

NEVADA REAL ESTATE COMMISSION

MINUTES

SEPTEMBER 15, 2015

Grant Sawyer Building
Gaming Control Board
555 East Washington Avenue
Room 2450
Las Vegas, Nevada 89101

VIDEO CONFERENCE TO:

Gaming Control Board
1919 College Parkway
Carson City, Nevada 89701

The meeting was called to order at 9:05 AM

1-A) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

Sherrie Cartinella, Washoe County; Norma Jean Opatik, Nye County; Richard Johnson, Washoe County; Devin Reiss, Clark County; and Neil Schwartz, Clark County
Commission Counsel: Rose Marie Reynolds

1-B) INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

Joseph (JD) Decker, Administrator
From the Administration Section: Teralyn Thompson and Rebecca Hardin
From the Enforcement Section: Jan Holle, Carolyn Washington and Linda Chavez
From the Education Section: Safia Anwari and Ingrid Trillo
From the Licensing Section: Susan Clark and Sandra Saenz
From Carson City: Deputy Administrator Michael Jory
From the Attorney General's Office: Kim Arguello and Keith Kizer

2) PUBLIC COMMENT

None.

8-3) NRED v JOHN M. BROWN JR. - Case # RES 14-05-81-1061

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.
Ryan Works was present representing Mr. Brown.
John M. Brown Jr. was not present.

Preliminary Matters

Mr. Kizer stated that a verbal agreement had been reached with Mr. Works on behalf of Mr. Brown.
Mr. Kizer stated that Mr. Brown had agreed to a revocation of his license.
Mr. Kizer read the jurisdiction, factual allegations and violations into the record.
Mr. Works made a statement on Mr. Brown's behalf.

President Johnson requested that the stipulation include a ten-year wait for reapplication for a license. Commissioner Opatik suggested requiring Mr. Brown to appear before the Commission to obtain another license after the ten-year period.

Commissioner Reiss moved to accept the stipulation of the revocation of the license, including the inability to reapply for ten years and Mr. Brown must come before the Commission if he reapplies in case RES 14-05-81-1061. Commissioner Schwartz seconded. The motion carried unanimously.

8-9) NRED v YAWEN (AMY) PAN - CASE # RES 15-07-75-075

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.
Yawen (Amy) Pan was present
Andrew Pastwick was present representing Ms. Pan.

Preliminary Matters

Mr. Kizer stated that a proposed verbal settlement agreement had been reached with Ms. Pan and Mr. Pastwick.

Mr. Kizer read the factual allegations, violations and settlement agreement into the record.

Settlement

Respondent agreed to pay the Division a total of \$3,250.00, which includes an administrative fine of \$2,500.00, plus costs of \$750.00, payable within 90 days.

Respondent agreed to attend 3 hours of What Every Licensee Should Know within 90 days. Education must be live and will not count toward Respondent's continuing education requirements

Respondent may not apply for a property management license for five years.

Commissioner Opatik suggested adding 3 hours of Ethics continuing education.

Commissioner Opatik moved to accept the settlement agreement of a \$3,250.00 payment which includes an administrative fine of \$2,500.00 plus costs of \$750.00 payable within 90 days; 3 hours of What Every Licensee Should Know and 3 hours of Ethics within 90 days, live classes not to be used for continuing education requirements and Respondent may not apply for a property management license for five years. Commissioner Cartinella seconded. The motion carried unanimously.

8-12) NRED v WENDY RUDDER - CASE # 2015-1196

Parties Present

Senior Deputy Attorney General Kimberly Arguello was present representing the Division.
Brett Whipple was present representing Ms. Rudder.
Wendy Rudder participated via telephone.

Preliminary Matters

Ms. Arguello presented a Voluntary Surrender and Order.

Ms. Arguello read the Jurisdiction, Factual Allegations, Violations and Voluntary Surrender into the record.

Commissioner Opatik moved to accept the voluntary surrender of the license as read into record. Commissioner Cartinella seconded. The motion carried unanimously.

6-1) LICENSE DENIAL APPEAL FOR DERRICK BOYD - FILE No. S-LDA-16-001

Parties Present

Derrick Boyd, Appellant, was present.

Susan Clark, Licensing Manager for the Real Estate Division, was present.

Senior Deputy Attorney General Kimberly Arguello was present representing the Division

Hearing

Mr. Boyd requested that the session be closed.

Commissioner Reiss moved to close the hearing pursuant to NRS 241.030(1). Commissioner Schwartz seconded. Motion carried unanimously.

The hearing was closed.

Commissioner Cartinella moved to reconvene the hearing. Commissioner Opatik seconded. Motion carried unanimously.

The hearing was reopened.

Commissioner Cartinella moved to grant Mr. Boyd a Nevada real estate license. Commissioner Schwartz seconded. The motion carried unanimously.

6-2) LICENSE DENIAL APPEAL FOR DANIEL DEAN - FILE No. S-LDA-16-002

Parties Present

Daniel Dean, Appellant, was present.

Susan Clark, Licensing Manager for the Real Estate Division, was present.

Senior Deputy Attorney General Kimberly Arguello was present representing the Division

Hearing

Mr. Dean requested that the session be closed.

Commissioner Opatik moved to close the hearing pursuant to NRS 241.030(1). Commissioner Cartinella seconded. Motion carried unanimously.

The hearing was closed.

Commissioner Reiss moved to reconvene the hearing. Commissioner Schwartz seconded. Motion carried unanimously.

The hearing was reopened.

Commissioner Reiss moved to deny the appeal. Commissioner Schwartz seconded. Motion carried 4-1 with Commissioner Cartinella opposing.

4-1) PETITION FOR REHEARING FOR DAUNSHARI WONG-CULOTTA - CASE No.: RES 14-05-76-1056

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.

James Ruggieri was present representing Ms. Wong-Culotta.

Hearing

Mr. Kizer stated that the Division had no opposition to the petition for rehearing.

Commissioner Reiss moved to grant the rehearing. Commissioner Opatik seconded. Motion carried unanimously.

5-1) APPEAL OF INSTRUCTOR DENIAL FOR NANCY ANDERSON

Parties Present

Education Program Officer Ingrid Trillo was present.

Nancy Anderson was present.

Senior Deputy Attorney General Kimberly Arguello was present representing the Division

Commissioner Opatik recused herself, citing a close friendship with Ms. Anderson.

Commissioner Schwartz stated that he was the present Dean of Faculty at Greater Las Vegas Association of Realtors (GLVAR) but had not participated in any faculty discussions regarding Ms. Anderson. Commissioner Schwartz did not recuse himself.

Commissioner Reiss stated that he had not participated in any faculty discussions at GLVAR regarding Ms. Anderson. Commissioner Reiss did not recuse himself.

Commissioner Cartinella stated that she was familiar with Ms. Anderson through an organization called Women's Council of Realtors, but would be impartial. Commissioner Cartinella did not recuse herself.

Ms. Anderson requested that the hearing be closed.

Commissioner Cartinella moved to close the hearing pursuant to NRS 241.030(1). Commissioner Schwartz seconded. Motion carried with Commissioner Opatik abstaining.

The hearing was closed.

Commissioner Reiss moved to reconvene the hearing. Commissioner Cartinella seconded. Motion carried with Commissioner Opatik abstaining.

The hearing was reopened.

Commissioner Reiss moved to grant the appeal. Commissioner Cartinella seconded. Motion carried, with Commissioner Opatik abstaining.

8-10) NRED V PATRICIA PRASAD - CASE # 2014-4160

Parties Present

Senior Deputy Attorney General Kimberly Arguello was present representing the Division.

Ms. Prasad was not present.

State's Witness

Commission Coordinator Rebecca Hardin testified regarding proof of service.

Ms. Arguello asked for a finding that service was proper on Patricia Prasad in this matter.

Commissioner Opatik moved that the Commission pursuant to NAC 645.860 find that the State had proven sufficient service of notice to Ms. Prasad in case # 2014-4160. Commissioner Schwartz seconded. The motion carried unanimously.

Hearing

Ms. Arguello asked for a finding that both the Factual Allegations and Violations had been proven, because Ms. Prasad had failed to appear.

Commissioner Opatik moved that the Commission, pursuant to NAC 645.860, find that the State had proven by statute and custom the factual allegations and violations of law were deemed to be true and proven. Commissioner Schwartz seconded. The motion carried unanimously.

Ms. Arguello asked that the documents contained in the Notice of Documents be entered into evidence as State's Exhibit 1.

State's Exhibit 1 was admitted into evidence.

Ms. Arguello read the Factual Allegations, Violations, Discipline Authorized into the record.

Division's Recommendation for Discipline

Jan Holle recommended revocation of Respondent's broker licenses and property management permit, a maximum fine of \$10,000.00 per violation for a total fine of \$50,000.00, plus \$807.77 for the costs of the hearing and investigation, payable within 30 days.

Commissioner Schwartz moved to approve the State's recommendation in case # 2014-4160 as follows:

- Revocation of broker licenses and property management permit
- Fine of \$50,000.00, plus costs of \$807.77, to be paid within 30 days

Commissioner Cartinella seconded. The motion carried unanimously.

8-11) NRED v PATRICIA PRASAD - CASE # 2014-4238

Parties Present

Senior Deputy Attorney General Kimberly Arguello was present representing the Division. Ms. Prasad was not present.

State's Witness

Commission Coordinator Rebecca Hardin testified regarding proof of service.

Ms. Arguello asked for a finding that service was proper on Patricia Prasad in this matter.

Commissioner Opatik moved that the Commission pursuant to NAC 645.860 find that the State had proven sufficient service of notice to Ms. Prasad in case # 2014-4160. Commissioner Schwartz seconded. Motion carried unanimously.

Hearing

Ms. Arguello asked for a finding that both the factual allegations and violations had been proven because Ms. Prasad had failed to appear.

Commissioner Opatik moved that the Commission, pursuant to NAC 645.860, find that the State had proven by statute and custom the factual allegations and violations of law were deemed to be true and proven. Commissioner Schwartz seconded. Motion carried unanimously.

Ms. Arguello asked that the documents contained in the Notice of Documents be entered into evidence as State's Exhibit 1.

State's Exhibit 1 was admitted into evidence.

Ms. Arguello read the Factual Allegations and Violations into the record.

Division's Recommendation for Discipline

Jan Holle recommended revocation of Respondent's broker licenses and property management permit, a maximum fine of \$10,000.00 per violation for a total fine of \$50,000.00, plus \$993.27 for the costs of the hearing and investigation payable within 30 days.

Commissioner Schwartz moved to accept the State's recommendation in case # 2014-4238 as follows:

- Revocation of broker licenses and property management permit
- Fine of \$50,000.00 plus costs of \$993.27 to be paid within 30 days

Commissioner Opatik seconded. Motion carried unanimously.

3-T) COMMISSIONER COMMENTS

Commissioner Opatik presented President Johnson with a plaque and thanked him for his service.

8-7) NRED v BRADLEY LAWSON - CASE # 2014-4381

8-8) NRED v BRADLEY LAWSON - CASE # 2015-1537

Parties Present

Senior Deputy Attorney General Kimberly Arguello was present representing the Division. Brett Whipple was present representing Mr. Lawson. Bradley Lawson was present.

Preliminary Matters

Ms. Arguello presented a Stipulation and Order for Settlement of Disciplinary Action combining both cases into one stipulation.

Ms. Arguello read the following into the record:

- Jurisdiction
- Summary of Factual Allegations Set Forth in Case Number 2014-4381
- Summary of Violations of Law Alleged in Case Number 2014-4381
- Summary of Factual Allegations Set Forth in Case Number 2015-1537
- Summary of Violations of Law Alleged in Case Number 2015-1537
- Discipline Authorized
- Settlement

Settlement

- All licenses and permits are to be revoked.
- Respondent may not apply for any real estate license or permit in Nevada for 10 years from the effective date of the order.
- Respondent agreed to pay an administrative fine of \$5,000.00 within 12 months of the date of the Commission's Order Approving Stipulation in accordance with the below schedule of installment payments.
 - * The first payment of \$420.00 shall be due within 30 days of the effective date of the Commission's Order Approving Stipulation
 - * Ten additional installment payments of \$420.00 and one final payment of \$320.00 shall be due on the 15th day of each month following the initial payment.

Mr. Lawson acknowledged that he had read, understood and agreed with the stipulation.

Mr. Whipple made a statement on Mr. Lawson's behalf.

Commissioner Cartinella moved to accept the stipulation as presented. Commissioner Schwartz seconded. Motion carried unanimously.

3-A) ATTORNEY GENERAL CASE STATUS REPORT

Kimberly Arguello stated that the Attorney General's Office was keeping up with a steady flow of cases.

Ms. Arguello stated that there were two judicial reviews pending for Krch and Murad.

3-B) DISCIPLINARY REPORT

Teralyn Thompson presented this report and pointed out changes since the last Commission meeting.

3-C) COMPLIANCE SECTION'S CURRENT CASELOAD REPORT, INCLUDING A SUMMARY OF RECENT TOPICS OF COMPLAINTS FILED AND THE ADMINISTRATIVE SANCTION REPORT

Jan Holle presented this report. Mr. Holle stated that the administrative sanction report included all administration sanctions imposed since the last report submitted to the Commission.

Mr. Holle summarized the compliance caseload report for fiscal year 2015 and 2016 to date. Mr. Holle stated that the number of cases under investigation in the North has remained at a steady rate while the number of cases in the South has decreased. Mr. Holle stated that the report also shows a running total of dollars returned to the public as a result of complaint resolution.

Commissioner Opatik stated that fines collected do not stay in the budget for the Division and asked where that money goes.

Administrator Decker stated that the money goes into the general fund which the Governor uses for the State's expenses, primarily for things such as public safety and healthcare.

3-D-1) ADMINISTRATOR'S REPORT ON PERSONNEL

Administrator Decker stated that the defeat of the self-funding proposal in the Legislature may have resulted in losing the 7.4 positions which had been temporarily funded. Mr. Decker stated that another temporary solution was found and those positions would be kept until the next biennium. Mr. Decker stated that the 7.4 staffing issue would have to be revisited in 2017.

Administrator Decker stated that the Division was just about fully staffed.

President Johnson asked if there was any plan to go back after self-funding next Legislative Session.

Administrator Decker answered that there was no plan for the Division to attempt self-funding again. Mr. Decker stated that the associations would have to come up with a proposed plan for the industry, the Division, and how the Division relates to licensees. Mr. Decker stated that the Division would be happy to review proposal to fund the Division and to focus on the services that the State provides to licensees.

President Johnson asked about the Division's internet capabilities or lack thereof.

Administrator Decker stated that because real estate licensees would not be paying anything new, they would not be getting anything new. The Division has no money for new services and no resources to do anything new for the next biennium. The Division will just be trying to provide what has been provided for the last year.

President Johnson stated that the only hope was to get some of the associations to come up with a plan to solve the problem.

Commissioner Schwartz stated that there was an expected 2000 licensee increase at GLVAR, which will have a bearing on what the Division can provide those additional agents in time and effort.

Commissioner Opatik stated that there were so many things that could be done if the Division was allowed to have enough money to, at least, upgrade the Division's database.

President Johnson stated that the increase to agents in the self-funding proposal would have been ten dollars per agent [per year] in order for to have improved service and conveniences. President Johnson suggested that licensees might want to go back and talk to their leadership.

Commissioner Opatik encouraged licensees to go to their leadership and ask that they come up with something that would provide the Division with what they need.

President Johnson stated that industry leadership had totally let licensees down.

3-D-2) ARELLO 2015 ANNUAL CONFERENCE HELD SEPTEMBER 9-13, 2015.

Administrator Decker stated that he had just returned from ARELLO, which is the real estate regulators conference that's held twice a year with regulators from other states. There were some new case law updates. Mr. Decker stated that there are basically two administrative law models for Real Estate Divisions across the states and Nevada is a mix of both. Mr. Decker stated that Chapter 645 was written by putting together the best from of all those models. Mr. Decker stated that Nevada was ahead of most other states on some things, such as our chapter of law and the way the Commission and the Division works. Mr. Decker stated that Nevada was behind on other things, such as technology Commissioner Schwartz agreed with the value of attending the ARELLO conferences and the value of knowing what other states are doing.

8-16). NRED v CARMEN THOMAS - CASE # 2014-3746

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.
Carmen Thomas was present.
Frank Flansburg was present representing Ms. Thomas.

Hearing

Mr. Kizer submitted State's Exhibit 1 which was accepted into evidence with no objection.
Mr. Flansburg submitted Respondent's Exhibit A which was accepted into evidence with no objection.
Mr. Kizer gave his opening statement.
Mr. Flansburg gave his opening statement.

State's Witness

Carmen Thomas testified.
Spanish Interpreter Lorene Pike translated sections of the exhibits.
Mr. Kizer submitted State's Exhibit 2 which was accepted into evidence with no objection.
Mr. Flansburg cross-examined Ms. Thomas.

State's Witness

Manuel Cadenas testified.
Spanish Interpreter Lorene Pike translated for Mr. Cadenas.
Mr. Flansburg cross-examined Mr. Cadenas.
The Commission questioned Mr. Cadenas.
The hearing was continued to the next day, due to time constraints.

10) PUBLIC COMMENT

None.

The meeting recessed at 4:30 PM on September 15, 2015.

SEPTEMBER 16, 2015

Grant Sawyer Building
555 East Washington Avenue
Room 4401
Las Vegas, Nevada 89101

VIDEO CONFERENCE TO:

The Legislative Building
401 South Carson Street
Room 3137
Carson City, Nevada 89701

The meeting was called to order at 9:00 AM

1-A) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

Neil Schwartz, Clark County; Devin Reiss, Clark County; Richard Johnson, Washoe County; Norma Jean Opatik, Nye County; and Sherrie Cartinella, Washoe County
Commission Counsel: Rose Marie Reynolds

1-B) INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

Joseph (JD) Decker, Administrator
From the Administration Section: Teralyn Thompson and Rebecca Hardin
From the Enforcement Section: Jan Holle and Linda Chavez
From the Education Section: Ingrid Trillo
From the Licensing Section: Susan Clark and Sandra Saenz
From Carson City: Deputy Administrator Michael Jory
From the Attorney General's Office: Kim Arguello and Keith Kizer

2) PUBLIC COMMENT

None.

8-16). NRED v CARMEN THOMAS - CASE # 2014-3746 (CONTINUED FROM PREVIOUS DAY)

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.
Carmen Thomas was present
Frank Flansburg was present representing Ms. Thomas.

State's Witness

Manuel Cadenas resumed his testimony.

Spanish Interpreter Soledad Garcia translated for Mr. Cadenas.

The Commission continued questioning Mr. Cadenas.

Mr. Kizer re-examined Mr. Cadenas.

Mr. Flansburg re-examined Mr. Cadenas.

Mr. Cadenas was excused.

State's Witness

Letisia Santos testified.

Spanish Interpreter Soledad Garcia translated for Ms. Santos.

Mr. Flansburg cross-examined Ms. Santos.

The Commission questioned Ms. Santos.

Mr. Kizer re-examined Ms. Santos.

The Commission questioned Ms. Santos.

Mr. Flansburg re-examined Ms. Santos.

Ms. Santos was excused.

State's Witness

Damon Caldwell testified.

Mr. Flansburg cross-examined Mr. Caldwell.

Mr. Kizer re-examined Mr. Caldwell.

The Commission questioned Mr. Caldwell.

Mr. Caldwell was excused.

Mr. Kizer rested his case.

Respondent's Witness

Karimy Maldonado testified.

Mr. Kizer cross-examined Ms. Maldonado.

Mr. Flansburg re-examined Ms. Maldonado.

The Commission questioned Ms. Maldonado.

Mr. Kizer re-examined Ms. Maldonado.

Mr. Flansburg re-examined Ms. Maldonado.

Ms. Maldonado was excused.

6-3) LICENSE DENIAL APPEAL FOR ADRIAN LOPEZ - FILE No. S-LDA-16-003

Parties Present

Adrian Lopez, Appellant, was present.

Susan Clark, Licensing Manager for the Real Estate Division, was present.

Kimberly Arguello, Senior Deputy Attorney General, was present representing the Division

Hearing

Mr. Lopez requested that the session be closed.

Commissioner Opatik moved to close the hearing pursuant to NRS 241.030(1). Commissioner Schwartz seconded. Motion carried unanimously.

The hearing was closed.

Commissioner Reiss moved to reconvene the hearing. Commissioner Opatik seconded. Motion carried unanimously.

The hearing was reopened.

Commissioner Schwartz moved to grant Mr. Lopez a Nevada real estate license. Commissioner Schwartz seconded. Motion carried unanimously.

8-2) NRED v ELSIE P. BROWN - CASE # RES 14-05-80-1060

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.

Lance Maningo was present representing Ms. Brown.

Elsie P. Brown was not present.

Preliminary Matters

Mr. Kizer read the factual allegations and violations into the record.

Mr. Kizer stated that he and Mr. Maningo had spoken and there was an agreement that Ms. Brown agreed to the facts and violations in the complaint, to a revocation of her license and whatever discipline the Commission felt was appropriate.

Mr. Maningo stated that he had the authority from his client, who was in the Philippines, to submit to the jurisdiction of the Commission, to acquiesce to the factual allegations contained in the complaint and to offer by way of mitigation some facts and circumstances that related to the allegations. Mr. Maningo asked that any fine not be more than \$10,000.

Division's Recommendation for Discipline

Jan Holle stated that there were a total of 16 violations. Mr. Holle stated that the Division would recommend the maximum fine for each violation of \$10,000 for a total of \$160,000 plus costs of the hearing and investigation payable within 90 days and the revocation of the license.

Commissioner Opatik moved that the Commission accept the stipulation, facts and violations as stated and that Ms. Elsie Brown has agreed to the revocation and has agreed to admit the facts as true and proven. Commissioner Reiss seconded. Motion carried unanimously.

Commissioner Reiss moved that the Commission impose a fine of \$10,000.00 per violation totaling \$160,000.00 plus costs of \$1,283.81 payable within 90 days and revocation of the license.

Commissioner Opatik seconded.

Commissioner Schwartz spoke in favor of the motion.

Commissioner Reiss spoke to his motion.

Commissioner Opatik spoke in favor of the motion.

President Johnson spoke in favor of the motion and called for a vote.

Motion carried unanimously.

8-16). NRED v CARMEN THOMAS - CASE # 2014-3746 (CONTINUED)

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.

Carmen Thomas was present.

Frank Flansburg was present representing Ms. Thomas.

Respondent's Witness

Alejandra Baza testified.

Spanish Interpreter Soledad Garcia translated for Ms. Baza.

Mr. Kizer had no questions for Ms. Baza.

The Commission questioned Ms. Baza.

Mr. Kizer cross examined Ms. Baza.

Ms. Baza was excused.

Respondent's Witness

Alberto Sainz testified.

Spanish Interpreter Soledad Garcia translated for Mr. Sainz.

Mr. Kizer had no questions for Mr. Sainz.

The Commission questioned Mr. Sainz.

Mr. Flansburg re-examined Mr. Sainz.

The Commission re-examined Mr. Sainz.

Mr. Sainz was excused.

Respondent's Witness

Maria Riderelli testified.

The Commission questioned Ms. Riderelli.

Ms. Riderelli was excused.

Respondent's Witness

Carmen Thomas testified.

Mr. Kizer cross-examined Ms. Thomas.

Mr. Flansburg re-examined Ms. Thomas.

The Commission questioned Ms. Thomas.

The hearing was continued to the next day due to time constraints.

10) PUBLIC COMMENT

Real estate licensee Marisa Kagan suggested that the Commission make Commission meetings mandatory because every single agent should sit there for one day at least and listen.

The meeting recessed at 4:23 PM on September 16, 2015.

SEPTEMBER 17, 2015

Grant Sawyer Building
555 East Washington Avenue
Room 4401
Las Vegas, Nevada 89101

VIDEO CONFERENCE TO:

The Legislative Building
401 South Carson Street
Room 3137
Carson City, Nevada 89701

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1-A) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

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Commission Counsel: Rose Marie Reynolds

1-B) INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

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From Carson City: Deputy Administrator Michael Jory
From the Administration Section: Teralyn Thompson and Rebecca Hardin
From the Enforcement Section: Jan Holle and Linda Chavez
From the Licensing Section: Susan Clark and Sandra Saenz
From the Education Section: Safia Anwari and Ingrid Trillo
From the Attorney General's Office: Kim Arguello and Keith Kizer

2) PUBLIC COMMENT

Santiago Vargas, Jr. stated that he had flown to Las Vegas from North Dakota to testify for a case. Mr. Vargas stated that he had been in attendance every day, the case was not called and he had to return home because he had missed a week of work and school.

8-16). NRED V CARMEN THOMAS - CASE # 2014-3746 (CONTINUED)

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.
Carmen Thomas was present
Frank Flansburg was present representing Ms. Thomas.

Respondent's Witness

Carmen Thomas resumed her testimony.

The Commission resumed questioning Ms. Thomas.

Mr. Flansburg re-examined Ms. Thomas.

The Commission re-examined Ms. Thomas.

Mr. Kizer re-examined Ms. Thomas.

Ms. Thomas was excused.

Mr. Kizer gave his closing statement.

Mr. Flansburg gave his closing statement.

Mr. Kizer commented on Mr. Flansburg closing statement.

The hearing was closed.

Factual Allegations

Commissioner Reiss moved that factual allegations 1 and 2 were proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Opatik moved that factual allegations 3, 4 and 5 were proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 6 was not proven.

Commissioner Reiss withdrew his motion.

Commissioner Opatik moved that the Commission accept factual allegations 6 to state that on or about May 31st, Mr. Cadenas and/or Ms. Santos did purchase two blank money orders for \$450 each. Commissioner Cartinella seconded. Motion carried unanimously.

Commissioner Reiss moved to accept factual allegation 7 with a slight amendment that it was Mr. Cadenas or Ms. Santos who complied on or about that same day, by giving Respondent two blank \$450 money orders. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Opatik moved that a factual allegation 8 was proven. Commissioner Reiss seconded. Motion carried unanimously.

Commissioner Cartinella moved that a factual allegation 9 was proven. Commissioner Opatik seconded.

Commissioner Cartinella amended her motion to state that on or about May 31, 2014; Respondent also directed Cadenas to purchase a cashier's check in the amount of \$4,000. Commissioner Opatik seconded the amended motion. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 10 was not proven. Commissioner Opatik seconded. Motion carried unanimously.

Commissioner Cartinella moved that factual allegation 11 was proven. Commissioner Reiss seconded.

Commissioner Reiss suggested amending Factual Allegation 11 as follows: On or about June 4, 2014 a cashier's check in the amount of \$4,000 made payable to Cadenas was written.

Commissioner Cartinella accepted the amendment. Commissioner Opatik seconded the amendment. Motion carried unanimously.

Commissioner Opatik moved that factual allegation 12 was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Reiss moved to accept factual allegation 13 with the change that Mr. Cadenas or Ms. Santos complied on or about that same day by giving Respondent a total of \$4,000 in blank money orders. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Opatik moved that factual allegation 14 as was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Opatik moved that factual allegation 15 was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Opatik moved that factual allegation 16 was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 17 was proven. Commissioner Cartinella seconded.

Commissioner Opatik offered an amendment to factual allegations 17 as follows: The Respondent comingled \$4,000 of Cadenas's funds with the funds of Orbis Financial Group with Carmen Thomas as the only principal of that corporation.

Commissioner Reiss seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 18 was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Schwartz moved that factual allegation 19 was proven. Commissioner Reiss seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 20 was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Opatik moved that factual allegation 21 was not proven. Commissioner Reiss seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 22 was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Opatik moved that factual allegation 23 was not proven. Commissioner Reiss seconded. Motion carried unanimously.

Commissioner Opatik moved to reword factual allegation 24 to state that Mr. Cadenas, by testimony, did not have an email address. Commissioner Reiss seconded. Motion carried unanimously.

Commissioner Cartinella moved that factual allegation 25 had not been proven. Commissioner Opatik seconded.

Commissioner Cartinella withdrew her motion.

Commissioner Reiss moved that factual allegation 25 be reworded as follows: On information and belief, Respondent used an email account not belonging to Mr. Cadenas and portrayed the email account as belonging to Mr. Cadenas.

Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 26 was proven. Commissioner Cartinella seconded. Motion carried unanimously.

Commissioner Cartinella moved that factual allegation 27 was proven. Commissioner Opatik seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 28 was proven. Commissioner Opatik seconded. Motion carried unanimously.

Commissioner Opatik moved that factual allegation 29 was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 30 was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Opatik moved that factual allegation 31 was proven. Commissioner Cartinella seconded. Motion carried unanimously.

Violations

Commissioner Reiss proposed amending violation 32 to state that Respondent violated NRS 645.630(1)(h) by converting Mr. Cadenas's money to Orbis, of which Ms. Thomas is sole principal.

Commissioner Reiss moved that the amended violation was proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Opatik moved that violation 33 was proven. Commissioner Cartinella seconded. Motion carried unanimously.

Commissioner Cartinella moved that violation 34 was proven. Commissioner Reiss seconded. Motion carried unanimously.

Commissioner Opatik moved that violation 35 was proven. Commissioner Cartinella seconded. Motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle recommended revocation of Respondent's real estate license, a fine of \$5,000.00 per violation for a total of \$20,000 plus \$5,784.55 for costs of the hearing and investigation to be paid within six months of the effective date of the order.

Mr. Flansburg spoke on behalf of Ms. Thomas.

Ms. Thomas made a statement.

Commissioner Reiss moved to impose an administrative fine of \$20,000.00, plus costs of the hearing totaling \$5,784.55 payable within six months, 12 educational credits consisting of 3 hours of What Every Licensee Should Know, 6 hours of Ethics and 3 hours of Contracts with those credits not to be used toward renewal. Commissioner Cartinella seconded.

Motion failed 2-3 with President Johnson, Commissioners Schwartz and Cartinella opposing.

Commissioner Schwartz moved that the disciplinary action in regards to fines be \$7,500 per violation totaling \$30,000.00 payable within six months of the signed order; 12 hours of continuing education classes which should consist of 3 hours of What Every Licensee Should Know, 3 hours of Ethics, 3 hours of Agency and 3 hours of Contracts, with the proviso that the contracts class be in residential contracts agreement, to be completed in six months, costs of the hearing totaling \$5,784.55. Commissioner Reiss seconded. Motion carried 4-1 with Commissioner Opatik opposing.

8-1) NRED v SUSANNE BAEHR - CASE # 2015-1391

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division.

Ms. Baehr was not present.

Mr. Kizer submitted documents which were admitted into evidence as State's Exhibit 1.

State's Witness

Commission Coordinator Rebecca Hardin testified regarding proof of service.

Mr. Kizer asked for a finding that service was proper.

Commissioner Opatik moved that the Commission, pursuant to NAC 645.860, find that the State had proven sufficient service of notice. Commissioner Reiss seconded. Motion carried unanimously.

Hearing

Mr. Kizer read the complaint.

Commissioner Opatik moved that the Commission find that in case # 2015-1391, by statute and custom, the factual allegations and violations of law were deemed to be true and proven. Commissioner Schwartz seconded. Motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle recommended the maximum fine of \$10,000.00 per violation with a total of 3 violations for a total fine of \$30,000.00, plus \$775.31 for the costs of the hearing and investigation payable within 30 days of the effective day of the order and the revocation of Respondent's license.

Commissioner Reiss moved in case # 2015-2391 to impose a fine of \$30,000.00, costs of hearing at \$775.31 payable in 30 days after the date of the order and the revocation of the license. Commissioner Schwartz seconded. Motion carried unanimously.

8-13) NRED v PAULA D. SHORT - CASE # 2014-3232

Parties Present

Keith Kizer, Deputy Attorney General, was present representing the Division. Ms. Short was not present.

State's Witness

Commission Coordinator Rebecca Hardin testified regarding proof of service.

Mr. Kizer asked the Commission to find that proper service was made.

Commissioner Opatik moved that the Commission, pursuant to NAC 645.860, find that the State had proven sufficient service of notice. Commissioner Schwartz seconded. Motion carried unanimously.

Hearing

Mr. Kizer submitted documents which were admitted into evidence as State's Exhibit 1.

Mr. Kizer read the complaint.

Commissioner Opatik moved that the Commission pursuant to case # 2014-3232, by statute and custom, the factual allegations and violations of law were deemed to be true and proven. Commissioner Schwartz seconded. Motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle recommended the maximum fine of \$10,000.00 per violation, for a total fine of \$30,000.00, plus \$875.31 for costs of the hearing and investigation all payable within 30 days of the effective day of the order and the revocation of Respondent's real estate license and property management permit.

Commissioner Cartinella moved to accept the State's recommendation in case # 2014-3232, of a \$30,000.00 fine, \$875.31 in costs payable in 30 days of the order and the revocation of the real estate license and property management permit. Commissioner Opatik seconded. Motion carried unanimously.

8-14) NRED v CARMEN THOMAS - CASE # RES 12-12-10-179

8-15) NRED v CARMEN THOMAS - CASE # RES 14-01-108-446

A continuance until the next Commission meeting was granted.

7-1) REAL ESTATE ADVISORY REVIEW COMMITTEE APPLICATION
SUZANNE NOUNNA, B.0064226.CORP

Commissioner Schwartz moved to deny the application. Commissioner Cartinella seconded. Motion carried unanimously.

7-2) REAL ESTATE ADVISORY REVIEW COMMITTEE APPLICATION
PHIL SCHEINMAN, BS.0052887

Commissioner Reiss moved to approve the application. Commissioner Schwartz seconded. Motion carried unanimously.

7-3) REAL ESTATE ADVISORY REVIEW COMMITTEE APPLICATION
GARY L. TROXEL, B.0001537.LLC & PM.0162367.BRK

Commissioner Schwartz moved to approve the application. Commissioner Reiss seconded. Motion carried unanimously.

3-E) DEFINITION OF THE LAW AND LEGISLATION DESIGNATION AS OUTLINED IN THE JUNE 2012 COURSE BOOKLET

Education/Information Manager Safia Anwari stated that changes to the course booklet had not been made, but it had been taken off of the web site. The sponsors were notified about the re-definition and the Commissioners were copied on that email.

3-F) REVISIONS TO THE RESIDENTIAL DISCLOSURE GUIDE, PUBLISHED PURSUANT TO NRS 645.194, TO ADD AND UPDATE HYPERLINKS TO STATE AND FEDERAL DISCLOSURE SITES

Safia Anwari stated that there haven't been any substantive textual updates to the Residential Disclosure Guide from the 2015 session. Several updates were made to reflect the recent domain name change of the Division's website and several other links of various agencies.

Commissioner Cartinella moved to approve the suggested changes to the Residential Disclosure Guide. Commissioner Reiss seconded. The motion carried unanimously.

3-G) FY2015 BUDGETED AND ACTUAL EXPENDITURES ON THE EDUCATION AND RESEARCH FUND PROJECTS AND DIVISION'S REQUEST TO APPROVE, IN CONCEPT, THE PROPOSED FUNDING FOR THE EDUCATION AND RESEARCH FUND PROJECTS IN FY2016

Deputy Administrator Michael Jory stated that there were dollars not used last year in several categories.

Safia Anwari stated that almost everything that was approved for the What Every Licensee Should Know course that was offered by contracted sponsors was used. Ms. Anwari stated that the continuing education audit program actually went a little over budget and a \$2,000 budget was being requested for this fiscal year. The approved budget of \$4500 on instructor development training was not spent because it was decided to hold an instructor forum and not contract a presenter for last fiscal year's instructor development training. Ms. Anwari stated that there was not a new edition of the Residential Disclosure Guide, published in fiscal year 15 and no updates were made to the Nevada Law and Reference Guide in 2015, however the Division was looking to have both the Residential Disclosure Guide and as well as the Nevada Law and Reference guides updated in fiscal year 16.

Commissioner Cartinella asked about how fiscally responsible it was to have printed material when everything is so electronic now.

Ms. Anwari stated that it was unlikely that any more Nevada Law and Reference Guides would be printed, because the whole book was being made available online, both as a complete textbook but also by chapters so people can download and print as they need material. Ms. Anwari stated that the Residential Disclosure Guide would continue to provide printed copies because it is in statute.

Administrator Decker stated the Division does use some of the paper copies for consumers, who may not have access to electronic means to download it, and it is also used in presentations to different groups.

Safia Anwari stated that the Division would be sponsoring the What Every Licensee Should Know course this fiscal year and fiscal year 2017, and that the Division had contracted with one instructor in the South and one in the North, which has greatly reduced the budget of the course.

Commissioner Cartinella moved to approve the course budget. Commissioner Opatik seconded. The motion carried unanimously.

3-H-1) CONTINUING EDUCATION SUPERVISOR'S REPORT ON CONTINUING EDUCATION COURSE AUDIT PROGRAM

CE Program Supervisor Ingrid Trillo recapped the reasons for withdrawing approval of the course, "It's High Tide That You Got the Facts About Homeowners Flood Insurance," based on an auditor's report. Ms. Trillo stated that the Sponsor did not wish to change the course materials, but requested that the Commission allow the currently registered students to finish the course if approval was withdrawn.

Commissioner Schwartz moved to that once the currently enrolled students complete the course that the course be withdrawn. Commissioner Cartinella seconded.

Commissioner Schwartz asked if it would be possible for the Division to check a course prior to approval to make sure the technology works.

Ms. Trillo stated that it was possible, but they did not have sufficient personnel to do it.

President Johnson called for a vote on the motion on the table. The motion carried unanimously.

3-H-2) CONTINUING EDUCATION SUPERVISOR'S REPORT ON CONTINUING EDUCATION CERTIFICATE ISSUES AND MIDTERM EDUCATION RECORD-KEEPING

Ms. Trillo stated that although there had been a reduction in mid-term certificates, they would still be coming in for the next two years.

Administrator Decker stated that the Division was trying to inform licensees that if they applied or renewed on or before June 30, 2015, they still had a mid-term education deadline because they were still on a four-year license. Mr. Decker stated that if they applied on July 1, 2015 or after they were on a two-year cycle.

Ms. Trillo stated that incorrect course numbers or sponsors continue to be issues, explaining that if the course is approved to a particular sponsor, but it's going to be held at another location, those people do not become the sponsor. They are hosts, not sponsors. The host name cannot go on the certificate.

3-H-3) CONTINUING EDUCATION SUPERVISOR'S REPORT ON CONTINUING EDUCATION AND POST EDUCATION ROSTER UPLOAD SUBMITTALS ISSUES.

Ingrid Trillo stated that uploads are increasing.

Commissioner Schwartz asked how many days it takes after the sponsor uploads information to the Division before a licensee can go onto his account and find those postings.

Administrator Decker stated that there had been some staffing issues in Education. Mr. Decker stated that the issue with MyAccount is that it doesn't help the Division, because it is not a recordation of continuing education. Mr. Decker stated that My Account's purpose is to allow the licensee to go online to see the education that has been submitted. Mr. Decker stated that uploading to SOAR to make sure education is counted takes priority over updating MyAccount when there are staffing issues, so ten days is an appropriate timeframe for posting to MyAccount.

3-I) Proposed Changes, Additions and Deletions to NAC 645 Including but Not Limited to:

1. Addition of definitions for first-time licensee, initial license and rural area;
2. Addition of section regarding continuing education requirements of first-time licensees who are exempt from the requirements for postlicensing education;
3. Addition of section regarding reinstatement of license;
4. Amendments to NAC 645.095;
5. Amendments to NAC 645.102;
6. Amendments to NAC 645.150;
7. Amendments to NAC 645.225;
8. Amendments to NAC 645.4442;
9. Amendments to NAC 645.445;
10. Amendments to NAC 645.448;
11. Amendments to NAC 645.467;
12. Amendments to NAC 645.800;
13. Amendments to NAC 645.802;
14. Amendments to NAC 645.915;
15. Repeal of NAC 645.120; and
16. Repeal of NAC 645.799.

Administrator Decker stated that this had been reviewed and some language on the changes had been cleaned up

Teralyn Thompson stated that there was no change to section 7 on page 3.

Administrator Decker stated that item 4-K mentioned Property Management and the management of common interest communities. The Division was wary of including courses for realtors on managing common interest communities because they do not, will not qualify for that activity without applying for an entirely separate license.

Ms. Thompson stated that was also the case on page 8, where there's a discussion note. Page 9 had a tab for discussion but I the Division had already figured that out, so unless the Commission had any questions, there's no discussion. The only think is that on that same page, page 9 at the top, section 6, that section is also going to be removed from the regulation.

Sandra Saenz, Customer Services Supervisor stated it was being removed because it was for first time licensees and there is not going to be any more mid-point, so it's only good for one year.

Ms. Thompson stated that she just wanted to bring section 17 on page 14 to the Commission's attention, where the Real Estate Commission requested that the number of hours for attending a Commission meeting change from at least 3 hours to at least 1 hour.

Commissioner Opatik stated that she thought the 1 hour continuing education credit was just for Lunch and Learn type things.

President Johnson agreed that it was just for the Lunch and Learn.

Ms. Thompson stated that she believed that the Commission brought it to her attention to change that, but if it wasn't the idea, she could definitely take this off of the document.

Ms. Thompson stated that the 1-hour minimum was done for continuing education in LCB file R097-14, so that change had been made but at one point in time the Commission did agree that they wanted to change the 3 hours to 1 hour for Commission meetings.

Administrator Decker stated that it was consistent with what they do in the Common Interest Communities side with licensed community managers. They changed from a three-hour minimum to a one-hour minimum regardless of whether it was a course or a Commission meeting.

The Commissioners all agreed that they did not want that change.

Commissioner Cartinella moved to strike out section 17, letter b and erase the red line on page 14. Commissioner Reiss seconded. The motion carried unanimously.

Administrator Decker clarified that the Commission has just voted for to not change the 3 hour minimum to 1 hour for Commission meetings. It will be left as 3 hours.

Ms. Thompson stated that the next discussion tab was for changes to page 15 which would be section 18. This would just be removing subsection G that says 3 hours of instruction relating to property management for a common interest community as set forth in chapter 116 of NRS. That needed to be removed but the Commission would have to replace those 3 hours with instruction in something else. Otherwise, because then the regulation will be 3 hours short.

Commissioner Opatik asked why the 3 hours had to be taken out.

Administrator Decker answered that the Property Management permit does not allow a licensee to engage in community management, which is a separate license entirely that has its own pre-licensing.

Commissioner Opatik suggested that there are so many common interest communities in Las Vegas; it might behoove a property manager to understand some of it.

Administrator Decker stated that it's easier for us to say yes when you're talking about just your salesperson, broker/sales or broker. It gets a little sticky when you get into the property management permit, because we do see instances where people believe that that property management entitles them to manage a common interest community and vice versa. We thought it might be wise to make that distinction

Administrator Decker stated that if the Commission doesn't agree with removing that line, they could let the Division know, but the Division was just concerned about property managers in their pre-licensing curriculum, spending 3 hours learning to manage something that they do not have a license to manage.

President Johnson asked what the Division's recommendation.

Administrator Decker suggested either a general category relating to property management or returning to it at the next meeting.

Ms. Thompson stated that a previous Commissioner, Marc Sykes, had a task force meeting and they went over all of this. I can check out the task force meeting minutes for the Commission and then come back to you at the December meeting with some recommendations for this change that we can include when we're ready to workshop.

Ms. Thompson stated that on page 18 was the repeal of NAC 645.120 which is the financial condition of applicant as for license as real estate broker.

Ms. Thompson stated that also, on page 18 was the repeal of NAC 645.799 which regarding management of common-interest communities, a very old regulation that needed to be taken out.

Commissioner Opatik restated her opposition to removing the financial requirement for a broker.

Administrator Decker explained that the financial responsibility was still in the regulation in section 7. 645.120 does nothing to help the Division assess someone's the financial responsibility required to apply for a broker's license. It only tells the Division that they are employed, which is known through the application. The checking accounts amounts are often stacked with enough money to make it look like they're solvent and then that money is returned after the Division's review. All of that can be taken care of through a credit check. That's the only needed to assess someone's financial responsibility as to their application to be a broker. Getting copies of the bank accounts is irrelevant. So because financial responsibility in section 7 was left in, none of this is needed. The Division would like to run credit checks, which is provided for in statute,

Commissioner Cartinella moved to submit to LCB for drafting. Commissioner Reiss seconded. The motion carried unanimously.

3-J) STATUS UPDATE ON LCB FILE NO. R097-14 WHICH THE COMMISSION CONDUCTED A WORKSHOP ON APRIL 22, 2015.

Teralyn Thompson stated that she had I received an LCB draft from the LCB R097-14 workshop that was held April 22, 2015. Ms. Thompson's intention was to schedule an adoption hearing for the December meeting.

3-K) RECOMMENDATIONS FROM THE RENO/SPARKS ASSOCIATION OF REALTORS ON THE DUTIES OWED FORM AND SELLER'S REAL PROPERTY DISCLOSURE FORM.

Administrator Decker stated that Reno/Sparks Association of REALTORS submitted this item and asked for it to be put on the agenda.

Commissioner Reiss stated that some changes were warranted on the duties owed form, however just repositioning it as they proposed, does not technically do the trick. Commissioner Reiss stated that he was always a firm believer that the document should portray the law, exactly as the law is and that it was changed to paraphrasing in some instances.

Commissioner Schwartz stated that the concern for adding additional members of the team at the bottom of the form could be solved by using an addendum to the duties owed which gives the opportunity for additional people to sign on.

Commissioner Opatik stated that the changes would be better on an addendum to this document and agreed with Commissioner Reiss about going back to the language of the law.

Commissioner Opatik suggested that the Division consider creating a proper addendum.

Tiffany Davis, Nevada Association of REALTORS stated that she did not want to speak on Reno/Sparks behalf, but it sounded like a good idea to have the Division create an addendum so everybody would be on the same page.

Commissioner Opatik stated the Reno/Sparks Association of REALTORS had also requested removing the initials on page four.

Commissioner Cartinella spoke to the request, stating the initials on the last page are often overlooked because it blends in with signature line.

Safia Anwari stated that they could probably move the initials over to the side in the corner.

President Johnson questioned whether the initials on the last page were needed at all, because there's a signature at the end of the document.

Safia Anwari stated that a change would not have been a problem financially because the form is just posted online.

Administrator Decker suggested that the Nevada Association of REALTORS compile the input from all of the associations to make sure the associations are behind it and have assessed the impact of how it will affect their members. Mr. Decker stated that the Nevada Association of REALTORS could send the Division a request and, then the Division can take action.

Tiffany Davis agreed to do that.

Commissioner Reiss moved to ask the Division to work towards putting together an addendum to the duties owed form to accommodate teams. Commissioner Opatik seconded.

Commissioner Schwartz asked for clarification on whether the term “teams” meant a team of the licensees that are working every day in real estate or assistants.

Commissioner Opatik suggested using “additional licensees” instead of “teams.”

Commissioner Reiss amended his motion to say “additional licensees on the transaction”, instead of “teams”. Commissioner Opatik seconded the change. The motion carried unanimously.

3-P) DISCUSSION TO APPROVE MINUTES OF THE APRIL 21-23, 2015 MEETING

Commissioner Cartinella move to approve the minutes of April 21, 2015. Commissioner Reiss seconded. The motion carried unanimously.

Commissioner Cartinella move to approve the minutes of April 22, 2015. Commissioner Schwartz seconded. The motion carried unanimously.

3-Q) DISCUSSION TO APPROVE MINUTES OF THE MAY 5-6, 2015 MEETING

Commissioner Reiss moved to approve the minutes of the May 5-6, 2015 meeting. Commissioner Schwartz seconded. The motion carried unanimously.

3-R) DISCUSSION ON DATE, TIME, PLACE & AGENDA ITEMS FOR UPCOMING MEETINGS

Teralyn Thompson stated that the next Real Estate Commission meeting was scheduled for December 15th, 16th, and 17th in the South. Ms. Thompson asked the Commissioners to bring their calendars to the next meeting so the meeting dates could be determined.

3-S) DISCUSSION REGARDING ELECTION OF OFFICERS FOR FY 16

Commissioner Reiss moved that Commissioner Opatik be appointed as president of the Commission for next year. Commissioner Schwartz seconded. The motion carried, with Commissioner Opatik abstaining.

Commissioner Opatik nominated Commissioner Schwartz for vice-president for the next year. Commissioner Reiss seconded. The motion carried, with Commissioner Schwartz abstaining.

Commissioner Cartinella nominated Commissioner Reiss for the position of secretary. Commissioner Schwartz seconded.

After discussion, Commissioner Cartinella withdrew her nomination.

Commissioner Schwartz nominated Commissioner Cartinella for secretary for the upcoming year. Commissioner Opatik seconded. . The motion carried, with Commissioner Cartinella abstaining.

3-L) DISCUSSION REGARDING THE NATIONAL ASSOCIATION OF REALTORS D.A.N.G.E.R. REPORT

Commissioner Schwartz stated that the Nevada Association of REALTORS had commissioned an extensive study regarding the situation in our industry and one of the major sections was the dangers impacting the agents.

Commissioner Schwartz read the portion of the report titled Masses of Marginal Agents Destroy Reputation, which talked about lack of knowledge and competency in the real estate industry.

Commissioner Schwartz stated that he believes the regulatory bodies need to make some major changes, because the industry is going to have a problem with marginal agents as the number of people coming into our industry increases within the next 1 to 3 years.

Commissioner Schwartz stated that he wanted to focus on post-licensing education and the quality of education, according to the post-licensing work group's recommendations. Commissioner Schwartz stated that not every licensee is getting the same kind of quality of education. Commissioner Schwartz suggested that the State sponsor mandatory teacher training to insure that approved instructor are at a specific level of ability to instruct.

Administrator Decker stated that the Division does instructor training four times a year, two in the North and two in the South, but it's not required. Mr. Decker stated that the Division could require it by passing regulation. Mr. Decker stated that theoretically there are other ways the Division could require it which would involve talking to counsel about making it a Division policy and grandfathering in existing people and changing criteria for future individuals. Mr. Decker stated that the Commission advises the Division on what regulations the Commission wants.

Administrator Decker talked about barriers to entry into real estate and license denial appeals, stating that the regulations are pretty clear about qualifications. Mr. Decker stated that if a person is denied and appeals the denial in front of the Commission, the Commission has the opportunity to make a ruling on whether or not they want to uphold the regulation. Mr. Decker stated that the barrier to entry in the end is at the Commission level, not the Division level.

Commissioner Opatik stated that she believed that at least a two year associate's degree should be required to become a realtor.

Rose Marie Reynolds pointed out that a change of that kind would require a statute change, not just a regulation change.

Commissioner Opatik stated that if there was enough force behind it, we might be able to find somebody who cares enough to carry that forward.

Administrator Decker, addressing Commissioner Opatik's idea, stated that because it is a legislative issue, it would need industry support. Mr. Decker suggested Nevada Association of REALTORS and the legislative action committee would be the place to decide whether the industry in this state supports that and to pursue legislative action in that regard.

Commissioner Schwartz stated that we needed to get the state associations involved with the areas needing legislation, but also explore what can be done without legislative involvement.

President Johnson stated that he agreed with the need for more education whether it be college or classes or both, adding that there were other things that could be done, such as mentoring. President Johnson suggested having a work group to go through the D.A.N.G.E.R report, which supported idea that the real estate industry is are not taking care of its own business and something must be done quickly to reverse the momentum going in the wrong direction.

Administrator Decker stated that the real estate Appraisal sector requires a college degree and also an apprenticeship. Mr. Decker stated that it was in statute in the real estate sector at some point.

President Johnson stated that if changes were to be made for the next legislative session, they have to start getting that in before October or November of this year.

President Johnson suggested that this topic be put on the next agenda to actually talk about how we can do something about it.

Administrator Decker stated that legislative changes would require industry support.

Commissioner Schwartz asked for a definition of industry support.

Administrator Decker stated that the associations have what they call the one voice, which goes up through the local association, through Nevada Association of REALTORS (NVAR). Mr. Decker stated that if NVAR petitions the legislators that this is what the industry wants and the Division and the Commission supported it that would be a powerful way to go.

President Johnson asked for a list of items that could be done that did not have to go through legislation, suggesting that the Commission and Division could talk and decide about those and at the same time see what could get through the legislature.

Administrator Decker suggested that licensees petition the legislative committees in their associations to see if they were involved. Mr. Decker stated that the Division can work on the regulations, but the Division workshops those regulations, so there are opportunities for input from the public, licensees, and the associations through those workshops, but statutory changes are legislative issues.

Commissioner Reese stated that industry support should start with local association, because they have their own committees that determine which items are moving up to NVAR.

3-M) DISCUSSION REGARDING NEVADA OUT-OF-STATE COOPERATIVE CERTIFICATE

President Johnson stated that there wasn't a lot of time to discuss this item, so he would like for it to be put on the agenda for the next meeting.

President Johnson stated that he had received information that there were a number of violations going on in the North. President Johnson stated that the Division is putting cooperating certificate names on the license lookup, so if a licensee is not sure if someone has a cooperating brokers certificate they can look it up immediately. President Johnson stated that by failing to verify the cooperating broker's certificate a licensee could become liable and may jeopardize their own license.

Administrator Decker stated that this might be a good opportunity for an advisory opinion regarding out-of-state licensees since we are having some issues with it.

3-T) COMMISSIONER COMMENTS

Commissioner Schwartz commended President Johnson on the job he had done.

10) PUBLIC COMMENTS

Helena Garcia, Realtor and founding board member of the National Association of Hispanic Real Estate Professionals, co-founder of Latinos En Accion, commented on the Carmen Thomas case.

Corinne Cordon, a licensed mortgage broker and a licensed real estate broker, made a statement about the Carmen Thomas case.

11) ADJOURNMENT

The meeting was adjourned at 4:48 PM on September 17, 2015.