

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

Wednesday
June 9, 2021
10:00 a.m. – 12:00 p.m.
Arizona Department of Real Estate
Google Meet
100 North 15th Avenue, Suite 201
Phoenix, Arizona 85007

- I. Call to Order -
Commissioner Lowe called the meeting to order at 10:00 a.m.
- II. Introductions & Welcome
Members present- all telephonically:
Marti Barnewolt
Barb Freestone
Kim Horn
Jenny Hogan-Lizarraga
Mary Sand
Patrick Sheahan
Debbie Shields
Cheryl Terpening
- Absent:**
Theresa Barnabei
Greg Muir
Betty Winn
- ADRE Representatives present:**
Judy Lowe, Commissioner
Louis Dettorre, Deputy Commissioner (DC)
Abby Hansen, Chief of Staff
Liz Hill, Assistant Commissioner Licensing Services/ CIO AMS (AC)
James Williams, Education Services
Janice Thompson, Education Services

III. Approval of March 10, 2021 Meeting Minutes

Commissioner Lowe asked for a Motion to approve the March 10, 2021 Meeting Minutes. Member Freestone addressed a correction required on page 3, correcting her name from Freeman to Freestone. Upon a motion by Member Freestone, seconded by Member Shields, the Minutes of the March 10, 2020 meeting were unanimously approved.

IV. Call to the Public

None

V. ADRE Reports

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

- Signage at branch offices is an issue where the Department has started seeing complaints. Also Brokerage offices that have not been licensed with ADRE, and do not have an appointed branch manager.
- The Department continues to receive complaints regarding wholesalers. The Department is trying to encourage the Designated Brokers to have a better understanding of wholesaling and warehousing activity that is going on.
- There continues to be much misunderstanding on professional corporations or professional limited liability corporations (PC/PLLC). The only purpose is to allow a brokerage to pay the PC/PLLC members. Licensed individuals may not be paid any compensation from another licensee or a PC/PLLC.
- A Broker may only pay their own licensed employees, unless they are paying a referral fee to another Broker.
- There is a growing concern that licensees are working outside of their area of expertise.

DC Dettorre provided a brief presentation reviewing current statistics for the Department including; licensing, education, and development services.

Member Terpening stated that a current trend is a licensee has a current advertised listing and receives an offer that is accepted, the agent is going in and changing the listing to what the accepted offer was. Is this ok?

Commissioner Lowe stated this would be a local MLS issue

Member Freestone asked if the Department was able to produce statistics on how many licensees leave the business prior to their first renewal. DC Dettorre stated it was still under review.

Member Shields asked how far back requests for Public Reports could be filled. DC Dettorre stated he believes it is 1997, but would need to verify. Member Sheahan asked if the Department could include the number of Inactive in the presentation. DC Dettorre stated he would try and incorporate that request into next month's reporting.

Member Sheahan inquired about the grammar on a recent Accelerated Settlement Agreement (ASA) and asked if it would be addressed, Commissioner Lowe stated she agreed and would look into it.

AC Hill reviewed education statistics and reminded all to verify course expiration dates. Expired courses cannot be used for Continuing Education (CE) Credits.

Member Hogan-Lizarraga asked if the Department has considered changing the policy that allows test takers to keep testing rather than having go through a waiting period to test again. She also inquired whether there is a disconnect on the exam questions because there are no educators on the exam question writing committee. Much discussion ensued.

AC Hill shared her perspective on the subject matter expert (SME) process including the outline and referenced exam question writing.

Member Freestone asked if questions referenced course outlines and learning objectives. AC Hill said, "yes. both".

VI. Volunteer Monitor Program Update

- AC Hill stated the Department continues to use the opportunities of telework limitations to assign ADRE staff courses to monitor, and thanked the educators who host the Department as volunteer monitors.

VII. Return to Classroom Status-

Member Hogan-Lizarraga is in favor of a transition period for those who want to come back to the classroom, the course material is the same, as well as the course number.

Commissioner Lowe asked how will everyone transition from a host remote preclicensing course to a finish as a classroom course. Very difficult for school and ADRE to monitor/audit.

Member Freestone is concerned that schools are currently teaching hybrid. She stated that her school had done it in the past according to the ADRE requirements and it did not work out at all. She will gladly share her experience if anyone would like to hear it.

Member Hogan-Lizarraga stated her issue is more of a result of individuals who struggle with the zoom format, and want back in the classroom.

Member Sheahan asked Member Barnewolt if people were teaching hybrid, Member Barnewolt stated “yes”, Member Sheahan requested that the Department address this violation. Commissioner Lowe agreed and stated the Department needs to know who the offenders are.

Member Horn asked if the Department compared Pearson Vue passing rates prior to Covid19 and then after. She would like to know if the new method of teaching is affecting the pass rate.

Member Freestone asked for statistics on what topic/category a large majority of test takers missed questions on, and the information that would assist the schools.

Commissioner Lowe stated Pearson Vue allows schools to log in and review results of exams.

Member Barnewolt stated she is really concerned about the low Pre Licensing pass rates of schools, and that it does indicate additional information is needed by new licensees.

Commimssioner Lowe stated that the Department posts the school pass rates on the Website, and it is addressed in the Departments FY2022 Strategic Plan with a metric to increase pass rates.

VIII. Other Matters

Member Barnewolt stated she had a list of items that she will submit to AC Hill for consideration for the next agenda.

IX. Next meeting; September 8, 2021, 10am to Noon

X. Meeting adjourned 12:00

Respectfully submitted this _____ day of September, 2021
Education Advisory Committee

Commissioner Judy Lowe

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

DRAFT