

## **REAL ESTATE COMMISSION MEETING**

Heber M. Wells Building

Room 250

9:00 a.m.

April 10, 2024

Zoom

## **MINUTES**

### **DIVISION STAFF PRESENT:**

Leigh Veillette, Division Director

Justin Barney, Hearing Officer

Mark Fagergren, Licensing & Education Director

Kadee Wright, Chief Investigator

Maelynn Valentine, Board Secretary

Laurel North, Investigator

Chris Martindale, Investigator

Karen Duncan, Investigator

Sandra Bargas, Education Coordinator

Connie Mickles, Investigator

Jenae Luthi, Investigator

Valerie Wilde, Assistant Attorney General

Matt Hastings, Division Analyst

Delia Johanson, Investigator

Michael Genco, Licensing Specialist

### **COMMISSION MEMBERS PRESENT:**

Marie McClelland, Chair

Andrea Wilson, Vice-Chair

Randy Smith, Commissioner

Jim Bringhurst, Commissioner

Rick Southwick, Commissioner

The April 10, 2024, meeting of the Utah Real Estate Commission began at 9:00 a.m. with Chair McClelland conducting.

## **PLANNING AND ADMINISTRATIVE MATTERS**

**Approval of Minutes** – A motion was made and seconded to approve the minutes of the March 20, 2024, meeting of the Commission as written. Vote: Chair McClelland, yes; Vice-Chair Wilson, yes; Commissioner Smith, yes; Commissioner Southwick, yes; Commissioner Bringhurst, yes. The motion was approved.

## **Public Comment**

Kreg Wagner addressed the Commission regarding the possibility of adopting a rule change dealing with the timing of when a buyer/broker agreement needs to be signed. Currently there is language that talks about how you need to define the scope of your representation in written agency agreement, it does not say when. The Division has taken the interpretation, up to this point, that it needs to be signed no later than when an offer is being written. Mr. Wagner stated that this would be a good clarification having a timing component that needs to be signed before showing properties. This would also go in line with some of the national language that NAR and the plaintiffs found to be pro-consumer. Mr. Barney agreed with Mr. Wagner and stated that it would be beneficial to have that clarified and defined in advance. Ms. Wright brought up the potential timing of a buyer/broker agreement needing to be signed at the Vernal CARAVAN and there were some concerns raised regarding it being signed before the showings even occur. Vice-Chair Wilson stated that the best way to handle this issue would be to form a committee to further discuss this topic.

## **DIVISION REPORTS**

### **ENFORCEMENT REPORT – Kadee Wright**

Ms. Wright reported that in the month of March the Division received 42 complaints; closed 13 cases; leaving 465 open cases. There are 46 cases pending with the AG's office and or the Division Analyst.

### **EDUCATION AND LICENSING REPORT – Mark Fagergren**

Mr. Fagergren reported on statistics. The Division saw a net decrease of 38 sales agents, two associate brokers and 73 inactive licensees from last month as the Division is holding steady on the number of licensees given the challenging real estate market.

Mr. Fagergren informed the Commission that CARAVAN started yesterday in Vernal. Director Veillette gave a presentation on statutory changes that have occurred within the last year. The next CARAVAN is on April 18<sup>th</sup> in Layton and then on April 23<sup>rd</sup> in Park City.

Mr. Fagergren reported on the long awaited RELMS system upgrade/replacement. He stated that this will occur through incremental implementation of the UtahID system. The first implementation of this transition went into effect on February 23<sup>rd</sup> for new salesperson applicants. Candidates are now directed to create their personal UtahID account and

from there engage the online application process.

The next incremental implementation of the UtahID licensing system will start with June renewals (notifications sent out on May 17<sup>th</sup>) and will involve all license renewals for active and inactive real estate licensees (except for principal brokers which will temporarily continue to use the RELMS system).

It is imperative that all real estate licensees make sure that the Division has their current "Division email Notification" address in their RELMS account in order to receive their important updated email license renewal reminder announcements.

It may take until the end of the year for the new UtahID system to have implemented all systems that are currently utilized in RELMS.

Mr. Fagergren went on the record stating that he agrees with the need for a rule modification involving the timeline for entering into buyer/broker agreements.

Mr. Barney introduced the Division's new Director, Leigh Veillette.

### **COMMISSION AND INDUSTRY ISSUES – Justin Barney**

Mr. Barney gave an update on the current committees. The advertising committee has met in the past and discussed the disclosures about licensing status. There are a couple of sections being looked at and there are a few changes that will be addressed at the next committee meeting. One change would be to enhance the rule of making sure that the name of the brokerage is clearly and conspicuously identified. All/any of the changes will be brought before the Commission for their consideration. Ms. Wilson stated that there was one rule change that needed to be cleared up on the Transaction Coordinator Committee.

Commissioner Smith addressed the Commission regarding a broker being notified when an agent has a complaint filed against them or when they have any sanctions on their license. Mr. Barney stated that the new legislation goes into effect on July 1<sup>st</sup> and the Division will comply with state law on notifying brokers when any action is taken against an agent by the Division.

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

