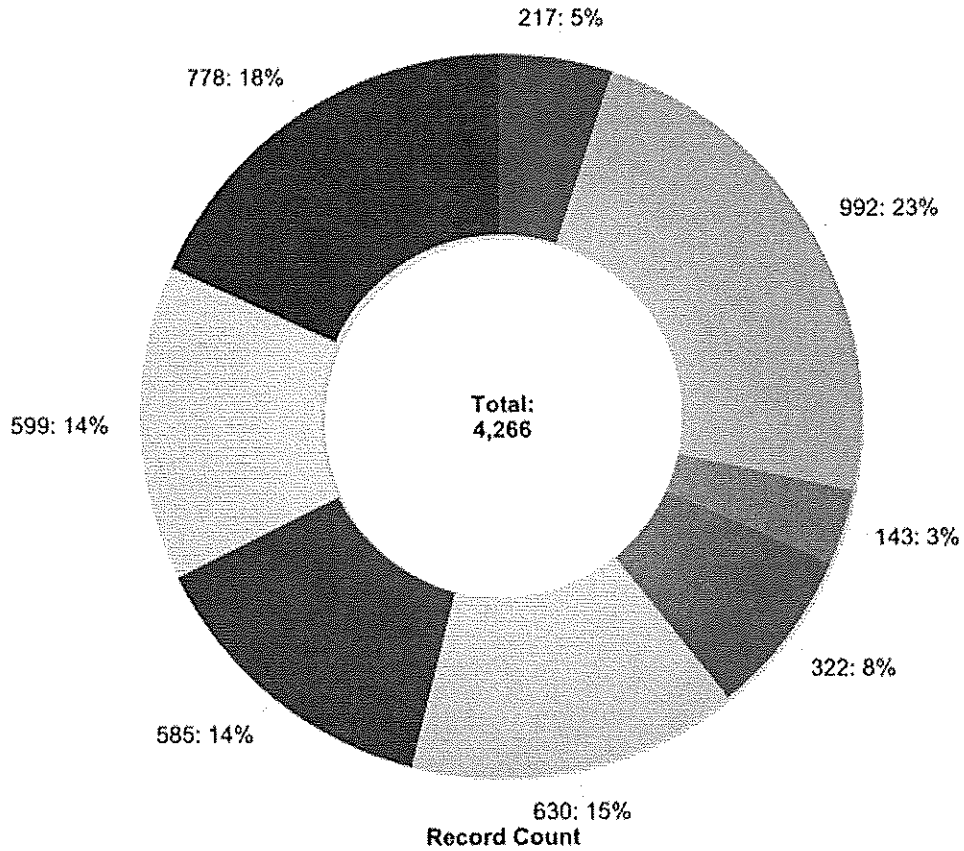
Disciplinary Action Totals:

Civil Penalties Assessed	\$ 76,500
Continuing Education Hours Assessed	36
CPA Audits Assessed	-
Trust Account Reexaminations Assessed	-
Probations Assessed	2
Suspensions Assessed	4
Revocations/Voluntary Surrenders	3
Cease and Desist Injunction	9
License Denial	-
Statement of Charges Filed (Outstanding)	2

REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	584
Provider Approvals (New/Renewed)	9
Instructor Approvals (New/Renewed)	51
Pre/Post Course Approvals	36
Examination Authorization	7

IREC APPLICATIONS PROCESSED (2022):



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

**Iowa Real Estate Commission
 Staff Report – As of 08/01/22
 August 4, 2022 IREC Meeting**

LICENSING TOTALS:

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL IND. LICENSES</u>
Active	7,605	2,938	
Inactive	1,378	311	
Suspended	16	17	
TOTAL	9,019	3,266	12,285

	<u>Firms</u>	<u>Broker Sole Proprietors</u>	<u>TOTAL BROKERAGES</u>
Active	1,224	339	1,563

EXAMINATIONS ADMINISTERED BY PSI:

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Broker	208	449	294	309	296	296
Salesperson	1,979	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	744

	<u>Salespersons</u>	<u>Brokers</u>	<u>TOTAL SALESPERSON & BROKER LICENSES ISSUED (YTD 2022)</u>
Exam	577	58	
Rule 5.3	72	24	
Reciprocity	7	7	
TOTAL	656	88	744

TOTAL FINGERPRINTS SUBMITTED TO FBI & DCI

Turnaround Time (Days)			<u>2022</u>
Minimum	7	Total Processed	945
Maximum	72		
Average (YTD 2022)	15		

AUDITS:

	<u>Year To Date Totals</u>
Continuing Education	204
E & O	300
Trust Account	99

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	25.00%	2.94%

INVESTIGATIONS/CONTESTED CASE HEARINGS/DISCIPLINARY ACTION:

	<u>Year To Date Totals</u>
Complaint Cases Opened YTD	217

Commission Action:

Closed	49
Closed with Informal Cautionary Letter	18
Closed and Granted License	6
Signed Informal Settlement Agreements	46
Signed Applicant Consent Agreements	8
Signed Cease and Desist by Consent Agreement	4
Statement of Charges Filed	5
License Denials	-
Formal Hearings	1
Total	137

IREC Staff Action:

Closed	31
License Suspension	-
Other	-
Total	<u>31</u>

Complaint Cases Closed YTD	168
Average Amount Of Time (Open To Close)	144 Days

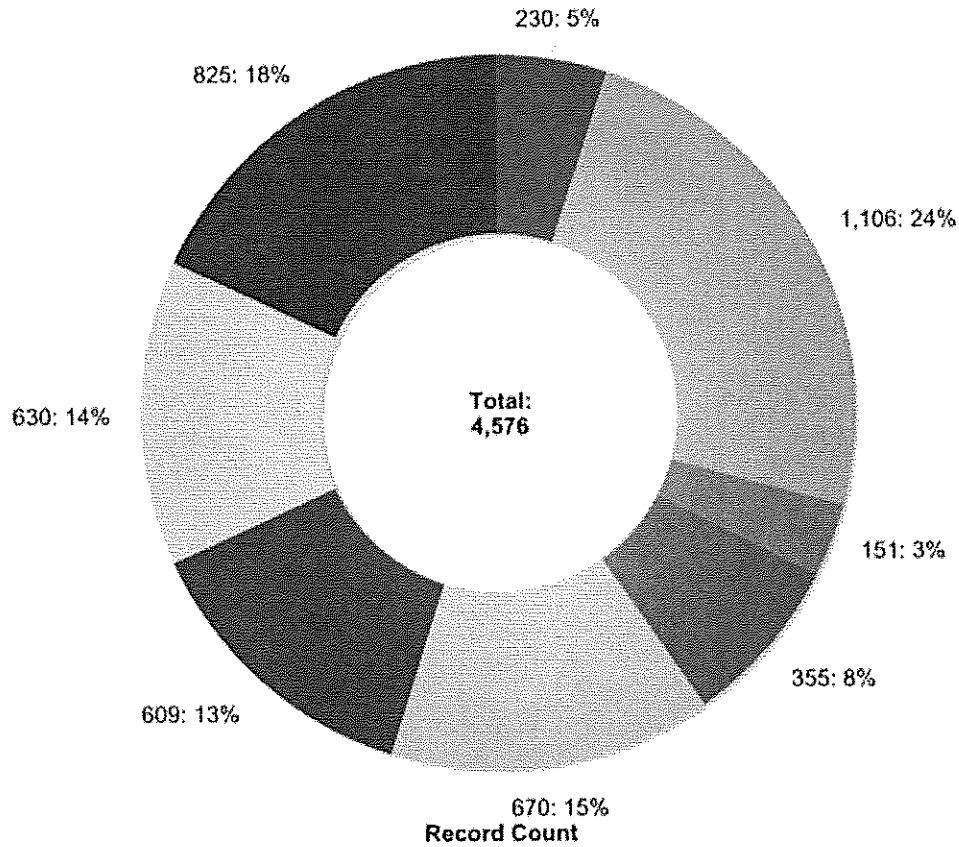
Disciplinary Action Totals:

Civil Penalties Assessed	\$ 78,750
Continuing Education Hours Assessed	36
CPA Audits Assessed	-
Trust Account Reexaminations Assessed	-
Probations Assessed	2
Suspensions Assessed	4
Revocations/Voluntary Surrenders	3
Cease and Desist Injunction	9
License Denial	-
Statement of Charges Filed (Outstanding)	5

REAL ESTATE EDUCATION REPORT:

	<u>Year To Date Totals</u>
Course Approvals (New/Renewed)	615
Provider Approvals (New/Renewed)	11
Instructor Approvals (New/Renewed)	58
Pre/Post Course Approvals	40
Examination Authorization	8

IREC APPLICATIONS PROCESSED (2022):



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