

REAL ESTATE COMMISSION MEETING

Heber M. Wells Building
First Floor Meeting Room
9:00 a.m.
July 16, 2008

MINUTES

STAFF MEMBERS PRESENT:

Mark B. Steinagel, Division Director
Dee Johnson, Enforcement Director
Mark Fagergren, Education and Licensing Director
Blaine Ferguson, Assistant Attorney General
Tony Patterson, Assistant Attorney General
Traci Gundersen, Assistant Attorney General
Renda Christensen, Board Secretary
Tiffeni Wall, Real Estate Education Coordinator
Julie Price, Division Staff
Maraly Frandsen, Division Law Clerk

COMMISSION MEMBERS PRESENT:

H. Blaine Walker, Chair
Doyle "Sam" Sampson, Jr., Vice Chair
Gary Hancock, Commissioner
Bonnie Peretti, Commissioner

GUESTS

Kevin Swenson	Paul Naylor
Lance Miller	Chad Ahearn
Ryan DeGraff	Shelley Wismer
Jack Marinello	Michael Welker
Karen Post	Linda Leavitt
Ron Duyker	

The July 16, 2008 meeting of the Utah Real Estate Commission began at 9:03 a.m. with Chair Walker conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes

The Minutes from the June 18, 2008 meeting were approved as written.

DIVISION REPORTS

DIRECTOR'S REPORT – Mark B. Steinagel

Director Steinagel handed out the draft rule, R162-6-2, Standards of Practice, on the inducement issue. The additions added were under section 6.2.12.2, "This rule does not: (a) require notice under R162-6.2.12.1 to be given by one principal broker

according to a specific method or form preferred by another principal broker.” After discussion, the Commission would like to have two separate issues added to the draft. These issues would cover who is giving notice and that the selling broker notifies the listing broker. Director Steinagel will make add these two concerns to the draft rule and present it to the Commission in a future meeting.

Director Steinagel introduced Maraly Frandsen who is the Division’s law clerk. Ms. Frandsen researched the topic of background checks in other states and presented her findings, “Post-Licensure Background Check Practices Nationwide.” The chart shows that currently only Texas, Colorado and California routinely monitor sales agents and brokers’ criminal history after initial licensure. Unlike Utah, a majority of states run a second background check upon application for a broker license. Any changes made to the current process would require legislative approval. The \$35.00 cost for a background check is a pass-through fee that goes directly to the FBI and BCI.

There has been an issue brought up as to having the title companies write checks and then distributing them to the brokers. Ms. Gundersen said the current rules do not allow for any person other than the principal broker to cut checks and distribute them. The Division will follow the legal opinion given by Ms. Gundersen in not allowing anyone to receive compensation from anyone but their principal broker.

ENFORCEMENT REPORT – Dee Johnson

Mr. Johnson reported in the month of June the Division received 54 complaints, screened 51 complaints, opened 36 cases, closed 19 cases, with 175 open real estate cases. The number of total cases is climbing which had been anticipated because of what is happening in the market.

Mr. Johnson said each of the respondents in the respective Stipulations was given the opportunity to come before the Commission today and each decided not to attend.

Review of Stipulations

Joylene Eves

Lee Holt

Amber Eves

Stephen G. Murdock

EDUCATION AND LICENSING REPORT – Mark Fagergren

Mr. Fagergren said despite the news we have been hearing over the last six months, there is only a 1% reduction in the number of sales agent licenses.

Last month a committee reported back to the Commission on trying to come up with a comprehensive broker curriculum. Currently, there are 120 hours required with 108 hours is now being taught on the general portion of the exam and only 12 hours are being taught on the state laws. In the proposed curriculum there will still be two exams but 75 hours of the 120 hours will be spent on state specific information, and 45 hours on the general components. The committee has worked extensively on this new outline. A motion was made to approve the Utah Broker Course Curriculum and to

make changes as necessary. The motion passed unanimously.

Mr. Fagergren said the Instructor Development Workshop will be held in Park City this year on September 29 and 30. All the Commissioners are encouraged to attend.

LICENSE HEARINGS: CLOSED TO PUBLIC

10:06 Carl L. Oldham – Application for License
Randall Gaither, Attorney

11:07 Gary Ricci – Application for Renewal of License
Jennifer Ricci, Wife

A motion was made to go into an Executive Session from 12:06 p.m. to 1:00 p.m.

LICENSING HEARING (Continued)

1:06 Manuel Garcia – Application for License
Jeff Colemere, Attorney
Thomas E. Wright, Associate Broker
Summer Wright
Michael R. Smith, President, Wasatch County Board of Realtors

OPEN TO PUBLIC

2:15 PUBLIC HEARING – PROPOSED REPC
Chair Walker welcomed those attending the meeting today and all of those who submitted their comments on the website. Introductions of the Commission and Division were made:

Blaine Ferguson, Assistant Attorney General
Tony Patterson, Assistant Attorney General
Traci Gundersen, Assistant Attorney General
Dee Johnson, Enforcement Director
H. Blaine Walker, Chair
Doyle "Sam" Sampson, Jr., Vice Chair
Gary Hancock, Commissioner
Bonnie Peretti, Commissioner
Mark B. Steinagel, Division Director
Renda Christensen, Board Secretary

Those in attendance from the public were:
Curtis Bullock Harry Rodas

Susan Jackson
Sheri Fitzpatrick
Kevin Swenson
Shelley Wismer
Dottie Burnham
Greg Call
Angie Flint
Dan Poulsen
Stefanie Tugaw
Rebecca Jensen
Lamar Campbell
Ryan Kirkham

Jack Marinello
Michael Blackburn
Linda Leavitt
Stoney Winterton
Michael Welker
Mike Hebert
Steve Critchfield
Lori Fleming
Ryan Kirkland
Linda Itami
Mike Abear

There were comments made by the public and the Commission as to the proposed changes to the REPC.

An Executive Session was held from 4:20 p.m. to 4:37 p.m.

RESULTS OF EXECUTIVE SESSION

Results of Stipulations:

Joylene Eves - Approved
Lee Holt - Approved
Amber Eves - Approved
Stephen G. Murdock - Approved

A motion was made and accepted to adjourn the meeting at 4:38 p.m.