

REAL ESTATE COMMISSION MEETING

Heber M. Wells Building

Room 250

9:00 a.m.

July 19, 2023

Zoom

MINUTES

DIVISION STAFF PRESENT:

Jonathan Stewart, Division Director
Mark Fagergren, Licensing & Education Director
Kadee Wright, Chief Investigator
Justin Barney, Hearing Officer
Maelynn Valentine, Board Secretary
Connie Mickles, Investigator
Laurel North, Investigator
Chris Martindale, Investigator
Van Kagie, Investigator
Sandra Bargas, Education Coordinator
Anna Seegmiller, Investigator
Karen Duncan, Investigator
Van Kagie, Investigator
Michael Genco, Licensing Specialist
Lizzie Burila, Licensing Specialist
Regina Duncan, Licensing Specialist
Jenae Luthi, Investigator
Jenni Myers, Investigator
Steven Green, Assistant Attorney General
Matt Hastings, Division Analyst

COMMISSION MEMBERS PRESENT:

Randy Smith, Chair
Rick Southwick, Commissioner
Andrea Wilson, Commissioner
Jim Bringhurst, Commissioner

The July 19, 2023, meeting of the Utah Real Estate Commission began at 9:00 a.m. with Chair Smith conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes – A motion was made and seconded to approve the minutes of the June 21, 2023, meeting of the Commission as written. Vote:

Chair Smith, yes; Commissioner Bringhurst, yes; Commissioner Southwick, yes; Commissioner Wilson, yes. The motion was approved.

Public Comment

None

DIVISION REPORTS

DIRECTOR'S REPORT-Jonathan Stewart

Director Stewart reported on market research. Last Fall the Division conducted market research including surveying over 600 individuals that either purchased or sold a home within the last 12 months and conducted four focus groups. The survey data was shared in the Division's 2022 4th quarter newsletter. The focus group data was shared in the 2nd quarter newsletter that was published at the end of June. Also in the Newsletter was a QR code to a survey asking licensees about the types of questions they would like to ask other licensees. The response has not been great so Director Stewart asked the Commission to spread the word on the survey so the Division can get as much feedback as possible. Copies of the final reports from the Market Research have been sent out to all pre-license and continuing education instructors to help with any courses that are being taught. A follow-up survey will be sent to those educators asking if any of the data was used and if this information was helpful.

Director Stewart continued the discussion from last month regarding the development of a mobile app for licensees that connects to the Division's licensing database. Director Stewart asked the Commission to come to this month's meeting with feedback from their sales agents or colleagues. Chair Smith stated that there was not a lot of positive feedback for a mobile app to be developed for licensees. It was suggested at last month's meeting that a mobile app for brokers may be more useful. If there are any suggestions or feedback, contact Director Stewart.

Director Stewart gave an update on legislation and committees. There are a few items that may be put in the Division Bill, Representative Musselman is planning on opening a bill file and one item would be removing the 10-day reporting requirement for both Real Estate and Appraisal as the Division gets notified immediately now that Rap Back is complete. A Wholesaling Committee meeting has been held and there is most likely going to be some legislation that comes from the meetings. The Committee has not made any decisions but once they do, a recommendation will be brought to the Commission for

their consideration. The Transaction Coordinators Committee has met a few times and there may or may not be things that need to be changed or added. If the committee has recommendations, they will be brought to the Commission for their consideration. The Commercial Transaction Committee has not been formed; Director Stewart has reached out to a few individuals to help form the Committee but has not heard back. Chair Smith stated that Jared Booth has reached out to him regarding the Committee so Director Stewart will reach out to him.

ENFORCEMENT REPORT – Kadee Wright

Ms. Wright reported that in the month of June the Division received 32 complaints; closed 56 cases; leaving 470 open cases. There are 61 cases pending with the AG's office and or the Division Analyst.

Stipulation presented by Kadee Wright

Jeanne Isakson

Stipulation presented by Matt Hastings

Lex McCormick

Ms. Wright informed the Commission that the Division has hired a new Real Estate Investigator, Jenae Luthi. Ms. Luthi has been with the Division for a couple years and prior to being an Investigator was with the Division's Licensing section. She has also recently taken the sales agent exam and has become licensed.

EDUCATION AND LICENSING REPORT – Mark Fagergren

Mr. Fagergren informed the Commission that the Division has hired two new licensing specialists, Regina Duncan and Lizzie Burila to replace Ms. Luthi and Ms. Knudsen.

Mr. Fagergren reported on statistics. The division saw a net decrease of 179 active real estate licensees from last month, however the total is still over the number of licensees from January 2023. This is not surprising seeing the current marketplace in real estate. Mr. Fagergren addressed the Commission regarding an individual who has applied for their Broker license, Michael Stengel and is requesting an education waiver due to not having a high school diploma or GED. The Commission will discuss this education waiver in executive session.

Mr. Fagergren reported that the Division would like to present the four Mandatory Course Outlines for 2024 at this year's Instructor Development Workshop in October. Mr. Fagergren has asked the Commission to look over

the current Mandatory course outlines and address or modify any content that might need to be added, modified or removed as it may no longer be timely or applicable. Mr. Fagergren will send out the current Mandatory Course Outlines to the Commission and asked that they give suggestions and comments at next month's meeting.

BOARD AND INDUSTRY RULE UPDATE – Justin Barney

Mr. Barney reported on the current proposed rule amendment. It is currently open for public comment and will close on July 31st, there has not been any public comments made at this time. This rule would allow partial experience points for broker applicants and the option of designating an acting Principal Broker in the event of their death or incapacitation. Once public comment is closed Mr. Barney will bring it back to the Commission for a decision. Mr. Barney informed the Commission that he is working on a proposed rule amendment from the Advertising Committee and will present that at next month's meeting.

A motion was made and seconded to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Chair Smith, yes; Commissioner Wilson, yes; Commissioner Southwick, yes; Commissioner Bringhurst, yes. The motion was approved.

CLOSED TO PUBLIC

OPEN TO PUBLIC

A motion was made and seconded to approve the stipulation for Jeanne Isakson. Vote: Chair Smith, yes; Commissioner Wilson, yes; Commissioner Southwick, nay; Commissioner Bringhurst, yes. The motion was approved with concurrence from the Division.

A motion was made and seconded to approve the stipulation for Lex McCormick. Vote: Chair Smith, yes; Commissioner Wilson, yes; Commissioner Southwick, yes; Commissioner Bringhurst recused himself from this stipulation. The motion was approved with concurrence from the Division.

A motion was made and seconded to approve the education waiver for Michael Stengal. Vote: Chair Smith, yes; Commissioner Wilson, yes; Commissioner Southwick, yes; Commissioner Bringhurst, yes. The motion was approved with concurrence from the Division.

Formal Hearing 10:30am-5:15pm

Derek Seal

A motion was made and seconded to adjourn the meeting. Vote: Commissioner Wilson, yes; Commissioner Southwick, yes; Commissioner Bringhurst, yes. The motion was approved.