

**Arizona Department of Real Estate (ADRE)
Education Advisory Committee (EAC)
Meeting Minutes**

Wednesday
March 9, 2022
10:00 a.m. – 12:00 p.m.
Arizona Department of Real Estate
Google Meet
100 North 15th Avenue, Room 307
Phoenix, Arizona 85007

I. Call to Order -
Commissioner Dettorre called the meeting to order at 10:00 a.m.

II. Introductions & Welcome

Members present:

Theresa Barnabei - virtual
Holly Eslinger - virtual
Kim Horn
Jenny Hogan-Lizarraga - virtual
Annalisa Moreno - virtual
Greg Muir
BethAnn Neynaber - virtual
Jeff Raskin
Patrick Sheahan
Cheryl Terpening - virtual
Kurt Wildermuth

Absent:

None

ADRE Representatives present:

Louis Dettorre, Commissioner

James Knupp, Deputy Commissioner (DC)

Abby Hansen, Chief of Staff (COS)

Liz Hill, Assistant Commissioner of Licensing (AC)

Chandni Bhakta, Legislative Liaison

Jackie Gunderson, Education Services

James Williams, Education Services

III. Approval of December 8, 2021 Meeting Minutes

Commissioner Dettorre asked for a Motion to approve the December 8, 2021 Meeting Minutes. Upon a motion by Member Raskin, seconded by Member Horn, the Minutes of the December 8, 2021 meeting were unanimously approved.

IV. Call to the Public

None

V. ADRE Reports

Commissioner Dettorre provided some of the noteworthy items at the Department.

- The Department has been focused on hiring, successfully hiring two Auditors to bring the total of Department Auditors to four. One internal promotion for a position in Development Services. Two Licensing Customer Service Representatives that will be training for dual licensing positions, where staff will now have broader licensing training within the three areas (Licensing, Education and Development Services) and be able to flex to the current needs of the licensing division when required. Chandni Bhakta has joined the Department as Legislative Liaison.
- Looking forward for 2022, the Department will continue outreach throughout the state. Meetings with licensees/brokerages have been scheduled for the year with additional requests coming in weekly. As of February 28, the total number of licensee's (both individuals and entities) is 91,254. Of that number, 62,773 are active Salespersons and Brokers.
- Commissioner Dettorre noted the applications coming through Development Services remain at all-time highs.
- Commissioner Dettorre stated affordable housing continues to be a conversation throughout the State.

- Commissioner Dettorre asked the members of the Education Advisory Committee to bring forward opportunities for discussion and offered, forms, improvements, educator updates as possibilities. Commissioner Dettorre stated the Department has sent out two solicitations for feedback on forms, and asked the EAC to please respond if they have any input.
- Commissioner Dettorre referred to one question from the last meeting where it was asked if the Commissioner had the authority to modify continuing education (CE) categories. The Commissioner noted that it was determined he has the authority to change the number of required CE hours, not categories.
- The Real Estate Advisory Board issued their annual report and Bill Gray is the new Advisory Board Chair.
- The main topics of complaints continue to be, concerns that not all offers are presented, advertising – specifically regarding clear and prominent, entering homes without permission, unlicensed activity, wholesaling , failure to disclose material facts, and not filing subdivision public reports. COS Hansen added Unlicensed Commercial sales and virtual offices as additional repeat complaints.
- The ADRE Continuation Bill has passed and is now waiting on the final vote in the House.
- Keeping within our 95/110 budget model, in February, the Department reduced the timely online broker renewal fee.
- Commissioner Dettorre will represent Arizona at the Association of Real Estate License Law Officials (ARELLO) held in Georgia in April.
Member Sheahan asked if the Department would be updating the Advertising Substantive Policy Statement (SPS) No. 2007.18 with the information provided in the recent advertising guidance article issued by Commissioner Dettorre in partnership with Michelle Lind, Chief Executive Officer of the Arizona Association of REALTORS®. Commissioner Dettorre stated he would look into it.
Member Raskin asked why some brokers continue to be on television and bulletin board advertisements. Commissioner Dettorre stated he could not speak to open complaints/investigations, and asked for more specifics if there were any.
Member Raskin asked if we refer Multiple Listing Complaints (MLS) ie; licensees entering unauthorized to the Arizona Regional Multiple Listing Service. COS Hansen stated yes.

DC Knupp provided the Committee with a brief overview of bills currently tracked by the Department. 1,683 bills were introduced this session, and the session is at the halfway point.

- SB1276 Continuation – the Department of Real Estate would continue eight more years, until July 1, 2030.
- HB2694 Fees – Department of Real Estate fees
- HB2172 Employee Compensation - allows licensee to accept compensation from other than their broker if specific rules apply.

Member Sheahan asked if the Designated Brokers were in favor of, and what was the purpose of this bill. Member Horn indicated it was to address how teams were paid.

- HB2747 Disclosure – wholesale real estate buyers; disclosure
Member Sheahan asked if any were an agency bill, DC Knupp indicated SB1276 and HB2694 were.

Member Sheahan inquired what a predetermination was, as he had recently seen it referenced in a consent order. DC Knupp stated an individual who would have a disclosure at the time of application, may send in their disclosure for a preliminary review and decision based on that information indicating whether they were likely to be approved for a license (barring any additional incidences that may occur after the review). This allows the candidate to move forward with education and other expenses required prior to applying.

- HB2612- Occupational regulation
A brief discussion occurred with all Members regarding disclosures. DC Knupp stated the direction regarding disclosures is being more prescribed with what the Department can and cannot accept.
Member Barnabei noted there were 60 consent orders referenced in the latest Bulletin.

AC Hill informed all that instructors may now renew 90 days prior to expiration. AC Hill referred to the handout and reviewed Division statistics.

VI. Volunteer Monitor Program Update

- AC Hill spoke to the benefits of the volunteer monitor program. Licensee May attend a CE class at no charge and use the course for CE credit. They may also choose the course they would like to attend.
March 16th at 9:00 am is the next volunteer monitor training.

Member Sheahan asked if they have to notify the school or instructor. AC Hill stated “yes”.

Member Eslinger asked about hard copies of CE certificates being required. AC Hill stated there is no defined retention period for the CE certificates; the Department is requiring instructors to provide CE certificates as “evidence”.

Member Hogan-Lizarraga clarified not for licensees but required for in the instructors. AC Hill stated “yes”.

- VII. Instructor Development Workshop (IDW) – Opportunity for Stakeholder Feedback ED102 addendum C. The Department has asked for feedback by the end of March on how to make the form easier to complete.

IDW- A.R.S. § 32-2135

The Department is asking for input or feedback with thoughts on how to increase the quality of education and the instructors as well.

Member Barnabei stated the Department should go back to what the Department approves or denies regarding quality and quantity. AC Hill stated that is the purpose of reaching out to the EAC for specifics. Jim Williams stated what is needed is a detailed and expanded outline.

Member Hogan-Lizarraga stated it would be beneficial if the IDW for a new instructor were different from one taken by a continuing Instructor, with the continuing instructor’s IDW being more of a workshop.

Member Barnabei stated the best IDW is where the students are told what is needed and get away from theory with a focus on application.

Commissioner Dettorre stated he has heard about different programs that Instructors are being sent to for training and indicated the Department would be willing to review those programs if received as an application for Arizona course approval.

- VIII. Other matters

Member Sheahan asked if all were aware of the passing of David Compton and wanted to recognize the contributions he made to real estate education and the profession.

- IX. Next EAC Meeting Date: June 8, 2022

- X. Meeting adjourned 11:40

Respectfully submitted this _____ day of June 8, 2022
Education Advisory Committee

Commissioner Louis Dettorre

Members of the Education Advisory Committee will attend either in person or by telephone conferencing.