

REAL ESTATE COMMISSION MEETING

Heber M. Wells Building
Teleconference Call
11:00 a.m.
September 19, 2007

MINUTES

STAFF MEMBERS PRESENT:

Derek B. Miller, Division Director
Dee Johnson, Enforcement Director
Renda Christensen, Board Secretary

COMMISSION MEMBERS PRESENT:

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

The September 19, 2007 meeting of the Utah Real Estate Commission began at 11:00 a.m. with Chair Walker conducting. Commissioner Hancock and Mr. Johnson were in Vice Chair Sampson's office in St. George, Utah for this conference call.

Approval of Minutes

The minutes for August 15, 2007 approved as written.

DIVISION REPORTS

DIRECTOR'S REPORT – Derek B. Miller

Director Miller asked Chair Walker to give a report on their trip to New York and the ARELLO Conference they attended. Chair Walker said the meetings were productive. He had a chance to attend the legislative regulatory update where recent activities in various states were reported. Alabama has introduced a bill similar to Utah's bill giving them jurisdiction over non-licensed practices and non-licensees so they can do some of the same things Utah can.

Chair Walker attended the Tenant-in-Common advisory group which Director Miller conducted. Chair Walker complimented Director Miller in conducting the meeting. At the next annual ARELLO meeting in Indianapolis they will be holding the Commissioner's College and Chair Walker encouraged any Commissioners who have not attended on in the past to try and attend. Also discussed were the latest court decisions that have occurred in other states, and how the Commissions handled these situations. It appeared that Utah is in good shape and ahead in most instances with the rules and regulations in comparison with some of the other states.

Director Miller said the meetings were productive and he enjoyed the conference. He asked the Commission if they had all received a letter about the new on-line system that was sent out to all Principal Brokers and Principal Lending Managers on the mortgage side. All of the Commissioners had received the letter and were in the process of setting up their accounts. There are about a dozen new links on the website addressing everything to changing addresses, checking CE courses that have been banked, ordering license histories, etc.

Director Miller said it is time to review the fee schedules and the Division is taking the same approach as last year in recommending the fees be reduced. The decision is made by the legislature and last year they declined any changes in fees.

The language on out-of-state settlements was brought up. Director Miller said that Laurie Noda, the Assistant Attorney General representing the Division was out of the office today and unfortunately there isn't a draft rule to review. The rule is regarding brokers attending settlements and the proposed language would be: "The principal broker or his authorized representative must attend all settlements that are conducted at a physical location within the state of Utah. For settlements that are not conducted at a physical location within the state of Utah, the principal broker must provide written notice that he will not attend the settlement to the party with whom the principal broker has an agency relationship in the transaction. Regardless of the location of the settlement or who closes the transaction, the principal broker is responsible for the content and accuracy of all settlement statements prepared for the signature of the party with whom the principal broker has an agency relationship in the transaction." After much discussion on the proposed language it was agreed that a copy of this wording would be e-mailed to all the Commissioners for their review and it would be discussed in next month's meeting.

Director Miller brought up license portability. Utah is considered to be a "turf state" and suggestions have been made of being more amenable to allowing people to come into our state on limited transactions. The out-of-state agent, who has a current, active license in their own state, would be able to have a limited license to conduct the transaction. Director Miller asked the Commission for their comments on a limited license. It was agreed to review what other states are doing before we make any changes.

Director Miller said the Division may want to modify a current rule that is in place. The current rule says if a person has a felony conviction within their last licensing term, they are ineligible to renew. Director Miller asked if we could expand the rule to include people who have had either a misdemeanor or a civil judgment against them that deals specifically with their real estate license where there has been a finding of fraud or misrepresentation by a court of law. After discussion, a motion was passed to draft changes to the current rule.

INVESTIGATIONS REPORT – Dee Johnson

Mr. Johnson gave an update on statistics. The Division has received 68 complaints,

which is a high number for one month. The good news is that the number of cases has been reduced from 168 down to 133 open cases. There will be more cases closed for next month which will bring the number down even lower.

CLOSED TO PUBLIC

Review of Stipulations

Don A. Matthews

Rich H. Legg

A motion was made to go into an Executive Session from 11:57 a.m. to 12:03 p.m.

Results of Executive Session

Review of Stipulations

Don A. Matthews - Approved

Rich H. Legg - Approved

The Commission has given Director Miller authority to sign the stipulations on behalf of the Commission. Both Director Miller and the Commission commended Mr. Johnson and the Enforcement staff on the Matthews stipulation.

A motion was made and accepted to adjourn the meeting at 12:07 p.m.