

NEBRASKA REAL ESTATE COMMISSION

May 24, 2018

Staybridge Suites

Staybridge Room

Lincoln, NE

Opening

Chairperson Gale convened a meeting of the Nebraska Real Estate Commission at 9:04 a.m. on May 24, 2018, 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, with the exception of Commissioner Bourne, who was absent and excused. Also present were Director Greg Lemon, Deputy Director for Education Alane Roubal, and Deputy Director for Enforcement Duran Cell.

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 was 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 agenda item 11c had been added since the tentative agenda was mailed to the Commissioners. Agenda item 13d will need to be rescheduled to June.

After review of the final agenda, a motion was made by Alloway and seconded by Dover to adopt the final agenda as presented. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

Minutes of April 19, 2018

The minutes of the Commission meeting held on April 19, 2018, were considered.

After review, a motion was made by Starman and seconded by Alloway to approve the minutes as presented with two minor changes. Page 3 – First Quarter PSI School Reports -- Replace “possible merits” with the word “policy.” Page 8 – Pre-License Education Recruitment Prohibition - Replace the final sentence of the second paragraph with: “He further indicated that it may be viewed that if the Commission permits a school to recruit, the Commission may be perceived as approving or endorsing that brokerage for whom they are recruiting, therefore giving an advantage to that brokerage.” Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

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 Report for April

Director Lemon presented the Receipts and Expenditures Report for April. 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 April 30, 2018, was \$1,805,650.84, which compared to a cash fund balance of \$1,901,260.08 on April 30, 2017.

After discussion, a motion was made by Alloway and seconded by Titus to file the April Receipts and Expenditures Report for audit. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

Specialized Registrations - None

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

Deputy Director Roubal 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 Titus and seconded by Starman to ratify issuance of the licenses as set forth in the report. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

Examination Report - April

Deputy Director Roubal presented for ratification the April Examination Report, a copy of which is attached to and made a part of these minutes.

During the review, Commissioner Alloway suggested the topic of additional education as a requirement to become a designated broker be made an agenda item in the future. There was a consensus with the commissioners.

A motion was made by Alloway and seconded by Titus to ratify the April Examination Report for the purpose of issuing licenses. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

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/Course Approval

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

Pre-License Education Course Approval

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

Temporary Pre-License Education Instructor Approval

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

There was an error on this report that showed an expiration date of two years for the Temporary Instructor instead of the correct one year.

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.

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.

Broker-Approved Training Provider/Activity 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.

Broker-Approved Training Activity 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 Alloway and seconded by Starman to ratify the nine reports. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

Pre-License Education Instructor Rejection

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

Continuing Education Activity Rejection

Deputy Director Roubal 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 these reports.

Approve Instructor Development Workshop Projected Expenses

Deputy Director Roubal presented an exhibit regarding the proposed Instructor Development Workshop, a copy of which is attached to and made a part of these minutes.

Deputy Director Roubal noted that this Workshop would be one day long. The larger room was due to both continuing education and Pre-license instructors invited this year. Deputy Roubal requested that the Workshop again be free of charge for participants.

A motion was made by Alloway and seconded by Dover to approve the expenditures for the Instructor Development Workshop and to provide the Workshop free of charge. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

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 2017-008 – Robert & Rochelle Berceau v. Thomas J. Haiar

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 Alloway and seconded by Dover that the complaint be dismissed without prejudice. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, and with Commissioner Bourne not participating or voting, being absent and excused.

Item B Complaint 2017-013 – Steve A. Arens v. Jeffrey John Frederick

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 Starman and seconded by Alloway that the complaint be dismissed without prejudice. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, and with Commissioner Bourne not participating or voting, being absent and excused.

Item C Complaint 2017-016

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 Alloway and seconded by Titus that the complaint be set for hearing on 81-855.24(22)(29) and 299 NAC 5-003.20. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, and with Commissioner Bourne not participating or voting, being absent and excused.

Presentation of Stipulation and Consent Orders

**Complaint 2018-005,
Commission v. Luz Elena Janzen**

Deputy Director Cell presented a Stipulation and Consent Order in the matter of Complaint 2018-005, Commission v. Luz Elena Janzen. A copy of said Order is attached to and made a part of these minutes.

After discussion, a motion was made by Alloway and seconded by Starman to enter into the Order as presented. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, and with Commissioner Bourne not participating or voting, being absent and excused.

**Complaint 2018-004,
Commission v. Eric Joseph Carraher**

Deputy Director Cell presented a Stipulation and Consent Order in the matter of Complaint 2018-004, Commission v. Eric Joseph Carraher. A copy of said Order is attached to and made a part of these minutes.

After discussion, a motion was made by Alloway and seconded by Titus to enter into the Order as presented. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, and with Commissioner Bourne not participating or voting, being absent and excused.

**Complaint 2018-003,
Commission v. Christopher Alan Coleman**

Deputy Director Cell presented a Stipulation and Consent Order in the matter of Complaint 2018-003, Commission v. Christopher Alan Coleman. A copy of said Order is attached to and made a part of these minutes.

After discussion, a motion was made by Alloway and seconded by Starman to enter into the Order as presented. Motion carried with Alloway, Dover, Freeman, Starman, and Gale voting aye, Titus voting no, with Commissioner Bourne not participating or voting, being absent and excused.

Disciplinary Hearings

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

Informal Special Appearances

Jamelia LaNae Drake, Salesperson Applicant

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

Chairperson Gale reviewed the procedure for informal special appearances.

Ms. Drake explained the situations regarding her criminal history.

After discussion, a motion was made by Titus and seconded by Dover to allow Ms. Drake to sit for the salesperson examination after making proper application and to have a license issued upon passing. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

James Carl Kellerman, Salesperson Applicant

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

Chairperson Gale reviewed the procedure for informal special appearances.

Mr. Kellerman explained the situations regarding his criminal history.

After discussion, a motion was made by Titus and seconded by Dover to allow Mr. Kellerman to sit for the salesperson examination after making proper application and to have a license issued upon passing. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

Long Trinh, Salesperson Applicant

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

Chairperson Gale reviewed the procedure for informal special appearances.

Mr. Trinh explained the situations regarding his criminal history.

After discussion, a motion was made by Freeman and seconded by Starman to allow Mr. Trinh to sit for the salesperson examination after making proper application and to have a license issued upon passing. Mr. Trinh 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. Trinh must also notify the Commission staff of any criminal charge, except those charges where there is no possible sentence of jail time within five days for a period of three years. Motion carried with Alloway, Dover, Freeman, Starman, and Gale voting aye, Titus voting no, and with Commissioner Bourne not participating or voting, being absent and excused.

Yvonne D. Blankenship, Salesperson Applicant

The special appearance scheduled for Yvonne D. Blankenship was postponed to a future meeting.

Use of Unlicensed Persons for Scheduling Appointments—Commission Policy and Interpretation Review

Director Lemon presented exhibit 14 and provided background regarding the statutes and policy & interpretations on this matter. Director Lemon informed the Commission he is working on an article for the Commission Comment on this topic.

It was noted that the industry has changed, and is currently utilizing different methods of communication and advertising than when the law was passed, with Zillow referred to as an example. It was decided that a sub-committee be formed to investigate the possibility of how the law surrounding procuring prospects be interpreted or adapted regarding the usage of non-licensed individuals to make appointments. The sub-committee will report back in August.

A motion was made by Freeman and seconded by Dover to add point number seven to the Policy and Interpretations list of what someone without a license cannot do, That addition is "procure prospects." With language mirroring the current law. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

Consider Addition of Finance Classes to R Designation for Continuing Education

Director Lemon presented an idea that has been discussed at several previous meetings that finance is a changing field and licensees should be encouraged to take frequent courses in the topic.

There was discussion that keeping up to date in finance is important and if it were an "R" designated course, then more people would be encouraged to take these classes. Deputy Director Roubal informed the Commission that the courses in the system could be changed to "R" designations and all people who had previously taken the class would be credited. Also, providers would be asked to submit names and numbers of courses needed to be changed to the "R" designation.

A motion was made by Alloway and seconded by Dover to recognize Finance courses as an "R" designation. This would include the Pre-licensing course 0042 Real Estate Finance. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

Nebraska Realtors Association Recommendations on Pre and Post License Education

Scott Vogt of the Nebraska REALTORS Association presented Exhibit 16 to discuss additional education for salespersons based on information from the NAR Danger Report, which found that the public was endangered if licensees exhibited a lack of professionalism, especially in their early encounters as licensees. Mr. Vogt described the task force of REALTORS® that met to discuss a fix for the lack of skills with which new salespersons come to the brokerage. The group determined that Prep I a six-hour Pre-licensing block and Prep II a twelve-hour Post-licensing block of education that would need to be completed before a salesperson was licensed for 180 days would support the licensees professionalism. Other concerns were expressed, but tabled to be addressed during the year it will take to attempt new legislation.

A motion was made by Titus and seconded by Starman to promote a six-hour Prep I and a twelve-hour Prep II as a positive step forward toward licensees' professionalism and that Director Lemon would work with the NRA to develop legislative language and simultaneously develop regulation language. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, with Commissioner Bourne not participating or voting, being absent and excused.

Legislative Matters

LB 15 - No new information presented as the bill was indefinitely postponed.

LB 36 - No new information presented as the bill was indefinitely postponed

LB 127 – No new information presented as the bill was indefinitely postponed

LB 208 – No new information presented as the bill was indefinitely postponed

LB 299 – Director Lemon reported that the bill had been signed by the Governor.

LB 312 – No new information presented as the bill was indefinitely postponed

LB 426 – No new information presented as the bill was indefinitely postponed

LB 683 – No new information presented as the bill was indefinitely postponed

LB 695 – No new information presented as the bill was indefinitely postponed

LB 736 – No new information presented as the bill was indefinitely postponed

LB 751 – Director Lemon reported that the bill had been signed by the Governor.

LB 1060 – No new information presented as the bill was indefinitely postponed

No action was necessary with regard to these matters.

Information Matters

ARELLO Annual Meeting - September 26-30, 2018 - St. Louis, Missouri

Director Lemon explained that information regarding the annual meeting was available on the website and that registration was open.

No action was necessary on this report.

Future Meeting Dates

June 21-22, 2018 – Staybridge Suites, Lincoln
August 16-17, 2018 – Staybridge Suites, Lincoln
September 20-21, 2018 – Staybridge Suites, Lincoln
October 18-19, 2018 – Country Inn & Suites, Lincoln
November 15-16, 2018 – Staybridge Suites, Lincoln

Recesses and Adjournment

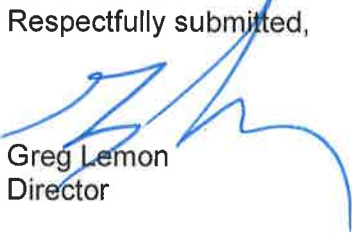
At 10:00 a.m., Chairperson Gale declared a brief recess, and reconvened the meeting at 10:15 a.m.

At 11:51 a.m., Chairperson Gale declared a brief recess, and reconvened the meeting at 12:05 p.m.

At 12:55 p.m., there being no further business to come before the Commission, a motion was made by Freeman and seconded by Alloway that the meeting adjourn. Motion carried with Alloway, Dover, Freeman, Starman, Titus and Gale voting aye, and with Commissioner Bourne 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 May 24, 2018, meeting of the Nebraska Real Estate Commission were available for inspection on May 29, 2018, 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
James McCord, Nemaha Valley Board of Realtors, Nebraska City
Christie Bevington, Nebraska REALTORS® Association, Lincoln
Paul Vojchegoske, Randall School of Real Estate, Omaha
Mari Jo Mentzer, NP Dodge, Omaha
Scott Vogt, CBS Home, Omaha