

North Dakota Real Estate Commission Meeting Minutes -- FINAL 8:30 a.m., Tuesday, March 20, 2018 1110 College Dr Ste 207, Bismarck

For more information, call 701.328.9749 ndrealestatecom@midconetwork.com

www.realestatend.org

Present: Diane Louser, chair (on phone); Roger Cymbaluk, vice chair; members: Scott Breidenbach, Sandra Meyer, Jerry Schlosser; Constance Hofland, special assistant attorney general; Rhonda Mahlum, auditor; staff: Pat Jergenson and Jeanne Prom, executive directors; Kristi Hass, administrative assistant. Members of the public also present.

- 1. <u>Call meeting to order</u>. Chair Diane Louser called the meeting to order at 8:30 a.m. Roll call determined a quorum of all members present. Chair Louser welcomed the public.
- 2. Review of minutes from February 20, 2018 meeting. Mr. Roger Cymbaluk moved to approve minutes as presented. Mr. Jerry Schlosser seconded. Motion carried.
- Financial reports November, December 2017 and January 2018. Mr. Cymbaluk moved to approve financial reports as presented. Mr. Scott Breidenbach seconded. Motion carried.
- 4. New signatories on all financial accounts. Mr. Breidenbach moved to approve adding Ms. Sandra Meyer and Ms. Jeanne Prom as signatories on all financial accounts, to replace Mr. Jerry Schlosser and Ms. Pat Jergenson. Mr. Schlosser seconded. Motion carried.
- 5. <u>Update from trust account auditors: Watford City Real Estate Group, LLC/Drew Likness, broker</u>. Ms. Rhonda Mahlum, auditor, reported that the trust account is now in compliance. The commission took no further action.
- 6. <u>Update: broker responsibilities when depositing earnest money with title companies</u>. Trust account auditors will meet with Ms. Jeanne Prom and Ms. Constance Hofland to determine what these responsibilities should be.
- 7. <u>TrustFunds program</u>. Mr. Casey Chapman, legal counsel for N.D. Association of REALTORS® (NDAR) explained the TrustFunds program.
- 8. <u>Legal update</u>. Ms. Constance Hofland provided an update on current complaints.
 - a. Complaint #2017-09 NDREC v Nancy J. Allen: Stipulation and Settlement Agreement. Mr. Cymbaluk moved to accept the stipulation and settlement agreement as presented pending signed agreement. Mr. Schlosser seconded. Motion carried.
 - b. Complaint #2018-03 NDREC v Mitzi S. Bestall: Memorandum. Mr. Cymbaluk moved to accept legal counsel's recommendation to dismiss the complaint. Ms. Meyer seconded. Motion carried with Mr. Schlosser opposed.
 - c. Complaint #2018-04 NDREC v Theresa M. Halvorson: Memorandum. Mr. Breidenbach moved to set for hearing Complaint #2018-04 NDREC v. Theresa M. Halvorson. Mr. Schlosser seconded. Motion carried.
- 9. Review license applications. See attached.
- 10. Review of appeal of denied application of Travis D. De Vries. See attached.
- 11. Review application of Aaron J. Nissen for resident broker license. See attached.

Members of the North Dakota Real Estate Commission are: Diane Louser, Chair; Roger Cymbaluk, Vice Chair; Scott Breidenbach, Sandra Meyer, Jerry Schlosser. Special Assistant Attorney General: Constance Hofland. Staff: Pat Jergenson and Jeanne Prom, executive directors.

- 12. Request from DeLynn Weishaar to discuss NDCC §43-23-05.1. The commission asked Mr. DeLynn Weishaar and Mr. Jamie McLean, who were present in person, to share their thoughts on NDCC §43-23-05.1 Organization of salesperson or broker associate permitted to be licensed fees. They suggested a legislative change to use the term "licensee" instead of the terms "salesperson" and "associate broker" to clarify that all licensee types -- salesperson, broker associate, and broker, were included. However, they also added that perhaps the statute could be interpreted to include brokers as it is written, and added that the Mr. Chapman has indicated this to them. The commission requested Ms. Hofland further research this issue for clarification.
- 13. <u>NSF check from Barbara Bernhardt</u>. As requested, Ms. Barbara Bernhardt repaid the commission and also provided a statement from her bank and an explanation as to why the account did not have sufficient funds.
- 14. <u>Repeat advertising violation</u>. Mr. Cymbaluk moved to issue a complaint against Ms. Cassandra Bowers relating to her current advertising practice. Seconded by Ms. Meyer. Motion carried.
- 15. <u>Website update</u>. The commission agreed by consensus to add a secure section to the website to access commission meeting materials online.
- 16. Credit card update: Kristi Hass. No report available.
- 17. 2018 License renewal statistics. The commission received these statistics.
- 18. Mandatory topic for 2018. Ms. Jill Beck, NDAR executive director, reported that NDAR recommended safety and cyber security and professionalism as two mandatory continuing education topics for the next continuing education cycle. Mr. Schlosser moved to approve requiring 3 hours of safety and cybersecurity as a mandatory topic for the November 16, 2018 to November 15, 2019 continuing education cycle. Mr. Cymbaluk seconded. Motion carried.
- 19. N.D. Association of REALTORS® (NDAR) Pre-licensing Education Task Force update.

 Ms. Kristin Oban from the NDAR Pre-licensing Education Task Force reported NDAR's recommendations for licensing education. NDAR approved pursuing the following licensing education changes:
 - a. increasing pre-licensing requirements from 45 hours to 90 hours, and
 - b. increasing continuing education requirements from 9 hours to 12 hours per annual cycle, with 3 of those 12 hours to be a mandatory topic for brokers. The commission would determine the mandatory topic.
 - c. NDAR recommended no change to the 15 hours required for post-licensure. The pre- and post-licensing requirements are in statute and can only be changed by the N.D. Legislative Assembly. Continuing education requirements are administrative rules which can be changed by the commission with final review and approval by the N.D. Legislature's Administrative Rules Committee. Mr. Cymbaluk moved to increase the continuing education requirements from 9 to 12 hours per annual cycle, with 3 of those 12 hours to be a mandatory topic for brokers with the topic determined by the commission. Mr. Schlosser seconded. Motion carried.
- 20. NDAR request regarding Teams Task Force. Ms. Beck reported that NDAR's Team Task Force continues to discuss issues on the team approach. Mr. Breidenbach and Ms. Prom will participate in the discussions.
- 21. <u>ARELLO Leadership Conference Report: Commissioner Breidenbach</u>. Mr. Breidenbach provided a verbal report. He now serves on the membership committee. Mr. Cymbaluk serves on the nominating committee and will be nominating former commissioner Mr. Jerry Youngberg and Ms. Jergenson as candidates for emeritus standing.

- 22. <u>Review approved trust account waivers</u>. The commission noted the approved trust account waivers. See attached.
- 23. Priorities 2018. The commission noted its current priorities.
- 24. Other business.

NDAR board and committees will meet March 15-16, 2018.

Mr. Cymbaluk moved the commission cover the cost of Mr. Breidenbach's requested visits to the local boards of REALTORS®. Ms. Meyer seconded. Motion carried. Mr. Breidenbach was invited by NDAR President Mr. Ben Schroeder to travel with him to 7 meetings, requiring 4-5 overnight stays. The commission discussed that Mr. Breidenbach should provide at each site a prepared short presentation about the commission's consumer protection and public interest mission.

The commission agreed by consensus to allow Ms. Prom to use her judgement on providing for a retirement reception for Ms. Jergenson, which will be the afternoon of March 28, 2018.

The commission agreed by consensus to set the next meeting for Wednesday, May 9, 2018.

Mr. Breidenbach moved to adjourn. Mr. Schlosser seconded. Chair Louser adjourned the meeting at 12:34 p.m.

attachments



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License applications and appeal discussed by the commission:							
NAME	APPLYING FOR:	ISSUES ON:	DETAILS	ACTION BY COMMISSION:			
Bazey, Nathan P – not present	ND Salesperson License	background	some items not disclosed on application, an item disclosed on application did not show up on FBI report, credit report clear	Mr. Cymbaluk moved to allow Mr. Nathan Bazey to take the salesperson exam. Mr. Cymbaluk withdrew the motion. Mr. Breidenbach moved that any action on Mr. Nathan Bazey's application be tabled until Mr. Bazey can appear before the commission. Mr. Schlosser seconded. Motion carried.			
Cymbaluk, Michael J – present in person	ND Salesperson License	background & credit	some items disclosed in attachment with application, not on BCI print out	Mr. Breidenbach moved to allow Mr. Michael Cymbaluk to take the salesperson exam. Mr. Schlosser seconded. Motion carried with Mr. Roger Cymbaluk abstaining from voting.			
Dean, Amber E – present by phone	ND Salesperson License	credit	background report clear	Mr. Schlosser moved to approve Ms. Amber Dean's application to take the salesperson exam after Ms. Dean provides documentation to staff that balance is paid. Mr. Breidenbach seconded. Motion carried.			
Griffin, Joyce M – present by phone	ND Salesperson License	credit	background report clear	Mr. Cymbaluk moved to allow Ms. Joyce Griffin to take the salesperson exam. Ms. Meyer seconded. Motion carried.			
Huovinen, Joseph J – present by phone	ND Salesperson License	credit	some items disclosed on application	Mr. Cymbaluk moved to allow Mr. Joseph Houvinen to take the salesperson exam after he provides documentation to staff that he is current with child support payments, with the option for staff to refer the matter to the commission again if staff deems necessary. Mr. Breidenbach seconded. Motion carried.			

	APPLYING			
NAME	FOR:	ISSUES ON:	DETAILS	ACTION BY COMMISSION:
Isle, Michael R –	ND Broker	background	some items disclosed on	Mr. Michael Isle's broker, Mr. Matt Reichert, also
present in person	License		application, credit report	was present and spoke on Mr. Isle's behalf. Mr.
			clear	Cymbaluk moved to allow Mr. Michael Isle to take
(with current broker				the broker exam after Mr. Isle provides
Mr. Matt Reichert also				documentation to staff that he successfully
present in person)				completed probation, which is scheduled to end
				August 20, 2018. Ms. Meyer seconded. Motion
Kastet, Kaitlin M –	ND	background	item disclosed on	carried. Mr. Cymbaluk moved to allow Ms. Kaitlin Kastet to
present by phone	Salesperson	background	application, credit report	take the salesperson exam. Mr. Schlosser
present by priorie	License		clear	seconded. Motion carried.
Nikolai, Sarah A –	ND	credit	background report clear	Mr. Cymbaluk moved to allow Ms. Sarah Nikolai to
present by phone	Salesperson	ordan	background roport cloar	take the salesperson exam after Ms. Nikolai
p. 666 2) p. 6	License			provides documentation to staff that items are paid
				in full. Mr. Schlosser seconded. Motion carried.
Roulette, Tianna M –	ND	credit	background report clear	Mr. Cymbaluk moved to allow Ms. Tianna Roulette
present by phone	Salesperson			to take the salesperson exam after Ms. Roulette
	License			has provided documentation to staff that items in
				credit report are removed. Mr. Breidenbach
D !! D !		124		seconded. Motion carried.
Rowell, Dana L –	Non- resident	credit	background report clear	Mr. Cymbaluk moved to allow Ms. Dana Rowell to
present by phone	Broker License – TX			take the state portion of the broker exam. Mr. Schlosser seconded. Motion carried.
(with broker Cheryl	Licerise – 1 A			Schlosser seconded, Motion Carned.
Rabin also present by				
phone)				
Schmidt, Katlyn J –	ND	background	item disclosed on	Mr. Breidenbach moved to allow Ms. Katlyn
present on phone	Salesperson		application, credit report	Schmidt to take the salesperson exam. Mr.
	License		clear	Cymbaluk seconded. Motion carried.
Thomson, Kirsten J –	ND	background	some items disclosed only	Mr. Cymbaluk moved to allow Ms. Kirsten Thomson
present in person	Salesperson		on application or on	to take the salesperson exam. Mr. Breidenbach
	License		background report, credit	seconded. Motion carried.
			report clear	

License applications and appeal discussed by the commission:							
NAME	APPLYING FOR:	ISSUES ON:	DETAILS	ACTION BY COMMISSION:			
Voll, Ryan E – present by phone	ND Salesperson License	background	term disclosed only on background report, credit report clear	Mr. Breidenbach moved to allow Mr. Ryan Voll to take the salesperson exam. Ms. Meyer seconded. Motion carried.			
Winbauer, Tammi K – present in person	ND Salesperson License	credit	credit report, background report clear	Mr. Cymbaluk moved to allow Ms. Tammi Winbauer to take the salesperson exam after Ms. Winbauer provides documentation to staff showing credit item in dispute has been clarified. Mr. Schlosser seconded. Motion carried.			
DeVries, Travis D – present in person	ND Reciprocal License MN	background	Appeal of January 12, 2018 commission denial of application for a ND Reciprocal License	Mr. Cymbaluk moved to approve a reciprocal salesperson license for Mr. Travis DeVries. Mr. Schlosser seconded. Motion carried with Ms. Meyer opposed.			
Nissen, Aaron J – present on phone	ND Broker License	broker assessment	difference in applicant listing work as fulltime and broker assessing work as less than fulltime	Mr. Aaron Nissen's broker, Ms. Theresa Halvorson, was also present on the phone, but did not speak. Mr. Breidenbach moved to allow Mr. Aaron Nissen to take the broker exam. Mr. Cymbaluk seconded. Motion carried.			