

North Dakota Real Estate Commission Meeting 8:30 a.m., Thursday, October 6, 2022, 1120 College Dr Ste 204, Bismarck, ND

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

- <u>Call to order, roll call and determination of quorum, introductions</u>. Chair Mr. Steven Link called the meeting to order at 8:30 a.m. Ms. Jeanne Prom, executive director, called the roll, with a quorum of all 5 members present. Some members of the public on Teams introduced themselves. Chair Link congratulated Mr. Scott Breidenbach, who will be President- Elect of the Association of Real Estate License Law Officials (ARELLO) in 2023 and President of ARELLO in 2024.
- 2. <u>Review and approval of agenda</u>. Mr. Tate Cymbaluk moved to approve the agenda with the additions of oral reports on the licensing specialist 2 position and the Attorney General's occupational licensing board seminar added to "5. Update from management." Mr. Steven Bitz 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. <u>2022-08 Doug Halle v. Arthur Rosenberg</u>. Mr. Breidenbach moved to dismiss 2022-08 – Doug Halle v. Arthur Rosenberg. Mr. Cymbaluk seconded. Roll call vote: ayes – Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link; nays – none. Motion carried unanimously.

In response to a question, Ms. Prom and Ms. Connie Hofland reviewed the process for handling complaints, which is different than the process for reviewing license applicants, according to statute and rules.

- B. <u>2022-09 Dina and Myron Goodman v. Mike Nelson and Danielle Levey</u>. Mr. Bitz moved to set 2022-09 – Dina and Myron Goodman v. Mike Nelson and Danielle Levey for hearing. Mr. Cymbaluk seconded. Roll call vote: ayes – Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link; nays – none. Motion carried unanimously.
- C. <u>2022-10 Darcy Goni v. Denver Gilbert</u>. Mr. Breidenbach moved to table 2022-10 Darcy Goni v. Denver Gilbert until the pending lawsuit is resolved, as has been the practice of the commission in other similar situations. Mr. Cymbaluk seconded. Roll call vote: ayes – Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link; nays – none. Motion carried unanimously.
- D. <u>Legal representation</u>. Ms. Connie Hofland, who has served as the commission's Special Assistant Attorney General for the past 16 years, submitted a letter of resignation, as she is retiring. The commission and staff expressed their appreciation for Ms. Hofland and her legal approach, and thanked Ms. Hofland for her expertise and

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

excellent assistance. Ms. Hofland expressed her thanks to the commission and staff. Mr. Bitz moved that Ms. Prom begin the process to seek proposals from individuals interested in being considered by the commission for appointment as its next Special Assistant Attorney General. Mr. Cymbaluk seconded. Discussion: The commission will likely interview candidates by Teams in a special meeting to be set to allow time for transition. Roll call vote: ayes – Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link; nays – none. Motion carried unanimously.

Chair Link recessed the meeting at 9:52 a.m. and reconvened the meeting at 10:00 a.m.

- 5. Update from management.
  - D. <u>Wholesaling, agreements</u>. The commission heard input from the public and discussed wholesaling and agreements. The commission directed Ms. Prom to add wholesaling and agreements to the list of 2022-2023 priorities, to research and report on legislation in other states, and to work with ND Association of Realtors on these issues.
  - A. <u>2022-2023 priorities</u>. Ms. Prom provided an update on priorities.
  - B. <u>Reciprocity, policies review</u>.

The commission reviewed the current <u>reciprocity agreements</u> with Minnesota, Iowa and Georgia, and the updates made by Ms. Prom and Ms. Hofland to guidelines on <u>advertising</u>, inducements and use of unlicensed persons by licensees.

The commission agreed by consensus to continue the current process for staff reviewing informal reports, not official complaints, of potential noncompliance related to <u>advertising</u>. After the first report of potential noncompliance with advertising law and rules by a licensee, if staff's review shows potential noncompliance, Ms. Prom will send the licensee a letter stating the licensee may be noncompliant with particular laws or rules. After the second report of potential noncompliance with advertising law and rules by the same licensee, if staff's review shows potential noncompliance, Ms. Prom will send the licensee a letter stating the licensee may be noncompliance, Ms. Prom will send the licensee a letter stating the licensee may be noncompliant with particular laws or rules. After the third report of potential noncompliance with advertising law and rules by the same licensee, if staff's review shows potential noncompliance, Ms. Prom will send the licensee a letter stating the licensee may be noncompliant with particular laws or rules. After the third report of potential noncompliance with advertising law and rules by the same licensee, if staff's review shows potential noncompliance, Ms. Prom will report the issue to the commission.

The commission agreed by consensus to continue the policy that in social media posts, the brokerage contact information must be included in the initial post or within 1 click of the initial post.

C. <u>CE -- renewal, audit, mandatory</u>. Mr. Cymbaluk moved to approve the plan to conduct continuing education audits as licensees renew. Ms. Sandra Meyer seconded. Motion carried by unanimous voice vote.

Mr. Breidenbach moved to approve the following mandatory continuing education topics and hours for different resident licensee groups for the next continuing education cycle (November 16, 2022 through November 15, 2023): 3 hours total on contract law with administrative rules changes – for all resident licensees; and 3 hours total on agency law – a broker's perspective – for all resident broker and broker associates. Mr. Cymbaluk seconded. Roll call vote: ayes – Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link; nays – none. Motion carried unanimously.

- E. <u>Trust account waivers</u>. The commission received a list of recent trust account waivers.
- F. <u>Trust account audits</u>. Mr. Rob Yost reviewed recent trust account audits and discussed the report and courtesy trust account audits.
- G. <u>License numbers</u>. The commission reviewed recent license application numbers. N.D. Real Estate Commission Meeting Minutes – FINAL October 6, 2022 Page **2** of **4**

- H. <u>Licensing specialist 2</u>. Mr. Cymbaluk moved to end the probationary period for Ms. Candie Robinson. Ms. Meyer seconded. Discussion: When hired in April 2022, Ms. Robinson was to complete a 6-month probationary period before becoming a permanent employee. Roll call vote: ayes – Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link; nays – none. Motion carried unanimously.
- <u>Attorney General's licensing board seminar</u>. Ms. Prom and Mr. Bitz reported on new information shared at the October 5, 2022 training. At a future meeting Ms. Prom will report on the Ethics Commission's new rules for public officials on including rules on handling conflicts of interest and voting, and giving and receiving gifts. The commission can request advisory opinions from the Ethics Commission.
- 6. <u>Financial reports July through August 2022, office audit oral report</u>. Mr. Yost provided an oral report on the status of the office audit and presented the financial reports for July through August 2022. Mr. Cymbaluk moved to approve the financial reports from July through August 2022. Mr. Breidenbach seconded. Discussion: Mr. Yost will research possible options for using a financial investment service for certificates of deposit and other investments. Motion carried by unanimous voice vote.
- Minutes August 16, 2022. Mr. Cymbaluk moved to approve the minutes from the August 16, 2022 meeting as presented. Mr. Bitz seconded. Motion carried by unanimous voice vote.
- 8. <u>Other next meetings January 12, March 9, June 8, 2023</u>. The next regular meeting is at 10 a.m., Thursday, January 12, 2023. The commission may meet in a special meeting to interview candidates for legal counsel. The special meeting may include proposed or potential legislation.
- <u>ND housing needs assessment ND Housing Finance Agency presentation</u>. Mr. David Flohr, executive director of the ND Housing Finance Agency, explained the agency's mission and programs, and highlights from its recent North Dakota housing needs assessment.

<u>Adjourn</u>. Mr. Cymbaluk moved to adjourn. Chair Link adjourned the meeting at 11:35 a.m. Attachment



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## 3. Review of applicants NAME and LICENSE **ACTION BY COMMISSION: APPLICATION:** A. Stephanie Krisak -Mr. Bitz moved to table the reciprocal salesperson license application for Ms. Stephanie salesperson -Krisak until accounts a, e and f are in payment plans. Ms. Meyer seconded. The commission discussed the motion. Mr. Bitz rescinded the motion and Ms. Meyer rescinded reciprocal -- MN -on phone the second. Mr. Bitz moved to approve the reciprocal license application for Stephanie Krisak, contingent on accounts a, e and f having formal payment plans with National Debt Relief. Mr. Breidenbach seconded. Mr. Bitz amended the motion to state "all items in the credit report have formal payment plans" instead of "accounts a, e and f." Mr. Breidenbach agreed with the amendment/seconded. The commission discussed the motion. Roll call vote: ayes – Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Link; nays – Mr. Cymbaluk. Motion carried 4-1. B. Stacey Fick -Mr. Breidenbach moved to allow Ms. Stacey Fick to sit for the broker examination. Mr. Bitz broker – on phone seconded. Discussion: Ms. Hofland explained bankruptcy law and that an application cannot be denied solely because of a discharged bankruptcy. Roll call vote: ayes - Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link; nays - none. Motion carried unanimously. C. Samantha Lister -Mr. Bitz moved to allow Ms. Samantha Lister to sit for the salesperson examination. Ms. salesperson – on Meyer seconded. Roll call vote: ayes – Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link; nays – none. Motion carried unanimously. phone D. Brenna Pederson -Mr. Cymbaluk moved to allow Ms. Brenna Pederson to sit for the salesperson examination. salesperson – on Mr. Bitz seconded. Roll call vote: ayes - Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk, Mr. Link; nays - none. Motion carried unanimously. phone