

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

Tuesday  
December 10, 2019  
10:00 a.m. – 12:00 p.m.  
Arizona Department of Real Estate  
Training Conference Room  
100 North 15<sup>th</sup> Avenue, Suite 201  
Phoenix, Arizona 85007

I. Call to Order -

AC Adams called the meeting to order at 10:00 a.m.

II. Introductions & Welcome

**Members present:**

Marti Barnewolt  
Holly Eslinger  
Barb Freestone  
Jim Hogan  
Kim Horn  
Jon Kichen - telephonically  
Laura Kovacs  
Mary Sand  
Debbie Shields  
Patrick Sheahan  
Cheryl Terpening  
Betty Winn

**Absent:**

Debra Prevost  
Kelly Zitlow

**ADRE Representatives present:**

Judy Lowe, Commissioner  
Louis Dettorre, Deputy Commissioner (DC)  
Lancing Adams, Asst. Commissioner Licensing Services/ CIO AMS (AC)  
Abby Hansen, Chief of Staff  
Jim Williams, Education Auditor

**Public:**

None

III. Approval of September 10, 2019 Meeting Minutes

Commissioner Lowe asked for a Motion to approve the September 10, 2019 Meeting Minutes. Upon a motion by Member Eslinger, seconded by Member Sand, the Minutes of the September 10, 2019 meeting were unanimously approved.

#### IV. Industry/Legislative/ADRE Update

Commissioner Lowe noted some of the current hot topics within the Department, and information from the Association of Real Estate License Law Officials (ARELLO)

- A brief review of licensing statistics from 2008 to current year were presented. There has been a slight drop in new licensees since January 2019. Processing time for new license applications dropped from 63 days in 2009 to the current process time of one day.

Member Hogan asked what percentage of licensees complete their Continued Education in the last 90 days of their renewal period. AC Adams stated that these statistics were not known at this time. AC Adams noted that he contacts Designated Brokers that have a substantial number of employees, if the Designated Broker is approaching their expiration date and have not renewed. Those calls ensure that a swath of licensees do not go Inactive, and are unable to conduct real estate activity until the DB has renewed along with the Entity license, in addition to saving the licensing staff time in assisting with rehiring those licensees.

- Communication with the Department should be through the Message Center, found on our website, or through the licensee's online portal. This assists in eliminating phone calls and personal emails, and allows the entire ADRE team to have visibility to the incoming requests enabling a quick turnaround.
- Commissioner Lowe has been reappointed to the Association of Real Estate License Law Officials (ARELLO) Board of Directors for District 4. She stated that this is a great opportunity to learn what is going on in other states.
- The National Association of REALTORS® has a new policy called Clear Cooperation Policy to address "coming soon" concerns.

Member Terpening stated that the policy is "8.0" and includes the requirement that within one (1) business day of marketing a listed property to the public, the REALTOR® listing broker must submit the listing to the Multiple Listing Service (MLS) for cooperation with other MLS participants. Any signage or advertising of a property starts the one-day requirement. She stated the policy is intended to improve cooperation with other MLS participants in the best interest for their clients.

Member Sands asked if they may have a lockbox, Member Terpening stated it depends on the contract.

Member Terpening stated the policy goes into effect January 1, 2020 with implementation required by 5/1/2020.

Member Eslinger stated that she has talked with Arizona Regional Multiple Listing Service, Inc. (ARMLS) and found that they are still in meetings in

Member Sheahan asked how many licensees have applied under the new law. AC Adams stated 14 or 15, most from surrounding states.

Commissioner Lowe noted that at a future meeting the Committee should discuss, or address schools with extremely low pass rates, with a suggestion for more education around pre-licensing curriculum. She asked that it be added as an agenda item at the next EAC meeting.

AC Adams stated that pre-licensing instructors must have an active Arizona Brokers license and take the Instructor Development Workshop (IDW) for pre-licensing.

Commissioner Lowe asked the Committee if they have heard any feedback regarding salesperson and broker candidates now only have to pass one exam. All members provided positive feedback. Member Barnewolt heard from a designated broker that they felt it required licensees to gain more knowledge specific to Arizona real estate.

V. Educator Update

AC Adams provided a handout for all with current Education statistics, updates on forms and reiterated the need for all to submit all course, instructors, and questions through the Message Center so that all are able to respond in a more timely manner. Member Hogan stated that he would like to see a percentage breakdown of how many classes are distance (online) and how many classroom. Jim Williams stated that the Department does not track that internally. AC Adams noted that he would look into finding a way to provide it.

- Additional IDW's will be coming, and are being planned for Tucson as well.
- At the time of submission, the specific continuing education category in the law book that a course applies to should be noted on the course application.
- A separate message should be created for each application, and the application should be attached as one, complete merged PDF file.
- All applications must contain 12 pt font, and not be handwritten.

VI. Volunteer Monitor Program Update

Jim Williams noted there are 273 classes scheduled through the end of the month. The Department needs Volunteer Monitors, spread the word, and if interested send a request through the Message Center.

VII. Discussion Item: -28-404.D.6

- Member Kichen had asked if the school was required to retain the "Original" Signature Roster, or if the emailed color copy sent by the instructor is acceptable. He noted the two are usually identical and indistinguishable between the "Original" and the "Copy".  
Commissioner Lowe stated an electronic copy of the original was acceptable.
- Exam performance will be addressed at the next meeting. Member Freestone stated it would be helpful for the schools to know a sub category

regards to how they will address 8.0 and the majority will wait until the 5/1/2020 implementation deadline. A few Members questioned how this helps the client. Member Barnewolt stated she was informed that it was to address the coming soon signage so that exposure may be generated while the property is being prepared. Commissioner Lowe stated that all would be looking to the Realtor Associations and ARMLS to communicate guidelines.

- Block Chain Technology remains a hot topic.
- Legalization of marijuana and how it may affect properties for sale, required disclosures was another topic of discussion.
- Criminal Conviction Based Licensing. Commissioner Lowe noted that Texas is one to watch.

Member Barnewolt asked if states were loosening or tightening their requirements. Commissioner Lowe stated, requiring less disclosure. Member Barnewolt asked if the Department still had high disclosure numbers, Commissioner Lowe stated, yes.

- The ARELLO license portability workgroup is moving forward, but rather than addressing the specifics of the issue, they will work on technology advancements to be a centralized source for the licensing documentation, as they currently do with the time-share industry. An example provided was that ARELLO could maintain the information required to obtain a certified license history.

Member Sheahan asked if any state has true portability. Commissioner Lowe state, none that she knows of.

DC Dettorre gave a brief overview of the time-share legislation was enacted to increase consumer protection by increasing the rescission period from seven to ten days and requiring additional disclosures. The Department had many conference calls with the time-share industry across the country resolving their questions and concerns regarding the new requirements.

DC Dettorre provided a presentation on current items of note at the Department.

- The Department is utilizing Twitter for community outreach. All are encouraged to follow; @AZDeptRE
- License trend, Message Center, Investigation and Recovery Fund statistics were provided reflecting a marked improvement in all areas. Commissioner Lowe noted that improvements to Real Estate Education made all the improvements possible.
- License Recognition that went into effect 8/27/19 allows an individual to apply without taking the 90 hours of pre-license education if they are a\n Arizona resident, and hold a current real estate license in another state. Member Hogan asked if the attestation form requires proof of residency. DC Dettorre stated, yes and the revised form now provides examples of acceptable proof.

of what courses are failing, and asked that a summary be provided to the EAC.

- VIII. The EAC 2020 Calendar was reviewed. Member Sands asked if they would now be on Wednesday as this may be an issue with her schedule. AC Adams to confirm.
- IX. Other matters and Call to the Public  
None
- X. Meeting adjourned at Noon.

*Respectfully submitted this 11 day of March, 2020*  
*Education Advisory Committee*

  
*Commissioner Judy Lowe*

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