



North Dakota Real Estate Commission Meeting Minutes -- FINAL
8:30 a.m., Thursday, January 30, 2025
1120 College Dr Ste 204, Bismarck, ND

www.realestatend.org

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

1. Call to order, roll call and determination of quorum. Chair Mr. Scott Breidenbach called the meeting to order at 8:30 a.m. Ms. Jeanne Prom, executive director, called the roll, with a quorum of all members present.
2. Review and approval of agenda. Mr. Steven Link moved to approve the agenda as presented. Ms. Sandra Meyer seconded. Motion carried by unanimous voice vote.
3. Review of applicants.
 - A. Ashley Cutler. The commission reviewed the resident salesperson application with applicant Ms. Ashley Cutler and Ms. Cieana Schneider, licensing specialist. Mr. Steven Bitz moved to approve Ms. Ashley Cutler's salesperson application. Mr. Tate Cymbaluk seconded. Roll call vote: ayes – Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer, Mr. Breidenbach; nays – none. Motion carried unanimously.
 - B. Dylan McCollum. The commission reviewed the resident broker application with applicant Mr. Dylan McCollum and Ms. Schneider. Mr. Cymbaluk moved to approve Mr. Dylan McCollum's broker application. Mr. Link seconded. Roll call vote: ayes – Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer, Mr. Breidenbach; nays – none. Motion carried unanimously.
 - C. Levi Gross. The commission reviewed the resident salesperson application with applicant Mr. Levi Gross and Ms. Schneider. Mr. Bitz moved that Mr. Levi Gross be issued a salesperson license contingent on completing his probation in October 2025. Mr. Cymbaluk seconded. Roll call vote: ayes – Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer, Mr. Breidenbach; nays – none. Motion carried unanimously. The commission directed Ms. Prom to follow up with the broker for CBRE, the firm where Mr. Gross is working now with the title of "sales associate." The commission stated that a job title of "sales associate" is misleading to the public if the sales associate does not have a real estate license. The broker could also speak with Mr. Breidenbach.
 - D. Ryan Pederson. The commission reviewed the resident salesperson application with applicant Mr. Ryan Pederson and Ms. Schneider. Mr. Link moved to approve Mr. Ryan Pederson's salesperson application. Mr. Cymbaluk seconded. Roll call vote: ayes – Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer, Mr. Breidenbach; nays – none. Motion carried unanimously. The commission discussed how staff can determine when an applicant has completed probation. The commission agreed by consensus that staff can request a signed affidavit from the applicant, stating the applicant has completed probation.
4. Update on complaints.
 - A. 2024-06 – Nathan Stremick v. Lori VanWinkle – recommendation. Special Assistant Attorney General David Phillips reviewed his investigation of 2024-06 – Nathan Stremick v. Lori VanWinkle. The commission discussed the findings and Mr. Phillips' recommendation to dismiss the complaint. Mr. Cymbaluk moved to dismiss

2024-06 – Nathan Stremick v. Lori VanWinkle. Mr. Bitz seconded. Roll call vote: ayes – Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer, Mr. Breidenbach; nays – none. Motion carried unanimously.

B. 2024-07 – Alan Murray v. Nick Walker -- recommendation.

Mr. Phillips reviewed his investigation of 2024-07 – Alan Murray v. Nick Walker. The commission discussed the findings and Mr. Phillips' recommendation to dismiss the complaint. Mr. Bitz moved to dismiss 2024-07 – Alan Murray v. Nick Walker. Ms. Meyer seconded. Roll call vote: ayes – Mr. Cymbaluk, Mr. Link, Mr. Bitz, Ms. Meyer, Mr. Breidenbach; nays – none. Motion carried unanimously.

C. 2023-03 – LeRae Vangsness v. Xavier Welty – settled complaint.

Mr. Phillips and Ms. Prom provided an oral report on the status of this settled complaint and the commission took no action. The respondent Mr. Xavier Welty's salesperson license became inactive Jan. 1, 2025 and automatically was cancelled on January 16, 2025 when Mr. Welty did not renew his license by the deadline. While licensed, Mr. Welty completed the continuing education and then became eligible to activate his license, as stipulated in the settlement of 2023-03 – LeRae Vangsness v. Xavier Welty. The settlement also required Mr. Welty to pay \$600 in assessment costs within 6 months of license activation. Since Mr. Welty's license was activated July 9, 2024, the license was not active 6 months, and Mr. Welty did not have to pay the assessment costs. In the future, if Mr. Welty applies for a real estate license, this settled complaint and unpaid assessment will be on his record for the commission to consider as part of approving or denying his application at that time. Currently, the public is protected as Mr. Welty cannot practice real estate sales.

5. Update from management.

A. Legislation.

HB 1125 – license law changes requested by NDREC and now with an amendment by sponsor Rep. Scott Louser. Mr. Bitz moved to support HB 1125 as amended by the House Industry, Business and Labor Committee. Mr. Link seconded. Motion carried by unanimous voice vote.

SB 2204 – required radon hazard disclosure by seller. The commission agreed by consensus to monitor SB 2204, which requires adding a radon health message to property condition disclosure statements.

HB 1270 – new requirement – licensing boards must report annually to governor. The commission agreed by consensus to monitor HB 1270.

SB 2180 – new requirement -- boards must provide opportunity for public to comment at meetings. The commission agreed by consensus to monitor SB 2180.

SB 2308 – new – creates task force to study all boards, including licensing boards. The commission agreed by consensus to monitor SB 2308.

SB 2395 – new – uniform license standards for all licensing boards. The commission agreed by consensus to monitor SB 2395.

HB 1368, SB 2182, and HB 1434 – various changes to administrative rules promulgations process (HB 1368 and SB 2182) and new requirement that all administrative rules expire 10 years after effective date (HB 1434). The commission discussed these bills that propose changes to the administrative rules process and the commission agreed by consensus to monitor these bills.

B. 2024-2025 priorities.

Ms. Prom reported that the \$40 charge for criminal history background checks will be paid through the application online service, to eliminate delays caused by receiving checks for the incorrect amount or to the incorrect agency.

C. Policies/procedures.

Ms. Prom provided a report on policy/procedure updates approved at the last meeting and implemented.

D. Trust account waivers.

Ms. Schneider provided a lists of brokers receiving trust account waivers since the last meeting.

E. Trust account, continuing education (CE) audits.

Mr. Rob Yost, CPA/Accountant, provided a summary of completed and ongoing trust account audits. No commission action was needed.

Ms. Candie Robinson, licensing specialist, conducted the CE audit during renewals. All licensees audited were in compliance with CE requirements for the past CE cycle.

F. License, renewal numbers.

Ms. Prom shared that 2024 salesperson applications were 22% lower than in 2023. Current license numbers are 1% higher than last year at this time, and 1% more licensees renewed for 2025 than for 2024.

G. Meeting schedule. The commission noted the next meeting is March 27, 2025.

H. Audit.

Mr. Yost provided an oral report of the draft office audit that showed no new material negative findings. The commissioners agreed by consensus that Mr. Yost could summarize and share the full written report of the audit at the next meeting, and it was not necessary to have the auditors present at that meeting. The commission could invite the auditors to a future meeting if commissioners desired additional information.

6. Financial reports – October to December 2024.

Mr. Yost presented and the commissioners discussed the financial reports from October to December 2024. Mr. Bitz moved to approve the financial reports as presented. Mr. Link seconded. Motion carried by unanimous voice vote.

7. Minutes – November 26, 2024.

Mr. Link moved to approve minutes from the November 26, 2024 special meeting as presented. Mr. Bitz seconded. Motion carried by unanimous voice vote.

8. Other.

The commission discussed that in March 2024 they approved diversity, equity, and inclusion as a mandatory continuing education topic for all licensees for the current CE cycle, based on a request from the North Dakota Association of Realtors (NDAR), and that commission will not be changing the mandatory requirements in the middle of the CE cycle.

Mr. Bitz stated that the commission, its staff, meetings, and systems operate as 6a well-oiled machine, noting the positive discussion of the commission at the legislature.

Ms. Jill Beck, CEO, NDAR, thanked the commission and staff for maintaining a good working relationship with NDAR.

The commission and Mr. Yost discussed license law rules relating to audits of trust accounts and the timing of earnest money deposits with purchase agreements. If the deposit of earnest money from the time of receipt by the brokerage to the time of deposit in the broker's trust account or the title company does not meet the 24-hour time period stated in NDAC 70-02-01-15(1)(f) *Time of deposit.*, and no other contingency was included in the purchase agreement, the parties should sign an addendum, or agreement after the fact, that states all

parties agree the earnest money was timely deposited even though the timeline exceeded 24 hours. Mr. Yost advises brokers to keep envelopes in which deposit checks were mailed, or emails documenting deposits that were made electronically.
Adjourn. Chair Breidenbach adjourned the meeting at 10:47 a.m.