

REAL ESTATE COMMISSION MEETING

Heber M. Wells Building

Room 210

9:00 a.m.

March 21, 2012

MINUTES

DIVISION STAFF PRESENT:

Jonathan Stewart, Division Director
Mark Fagergren, Education and Licensing Director
Dee Johnson, Assistant Chief Investigator
Jennie Jonsson, Hearing Officer
Xanna Hardman, Assistant Attorney General
Judith Jensen, Assistant Attorney General
Renda Christensen, Board Secretary
Tiffeni Wall, Real Estate Education Coordinator
Charles Smalley, Investigator
Kurtis Hughes, Investigator
Van Kagie, Investigation
Jill Childs, Division Staff

COMMISSION MEMBERS PRESENT:

H. Thayne Houston, Vice Chair
Gary Hancock, Commissioner
H. Blaine Walker, Commissioner
Kay Ashton, Commissioner

GUESTS:

Tammy Lund	Shane Norris
Kevin Swenson	Eric Davis
Sara Saylor	Lindsey Andrus
Matt Pasin	Michael Radovan
Suzanne Hunter	

The March 21, 2012 meeting of the Utah Real Estate Commission began at 9:00 a.m. with Vice Chair Houston conducting.

Chair Tugaw-Madsen was excused from the meeting this month.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes

The minutes from March 21, 2012 were approved as written. Vote: Vice Chair Houston, yes; Commissioner Hancock, yes; Commissioner Ashton, yes; Commissioner Walker, yes.

DIVISION REPORTS

DIRECTOR'S REPORT – Jonathan Stewart

Director Stewart said the legislative session has ended and the Division bill, HB191, has been approved. The majority of the changes will become effective on May 8, 2012, and remaining portion will become effective on July 1, 2012. There will be an article in the Division's first quarter newsletter detailing the changes.

Many of the Divisions in the Department of Commerce, including Real Estate, will be getting a new software program for investigations and licensing before the end of the fiscal year. Most of the changes will affect the Division staff, and the new software should ready for the public and licensees by the end of June.

Applicants will be able to go to the website and log-in to see an updated status of either their initial application or renewal. They can see what the Division has and has not received, and what has been reviewed. There will be a checklist that will show everything that is required.

The Division will also be able to e-mail out licenses in a "pdf" form instead of mailing out paper licenses, which will save the Division money and time.

The Division has been under reconstruction for the past few weeks and it has now been completed. Director Stewart invited the Commission and public to stop by and see the changes.

ENFORCEMENT REPORT – Dee Johnson

Mr. Nelson is out of town and Mr. Johnson will be giving the report today.

Mr. Johnson reported in February the Division received 30 complaints; opened 29 cases; closed 56 cases; leaving the total number of open real estate cases at 192.

Stipulations for Review

Heather C. Young

Brad Tew

Temple Olayan

Each of the respondents was offered the opportunity to appear today, but each has declined.

LICENSING/EDUCATION REPORT - Mark Fagergren

Mr. Fagergren said the statistics for February show a slight increase in the number of sales agents, but also shows a drop in inactive licenses.

The Division's newsletter will be out at the end of the month and will cover the changes that have been made since approval of the Division's bill. It will also give information regarding the upcoming Caravan. Last month, Mr. Fagergren reported

there had not been a decision made as to where the meeting will be held in Utah County. After checking out several places it was decided to hold the meeting at the Covey Center. This is a large room, but the Division will try and keep the seating more centralized so everyone will be able to view the presentations.

The location of the Layton meeting will in a smaller room, so there will be two presentations held.

Stipulations for Review

Jared Moates
Randal M. Smith
Marcus W. Clawson
Gregory Corliss
Brenda S. Turley
Hugo Bedolla
Daimon Bushi

Each of the respondents was offered the opportunity to appear today, but each has declined.

Mr. Fagergren wanted to compliment the three real estate licensing staff members: Toni Heldman; Jill Childs; Kathy Archuleta. These individuals are very capable, talented, and hardworking, and their work has been a great benefit to the public and licensees.

COMMISSION AND INDUSTRY ISSUES

Discussion of Proposed Rules – Jennie Jonsson

Ms. Jonsson discussed some draft rules that she has put together at the request of the Commission and staff. Hopefully, this draft will work through some of the issues that were raised last month.

Mr. Smalley is present today and is here to help with some of the rules that would lay out the specifics of how trust accounts should be kept, maintained, and reconciled.

Under R162-2f-201, Qualifications for Licensure, a new section was added (c)(1) regarding new applicants who have had a conviction(s) involving violence or physical coercion. There was discussion regarding adding new language to subsection (3) that would say complying with the requirements to provide documentation would then trigger a review, but not foreclose the question of whether the person is qualified for a license.

R162-2f-202b, Principal Broker Licensing Fees and Procedures, specifies when a trust account is set up, it must be named appropriately, and that the trust account must be separate from the operating account.

R162-2f-207, Reporting a Change in Information, states that the entity needs to keep the Division informed when the records are changed to another location. If a corporate change in ownership does not involve a new business license or new registration with Corporations, the Division needs to be notified by letter. If the change does involve a new business license or registration from Corporations, then there must be a new registration.

OPEN TO PUBLIC

INFORMAL HEARINGS:

10:30 Eric Allen Davis – Application for License
Lindsey Andrus, Principal Broker

11:30 Romina Hancock – Application for License
This hearing has been rescheduled for next month.

12:15 Continuation of Proposed Rules

R162-2f-401k, Recordkeeping Requirements, is a new section that incorporates several provisions that are already in rule, but are being moved. There is also some new language. The first part of this section has been moved over from what has already been in rule, except we have delineated some specific records that a principal broker is required to keep.

R162-2f-403, Trust Accounts. The changes that are proposed are intended to make it easier for our investigators to audit trust accounts and to find the evidence they need if there has been a violation. Mr. Smalley participated in the questions and answers that came up in the discussion.

A motion was made to enter Executive Session for the sole purpose of discussing the character, professional competence, or physical and mental health of an individual. Vote: Vice Chair Houston, yes; Commissioner Hancock, yes; Commissioner Ashton, yes; Commissioner Walker, yes. An Executive Session was held at 1:05 p.m. to 1:35 p.m.

1:38 Matt Pasin – Conditional License Review
Commissioner Walker knows Mr. Pasin on a personal level. He has recused himself from this hearing.

2:00 Michael Radovan – Conditional License Review

2:30 Suzanne Hunter – Conditional License Review
Jalyn Peterson, Attorney/Sister

Results of Stipulations

Heather C. Young - Approved

Brad Tew - Approved
Temple Olayan - Approved
Jared Moates - Approved
Randal M. Smith - Approved
Marcus W. Clawson - Approved
Gregory Corliss - Approved
Brenda S. Turley – Approved
Hugo Bedolla - Approved
Daimon Bushi - Approved

A motion was made to enter Executive Session for the sole purpose of discussing the character, professional competence, or physical and mental health of an individual. Vote: Vice Chair Houston, yes; Commissioner Hancock, yes; Commissioner Ashton, yes; Commissioner Walker, yes. An Executive Session was held at 3:30 p.m. to 3:55 p.m.

OPEN TO PUBLIC

A motion was made to adjourn the meeting. Vote: Vice Chair Houston, yes; Commissioner Hancock, yes; Commissioner Ashton, yes; Commissioner Walker, yes. The meeting was adjourned at 3:55 p.m.