

NEBRASKA REAL ESTATE COMMISSION

June 18, 2015

Staybridge Suites

Staybridge Room

Lincoln, NE

Opening

Chairperson Gale convened a meeting of the Nebraska Real Estate Commission at 9:00 a.m. on June 18, 2015, 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 Education Alane Roubal, Deputy Director for Enforcement Duran Cell, and Deputy Director for Licensing Monica Rut.

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 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 Avery and seconded by Ptak to adopt the final agenda as presented. Motion carried with Alloway, Avery, Dover, Freeman, Ptak, Stange and Gale voting aye.

Minutes of May 21, 2015

The minutes of the Commission meeting held on May 21, 2015, were considered.

After review, a motion was made by Freeman and seconded by Stange to approve the minutes as presented. Motion carried with Alloway, Avery, Dover, Freeman, Ptak, Stange and Gale voting aye.

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.

Director Lemon introduced the Commission's new Finance Officer, Erin Blankers. Ms. Blankers gave a brief description of her work history prior to her employment with the Commission.

Receipts and Expenditures Report for May

Director Lemon presented the Receipts and Expenditures Report for May. A copy of said report is attached to and made a part of these minutes. Director Lemon noted that an explanation page was included on the report.

The cash fund balance as of May 31, 2015, was \$1,137,404.21, which compared to a cash fund balance of \$1,017,902.81 on May 31, 2014.

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

Specialized Registrations

There were no specialized registrations to be presented at the meeting.

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

Deputy Director Rut 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 Alloway, Avery, Dover, Freeman, Ptak, Stange and Gale voting aye.

Examination Report - May

Deputy Director Roubal presented for ratification the May Examination 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 Stange to ratify the May Examination Report for the purpose of issuing licenses. Motion carried with Alloway, Avery, Dover, Freeman, Ptak, Stange and Gale voting aye.

Examination Passing Roster

Deputy Director Roubal presented the Examination Passing Roster, a copy of which is 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

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

Pre-License Education Instructor Approval

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

Pre-License Education Activity Significant Change

Deputy Director Roubal presented for ratification the Pre-License Education Significant Change Report, a copy of which is attached to and made a part of these minutes.

Continuing Education Activity Approval

Deputy Director Roubal 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

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

Continuing Education Activity Significant Change

Deputy Director Roubal presented for ratification the Continuing Education Activity Significant Change Report, a copy of which is attached to and made a part of these minutes. The Exhibit for this Agenda item indicated that the name of the courses were Ethics for the Real Estate Manger, when in fact it should have been Ethics for the Real Estate Manager.

Broker-Approved Training Recognition

Deputy Director Roubal 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 Stange and seconded by Dover to ratify the seven reports as amended. Motion carried with Alloway, Avery, Dover, Freeman, Ptak, Stange and Gale voting aye.

Pre-License Education Comparisons

Deputy Director Roubal presented an exhibit regarding pre-license education comparisons, a copy of which is attached to and made a part of these minutes.

Deputy Director Roubal noted that this Exhibit is being provided for informational purposes only. She indicated that based on the information she obtained from the ARELLO digest, Nebraska's pre-license education requirement is in the middle of the range of what the other jurisdictions require. She explained that included in this Exhibit is a comparison from the examination company showing the pass rate by State of those who contract their examinations with AMP. She also provided information regarding the performance of classroom versus online education for pre-license education courses.

There was discussion regarding the results of the comparisons and concerns with the education students were receiving. There was also discussion regarding the information that the Commission should provide to the pre-license education instructors and schools so that the

classroom experience can be improved. The Commissioners also discussed decertification or probation for those instructors who are not providing quality education or had a low passing rate for students who have taken courses from them. There was also discussion regarding a time frame for which the pre-license education courses would be accepted since currently once the course is taken, it is good forever.

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.

Presentation of Stipulation and Consent Orders

There were no Stipulation and Consent Orders to be presented at this meeting.

Disciplinary Hearings

There were no disciplinary hearings scheduled to be held at the meeting.

Informal Special Appearances

Matthew Richard Lindauer, Salesperson Applicant

Director Lemon presented exhibits which included: correspondence regarding Mr. Lindauer's special appearance; a letter of explanation from Mr. Lindauer; character reference letters for Mr. Lindauer; Mr. Lindauer'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. Lindauer was present.

Chairperson Gale reviewed the procedure for informal special appearances.

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

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

Materis VonEric Gray, Salesperson Applicant

Director Lemon presented exhibits which included: correspondence regarding Mr. Gray's special appearance; a letter of explanation from Mr. Gray; Mr. Gray's resume; character reference letters for Mr. Gray; a copy of the indictment from the United States Nebraska District Court for Mr. Gray; Mr. Gray's Report and Order terminating probation/supervised release prior to the original

expiration date; Mr. Gray'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. Gray was present.

Chairperson Gale reviewed the procedure for informal special appearances.

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

After discussion, a motion was made by Freeman and seconded by Avery to allow Mr. Gray to sit for the salesperson examination after making proper application and to have a license issued upon passing. Mr. Gray 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. Gray 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, Dover, Freeman, Ptak, Stange and Gale voting aye.

Approval of Appointment and Reappointment of Pre-Hearing Officers

Director Lemon presented a list of the current pre-hearing officers. A copy of said exhibit is attached to and made a part of these minutes.

Director Lemon noted that the agreements for the Pre-Hearing Officers are reviewed every two years. He indicated that currently there are three Pre-Hearing Officers, however, one has decided not to renew their agreement. He also noted that due to the decreased disciplinary hearings, two Pre-Hearing Officers should be adequate, but should the number of hearings increase, recruitment of additional Pre-Hearing Officers may be required.

A motion was made by Ptak and seconded by Freeman to reappoint the current pre-hearing officers and give Director Lemon the authority to extend their agreements until **June 30, 2017**. Motion carried with Alloway, Avery, Dover, Freeman, Ptak, Stange and Gale voting aye.

Consider Renewal of Errors and Omissions Insurance Contract with Rice Insurance Services Company, LLC (RISC) for 2016

Director Lemon presented an exhibit regarding the 2016 Renewal of Contract Quotation from Rice Insurance Services Company, LLC (RISC). A copy of said exhibit is attached to and made a part of these minutes.

Director Lemon indicated that the errors and omissions insurance coverage and underwriter would be the same as the current year. He noted that the terms would remain the same as the current program and the premium amount would not be increased.

It was discovered that the Exhibit indicated that Continental Casualty Company is authorized to write insurance in Kentucky instead of Nebraska.

After discussion, a motion was made by Freeman and seconded by Stange to approve the renewal of contract with RISC for 2016 as amended. Motion carried with Alloway, Avery, Dover, Freeman, Ptak, Stange and Gale voting aye.

Legislative Matters – Final Report

LB 28 - No new information presented.

LB 34 - No new information presented.

LB 253 – No new information presented.

LB 375 – Director Lemon reported this bill had been approved by the Governor on May 26, 2015.

LB 420 – No new information presented.

No action was necessary with regard to these matters.

Information Matters

ARELLO District 2 & 3 Conference – Little Rock, AR – June 4-5, 2015 - Report of Attendees

Director Lemon noted that Deputy Director Rut and he attended the ARELLO District 2 & 3 Conference.

No action was necessary on this report.

ARELLO Annual Conference – Washington, DC – September 9-13, 2015

Director Lemon explained that the deadline for hotel registration is August 18, 2015, and asked which Commissioners were planning on attending the conference. Commissioners Avery, Dover, Freeman and Stange showed interest in attending the Conference.

No action was necessary on this report.

Office Relocation Update

Director Lemon indicated that the office relocation was scheduled for June 29th and 30th.

No action was necessary with regard to this matter.

Future Meeting Dates

August 20-21, 2015 – Staybridge Suites, Lincoln
September 17-18, 2015 – Staybridge Suites, Lincoln
October 15-16, 2015 – Staybridge Suites, Lincoln
November 19-20, 2015 – Staybridge Suites, Lincoln

Recesses and Adjournment

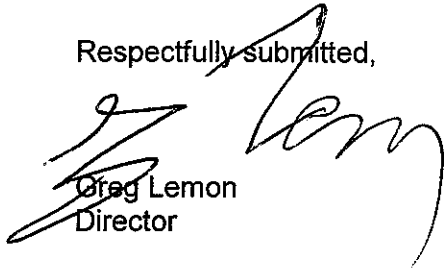
At 10:20 a.m., Chairperson Gale declared a brief recess, and reconvened the meeting at 10:35 a.m.

At 11:25 a.m., there being no further business to come before the Commission, a motion was made by Ptak and seconded by Avery that the meeting adjourn. Motion carried with Avery, Alloway, Dover, Freeman, Ptak, Stange and Gale voting aye.

I, Greg Lemon, Director of the Nebraska Real Estate Commission, do hereby certify that the

foregoing minutes of the June 18, 2015, meeting of the Nebraska Real Estate Commission were available for inspection on **July 2, 2015**, in compliance with Section 84-1413(5) R.R.S. 1943, of Nebraska.

Respectfully submitted,



Greg Lemon
Director

Guests Signing the Guest List

Jeff Hebb, Nebraska REALTORS® Association, Lincoln
Judy Burford, CBSHOME Real Estate, Omaha