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

Wednesday
June 10, 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 10:00 a.m.

II. Introductions & Welcome

Members present- all telephonically:

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

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 March 11, 2020 Meeting Minutes

Commissioner Lowe asked for a Motion to approve the March 11, 2020 Meeting Minutes. Upon a motion by Member Shields, seconded by Member Sand, the Minutes of the March 11, 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.

- Host Remote classes have been a hot topic since implementing them due to COVID-19 restrictions. The response by schools has been positive and grateful for the timeliness of processing.

  Member Hogan asked how the Department defined "host remote" vs. students in a classroom.

  Member Freestone stated streaming remote host and live stream are the same as long as the instructor is not in the classroom.

  Commissioner Lowe stated remote delivery is where the host is in a different location than the class receiving the delivery "real time" and noted that this may not require a monitor in the classroom. Currently the Department is issuing temporary approval for courses that could be delivered live stream where the individual students may not be in the same location.

  Member Shields suggested the upcoming workgroup define "classroom" for remote delivery. Member Hogan noted the Commissioner summed it up with "host remote to individuals vs host remote to classrooms".

  Member Barnewolt asked if pre licensing classes could resume in a classroom. Commissioner Lowe indicated yes, as long as the Center for Disease Control (CDC) COVID-19 guidelines are adhered.
- Commissioner Lowe asked the Committee if anyone received negative feedback regarding the TEAM Substantive Policy Statement.

  None noted.
- Commissioner Lowe stated the Department was receiving many calls and messages regarding the violations of showing instructions, and stated that now more than ever licensees need to pay attention to instructions, especially adhering to the directives of sellers.
- Commissioner Lowe is currently serving on three committees, plus the Board of Directors at the Association of Real Estate License Law Officials (ARELLO).
  - License portability
  - Challenges to occupational licensing
  - Distance Learning Certification

Member Freestone asked why the Department does not require Association of Real Estate License Law Officials (ARELLO) certification on all classes. Commissioner Lowe indicated it was costly for the schools, roughly $500.00 per course, and possible delays for the time it takes to approve a course.

Member Hogan stated ARELLO does not approve course content, but rather the delivery, and believes it would be an additional bureaucratic expense.

- Commissioner Lowe stated the Department has submitted the Department's FY2021 Strategic Plan to the Governor's office, and there continues to be a focus on education.
- Commissioner Lowe announced that processing branch manager changes previously required Department staff to complete the change, now the Designated Broker may complete the transaction online as needed.

AC Adams gave a brief overview of Department licensing statistics.

- Member Barnewolt inquired about the new 110-question exam. AC Adams indicated that there are two exams, one for Brokers and one for Salesperson, and only for out-of-state license recognition applicants.
- Member Hogan asked what the passing rate was for out-of-state license recognition applicants. AC Adams indicated that the standard exams trend is 74%-76% and the out-of-state license recognition applicants has been significantly lower, but with a much smaller sample size.
- Member Sheahan asked if any school had been approved for online broker pre license classes. Member of the public Greg Muir indicated that the class was going live today at Arizona School of Real Estate and Business and Jim Hogan stated it was available through Hogan's School of Real Estate.

DC Dettorre provided a brief presentation reviewing current statistics for the Department including; licensing, education, development services and the Teams Substantive Policy Statement (SPS), Legislation, and some of the challenges with COVID-19, and the response the Department has been able to provide.

- DC Dettorre extended a "thank you" to all instructors and schools, for their patience, help, and flexibility with the changes and constraints made on all due to the impact of COVID-19.

  Member Sand asked if remote host classes would be approved for July. DC Dettorre indicated they likely would, but deferred to Commissioner Lowe. Commissioner Lowe stated she concurred it would likely be extended.

Member Kichen inquired what the June cutoff date was; Commissioner Lowe advised it would be released as soon as identified.

- Member Freestone reminded the Committee that Scott Drucker of the Arizona Association of Realtors® (AAR) created a webinar regarding the new Team SPS and it was available for all on the AAR website.

VI. Volunteer Monitor Program Update

- The Department has used the opportunities of telework limitations to assign staff courses to monitor.
- In the past, the Department had not shared the critique sheets created by class monitors, but will take the request to do so under consideration. Member Kichen indicated they could be helpful in doing a better job.

VII. Streaming Classroom/Host Remote Update

Commissioner Lowe stated that the process cannot continue on a month-to-month basis, and that guidelines need to be established around the course, delivery and instructor/student interaction.

Member Barnewolt and DC Dettorre will co-chair a workgroup for ongoing remote delivery classes, to identify recommendations to present to the Department.

The tentative list of members for the workgroup are:

Andrea Ledford	John Dyer
Jenny Hogan	Barb Freestone
Kathie Howe	Jeff Raskin
Liz Hill	Laura Kovaks
Fletcher Wilcox	Teresa Barnebie
Bill Gray	Pat Sheahan
Todd Menard	

Member of the public Greg Muir asked to swap Tina Lapp for Andrea Ledford.

Member Horn stated it was an excellent list of participants.

Member Barnewolt made a motion for this Committee to approve a remote delivery workgroup, with participants subject to change, at the discretion of the chairs.

Member Eslinger seconded.

All Committee members were in favor.

Member Hogan recommended that it should be identified where the instructor is sending the remote class from, is there a backup if their system fails? Member Hogan indicated that he felt this should also require an Instructor Development Workshop (IDW). Member Freestone agreed with this suggestion.

VIII. Review of Course Categories per Rule

Commissioner Lowe stated that rule R4-28-402 is very clear that a majority (75%) of the course must adhere to the course R4-28-402 requirements, and she is advising staff to adhere to this rule when approving courses.

Member Hogan asked about "reverse mortgage" courses as discussed in the March EAC meeting. Commissioner Lowe indicated that they might fall under a "general" category, unless 75% of the content allows it to fall under another category.

IX. Prelicensing School Review

Commissioner Lowe stated that in May there were 809 exams taken.

77% passed the Brokers exam on the first attempt.

67% passed the Salesperson exam on the first attempt.

27% passed the Out of State License Recognition exam on the first attempt (this consisted of 19 test takers).

The Department will be adding an honor roll in the Bulletin that will provide the schools passing rate for 1st time exams.

Member Freestone asked if the number of test takers would be included, Commissioner Lower indicated it would be comprehensive data, and will include number of first attempt test takers.

X. Member Hogan asked if the date had been set for the Remote Delivery workgroup. Member Barnewolt stated nothing scheduled at this time.

Member Kichen asked if staff could identify themselves when responding to message center inquiries. Commissioner Lowe indicated it may be multiple people responding through a transaction.

XI. Next meeting; September 9, 2020, 10am to Noon

XII. Meeting adjourned 11:50

Respectfully submitted this 9 day of September, 2020
Education Advisory Committee

Judy Lowe

Commissioner Judy Lowe

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