

## North Dakota Real Estate Commission Meeting Minutes – FINAL 10:00 a.m., Thursday, March 10, 2022 1120 College Dr Ste 204, Bismarck, ND 58501 www.realestatend.org

Present: Steven Bitz, chair; Steven Link, vice chair; members: Tate Cymbaluk, Sandra Meyer, Scott Breidenbach; Constance Hofland, special assistant attorney general; staff: Jeanne Prom, executive director; Rob Yost, CPA/auditor; Cieana Schneider, licensing specialist. Members of the public also present in person and by phone.

- 1. <u>Call to order, roll call and determination of quorum</u>. Chair Mr. Steven Bitz called the meeting to order at 10:00 a.m. Ms. Jeanne Prom, executive director, reminded everyone that the meetings are now recorded, and Mr. Bitz announced that anyone joining by phone could, but was not required to, identify themselves. Ms. Prom called the roll, with a quorum of all 5 members present.
- 2. <u>Review and approval of agenda</u>. Mr. Steven Link moved to approve the agenda as presented. Mr. Tate Cymbaluk seconded. Motion carried by unanimous voice vote.
- 3. <u>Review of applicants</u>. See attachment for actions on all license applications.
- 4. Update on complaints.
  - A. Licensing activation request from respondent in settled cases 2018-16 and 2019-01. Mr. Cymbaluk moved to reactive Ms. Tasheena Greaves' broker license after all fees are paid. Mr. Breidenbach asked if all continuing education was completed during the years the license was inactive. Ms. Greaves said she would need to complete continuing education. Ms. Prom reported that the rules state that continuing education hours required to activate an inactive license cannot exceed the number of hours required for the 3 continuing education cycles prior to reactivation, currently 27 hours total. Mr. Cymbaluk amended his motion to reactive Ms. Tasheena Greaves' broker license after all fees are paid and all required continuing education is completed. Ms. Sandra Meyer seconded. Roll call vote: ayes – Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays – none. Motion carried unanimously.
  - B. <u>2021-14 Pearl Burroughs v. Shannon Gar</u>. Mr. Scott Breidenbach moved to table complaint 2021-14. Mr. Link seconded. Roll call vote: ayes Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays none. Motion carried unanimously.

Mr. Breidenbach moved the commission initiate a complaint against Ms. Sheila Kubas and Ms. Dawn Rasmussen based on the evidence in 2021-14 – Burroughs v. Gar. Mr. Cymbaluk seconded. Roll call vote: ayes – Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays – none. Motion carried unanimously.

- C. <u>2021-15 Alina Bradish v. Wes Houle and Erik Peterson</u>. Mr. Breidenbach moved to dismiss 2021-15. Mr. Cymbaluk seconded. Roll call vote: ayes – Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays – none. Motion carried unanimously.
- 5. <u>Administrative Rules oral report</u>.

Members of the North Dakota Real Estate Commission are: Steven Bitz, Chair; Steven Link, vice chair; members: Tate Cymbaluk, Scott Breidenbach, and Sandra Meyer. Special Assistant Attorney General: Constance Hofland. Staff: Jeanne Prom, executive director; Rob Yost, CPA/auditor; Cieana Schneider, licensing specialist.

Ms. Hofland reported that the proposed administrative rules changes are being reviewed by the Office of Attorney General according to the required process. After the review, the proposed changes will be on the agenda of a future legislative Administrative Rules Committee, maybe at the next committee meeting in June.

- 6. Update from management.
  - A. <u>2021-2022 priorities</u>. Ms. Prom reported on progress with priorities, including the administrative rules process.
  - B. <u>Staffing</u>. Ms. Prom brought in Program Assistant Ms. Colette Weber, who is retiring May 3, 2022. Ms. Prom and the commission thanked Ms. Weber for her work before Ms. Weber left the meeting. Ms. Prom proposed updating the program assistant position to be another licensing specialist at a salary of \$42,500 annually, which is about \$3,542 per month, detailed in a draft job description. The licensing specialist position would replace the program assistant position. Mr. Cymbaluk moved that Ms. Prom change the position from a program assistant to a licensing specialist and advertise and hire a licensing specialist at \$42,500 annually. Mr. Link seconded. Roll call vote: ayes Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays none. Motion carried unanimously.

The commission discussed the paper fingerprinting process, and the option for digital fingerprinting in some cities. Mr. Breidenbach reported that the PSI testing service used by commission to administer the licensing exam has been offering fingerprinting services at their testing sites in some other states. Licensing Specialist Ms. Cieana Schneider explained the steps and timing in the current license application process including fingerprinting and issuing test codes. Ms. Schneider said that while fingerprinting services may offer digital fingerprinting, they are not connected to the N.D. Office of Attorney General's Bureau of Criminal Investigation (BCI), which runs the criminal history background checks. The staff will look into fingerprinting options with PSI and BCI.

C. <u>CE audit</u>. Before taking formal action, the commission discussed and agreed by consensus that Mr. Rob Yost will send a formal letter to licensees whose continuing education (CE) was audited and found to not meet CE requirements for the CE cycle November 16, 2020 through November 15, 2021. The letter would state that the licensee may want to address any identified audit issues, but the commission will still review their audit and will take action they determine to be appropriate. Mr. Yost reported details on 3 licensees who did not complete CE as required. One licensee completed all 9 required CE hours after the CE cycle ended. Another licensee completed only 2 hours within the CE cycle and 6 hours were after the CE cycle, leaving the licensee short 1 CE hour. A third licensee completed 6 hours within the CE cycle and 3 hours after the cycle ended. Mr. Breidenbach moved the commission file complaints against the 3 licensees for licensees not meeting 2020-2021 continuing education requirements. Mr. Link seconded. Discussion: The commission directed Mr. Yost to send a letter to the 3 licensees stating that: they are in violation, they can address any identified issue, and the commissioners will follow up with the licensees. Ms. Prom will have Ms. Hofland draft complaints. Ms. Prom noted that the only issue that could be addressed is with 1 licensee who needs to complete 1 CE hour, as the CE violations showed most hours were completed, but not on time. Roll call vote:

ayes – Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays – none. Motion carried unanimously.

D. <u>Trust account audit</u>. Mr. Yost reported only 1 firm with an audit issue in the trust account audits he has conducted since the last commission meeting. Mr. Yost found that Goldmark Commercial Realty was not tracking or reconciling monthly with the title company the earnest money deposits received and disbursements made by the title company. The firm had the same issue during their previous audit, but the broker is new and Mr. Yost working with the new broker on the issue.

Mr. Yost has worked with 2 firms that had trust account issues reported at the last commission meeting. Mike Nelson Realty was audited again and issues were corrected and now meet record-keeping guidelines. Rorvig Realty had only 1 closed transaction in the selected time period, so Mr. Yost will reaudit in a few months.

- E. <u>Trust account waivers</u>. Ms. Prom shared the trust account waivers issued since the last commission meeting.
- F. <u>License statistics</u>. Ms. Prom shared number of licensees and license application numbers. Ms. Meyer reported that at conferences she attended, information was shared that within the next 5 years, a high percentage of licensees will retire or leave the profession because of lack of inventory to generate sufficient personal income.
- G. Website. Ms. Prom presented a possible new design of the website home page featuring large boxes to link to major areas such as applications and license law. Tao Interactive submitted the design and proposed to complete the redesign for \$1,680, which is 16 hours at \$105/hour. The commission discussed cybersecurity, and Ms. Prom said the website and database are protected through ND Information Technology's cybersecurity infrastructure. Mr. Breidenbach moved to approve Tao Interactive's proposal to redesign the website home page for \$1,680 total, which is 16 hours at \$105/hour. Mr. Link seconded. Roll call vote: ayes Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays none. Motion carried unanimously.
- Financial reports December 2021 and January 2022. Mr. Yost reported that the budget is over on income and under budget on expenses. Mr. Cymbaluk moved to approve the December 2021 and January 2022 financial reports. Mr. Link seconded. Motion carried by unanimous voice vote.
- 8. <u>Minutes January 13, 2022 meeting</u>. Mr. Link moved to approve the minutes from the January 13, 2022 meeting with 1 correction on page 7: change the vote count in 3.E. from 4-1-0 to 4-0-1. Mr. Cymbaluk seconded. Motion carried by unanimous voice vote.
- 9. Other business next meeting June 9, 2022. Mr. Breidenbach announced he was planning to run for president of the Association of Real Estate License Law Officials (ARELLO). If elected, he would begin his term as president at the ARELLO annual meeting in 2023 in Montreal, after a year as president-elect. Mr. Bitz asked if Mr. Breidenbach needed a letter or other formal support from the commission. Mr. Cymbaluk moved that the North Dakota Real Estate Commission support the nomination of Commissioner Scott Breidenbach for 2023-2024 ARELLO president. Mr. Link seconded. Roll call vote: ayes Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays none. Motion carried unanimously.

Mr. Link shared that some landowners have received unsolicited form letters from unlicensed individuals. The letter invites the landowners to sign to sell their land at a

quoted price. The commission discussed that they do not have jurisdiction over unlicensed individuals.

The commission agreed by consensus the next meeting will be at 1 p.m. June 9, 2022 in Medora. This will be after the North Dakota Association of REALTOR's® meeting there. Mr. Breidenbach shared information about his work on fair housing in his role as chair of the ARELLO Fair Housing Committee.

The commission encouraged staff to look into offering remote access to the meeting through Microsoft Teams and also discussed an office cell phone. The Microsoft Teams meeting program would offer a way to call in to the meeting, possibly reducing the need for an office cell phone.

Ms. Prom suggested that the commission consider meeting during the REALTOR® Convention of the Dakotas September 12-14, 2022, which will be held in Bismarck. 10. Adjourn. Chair Bitz adjourned the meeting at 12:15 p.m.

Attachment



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## 3. Review of applicants

L	AME and ICENSE LICATIONS:	ACTION BY COMMISSION:
A. Marlan salesp phone	oerson – on	Mr. Breidenbach moved to allow Mr. Marlan Shull to complete the required hours of continuing education to be current, allow Mr. Shull to take the salesperson licensing examination and waive the 90-hour salesperson prelicensure course. Ms. Meyer seconded. Roll call vote: ayes – Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays – none; Motion carried unanimously.
B. Rodric salesp phone	oerson – on	Mr. Breidenbach moved to approve the salesperson application for Mr. Roderick Dida. Mr. Cymbaluk seconded. Roll call vote: ayes – Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays – none; Motion carried unanimously.