

NEBRASKA REAL ESTATE COMMISSION

August 21, 2014

Staybridge Suites

Staybridge Room

Lincoln, NE

Opening

Chairperson Gale convened a meeting of the Nebraska Real Estate Commission at 9:00 a.m. on August 21, 2014, in the Staybridge Room of the Staybridge Suites, located at 2701 Fletcher Avenue in Lincoln, Nebraska. All of the members of the Real Estate Commission were present. Also present were Director Greg Lemon, Deputy Director for Enforcement Duran Cell, and Administrative Assistant Monica Rut. Greg Barton, Special Assistant Attorney General and Counsel to the Commission, was present for the Perry Hearing.

Notice of Meeting (Adopt Agenda)

Director Lemon presented a public notice and proofs of publication thereof relating to this meeting, all of which are attached to and made a part of these minutes. Chairperson Gale reported that all Commissioners had been notified of the meeting simultaneously, by mail and e-mail, and that a proposed tentative agenda accompanied the notification.

Chairperson Gale pointed out to those in attendance that a public copy of the materials being used during the meeting were available to the public on the counsel table in the meeting room; that a copy of the Open Meetings Act was posted on the easel located in the northwest corner of the meeting room by the west entrance; and that the procedures followed were in accordance with the Open Meetings Act. Chairperson Gale asked that guests sign the guest list.

Director Lemon noted that no agenda items had been added since the tentative agenda was mailed to the Commissioners.

After review of the final agenda, a motion was made by Ptak and seconded by Freeman to adopt the final agenda as presented. Motion carried with Alloway, Avery, Ptak, Rouch, Stange and Gale voting aye.

Minutes of June 19, 2014

The minutes of the Commission meeting held on June 19, 2014, were considered.

After review, a motion was made by Rouch and seconded by Stange to approve the minutes as presented. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, and with Avery not voting having not been in attendance at the June Meeting.

Public Comment

Chairperson Gale asked the members of the audience if anyone wished to come forward to provide public comment on Commission related business. No audience member indicated a desire to come forward.

Receipts and Expenditures Reports for June & July

Director Lemon presented the Receipts and Expenditures Reports for June and July. Copies of said reports are attached to and made a part of these minutes. Director Lemon noted that an explanation page was included in each report.

The cash fund balance as of June 30, 2014, was \$971,184.28, which compared to a cash fund balance of \$777,922.54 on June 30, 2013.

The cash fund balance as of July 31, 2014 was \$910,711.72, which compared to a cash fund balance of \$727,086.86 on July 31, 2013.

After discussion, a motion was made by Ptak and seconded by Avery to file the June and July Receipts and Expenditures Reports for audit. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Renewal Report

Director Lemon presented the Renewal Report. A copy of said report is attached to and made a part of these minutes.

No action was necessary on this report.

Fiscal Year 14-15 Monthly Budget Allocations

Director Lemon presented the monthly budget allocations for Fiscal Year 2014-15. A copy of said exhibit is attached to and made a part of these minutes.

No action was necessary on this report.

Consider 2015 License Fees

Director Lemon presented an exhibit in which the Budget and Finance Subcommittee recommended a thirty-dollar increase in the two-year renewal fee for both brokers and salespersons, as well as a fifteen dollar increase in the license fee for brokers and salespersons for 2015. A copy of said exhibit is attached to and made a part of these minutes.

Director Lemon explained that the Budget and Finance Subcommittee included Chairperson Gale, Commissioner Freeman, Commissioner Ptak and himself. Director Lemon explained that the license fee increase was necessary to assist in funding a new licensee database which is outdated and no longer supported by the developer. There was discussion regarding the various database options.

After discussion, a motion was made by Rouch and seconded by Avery to approve the fee increase as recommended. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Proposed Biennium Budget Request for 2015-2017

Director Lemon presented the Fiscal Year 2015-2017 Biennium Budget Request Proposal. A copy of said proposal is attached to and made a part of these minutes.

Director Lemon noted that the budget request consisted of continuation funding for the Commission for the next two years with the exception of a request for \$550,000 for purchasing a

new licensee database. Director Lemon pointed out that this was a draft of the budget as it would be submitted unless there were changes to be made.

A motion was made by Freeman and seconded by Rouch to approve the proposed Biennium Budget as presented. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Review of Audit Conducted on Calendar Year 2013

Director Lemon presented the Attestation Report received by the Nebraska Auditor of Public Accounts. A copy of said exhibit is attached to and made a part of these minutes.

Director Lemon noted that the audit had just been concluded for Calendar Year 2013. He indicated that there was one official finding which involved the lack of controls over revenues. He explained that the finding was discussed, and was technical in nature and asked that the Commissioners understand that Staff would scrutinize all revenue closely and address concerns as needed.

No action necessary on this report.

Specialized Registrations

Time-Share Registrations - Amendment for Marriott Vacation Club Destinations

Director Lemon presented a specialized registrations report which included the registration of amendment to time-share registration for Marriott Vacation Club Destinations. A copy of said report is attached to and made a part of these minutes.

A motion was made by Ptak and seconded by Rouch to approve the amendment to the registration as presented. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Nonresident Licenses and Resident Licenses Issued to Persons Holding Licenses in Other Jurisdictions Report

Director Lemon presented for ratification the Nonresident Licenses and Resident Licenses Issued to Persons Holding Licenses in Other Jurisdictions Report, a copy of which is attached to and made a part of these minutes.

After review, a motion was made by Stange and seconded by Freeman to ratify issuance of the licenses as set forth in the report. Motion carried with Avery, Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Examination Reports – June & July

Director Lemon presented for ratification the June & July Examination Reports, copies of which are attached to and made a part of these minutes.

After review, a motion was made by Rouch and seconded by Stange to ratify the June & July Examination Reports for the purpose of issuing licenses. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Examination Passing Roster

Director Lemon presented the Examination Passing Rosters for June & July, copies of which are attached to and made a part of these minutes.

No action was necessary on this report.

Real Estate Education Matters

Pre-License Education Provider Approval

Director Lemon presented for ratification the Pre-License Education Provider Approval Report, a copy of which is attached to and made a part of these minutes.

Continuing Education Activity Approval

Director Lemon presented for ratification the Continuing Education Activity Approval Report, a copy of which is attached to and made a part of these minutes.

Continuing Education Instructor Approval

Director Lemon presented for ratification the Continuing Education Instructor Approval Report, a copy of which is attached to and made a part of these minutes.

Broker-Approved Training Recognition

Director Lemon presented a Broker-Approved Training Recognition Report, a copy of which is attached to and made a part of these minutes.

After review, a motion was made by Avery and seconded by Freeman to ratify the four reports. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Continuing Education Activity Rejection

Director Lemon presented a Continuing Education Activity Rejection Report, a copy of which is attached to and made a part of these minutes.

No action was necessary on this report.

Pending Sworn Complaints and Investigative Matters

Deputy Director Cell presented a summary report of the pending complaints, which included a list of licensees presently under disciplinary action or on appeal. A copy of said report is attached to and made a part of these minutes.

No action was necessary on this report.

The following sworn complaints and investigative matters were presented to the Commission:

Item A Complaint 2014-004 – Jack Gustafson & Jackie Canterbury vs. Mark Edward Johnson and Janelle Andrea Johnson

Deputy Director Cell presented the alleged violations and investigative report to the Commission and, when necessary, answered questions on this matter.

After being advised of the results of the investigation and discussion, a motion was made by Avery and seconded by Freeman that the complaint be dismissed without prejudice against Respondent #1. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

After being advised of the results of the investigation and discussion, a motion was made by Avery and seconded by Freeman that the complaint be dismissed without prejudice against Respondent #2. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Item B Complaint 2014-006

Deputy Director Cell presented the alleged violations and investigative report to the Commission and, when necessary, answered questions on this matter.

After being advised of the results of the investigation and discussion, a motion was made by Avery and seconded by Alloway that the Complaint be set for Hearing on Neb. Rev. Stat. §76-2422(2) and 76-2417(1)(c). Motion carried with Alloway, Avery, Rouch, and Gale voting aye, with Freeman, Ptak and Stange voting nay.

Item C Complaint 2014-007 – Diana Schwahn and Cathy Sephens vs. Carol Hovey Lehan

Deputy Director Cell presented the alleged violations and investigative report to the Commission and, when necessary, answered questions on this matter.

After being advised of the results of the investigation and discussion, a motion was made by Rouch that the complaint be set for Hearing. The motion died for lack of a second.

After further discussion, a motion was made by Avery and seconded by Freeman that the complaint be dismissed without prejudice and a letter of admonishment be sent to the Respondent and the Respondent's designated Broker. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Item D Complaint 2014-009 – Laura Schaal vs. Paul Gregory Richard

Deputy Director Cell presented the alleged violations and investigative report to the Commission and, when necessary, answered questions on this matter.

After being advised of the results of the investigation and discussion, a motion was made by Freeman and seconded by Rouch that the complaint be dismissed without prejudice. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Item E Complaint 2014-011 – Richard L. and Christin A. Weiss vs. Steven Floyd Amos

Deputy Director Cell presented the alleged violations and investigative report to the Commission and, when necessary, answered questions on this matter.

After being advised of the results of the investigation and discussion, a motion was made by Freeman and seconded by Avery that the complaint be dismissed without prejudice. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Item F Complaint 2014-016 – Gerald Jackson vs. Eugene Lynn Riehart

Deputy Director Cell presented the alleged violations and investigative report to the Commission and, when necessary, answered questions on this matter.

After being advised of the results of the investigation and discussion, a motion was made by Freeman and seconded by Rouch that the complaint be dismissed without prejudice. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Item G Complaint 2012-009 – Commission vs. Carl S. Smeltzer, Jr.

Deputy Director Cell indicated that the Respondent in this matter had not renewed their license for 2014. Therefore, the Commission no longer had jurisdiction over this matter.

Item H Complaint 2013-041 – Gary Kjar vs. Theresa Marie Garthright

Deputy Director Cell indicated that the Respondent in this matter had not renewed their license for 2014. Therefore, the Commission no longer had jurisdiction over this matter.

Item I Complaint 2013-022 – David R. and Marjorie A. Soule vs. Jane Hartman Heimboach

Deputy Director Cell requested Complaint 2013-022 be dismissed. Deputy Director Cell explained that Complaint 2013-022 was presented to the Commission as an investigative matter. The Commission had voted to file a new complaint on its own motion and to hold Complaint 2013-022 in abeyance until the new complaint had been adjudicated. Complaint 2014-013 was the new complaint. The Commission accepted a Stipulation and Consent Order for Complaint 2014-013 at the June Meeting.

A motion was made by Alloway and seconded by Rouch that Complaint 2012-009, 2013-041 and 2013-022 be dismissed without prejudice. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Item J Complaint 2014 - 015 – Commission vs. Thomas Eugene Sunderman

Deputy Director Cell requested that the Hearing for Complaint 2014-015 be canceled since the Commission accepted a Consent Order at this meeting.

A motion was made by Ptak and seconded by Freeman to cancel the hearing for Complaint 2014-015, since the Commission accepted a Consent Order at this meeting. Motion carried with Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Alloway not participating or voting, being absent and excused.

Presentation of Stipulation and Consent Orders

Complaint 2014-015, Commission vs. Thomas Eugene Sunderman

Deputy Director Cell presented a Stipulation and Consent Order in the matter of Complaint 2014-015, Thomas Eugene Sunderman. A copy of said Order is attached to and made a part of these minutes.

After discussion, a motion was made by Rouch and seconded by Stange to enter into the Order as presented. Motion carried with Alloway, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Avery not participating or voting, being absent and excused.

Disciplinary Hearings

Complaint 2014-014 – Greg Lemon, Director vs. Conway T. Perry

A Hearing was held on August 21, at 10:00 a.m., in the matter of Complaint 2014-014, Greg Lemon, Director vs Conway T. Perry. Greg Barton, Special Assistant Attorney General and Counsel to the Commission, appeared for the Complainant. Respondent Conway Perry was present.

Commissioner Alloway recused himself from participating in this matter, thereby nullifying any potential conflict of interest.

After opening statements, Counsel Barton offered nine Exhibits, all of which were received by Chairperson Gale. Counsel Barton called Duran Cell as a witness.

Mr. Perry offered four exhibits, all of which were received by Chairperson Gale. Mr. Perry called himself as a witness.

At 11:00 p.m., Chairperson Gale declared a brief recess. The Hearing reconvened at 11:05 a.m.

After closing arguments had been presented, Chairperson Gale declared the Hearing concluded and gathered the original exhibits.

The Commission deliberated on the matters adduced at hearing.

A motion was made by Ptak and seconded by Avery in Complaint 2014-014, that Conway T. Perry violated Neb. Rev. Stat. §81-885.12, 81-885.12(2), 81-885.24(28), 81-885.24(29) as alleged in the complaint. Motion carried with Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Alloway not participating or voting, having recused himself, thereby nullifying any potential conflict of interest.

Chairperson Gale opened the past disciplinary action envelope. It showed no prior disciplinary action against the Respondent.

The Commissioners then discussed the penalty to be assessed.

A motion was made by Stange and seconded by Ptak that Mr. Perry's license be suspended for the term of his current supervised related to his conviction on federal bank charges as further outlined in the hearing on this matter. Upon completion of his supervised release Mr. Perry must

appear before the Commission to establish that he is fit and qualified to reactivate his license and be released from the suspension. Mr. Perry must supply the Commission with a certified document of successful release from the Federal Court System and submit a current criminal background report for his appearance before the Commission. Mr. Perry also shall provide the Commission with evidence of the current status of his restitution payments in the bank fraud matter at his appearance. Motion carried with Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Alloway not participating or voting, having recused himself, thereby nullifying any potential conflict of interest.

With the consent of the Respondents, Chairperson Gale directed Counsel Barton to prepare the Order.

Chairperson Gale notified the Respondents that the costs incurred for the court reporter and any witness fees would be billed to the Respondents, as provided for in 305 NAC Chapter 4, and that the Respondents would have thirty days from the date of the Order to reimburse the Commission for said costs.

Chairperson Gale announced that all exhibits related to this hearing would be retained in the Commission office.

The Hearing was adjourned at 11:50 a.m.

Informal Special Appearances

Aaron L. Vieyra, Salesperson Applicant

Director Lemon presented exhibits which included: correspondence regarding Mr. Vieyra's special appearance; a letter of explanation from Mr. Vieyra; character reference letters for Mr. Vieyra; Mr. Vieyra's criminal history report; and his salesperson application form. A copy of said exhibit is attached to and made a part of these minutes. Mr. Vieyra was present.

Chairperson Gale reviewed the procedure for informal special appearances.

Mr. Vieyra explained the situations regarding his past criminal history.

After discussion, a motion was made by Rouch and seconded by Avery to allow Mr. Vieyra to sit for the salesperson examination after making proper application and to have a license issued upon passing. Mr. Vieyra must notify any anticipated employing broker of the criminal convictions and the circumstances of the convictions and said broker shall confirm said notification in writing to the Commission prior to the license being placed with said broker. Mr. Vieyra must also notify the Commission staff of any criminal charge, except those charges where there is no possible sentence of jail time for a period of two years. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Rebecca Q. Hillmer, Salesperson Applicant

Director Lemon presented exhibits which included: correspondence regarding Ms. Hillmer's special appearance; a letter of explanation from Ms. Hillmer; character reference letters for Ms. Hillmer; Ms. Hillmer's criminal history report; and her salesperson application form. A copy of said exhibit is attached to and made a part of these minutes. Ms. Hillmer was present.

Chairperson Gale reviewed the procedure for informal special appearances.

Ms. Hillmer explained the situations regarding her past criminal history.

After discussion, a motion was made by Freeman and seconded by Avery to allow Ms. Hillmer to sit for the salesperson examination after making proper application and to have a license issued upon passing. Ms. Hillmer must notify any anticipated employing broker of the criminal convictions and the circumstances of the convictions and said broker shall confirm said notification in writing to the Commission prior to the license being placed with said broker. Ms. Hillmer must also notify the Commission staff of any criminal charge, except those charges where there is no possible sentence of jail time for a period of two years.

After further discussion, Commissioner Freeman offered an amendment to extend the period to report charges to the Commission from two years to three years. The Amendment was accepted by the mover and the second.

Motion carried with Alloway, Avery, Freeman, Rouch, and Stange voting aye and with Ptak and Gale voting nay.

Timothy Jerome Davis, Salesperson Applicant

Director Lemon presented exhibits which included: correspondence regarding Mr. Davis's special appearance; a letter of explanation from Mr. Davis; character reference letters for Mr. Davis; Mr. Davis's criminal history report; and his salesperson application form. A copy of said exhibit is attached to and made a part of these minutes. Mr. Davis was present.

Chairperson Gale reviewed the procedure for informal special appearances.

Mr. Davis explained the situations regarding his past criminal history.

After discussion, a motion was made by Alloway and seconded by Stange to allow Mr. Davis to sit for the salesperson examination after making proper application and to have a license issued upon passing. Mr. Davis must notify any anticipated employing broker of the criminal convictions and the circumstances of the convictions and said broker shall confirm said notification in writing to the Commission prior to the license being placed with said broker. Mr. Davis must also notify the Commission staff of any criminal charge, except those charges where there is no possible sentence of jail time for a period of two years. Motion carried with Alloway, Avery, Rouch and Stange voting aye, with Freeman, Ptak and Gale voting nay.

Michael Evans, Potential Applicant

Director Lemon presented exhibits which included: correspondence regarding Mr. Evans' special appearance; a letter of explanation from Mr. Evans; character reference letters for Mr. Evans'; Batterer's Education Program Class Completion from Family Services; Early Termination of Supervised Release from the United State District Court of South Dakota Southern Division; and Mr. Evans' criminal history report. A copy of said exhibit is attached to and made a part of these minutes. Mr. Evans was present.

Chairperson Gale reviewed the procedure for informal special appearances.

Mr. Evans explained the situations regarding his past criminal history.

After discussion, a motion was made by Avery and seconded by Rouch to allow Mr. Evans to sit

for the salesperson examination after making proper application and to have a license issued upon passing. Mr. Evans must notify any anticipated employing broker of the criminal convictions and the circumstances of the convictions and said broker shall confirm said notification in writing to the Commission prior to the license being placed with said broker. Mr. Evans must also notify the Commission staff of any criminal charge, except those charges where there is no possible sentence of jail time for a period of two years. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Philip Stephen Storey, Salesperson Applicant

Director Lemon presented exhibits which included: correspondence regarding Mr. Storey's special appearance; a letter of explanation from Mr. Storey; character reference letters for Mr. Storey; Mr. Storey's criminal history report; and his salesperson application form. A copy of said exhibit is attached to and made a part of these minutes. Mr. Storey was present.

Chairperson Gale reviewed the procedure for informal special appearances.

Mr. Storey explained the situations regarding his past criminal history.

A motion was made by Rouch and seconded by Avery to allow Mr. Storey to sit for the salesperson examination after making proper application and to have a license issued upon passing. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Alison Renae Lindau, Salesperson Applicant

Director Lemon presented exhibits which included: correspondence regarding Ms. Lindau's special appearance; a letter of explanation from Ms. Lindau; character reference letters for Ms. Lindau; Ms. Lindau's criminal history report; and her salesperson application form. A copy of said exhibit is attached to and made a part of these minutes. Ms. Lindau was present.

Chairperson Gale reviewed the procedure for informal special appearances.

Director Lemon distributed an additional letter of reference for Ms. Lindau which was received at the Commission office after the mailing. A copy of said exhibit is attached to and made a part of these minutes, denoted as exhibit 13f1.

Ms. Lindau explained the situations regarding her past criminal history.

After discussion, a motion was made by Rouch and seconded by Alloway to allow Ms. Lindau to sit for the salesperson examination after making proper application and to have a license issued upon passing. Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Report of Agency Task Force

Director Lemon presented a report from the Agency Task Force and a sample of the revised agency brochure. A copy of said exhibit is attached to and made a part of these minutes. Josh Sand and Kristen Anderson from the Nebraska REALTORS® Association were present to discuss this issue.

Director Lemon indicated that Commissioners Alloway, Avery, Rouch and he were assigned to the Agency Task Force and worked in conjunction with Nebraska REALTORS® Association in an effort to revise the Agency Disclosure which has always been a compliance issue for the industry as well as the Commission. He explained that the intent was to make the form less daunting for the licensees to comply with and to allow for customers and clients to better understand the form. The Agency Task Force is requesting the Commission's review of the one page form to provide feedback on the path the task force has chosen to move in.

There was discussion regarding the possibility of two forms, one with a tear-off section and one which could be used and a copy made after completion. There was also discussion whether the form should have the appropriate boxes initialed or checked.

Director Lemon indicated that the form was not ready to be put in use yet and the final version would be schedule for review at a future Commission meeting.

There was discussion regarding implementation date for use of the form and forming rules for such implementation.

A motion was made by Freeman and seconded by Rouch to authorize staff to prepare proposal for implementation of the Agency Disclosure form which would be substantially similar to the form being reviewed.

Mr. Sand and Ms. Anderson expressed concern regarding the timing of the implementation of the form in order for the Nebraska REALTORS Association to approve the form and develop training for use of the new form.

An Amendment was offered by Commissioner Stange that the implementation of the Agency Disclosure form be set for February 2015 to allow for planning by the Commission and the Nebraska REALTORS Association. The Amendment was approved by the mover and the second.

Motion carried with Alloway, Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye.

Report of Trust Account Examination Subcommittee

Director Lemon presented a report from the Trust Account Examination Subcommittee. A copy of said exhibit is attached to and made a part of these minutes.

Director Lemon indicated that Commissioners Alloway, Freeman, Stange and he were assigned to the Trust Account Examination Subcommittee. The Subcommittee reviewed the current procedures for examining the trust account records of brokers when created in or converted to electronic format. The Subcommittee's recommendation is to maintain the current practice of conducting examinations based upon paper copies of transactional documents at this time, but that such paper copies may be printed from an automated system of scan of the document received by the broker as long as that document is retained in the records of the broker until after the audit is completed. The further recommend that this issue remain open for future review and discussion, and that, if such examinations were authorized in the future, that the Commission adopt specific standards and procedures related to such examinations. The Subcommittee also recommended that the examination may be conducted using computer stored transactional records as the primary or initial record presented to the examiner for review.

There was discussion regarding potential standards and procedures which could be reviewed in the future should technology advance enough to maintain a standard practice.

A motion was then made by Rouch and seconded by Freeman to adopt the change to the trust account examination procedures as recommended by the Subcommittee. Motion carried with Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Alloway not participating or voting, being absent and excused.

Discussion of Nebraska Administrative Code Provision Title 299, Ch. 2, Sec. 010 – Representing More Than One Broker

Director Lemon presented for discussion purposes, a summary of business practices for brokers and the current laws regarding brokers. A copy of said exhibit is attached to and made a part of these minutes.

Director Lemon reviewed the laws regarding licensees representing more than one broker in real estate activities. He indicated that currently he requires they provide some differentiation in duties based on the type of practice as to not confuse the public.

There was discussion regarding the potential risks for designated broker representing both themselves and another broker. There was discussion regarding changing language of the current rule and presenting the changes for approval at a future meeting. It was also suggested that the proposed changes be reviewed by the Nebraska REALTORS® Association.

No action was necessary on this report.

Approval of Examination Request for Proposals

Director Lemon presented an exhibit of the proposed Request for Proposal (RFP) to develop and administer the salesperson and broker licensing examination. A copy of said exhibit is attached to and made a part of these Minutes.

Director Lemon explained that the RFP is a public bid for examination and the proposal does not vary from current requirements for the selected examination company.

Commissioner Stange requested that language be added into the RFP to specifically state that two of the examination locations be Omaha and Lincoln.

A motion was made by Stange and seconded by Rouch to authorize the release of this RFP bid at Director Lemon's discretion. Motion carried with Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Alloway not participating or voting, being absent and excused.

Adopt Kathryn Rouch's Resolution

Director Lemon presented a resolution commemorating service on the Commission by Kathryn Rouch. A copy of said resolution is attached to and made a part of these Minutes.

A motion was made by Ptak and seconded by Avery that the resolution for Kathryn Rouch be adopted. Motion carried with Avery, Freeman, Ptak, Stange and Gale voting aye, with Alloway not participating or voting, being absent and excused, and with Rouch not participating or voting, having recused herself, thereby nullifying any potential conflict of interest.

Adopt Patricia Stehly's Resolution

Director Lemon presented a resolution commemorating thirteen years of service at the Commission by Patricia Stehly. A copy of said resolution is attached to and made a part of these Minutes.

A motion was made by Avery and seconded by Freeman that the resolution for Patricia Stehly be adopted. Motion carried with Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye, and with Alloway not participating or voting, being absent and excused.

Personnel Matters – Deputy Director for Education & Licensing Vacancy

Director Lemon presented a letter from former Deputy Director for Education & Licensing, Teresa Hoffman. A copy of said letter is attached to and made a part of these Minutes.

Director Lemon noted that Ms. Hoffman will be missed and the Commission is losing a great resource. He also noted that with her departure, it will provide the Commission an opportunity to reorganize duties throughout the office.

No action was necessary on this report.

Adopt Teresa Hoffman's Resolution

Director Lemon presented a resolution commemorating twenty-six years of service at the Commission by Teresa Hoffman. A copy of said resolution is attached to and made a part of these Minutes. A typographical error was noted in the resolution, which staff stated they would correct for signature.

A motion was made by Stange and seconded by Rouch that the resolution for Teresa Hoffman be adopted as amended. Motion carried with Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye, and with Alloway not participating or voting, being absent and excused.

Information Matters

Trust Account Examination Evaluation Report – Second Quarter 2014

Director Lemon presented the Trust Account Examination Evaluation Report – Second Quarter 2014. A copy of said report is attached to and made a part of these minutes.

Director Lemon reviewed some of the comments received and how the situations were handled.

There was discussion regarding clarification to question number seven on the report. Director Lemon noted that such change would be made for the next quarterly report.

No action was necessary on this report.

Errors and Omissions Loss Report – Second Quarter 2014

Director Lemon presented the Errors and Omissions Loss Report – Second Quarter 2014. A copy of said exhibit is attached to and made a part of these minutes.

There was discussion regarding column explanations and it was requested that Director Lemon provide a graph with historical data for comparison in future reports. Director Lemon noted that the comparison would be provided for the next quarterly report.

No action was necessary with regard to this matter.

**ARELLO Annual Conference - September 17-21, 2014 -
Philadelphia, Pennsylvania**

Director Lemon explained that the deadline for registration is August 26, 2014, and asked which Commissioners were planning on attending the conference. Commissioners Freeman and Stange noted that they had planned on attending the ARELLO Annual Conference.

No action was necessary on this report.

Nebraska Equal Opportunity Commission Complaint - 1-13/14-4-42933

Director Lemon explained that complaint 1-13/14-4-42933 which was filed against the Commission with the Nebraska Equal Opportunity Commission had been unanimously dismissed.

Future Meeting Dates

September 26, 2014 - Staybridge Suites, Lincoln
October 17, 2014 - Staybridge Suites, Lincoln
November 20-21, 2014 - Staybridge Suites, Lincoln

Recesses and Adjournment

At 9:48 a.m., Chairperson Gale declared a brief recess, and reconvened the meeting at 9:52 a.m.

At 10:05 a.m., Chairperson Gale declared a brief recess, and reconvened the meeting at 10:10 a.m.

At 11:00 a.m., Chairperson Gale declared a brief recess, and reconvened the meeting at 11:05 a.m.

At 11:50 a.m., Chairperson Gale declared a recess for lunch, and reconvened the meeting at 12:45 p.m.

Commissioner Avery was briefly excused from the meeting at 4:05 p.m., and rejoined the meeting at 4:08 p.m.

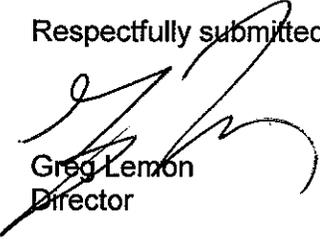
At 4:10 p.m., Chairperson Gale declared a brief recess, and reconvened the meeting at 4:25 p.m.

Commissioner Alloway was excused from the meeting at 4:10 p.m.

At 5:30 p.m., there being no further business to come before the Commission, a motion was made by Gale and seconded by Avery that the meeting adjourn. Motion carried with Avery, Freeman, Ptak, Rouch, Stange and Gale voting aye, with Alloway not participating or voting, being absent and excused.

I, Greg Lemon, Director of the Nebraska Real Estate Commission, do hereby certify that the foregoing minutes of the August 21, 2014, meeting of the Nebraska Real Estate Commission were available for inspection on September 3, 2014, in compliance with Section 84-1413(5) R.R.S. 1943, of Nebraska.

Respectfully submitted,



Greg Lemon
Director

Guests Signing the Guest List

Deda Myhre, CBSHOME Real Estate, Omaha
Kristen Anderson, Nebraska REALTORS® Association, Lincoln
Scott Vogt, CBSHOME/HomeServices, Omaha
Julie Joeckel, Nebraska REALTORS® Association, Lincoln

