

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

Wednesday
September 9, 2020
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 10:04 a.m.
- II. Introductions & Welcome
Members present- all telephonically:
Holly Eslinger
Barb Freestone
Jon Kichen
Laura Kovacs
Mary Sand
Patrick Sheahan
Debbie Shields
Cheryl Terpening
Betty Winn
- Absent:**
Marti Barnewolt
Jim Hogan
Kim Horn
- ADRE Representatives present:**
Judy Lowe, Commissioner
Louis Dettorre, Deputy Commissioner (DC)
Abby Hansen, Chief of Staff
Lancing Adams, Asst. Commissioner Licensing Services/ CIO AMS (AC)

III. Approval of June 10, 2020 Meeting Minutes

Commissioner Lowe asked for a Motion to approve the June 10, 2020 Meeting Minutes. Upon a motion by Member Shields, seconded by Member Eslinger, the Minutes of the June 10, 2020 meeting were unanimously approved.

IV. Call to the Public

No one from the public asked to speak.

V. ADRE Reports

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

- Wholesaling and Warehousing is a hot topic making the phones ring at the Department. Commissioner Lowe indicated it would be great if someone brought this forward legislatively addressing a requirement for “Full Disclosure of Equity Interest”.

Member Eslinger noted this is a big issue at the Arizona Association of Realtors® (AAR) as well, and shared that Scott Drucker has written a very informative article in the AAR’s blog “Arizona REALTOR® Voice”.

Member Terpening asked if the Department was hearing from buyers that are losing earnest money when new homebuyers run into an appraisal issue. Commissioner Lowe noted that the Department is hearing that, in a few cases, the builder is raising or decreasing the cost of the home, but the Department cannot take a position on these legal matters.

- The current market is causing Sellers and Buyers to be caught in the middle of multiple offers. Commissioner Lowe noted that the workload in Development Services is increasing with new building escalating.
- While at her speaking engagements, Commissioner Lowe is reminding all to consider the showing instructions in MLS when showing homes.

DC Dettorre provided a brief presentation reviewing current statistics for the Department including; licensing, education, development services and some of the challenges with COVID-19.

- DC Dettorre noted that Janice Thompson in our Education Division has approved over 1,000 host remote courses since the start of the program.
- DC Dettorre provided a brief review of the complaint review process and dashboard.

Member Shields and Member Sand asked for additional information on what specifically the complaints were regarding. DC Dettorre stated he would need to determine how much information may be released with an

open investigation. Member Sheahan asked if all message complaints were processed or if we in turn mailed complaint forms to be completed. DC Dettorre indicated that the process allows a Complainant to submit their completed Complaint form and supporting evidence through the Message Center.

- DC Dettorre provided a review of the current balance of the Recovery Fund and the requirements to receive a Recovery Fund Judgment and payout. Member Sheahan asked if the fund may be “swept” for other state needs. Commissioner Lowe stated yes, as it has been done in past administrations. Commissioner Lowe noted that the public needs to know that there is a Recovery Fund for those that qualify. Member Sheahan noted that the maximum payout is \$30K per transaction.

AC Adams gave a brief overview of Department licensing statistics.

- Member Freestone asked if rather than submitting two ED102 applications if it could be possible to send one ED102 and an addendum? Commissioner Lowe stated probably not, it will still require an ED102 for each delivery method applied for, because an individual course number is required.
- AC Adams noted that over 1,000 exams were taken for a real estate license at Pearson Vue in the month of August. Commissioner Lowe stated that there is only a percentage of the 1,000 test takers that pass the exam. Member Freestone noted that when online pre licensing education started the pass results of those test takers were too low and asked if the Department has accumulated enough data to determine how the online pre license education is performing. Commissioner Lowe agreed that this is a great statistic to have and the Department will dig into and provide.
- Member Freestone and if there is a trend in any subject area that the Department could provide that would indicate where additional education is needed. Commissioner Lowe stated yes, water, development, math and case law and indicated that educators should focus on these areas. Member Freestone noted she could use these statistics for providing Continuing Education courses.

VI. Volunteer Monitor Program Update

- The Department continues to use the opportunities of telework limitations to assign staff courses to monitor. Commissioner Lowe stated each monitor fills out a critique sheet and AC Adams maintains those files, she

noted one of the most common issues with a course is the instructor speaks too much about themselves rather than the subject.

VII. Streaming Classroom/Host Remote Update

Commissioner Lowe thanked the Host Remote Workgroup members- Member Barnewolt and DC Dettorre were co-chairs and the following were members:

Andrea Ledford	John Dyer
Jenny Hogan-Lizarraga	Barb Freestone
Kathy Howe	Jeff Raskin
Liz Hill	Laura Kovacs
Fletcher Wilcox	Teresa Barnabei
Bill Gray	A. Pat Sheahan
Todd Menard	

Member Freestone stated Instructors should focus on what they do best- teach, they need assistants in this remote environment and further acknowledged that she is excited about Host Remote and thinks it is a great opportunity.

Member Freestone asked if all instructors could know sooner rather than later, when the waiver is required. Member Kovacs asked if it still required to provide a fourteen-day notice. Commissioner Lowe stated, yes. Member Sand asked if a class is scheduled, may they submit it early. Commissioner Lowe stated it should only be a couple more months with the temporary approval process; the permanent request form will soon be available.

VIII. Other Matters

None

IX. Next meeting; December 9, 2020, 10am to Noon

X. Meeting adjourned 11:45

Respectfully submitted this _____ day of December 2020
Education Advisory Committee

Commissioner Judy Lowe

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

DRAFT