

North Dakota Real Estate Commission Meeting Minutes – FINAL 10:30 am, Thursday, March 11, 2021 – in person or phone 1120 College Dr Ste 204, Bismarck, ND 58501

Present: Sandra Meyer, chair; Steven Bitz, vice chair; members: Steven Link, Tate Cymbaluk, Scott Breidenbach; Constance Hofland, special assistant attorney general, by phone; 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</u>. Chair Ms. Sandra Meyer called the meeting to order at 10:30 a.m.
- 2. <u>Roll call and determination of quorum</u>. Ms. Jeanne Prom, executive director, called the roll, with a quorum of all members present.
- 3. <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.
- 4. <u>Review of four license applicants</u>. See attachment for actions on all license applications. Ms. Prom will research the possibility of a pre-licensure course on North Dakota real estate law.
- 5. Legislation, including update from N.D. Association of REALTORS®.
  - A. <u>NDREC bill (HB 1258) and upcoming rules changes</u> Ms. Prom reported that HB 1258 is awaiting the Governor's signature after passing both chambers unanimously. The law changes will take effect August 1, 2021 and within 9 months of this date, or May 1, 2022, any required administrative rules changes must be adopted and filed with the legislative council. At the commission's next meeting on May 13, 2021, the commission will identify rules that need to be changed based on these law changes. Last year, the commission reviewed the rules and identified additional rules that could be changed. These will be considered again at the May 13, 2021 meeting.

Ms. Prom thanked the commission, association, Rep. Scott Louser, and co-sponsors for reviewing the statutes, rules and bill drafts and then supporting the bill. All commissioners signed thank-you letters that Ms. Meyer will distribute to the association and bill co-sponsors.

B. <u>Other bills impacting NDREC</u>. Ms. Prom reported on HB 2175 and HB 1166. The bills call for expediting license applications for qualifying licensees in good standing who moved to North Dakota and are active military members (SB 2175) or foreign practitioners (HB 1166).

SB 2266 proposes to require occupational boards to review laws and rules for outdated references to "good moral character," "moral turpitude," "moral fitness," "good character," and "immorality." Ms. Prom reported that none of these words or phrases are in NDCC 43-23 or NDAC Chapter 70. Mr. Bitz shared that the state's constitution contains similar words and phrases. Ms. Connie Hofland explained the likely intent of the bill. All three bills have passed one chamber but would need to pass the other chamber before becoming law.

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

- C. <u>Update from NDAR</u>. Ms. Jill Beck, N.D. Association of REALTORS<sup>®</sup>, reported the association has taken positions on or is tracking several bills including those on Covid liability, drone photography, tax exemptions, hunting, neighborhood zones, abandoned property, nonconforming structures, appraisals, and the association's property condition disclosure bill to expand the disclosure law to include most sales and not just those involving licensees.
- 6. Update from management.
  - A. Errors and omissions insurance update. Ms. Prom reported that the commission currently contracts with Rice Insurance Services Company (RISC) to provide individual licensee errors and omissions insurance. In February 2021, RISC was purchased by AssuredPartners NL, LLC. Mr. Link moved that the commission sign the Assignment of Contract to modify the contract to reflect the ownership change. Mr. Cymbaluk seconded. Discussion: The ownership change does not change any other terms of the contract, including current costs of coverage. RISC will operate as a division of AssuredPartners and employees servicing the contract remain the same. Ms. Prom will post an updated certificate on the website if the certificate changes. Roll call vote: ayes Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays none. Motion carried unanimously.
  - B. <u>Trust account waivers</u>. The commission received a list of recent trust account waivers for brokers.
  - C. 2020-21 priorities. The commission reviewed progress on the 2020-21 priorities.
  - D. License application numbers. Ms. Prom shared license application numbers.
  - E. <u>Final renewal numbers</u>. Ms. Prom reported that 187 licensees, or 7 percent, cancelled their licenses in 2020. This is a comparable number to cancellations in recent years. Total license numbers have increased by 18 percent from 2018 to 2021.
  - F. <u>Consumer protection</u>. Ms. Prom suggested the commission consider a future priority of assessing consumer information on the website. A recent report from a national consumer group concluded that consumer information on real estate commissions' websites could be improved. The office has not received complaints from consumers on lack of information. Mr. Bitz noted that the commission and staff provide clear and adequate consumer information.
- 7. <u>Financial reports December 2020 and January 2021</u>. Mr. Cymbaluk moved to approve the December 2020 and January 2021 financial statements as presented by Mr. Yost. Mr. Link seconded. Motion carried by unanimous voice vote.
- 8. <u>Minutes January 14, 2021 meeting</u>. Mr. Cymbaluk moved to approve the minutes from the January 14, 2021 meeting as presented by Ms. Prom. Mr. Link seconded. Motion carried by unanimous voice vote.
- 9. Any additional business. No additional business was discussed.
- 10. <u>Next meetings: Thursdays, 2021 May 13 and June 10</u>. The commission agreed by consensus to hold the May 13, 2021 meeting in person in the commission conference room beginning at 10:30 a.m. with a group photo before starting the meeting.
- 11. <u>Adjourn</u>. Chair Meyer adjourned the meeting at 12:00 p.m. Attachment



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## 4. Review of license applicants

	NAME	LICENSE APPLICATION OR REQUEST/S:	ACTION BY COMMISSION:
Α.	Mindy Raulston – present by phone	salesperson	Mr. Bitz moved to allow Ms. Mindy Raulston to take the salesperson license examinations. Mr. Link seconded. Roll call vote: ayes – Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – Mr. Breidenbach. Motion carried 4-1.
В.	Carrie Garland – not present	salesperson	Mr. Cymbaluk moved to allow Ms. Carrie Garland to take the salesperson license examinations. Mr. Bitz seconded. Roll call vote: ayes – Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – Mr. Breidenbach. Motion carried 4-1.
C.	Christopher Thomsen – present by phone	salesperson	Mr. Bitz moved to deny Mr. Christopher Thomsen's request for waivers of the national and state salesperson examinations. Mr. Cymbaluk seconded. Discussion: Mr. Thomsen has a test code to take the exams. Roll call vote: ayes – Mr. Breidenbach, Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer; nays – none. Motion carried unanimously.
D.	Margaret Newhouse – present in person	salesperson	Mr. Cymbaluk moved to approve Ms. Margaret Newhouse's request for a waiver of the salesperson pre-licensure education. Mr. Link seconded. Discussion: Ms. Newhouse will take the state salesperson examination. She does not need to take the national examination, as she has passed that examination and is currently licensed in Idaho. She recently moved to North Dakota and applied for a resident salesperson license here. Roll call vote: ayes – Mr. Cymbaluk, Mr. Link, Mr. Bitz; nays – Mr. Breidenbach, Ms. Meyer. Motion carried 3-2.