NEVADA REAL ESTATE COMMISSION <u>MINUTES</u>

DECEMBER 15, 2015

Department of Employment, Training & Rehabilitation 2800 East St. Louis Avenue Conference Rooms A-C Las Vegas, Nevada 89104

VIDEO CONFERENCE TO:

Department of Employment, Training & Rehabilitation 500 East Third Street Carson City, Nevada 89713

The meeting was called to order at 1:00 PM

1-C) SWEARING IN COMMISSIONER BARRETT

President Opatik administered the Oath of Office to Commissioner Barrett.

1-B) INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

Joseph (JD) Decker, Administrator <u>In Carson City</u>: Deputy Administrator Michael Jory <u>In Las Vegas</u>: <u>From the Administrative Section</u>: Teralyn Thompson and Rebecca Hardin <u>From the Education Section</u>: Safia Anwari and Ingrid Trillo <u>From the Licensing Section</u>: Susan Clark <u>From the Enforcement Section</u>: Jan Holle <u>From the Attorney General's Office</u>: Senior Deputy Attorney General Kim Arguello

1-A) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

Sherrie Cartinella, Washoe County; Devin Reiss, Clark County; Neil Schwartz, Clark County; Lee Barrett, Clark County; and Norma Jean Opatik, Nye County

2) <u>PUBLIC COMMENT</u>

None.

3. ADOPTION HEARING FOR LCB FILE NO. R097-14

Adoption hearing began at 1:06pm on December 15, 2015.

<u>Commissioners in Attendance</u>: Sherrie Cartinella, Devin Reiss, Neil Schwartz, Lee Barrett, and Norma Jean Opatik,

Commission Counsel: Deputy Attorney General Rose Marie Reynolds

Division Staff in Attendance: Administrator Joseph Decker, Deputy Administrator Michael Jory, Teralyn Thompson, Rebecca Hardin, Safia Anwari, Ingrid Trillo, Susan Clark, Jan Holle,

Division Counsel: Senior Deputy Attorney General Kimberly Arguello

Section 1:

No comment.

Section 2

President Opatik asked if the responsible broker's name would be on the Division's website.

Joseph Decker responded that the responsible broker's name would be on the certificate and on the website.

Section 3

No comment.

Section 4

No comment.

Section 5

No comment.

Section 6

Rick Byrd commented. Mr. Byrd asked if the proposed change would require a reapplication package every year.

Mr. Decker stated that the annual application is existing law.

Commissioner Schwartz asked about subsection 4. Commissioner Schwartz stated that if this is an annual approval, what is the process if a guest lecturer is asked to lecture in the middle of that year.

Mr. Decker stated that the Division interprets that to mean any known scheduled guest lecturers.

Section 7

No comment.

Section 8

No comment.

Section 9

No comment.

Section 10

No comment.

Section 11

No comment.

Section 12

No comment.

Section 13

No comment.

Section 14

Steven Kitnick with Steven Kitnick Seminars commented on subsection 2(b). Mr. Kitnick asked for the definition of legislative issues. Mr. Kitnick asked if this would include already existing law that is on the books.

President Opatik stated that the Commission had agreed that it would include real estate related legislation however the Commission also wants new legislation that came out of recent Legislative Session.

Mr. Kitnick asked that more specific language be used to state that so that the language is not misinterpreted later.

Mr. Decker stated that the Division would interpret the language to include existing legislation as well as recent since it talks about legislative issues including recent legislation.

Commissioner Schwartz stated that a course could also include local law changes from county, federal, etcetera other than just the State legislature.

Mr. Decker agreed and stated that the Division's interest is making sure that any local, state or federal legislative updates relating to the practice of real estate are brought up in these classes.

Commissioner Barrett stated that past mentality has been that courses could only be about recent legislative changes. Commissioner Barrett stated that previously the mindset was that laws that have been on the books for years would never be discussed so legislative updates would truly only be legislative updates and not back laws. Commissioner Barrett asked if Mr. Decker's clarity is that legislative updates could include existing laws.

Mr. Decker stated that if there is recent activity in the legislature regarding real estate, the update might talk about that. Mr. Decker stated that if there is no recent activity in the legislature regarding real estate yet there is a new market trend that has arisen that people are not necessarily familiar with, a course sponsor might want to talk about the existing laws that pertain to that trend.

Nick Nicholson, Realty One Group, commented. Mr. Nicholson stated that he would like the Commission and Division to consider that in addition to State regulations and legislation, there is federal legislation as well.

Steven Kitnick asked if a course that doesn't contain any recent update would be approved.

President Opatik stated that it would have to include recent legislation but is not limited.

Section 15

Forrest Barbee commented on section 4(a)(7). Mr. Barbee asked if that distinction was necessary because if so there will be some classes that are approved by the Division on behalf of the Commission and others that are just approved by the Commission.

President Opatik stated that as those classes come forward those certificates will be changed to read "Approved by the Division on behalf of the Commission".

Mr. Barbee stated that there will be courses that come before the Commission on appeal because the Division is denying them but then the Commission approves them.

Mr. Decker stated that the Commission has the authority to approve education and delegates that authority to the Division. Mr. Decker stated that the Division still does it on behalf of the Commission.

President Opatik stated that certificates need to be unified to state either "Approved by the Commission" or "Approved by the Division on behalf of the Commission".

Mr. Decker stated that the certificates should say "Approved by the Commission".

Section 16

Commissioner Schwartz asked if a licensee takes a course on the last day of his licensure period and submits that course; the next day when he gets his renewal, could he take that same course again.

President Opatik stated that was the drift of the last three years. President Opatik stated that the Commission wanted to make it so that a licensee can take the same course within the next two years. President Opatik stated that one of the major reasons for this change is technology courses. President Opatik stated that technology courses are no good after four years. President Opatik stated that sometimes a course is extremely good and a licensee might want to take it again to get more information.

Section 17

Jan Holle stated that violation of NAC 645.806(2) is not a new fine but is regarding trust account reconciliation submissions. Mr. Holle stated that the fine is referenced in other places in regulation and is now being added to this section of the regulation. Mr. Holle stated that NAC 645.806(3) requires a broker to either submit trust account reconciliation or a form that states that the broker is not required to submit trust account reconciliations.

Mr. Decker stated that NAC 645.455 is the sponsor requirements for having a course approved and submission to the Division.

Commissioner Reiss asked about the fine under NAC 645.455 for \$1,000.

Mr. Decker stated that the Division has had a number of conversations regarding that amendment. Mr. Decker stated that if an association submits sixty names and all of those had the wrong course number, is the Division going to fine the sponsor sixty times one thousand dollars. Mr. Decker stated that is not the intent of that fine.

Ingrid Trillo stated that the Commission previously discussed that a thousand dollar fine could put a small sponsor out of business. Ms. Trillo stated that the Division needs to have some sort of fine in place because it is a problem. Ms. Trillo stated that licensees are getting certificates with incorrect designation, delivery method, course number or incorrect sponsor names.

Commissioner Reiss stated that he would be in favor of reducing that fine.

Commissioner Schwartz suggested a sliding scale.

Mr. Decker stated that the impact to licensees if a sponsor makes an error could impact 60 to 600 licensees who might all have to pay a fine for not submitting their midterm education because of the sponsor's error. Mr. Decker stated that the fine placed here was to address that severity of impact. Mr. Decker stated that it is not practical for the Division to fine a sponsor thirty thousand dollars for making an error on thirty certificates and expect the sponsor to stay in business.

Tiffany Banks, NVAR, commented. Ms. Banks stated that NVAR submitted written public comment. Ms. Banks stated that she agrees with Commissioners Schwartz and Reiss on something that would be along the lines of twenty-five dollars or something that would be used only in instances where there was abuse. Ms. Banks requested that the Commission figure out a sliding scale.

Mr. Decker reminded the Commission that the fine can always be appealed before the Commission.

Commissioner Cartinella stated that the intent of this proposed change was to give some teeth to the Division for sponsors who are continuously making these errors. Commissioner Cartinella stated that this would protect licensees.

Commissioner Reiss stated that as long as it will not be one thousand dollars per certificate, he is in favor of there being a fine. Commissioner Reiss stated that he would like to lower the amount to at least five hundred at the Division's discretion.

Mr. Decker stated that he would like to put on the record that it is not per impacted licensee or incident of class or submission.

Cindy Weber stated that a fine of \$500 or \$1,000 is a deterrent to get into becoming a course sponsor or writing classes.

Section 18

Forrest Barbee commented. Mr. Barbee stated that there might be a reason that custodial accounts are not mentioned in this regulation and asked if custodial accounts need to be addressed.

Jan Holle stated that custodial accounts are mentioned in the regulation but not in relation to trust account reconciliation. Mr. Holle stated that the broker does not entirely own custodial accounts. Mr. Holle stated that it is an account in the owner's name and the broker is the signatory so the owner has full control over the account.

Section 19

No comment.

Commissioner Reiss moved that the Commission adopt LCB File No. R097-14 in its entirety with one amendment to Section 17, subsection 1 pertaining to NAC 645.455 changing the fine amount from \$1,000 to \$500. Commission Cartinella seconded.

Commissioner Reiss stated that he would like the record to reflect that the fine in NAC 645.455 is for overall incident, not per each individual certificate.

Motion carried unanimously.

Adoption hearing ended at 10:46 a.m. on December 15, 2015.

4-A) DISCUSSION REGARDING ATTORNEY GENERAL CASE STATUS REPORT

Senior Deputy Attorney General Kimberly Arguello stated that the Krch and Harding petition for judicial review was moving forward. Ms. Arguello stated that Deputy Attorney General Keith Kizer had filed for a motion to dismiss based on jurisdictional issues.

Ms. Arguello stated that the hearing for Mr. Murad's judicial review took place and they were waiting for the written decision.

Ms. Arguello stated that more cases had been received due to increased activity of the investigators.

4-B) DISCUSSION REGARDING DISCIPLINARY REPORT

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

4-C) <u>Discussion Regarding Compliance Section's Current Caseload Report, Including a</u> <u>Summary of Recent Topics of Complaints Filed</u>

Jan Holle presented this report. Mr. Holle summarized the compliance caseload report for fiscal year 2016 to date. Mr. Holle stated that the number of cases under investigation in the North remained steady while the number of cases in the South increased. Mr. Holle stated that the report also showed a running total of dollars returned to the public as a result of complaint resolution.

4-D) DISCUSSION REGARDING ADMINISTRATIVE SANCTION REPORT

Jan Holle presented this report. Mr. Holle stated that the report showed the administrative sanctions imposed since the last Commission meeting in September.

4-E-1) DISCUSSION REGARDING ADMINISTRATOR'S REPORT ON PERSONNEL

Administrator Decker presented this report. Mr. Decker stated that the Division would like to congratulate Dave Tina on his appointment and installation to the Nevada Association of Realtors and Scott Beaudry on his election and installation to the Greater Las Vegas Association of Realtors.

Mr. Decker stated the PSI pass rates were 41% for Nevada salesperson and broker licensees and 48% for all Nevada real estate licensees.

4-G) <u>DISCUSSION REGARDING ADMINISTRATOR REAL ESTATE EDUCATION SUBCOMMITTEE</u> (AREES) PURSUANT TO NRS 645.050 AND NAC 645.490

Administrator Decker stated that pursuant to NAC 645.490 the Division recommended establishing an advisory committee to assist in the evaluation of the courses which are approved by the Division on behalf of the Commission.

Commissioner Schwartz supported the recommendation.

Commissioner Barrett supported the recommendation.

President Opatik stated that she supported the recommendation but did not want it to slow down the process of course approvals.

4-H-1) DISCUSSION REGARDING EDUCATION & INFORMATION MANAGER'S REPORT ON THE DEVELOPMENT AND REVIEW PROCESSES OF THE STATE'S LICENSING EXAMS

Safia Anwari presented this report. Ms. Anwari summarized the process of the State licensing exam.

Administrator Decker stated that the Division works with PSI to make sure that the test is adequate to test the skills and abilities of the people who are trying to apply.

8-1) LICENSE DENIAL APPEAL FOR CASSIDY COTTEN, FILE NO. S-LDA-16-006

Parties Present

Cassidy Cotten was present.

Real Estate Division Licensing Manager Susan Clark was present.

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

Hearing

Mr. Cotton declined his option of closing the session.

Ms. Clark stated the reason that the Division denied Mr. Cotton's application.

Mr. Cotton gave a statement to the Commission.

Commissioner Barrett questioned Mr. Cotton.

Commissioner Schwartz questioned Mr. Cotton.

Administrator Decker stated that the Division recommended that the Commission consider granting Mr. Cotton an initial one-year term license with probationary conditions that in the event of the adjudication of any misconduct that the license would be automatically revoked. Mr. Decker stated that at the end of the probationary term Mr. Cotton would be able to renew, subject to following the provisions of restitution.

Commissioner Reiss moved to grant the appeal and issue a license for the term of one year with the following provisions:

- Respondent must reapply for any further renewals.
- > Respondent must comply with all of the current terms of existing payments and restitution.
- > Respondent may not apply for a property management permit for three years.
- Any penalty or non-compliance of NRS 645, NAC 645 and NRS 118A will result in immediate revocation of license.

Commissioner Schwartz seconded. Motion carried 4-1 with Commissioner Barrett opposing.

8-2) LICENSE DENIAL APPEAL FOR STEVEN LEWIS, FILE NO. S-LDA-16-005

Parties Present

Steven Lewis was present.

Real Estate Division Licensing Manager Susan Clark was present. Senior Deputy Attorney General Kimberly Arguello was present representing the Division.

<u>Hearing</u>

Mr. Lewis declined his option of closing the session.

Ms. Clark stated the reason that the Division denied Mr. Cotton's application.

Mr. Lewis gave a statement.

The Commission questioned Mr. Lewis.

Administrator Decker stated that the Division recommended that the Commission consider granting Mr. Lewis a three-year term license with probationary conditions that in the event of the adjudication of any misconduct that the license would be automatically revoked.

Commissioner Barrett moved to grant the appeal and issue a license for the term of one year with the following provisions:

- Respondent will remain on probation for three years.
- > Respondent must reapply for renewal after one year.
- > Respondent may not apply for a property management permit for three years.
- Any penalty or non-compliance of NRS 645, NAC 645 and NRS 118A will result in immediate revocation of license.

Commissioner Reiss seconded. Motion carried unanimously.

8-3) LICENSE DENIAL APPEAL FOR Talib Muhammad, FILE No. S-LDA-16-004

Parties Present

Talib Muhammad was present. Real Estate Division Licensing Manager Susan Clark was present. Senior Deputy Attorney General Kimberly Arguello was present representing the Division.

Hearing

Mr. Muhammed requested that the session be closed.

Commissioner Cartinella 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 Barrett seconded. Motion carried unanimously.

The hearing was reopened.

Commissioner Barrett moved that the application for a license be denied. Commissioner Reiss seconded. Motion carried unanimously.

12) <u>PUBLIC COMMENTS</u>

None.

13) ADJOURNMENT

Commissioner Schwartz moved to adjourn the meeting. Commissioner Barrett seconded. Motion carried unanimously.

The meeting recessed at 4:58 PM on December 15, 2015

DECEMBER 16, 2015

Department of Employment, Training & Rehabilitation 2800 East St. Louis Avenue Conference Rooms A-C Las Vegas, Nevada 89104

VIDEO CONFERENCE TO:

Department of Employment, Training & Rehabilitation 500 East Third Street Carson City, Nevada 89713

The meeting was called to order at 9:04 AM

1-A) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

Sherrie Cartinella, Washoe County; Devin Reiss, Clark County; Neil Schwartz, Clark County; Lee Barrett, Clark County; and Norma Jean Opatik, Nye County <u>Commission Counsel</u>: Rose Marie Reynolds

1-B) INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

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

2) <u>PUBLIC COMMENT</u>

None.

11-17) NRED v KAMYAR ZARGARI - CASE # RES 13-05-01-310

Parties Present

Senior Deputy Attorney General Kimberly Arguello was present representing the Division. Kamyar Zargari was present Jacob Hafter was present representing Mr. Zargari.

Preliminary Matters

Ms. Arguello presented a Stipulation and Order for Settlement of Disciplinary Action.

Ms. Arguello read the Stipulation into the record.

<u>Settlement</u>

Respondent agrees to pay an administrative fine of \$2,000.00, plus costs of \$500.00 for a total of \$2,500.00, payable within six months of the date of the Commission's Order Approving Stipulation in accordance with the following schedule of installment payments. The first payment of \$500.00 shall be due within 30 days of the effective date of the Commission's Order Approving Stipulation. Five additional installment payments of \$400.00 shall be due on the 15th day of each month. Respondent agrees to attend three hours of ethics and six hours of property management designated courses, within six months of the effective date of the Commission's Order Approving Stipulation. The hours must be live education and will not count towards Respondent's continuing education requirements.

Mr. Zargari stated that he had read, understood and signed the settlement agreement.

Commissioner Cartinella moved to accept the settlement. Commissioner Reiss seconded. Motion carried unanimously.

11-14) NRED v DAUNSHARI WONG-CULOTTA - CASE # RES 14-05-76-1056

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division. Daunshari Wong-Culotta was present Scott Marquis was present representing Ms. Wong-Culotta. Patrick McDonnell was present representing Ms. Wong-Culotta.

Preliminary Matters

Mr. Kizer presented a Stipulation for Settlement of Disciplinary Action.

Mr. Kizer read the Stipulation for the Settlement into the record.

Settlement

Respondent agrees to pay to the Division \$14,000.00 as an administrative fine and \$2,000.00 in administrative costs within 90 days of the effective date of the Commission's Order Approving Stipulation.

The Parties request that the Commission meeting minutes report the following:

Allegedly purchased HOA lien foreclosure properties at auction for others on four occasions and conducted property management on one occasion without the appropriate licenses in violation of NRS 645.230(1)(a) & (b). Respondent does not admit the alleged facts, and denies that her conduct violated law. (The previous reported decision in this case, which had an effective date of June 2015, was vacated and the charges were subsequently amended.)

Mr. Kizer, Mr. Marquis, and Mr. McDonnell conferred and agreed to strike all references to administrative costs. The modified settlement regarding the fine read as follows:

Respondent agrees to pay to the Division \$16,000.00 as an administrative fine within 90 days of the effective date of the Commission's Order Approving Stipulation.

Ms. Wong-Culotta stated that she agreed with the changes to the agreement.

Ms. Wong-Culotta stated that she had read, understood and signed the agreement.

Commissioner Barrett questioned Ms. Wong-Culotta, Mr. Marquis and Mr. McDonnell.

Commissioner Schwartz questioned Administrator Decker.

Commissioner Reiss moved to accept the modified stipulation as entered. Commissioner Schwartz seconded. Motion carried 4-1 with President Opatik opposing.

11-1) NRED v MARK BOWMAN - CASE # 2015-715

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division. Mark Bowman was present.

Preliminary Matters

Mr. Kizer presented a Stipulation for Settlement of Disciplinary Action.

Mr. Kizer read the Stipulation for the Settlement into the record.

<u>Settlement</u>

Respondent voluntarily surrenders his permit to engage in property management and agrees that he will not apply for a permit to engage in property management in the State of Nevada for a period of five years from the effective date of the Order Approving Settlement Agreement and any such application would need approval of the Commission.

Respondent agrees that he may not act as an office manager for the principal office or a branch office for a period of five years from the effective date of the Order Approving Settlement Agreement.

Respondent agrees to pay to the Division a total of \$950.00 in investigative costs within 90 days of the date of the Commission's Order Approving Stipulation.

Mr. Bowman stated that he had read, understood and signed the agreement.

The Commission questioned Mr. Bowman.

Commissioner Schwartz moved to accept the stipulation as entered. Commissioner Barrett seconded. Motion carried 3-2 with President Opatik and Commissioner Cartinella opposing.

11-13) NRED v ELANA K.N. WILLIAMS - CASE # 2015-919

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division. Elana K. N. Williams was not present.

State's Witness

Commission Coordinator Rebecca Hardin testified regarding proof of service.

Commissioner Schwartz 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 submitted documents contained in the Notice of Documents as State's Exhibit 1. The documents were admitted into evidence.

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

Commissioner Cartinella moved that the Commission pursuant to NAC 645.860 find that the factual allegations and violation of law are true and proven by statute and custom, as stated. Commissioner Schwartz seconded. Motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle recommended revocation of Respondent's real estate license and property management permit, a fine of \$340,000.00 plus the cost of investigation and hearing of \$1,316.55 payable within 90 days.

Commissioner Schwartz moved that Respondent be fined \$340,000.00 plus the costs of \$1,316.55 to be paid within 90 days of the date of order along with the standard collection language, revocation of license and permit. Commissioner Reiss seconded. Motion carried unanimously.

11-2) NRED v MATTHEW D'ERCOLE - CASE # 2015-2200

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division. Matthew D'Ercole was present.

Preliminary Matters

Mr. Kizer submitted documents contained in the Notice of Documents as State's Exhibit 1. The documents were admitted into evidence.

Hearing

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

Mr. D'Ercole stated his case.

Mr. D'Ercole's current broker Ryan Goida testified.

Mr. Kizer made a statement.

Commissioner Reiss moved that this Commission find that the allegations and violations of law have been proven. Commissioner Schwartz seconded. Motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle recommended a fine of \$10,000.00 plus costs of investigation and hearing of \$610.00 payable within six months and revocation of the salesperson's license.

Commissioner Schwartz moved that Respondent be fined \$10,000.00 plus costs of \$610.00 all to be paid within six months; and revocation of the salesperson's license. Commissioner Barrett seconded. Motion carried 3-2 with Commissioners Cartinella and Reiss opposing.

11-9) NRED v Sonia Rodis - Case # RES 12-11-14-144

Parties Present

Deputy Attorney General Keith Kizer was present representing the Division. Sonia Rodis was present.

Mitchell Posin was present representing Ms. Rodis.

Preliminary Matters

Mr. Kizer submitted State's Exhibit 1 which was admitted into evidence without objection.

Mr. Posin submitted Respondent's Exhibit A which was admitted into evidence without objection.

<u>Hearing</u>

Mr. Kizer made an opening statement and read the factual allegations and violations into the record.

Mr. Posin made an opening statement.

Respondent's Witness

Sonia Rodis testified.

Mr. Kizer cross-examined Ms. Rodis.

The Commission questioned Ms. Rodis.

Mr. Kizer gave his closing statement.

Mr. Posin gave his closing statement.

Commissioner Reiss moved that the Commission find that the allegations and violations of law have been proven. Commissioner Schwartz seconded. Motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle stated that the Division recommended revocation of Respondent's real estate license, costs of the hearing and investigation of \$968.34 and any fine deemed appropriate by the Commission payable within six months of the order.

Mr. Posin asked that fines, with the exception of the hearing and investigation costs, be waived.

Administrator Decker stated that the Division did not object to Mr. Posin's proposal.

Commissioner Reiss moved that the Commission impose the following discipline: revocation of real estate license, costs of \$968.34 and a fine of \$10,000 payable in six months of the effective date of the order. Commissioner Schwartz seconded.

After discussion, Commissioner Reiss amended his motion to state the costs of \$968.34 be payable in six months from the effective date of the order and that the \$10,000.00 fine be made payable monthly over the course of five years, starting 30 days from the effective date of the order. Commissioner Schwartz seconded the amendment.

Motion carried unanimously.

6-1) <u>Petition for Rehearing for Patricia Prasad - Case # 2014-4160</u> 6-2) <u>Petition for Rehearing for Patricia Prasad - Case # 2014-4238</u>

Parties Present

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

Christina Priest, Respondent's daughter, was present.

Hearing

Ms. Arguello stated that the Division had no objection to the petition for rehearing of both cases.

Ms. Prasad stated that she reserved her right to counsel, requested new hearings and asked for a stay on her license revocation until the next meeting.

Ms. Arguello stated the Division objected to giving the license back until the next hearing.

Ms. Priest spoke on Ms. Prasad's behalf.

Administrator Decker stated that it is the licensee's responsibility to keep their contact information updated and therefore objected to returning the license until the rehearing.

Ms. Prasad stated her case to stay the revocation of her license.

Commissioner Cartinella moved to grant the rehearing. Commissioner Reiss seconded.

Commissioner Schwartz made a friendly amendment to state that the rehearing would take place at the next scheduled Commission meeting. Commissioner Cartinella agreed to the amendment.

Motion carried unanimously.

11-7) NRED v ROBERT LUJAN - CASE # 2015-903 11-10) NRED v JASON SIMON - CASE # 2015-904

<u>Parties Present</u> Deputy Attorney General Keith Kizer was present representing the Division. Robert Lujan was present. Jason Simon was present. Gary Schnitzer was present representing Mr. Lujan and Mr. Simon.

Preliminary Matters for Robert Lujan

Mr. Kizer presented a Stipulation and Order for Settlement for Mr. Lujan.

Mr. Kizer read the Stipulation into the record.

Settlement for Robert Lujan

Respondent agrees to pay an administrative fine of \$4,000.00 payable within 180 days of the date of the Commission's Order Approving Stipulation and costs of \$1,000.00 within 30 days of the date of the Commission's Order Approving Stipulation.

Respondent agrees to attend three hours of agency and three hours of ethics, to be completed within 90 days of the effective date of the Commission's Order Approving Stipulation. The hours must be live education and will not count towards Respondent's continuing education requirements.

Mr. Kizer and Mr. Schnitzer conferred and agreed to strike all references to costs. The modified settlement regarding the fine read as follows:

Respondent agrees to pay to the Division \$5,000.00 as an administrative fine within 180 days of the effective date of the Commission's Order Approving Stipulation.

Mr. Lujan stated that he had read, understood and signed the settlement.

Mr. Lujan stated that he agreed with the amendment to the settlement.

Commissioner Cartinella moved to accept Mr. Lujan's Stipulation for Settlement as amended. Commissioner Reiss seconded. Motion carried unanimously.

Preliminary Matters for Jason Simon

Mr. Kizer stated that Stipulation and Order for Settlement for Mr. Simon was the same as the one previously read for Mr. Lujan.

Settlement for Jason Simon

Mr. Kizer stated that the written settlement was amended to strike all references to costs.

Respondent agrees to pay to the Division \$5,000.00 as an administrative fine within 180 days of the effective date of the Commission's Order Approving Stipulation.

Respondent agrees to attend three hours of agency and three hours of ethics, to be completed within 90 days of the effective date of the Commission's Order Approving Stipulation. The hours must be live education and will not count towards Respondent's continuing education requirements.

Mr. Simon stated that he had read, understood and signed the amended settlement.

Commissioner Schwartz moved to accept Mr. Simon's stipulation as amended. Commissioner Barrett seconded. Motion carried 4-1 with Commissioner Barrett opposing.

11-11 NRED v CARMEN THOMAS - CASE # RES 12-12-10-179

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

Santiago Vargas Jr. testified via telephone.

Mr. Flansburg cross-examined Mr. Vargas.

Commissioner Cartinella questioned Mr. Vargas.

Mr. Flansburg re-questioned Mr. Vargas.

The witness was dismissed.

Respondent's Witness

Carmen Thomas testified.

Mr. Kizer cross-examined Ms. Thomas.

Mr. Flansburg re-questioned Ms. Thomas.

The Commission questioned Ms. Thomas.

Mr. Flansburg re-questioned Ms. Thomas.

The witness was dismissed.

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

12) <u>PUBLIC COMMENTS</u>

None.

13) ADJOURNMENT

The meeting recessed at 4:42 PM on December 16, 2015

DECEMBER 17, 2015

Henderson City Hall Council Chambers 240 Water Street Henderson, Nevada 89015

NO VIDEO CONFERENCE

The meeting was called to order at 9:02 AM

1-A) INTRODUCTION OF COMMISSIONERS IN ATTENDANCE

Sherrie Cartinella, Washoe County; Neil Schwartz, Clark County; Lee Barrett, Clark County; Devin Reiss, Clark County; and Norma Jean Opatik, Nye County <u>Commission Counsel</u>: Rose Marie Reynolds

1-B) INTRODUCTION OF DIVISION STAFF IN ATTENDANCE

Joseph (JD) Decker, Administrator <u>From the Administration Section</u>: Teralyn Thompson and Rebecca Hardin <u>From the Licensing Section</u>: Susan Clark and Sandra Saenz <u>From the Enforcement Section</u>: Jan Holle and Linda Chavez <u>From the Education Section</u>: Safia Anwari and Ingrid Trillo <u>From the Attorney General's Office</u>: Senior Deputy Attorney General Kim Arguello and Deputy Attorney General Keith Kizer

2) PUBLIC COMMENT

None.

11-11 NRED v CARMEN THOMAS - CASE # RES 12-12-10-179 (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.

Respondent's Witness

Dale Puhl testified.

Mr. Kizer cross-examined Mr. Puhl.

The witness was dismissed.

State's Witness

Jesus Montoya Esparza testified.

Mr. Flansburg cross-examined Mr. Esparza.

The Commission questioned Mr. Esparza.

The witness was dismissed.

Mr. Kizer gave his closing statement.

Mr. Flansburg gave his closing statement.

Factual Allegations

Commissioner Reiss moved that factual allegations 1, 2, 3 and 4 were proven. Commissioner Barrett seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 5 was proven with an amendment to read, "On or about October 7, 2010; Respondent directed Vargas to purchase blank money orders totaling \$5,000.00," striking "because his offer on the property had been accepted." Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegations 6-15 were proven. Commissioner Schwartz seconded. Motion carried 4-1 with Commissioner Cartinella opposing.

Commissioner Reiss moved that factual allegation 17 was proven. Commissioner Barrett seconded. Motion carried 4-1 with Commissioner Cartinella opposing.

Commissioner Reiss moved that factual allegation 18 was proven with the following amendment to read, "Tavera allegedly inspected the property," striking "and Respondent provided Vargas with a \$400 receipt for the alleged inspection." Commissioner Cartinella seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegations 19–25 were proven. Commissioner Schwartz seconded. Motion carried unanimously.

Commissioner Reiss moved that factual allegation 16 was not proven. Commissioner Barrett seconded. Motion carried unanimously.

Violations

Commissioner Reiss moved that violations 26–31 were proven. Commissioner Schwartz seconded. Motion carried 4-1 with Commissioner Cartinella opposing.

Division's Recommendation for Discipline

Administrator Decker stated that the Division recommended revocation.

Jan Holle stated that, in addition to the license revocation, the Division recommended a fine of \$30,000.00, plus cost of the hearing and investigation of \$3,029.14 payable 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 accept the Division's recommendation for discipline as follows: revocation of the license, fine of \$30,000.00, plus costs of \$3,029.14 due within six months of the effective date of the order. Commissioner Barrett seconded. Motion carried unanimously.

7-1) INSTRUCTOR DENIAL APPEAL - ELIAS NICHOLSON

Parties Present

Elias Nicholson was present. Real Estate Division Education/Information Manager Safia Anwari was present. Senior Deputy Attorney General Kimberly Arguello was present representing the Division.

Hearing

Mr. Lewis declined his option of closing the session.

Ms. Anwari stated the reason the Division denied Mr. Nicholson's application.

Mr. Nicholson gave a statement.

The Commission questioned Ms. Anwari and Mr. Nicholson.

Commissioner Reiss moved to grant the appeal except for the area of broker management. Commissioner Barrett seconded. Motion carried unanimously.

9-1) COURSE DENIAL APPEAL - FILE NO. CDA-645-16-001 - COURSE: ASBESTOS AWARENESS

Parties Present

Continuing Education Program Supervisor Ingrid Trillo was present.

<u>Hearing</u>

Ms. Trillo stated that the course sponsor Todd Iurato had to leave but requested that the appeal proceed in his absence.

Ms. Trillo explained why the course was denied stating it was outside the Division's purview.

Commissioner Barrett moved to deny the appeal. Commissioner Schwartz seconded. Motion carried unanimously.

10-1) <u>Continuing Education Course Designation Change - Course: What Real Estate</u> <u>Professionals Should Know About Nevada's Medical Marijuana Program</u> <u>Sponsor: Black & LoBello</u>

Kimberly Arguello stated that this agenda item had been postponed.

11-3) NRED v DARYL BYRON DESHAW - CASE # 2014-3233

Parties Present

Kimberly Arguello was present representing the Division. Daryl Byron DeShaw was not present.

State's Witness

Commission Coordinator Rebecca Hardin testified regarding proof of service.

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

Hearing

Ms. Arguello submitted documents contained in the Notice of Documents as State's Exhibit 1. The documents were admitted into evidence.

Ms. Arguello read the factual allegations and violations into the record.

Commissioner Schwartz moved that the Commission pursuant to NAC 645.860 find that the factual allegations and violation of law are true and proven by statute and custom. Commissioner Barrett seconded. Motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle recommended revocation of Respondent's real estate license and property management permit, a fine of \$70,000.00 plus the cost of investigation and hearing of \$922.79 payable within 90 days.

Commissioner Cartinella moved that the Commission take the State's recommendation of the revocation of the license, a \$70,000.00 fine and costs in the amount of \$922.79 payable within 90 days of the effective date of the order. Commissioner Barrett seconded.

Commissioner Cartinella amended her motion to include the revocation of both the real estate license and the property management permit. Commissioner Barrett seconded the amendment.

The amended motion carried unanimously.

11-6 NRED v MICHAEL (COACH) HOWARD - CASE # RES 14-07-13-013

Parties Present

Kimberly Arguello was present representing the Division Michael (Coach) Howard was not present.

State's Witness

Commission Coordinator Rebecca Hardin testified regarding proof of service.

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

<u>Hearing</u>

Ms. Arguello submitted documents contained in the Notice of Documents as State's Exhibit 1. The documents were admitted into evidence.

Ms. Arguello read the factual allegations and violations into the record.

Commissioner Barrett moved that the Commission pursuant to NAC 645.860 find that the State has proven the factual allegations and violation of law are true and proven by statute and custom. Commissioner Schwartz seconded. Motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle recommended revocation of Respondent's real estate license, a \$30,000.00 fine plus the cost of the investigation and hearing of \$722.79 payable within 90 days of the effective date of the order.

Commissioner Schwartz moved to accept the Division's recommendation for discipline of a \$30,000.00 fine plus costs of \$722.79 payable 90 days from the effective date of the order, plus revocation of license. Commissioner Reiss seconded. Motion carried unanimously.

11-12) NRED V DIANE WILD - CASE # 2015-416

Kimberly Arguello requested a continuation for this case due to Ms. Wild's hospitalization.

Commissioner Cartinella moved to continue this case. Commissioner Barrett seconded.

Commissioner Schwartz made a friendly amendment to add that the case would be continued to the next regularly scheduled Commission meeting. The amendment was accepted.

The amended motion carried unanimously.

11-15) <u>NRED v Marty Zabib - Case # 2015-722</u> 11-16) <u>NRED v Marty Zabib - Case # 2015-2676</u>

Parties Present

Kimberly Arguello was present representing the Division. Mr. Zabib was not present.

Ms. Arguello requested a continuation for Mr. Zabib.

Commissioner Schwartz moved that case # 2015-722 be continued until the next regularly scheduled meeting of the Commission. Commissioner Reiss seconded. Motion carried unanimously.

Commissioner Schwartz moved that case # 2015-2676 be continued until the next regularly scheduled Commission hearing. Commissioner Reiss seconded. Motion carried unanimously.

11-18) NRED v DALE BRENT ZAVISLAK - CASE # 2014-3290

<u>Parties Present</u> Kimberly Arguello was present representing the Division. Dale Brent Zavislak was not present.

State's Witness

Commission Coordinator Rebecca Hardin testified regarding proof of service.

Commissioner Cartinella 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

Ms. Arguello submitted documents contained in the Notice of Documents as State's Exhibit 1. The documents were admitted into evidence.

Ms. Arguello read the factual allegations and violations into the record.

Commissioner Schwartz moved that the Commission pursuant to NAC 645.860 find that the factual allegations and violation of law are true and proven by statute and custom. Commissioner Barrett seconded. Motion carried unanimously.

Division's Recommendation for Discipline

Jan Holle recommended revocation of Respondent's real estate license, a fine of \$60,000.00 plus the cost of investigation and hearing of \$782.99 payable within 90 days of the effective date of the order.

Commissioner Schwartz moved to impose discipline of a \$60,000.00 fine plus the cost of investigation and hearing of \$782.99 payable within 90 days of the effective date of the order, plus revocation of the real estate license. Commissioner Reiss seconded. Motion carried unanimously.

5-1) ADVISORY REVIEW COMMITTEE APPLICATIONS - JULIE BARBAGALLO

Commissioner Cartinella moved to accept the application of Julie Barbagallo. Commissioner Reiss seconded. Motion carried unanimously.

4-H-2) DISCUSSION REGARDING EDUCATION & INFORMATION MANAGER'S REPORT REGARDING REQUIRING MANDATORY TRAINING FOR CONTINUING EDUCATION INSTRUCTORS AND WHETHER TO BEGIN RULEMAKING PROCESS

Safia Anwari stated that it is not currently specified anywhere that instructor training is mandatory. Ms. Anwari stated that mandatory training would require a regulation change.

Administrator Decker stated that the Division currently offers two instructor training courses a year, one in the North and one in the South, but they are not mandatory. Mr. Decker stated that there is about 50% participation and that the Commission has discussed ideas to increase participation.

Commissioner Cartinella stated that mandatory training should be implemented in regulation.

Commissioner Reiss stated that he supported mandatory training and offering continuing education credits for attendance. Commissioner Reiss suggested forming a workgroup to discuss the actual content of the training.

Commissioner Schwartz supported mandatory training and suggested that it be required once every two years to retain instructor approval.

Administrator Decker stated that the Division wanted to compile the ideas discussed at Commission meetings to create one regulation prior to the legislative session that would include everything the Commission and the Division deemed necessary.

Mr. Decker stated that mandatory training would require additional sessions which would need additional funding. Mr. Decker stated that the Division could not request more funding until the 2017 Legislative session. Mr. Decker stated that charging a fee would also have to be legislatively approved.

Mr. Decker stated that the audit program allowed the Division some latitude to set conditions for continued instructor approval, such as making the training mandatory on a case by case basis.

Commissioner Barrett suggested forming a workgroup to research and provide information that can be used for a new regulation prior to the 2017 session and offering continuing education credits for attending instructor training sessions.

President Opatik disagreed with offering continuing education credits for attending instructor training.

Commissioner Schwartz suggested a mandatory one-day course required once every two years to retain approval to be an instructor.

Mr. Decker stated that the Division could form a workgroup and asked for the Commission's direction on its makeup and whether the Commissioners would be allowed to be in the group.

Commission Counsel Rose Marie Reynolds stated that it was fine to have more than two Commissioners in the workgroup as long as it complied with the open meeting law.

4-H-3) <u>Discussion Regarding Education & Information Manager's Request to Approve</u> <u>THE OBJECTIVES FOR THE INSTRUCTOR DEVELOPMENT TRAINING 2016 FUNDED BY THE</u> <u>EDUCATION AND RESEARCH FUND PURSUANT TO NRS 645.842</u>

Safia Anwari requested approval of the objectives for the instructor development training.

Commissioner Barrett moved to approve the recommendations from staff in reference to education and instructor development for 2016. Commissioner Cartinella seconded. Motion carried unanimously.

4-I-1) DISCUSSION REGARDING CONTINUING EDUCATION SUPERVISOR'S REPORT ON CONTINUING EDUCATION COURSE AUDIT PROGRAM

Ingrid Trillo stated that there was one special audit due to student evaluations and the rest of the courses were random audits.

Ms. Trillo stated that 25% of approved new courses were randomly audited. Ms. Trillo stated that student evaluations were also reviewed and if warranted an auditor would be sent out.

Commissioner Schwartz asked the following questions:

- How many auditors are on the Advisory Review Committee?
- ▶ How many are actually participating in the job of auditing?
- > Are there approved committee members that never audit?

Ingrid Trillo stated that there are 36 auditors, approximately 25 in the South and 10 in the North. Ms. Trillo stated that about 50% of the committee members audit.

Commissioner Barrett asked about the protocol for instructor evaluations.

Ms. Trillo stated that all auditors complete a standardized questionnaire.

Safia Anwari stated that the Division has guidelines for the auditors.

Ms. Trillo stated that 45 classroom courses and 18 internet courses were audited in the last twelve months.

4-I-2) <u>Discussion Regarding Continuing Education Supervisor's Report on Continuing</u> <u>Education Certificate Issues and Midterm Education Record-Keeping</u>

Ingrid Trillo stated that mid-term certificate submittals had decreased due to the change to a two-year licensing period. Ms. Trillo stated that there were still some licensees on the four-year licensing period.

Ms. Trillo stated that some of issues were licensees turning in certificates that do not belong to them, incorrect dates, missing designations and missing delivery methods.

4-I-3) <u>Discussion Regarding Continuing Education Supervisor's Report on Continuing</u> <u>Education and Post Education Roster Upload Submittals Issues</u>

Ingrid Trillo stated that incorrect information accounted for most of the upload issues and failed uploads have to be returned to sponsors.

4-J-1 DISCUSSION AND DECISION ON PROPOSED CHANGES, AMENDMENTS AND DELETIONS TO NAC 645 INCLUDING BUT NOT LIMITED TO NAC 645.800(2)(G) REGARDING EDUCATION REQUIREMENTS TO RECEIVE A PROPERTY MANAGEMENT PERMIT

Teralyn Thompson stated that a 2013 task force created by the Commission discussed topics as substitution for property management of a common-interest community education. Ms. Thompson stated that the Commission could decide whether they wanted to change NAC 645.800, keep it the same or replace the 3 hours of education in property management of a common-interest community with 3 hours of education on other topics.

President Opatik stated that she would rather see further instruction on trust accounts as opposed to delving into the homeowner's' associations/common-interest communities situation.

Administrator Decker stated that the Division's concern was that people holding property management permits might not realize that it does not qualify them to manage an association.

Ms. Thompson stated that there was 2 hours of trust accounting in the 24 hours currently in regulation. Ms. Thompson stated that the task force suggested the following:

- ▶ 1.5 hours relating to contractor's license law,
- ▶ 1.5 hours relating to 1030 Exchanges,
- \succ 1 hour relating to agent safety,
- > 1 hour relating to building maintenance as it relates to commercial and multi-family properties,
- ➢ ¼ hour relating to the Soldiers and Sailors Civil Relief Act.

Administrator Decker stated that the Division would prefer that the substitution hours be related to property management courses rather than general courses.

Mr. Decker stated that the Division would like to include trust accounting because that is the biggest problem. Mr. Decker stated that market participation should be a factor in deciding what to include. Mr. Decker stated that the Division was trying to set parameters to create categories.

Commissioner Barrett suggested putting together a workgroup.

Administrator Decker stated that the Division conducts workshops and accepts public comment before approving any regulation.

Ms. Thompson stated that the Division's intention was to get everything done in one regulation file. Ms. Thompson stated that there were a long list of regulations changed, mostly regarding licensing. Ms. Thompson recommended not holding up the proposed regulation that the Commission had already approved to move forward because it has a lot of important changes in it.

Rose Marie Reynolds stated that the deadline for regulations to be submitted to the Legislative Council Bureau (LCB) is June 30, 2016.

Mr. Decker stated that the Commission and Division could revisit the issue in March.

Rose Marie Reynolds stated that the Commission was not required to adopt the regulation before June 30 only to submit the draft to the Legislative Council Bureau.

Commissioner Schwartz moved that the existing common-interest communities class content be replaced with the additional classes suggested by staff to include, but not limited to trust accounts, contractor license law, Soldiers and Sailors Relief Act and building maintenance as it relates to commercial and multi-family properties.

Mr. Decker suggested spreading the 3 hours out across the existing categories instead of coming up with a new category.

Commissioner Schwartz withdrew his motion.

Commissioner Cartinella moved to disperse the 3 hours of the eliminated common-interest communities course into existing categories. Commissioner Barrett seconded. Motion carried 4-1 with Commissioner Reiss opposing.

4-J-2 <u>DISCUSSION AND DECISION ON PROPOSED CHANGES, AMENDMENTS AND DELETIONS TO NAC 645</u> <u>INCLUDING BUT NOT LIMITED TO NAC 645.426 REGARDING INSTRUCTOR APPLICATIONS</u>

Administrator Decker stated that NAC 645.426 talks about instructor applications and the three requirements that have been discussed were:

- ➤ A bachelor's degree plus 2 years of pertinent experience; or
- ➢ 6 years of pertinent experience; or
- \geq 75 hours of instruction.

Mr. Decker stated that the application form had been changed to expedite the mechanism for collecting information needed from applicants and that these changes can be made through a regulation change or

through Division policy. Mr. Decker stated that the Division is presenting the issue to the Commission so the Commission can decide whether or not they would like the Division to change the regulation.

Safia Anwari presented the changes to the Seller's Real Property Disclosure Form and stated that the forms would be available in approximately two weeks.

4-K) <u>DISCUSSION REGARDING RECOMMENDATIONS FROM THE RENO/SPARKS ASSOCIATION OF</u> <u>REALTORS ON THE DUTIES OWED FORM AND SELLER'S REAL PROPERTY DISCLOSURE FORM</u>

Administrator Decker presented two examples of proposed changes to the Duties Owed form.

The Commission and Division staff discussed the format of the Duties Owed form.

Commissioner Cartinella stated the following concerns about the new form:

- \succ The font is too small.
- What licensees have as duties to the public seems smaller than licensees trying to protect themselves.
- > The agents are accustomed to the old Duties Owed form.
- > The change is being made for a small percentage of transactions dealing with teams.

Safia Anwari stated that the only change to the Seller's Real Property Disclosure Form was the removal of the initials from the last page. Ms. Anwari stated that the revised forms would be available in approximately two weeks and an email would be sent to everyone.

Mr. Decker stated that changes would be posted on the web site and in the newsletter.

4-L) DISCUSSION REGARDING THE NEVADA OUT-OF-STATE COOPERATIVE CERTIFICATE

Teralyn Thompson stated that former President Johnson requested this item be put back on the agenda.

Commissioner Barrett stated that the amount of out-of-state brokers practicing real estate in Nevada without a cooperating certificate had increased and was a concern.

Administrator Decker stated that the Division is aware of the problem and was taking steps to address the issue. Mr. Decker stated the use of the out-of-state cooperative certificate was clarified in the regulation the Commission adopted on December 16, 2015. Mr. Decker stated that licensees and consumers can go to the Division's website to look up out-of-state licensees, provided they are registered.

4-M) DISCUSSION TO APPROVE MINUTES OF THE SEPTEMBER 15-17, 2015 MEETING

Commissioner Cartinella moved to approve the minutes of September 15-17, 2015 meeting with some minor changes. Commissioner Reiss seconded. Motion carried with Commissioner Barrett abstaining.

4-N) <u>Discussion On Date, Time, Place & Agenda Items For Upcoming Meetings Including</u> <u>Setting Meeting Dates For 2016</u>

Teralyn Thompson proposed dates the 2016 Real Estate Commission meetings.

The Commission decided on the following meeting dates:

- March 15-17, 2016 in the South
- ▶ July 12-14, 2016 in the South
- September 20-22, 2016 in the North
- > December 5-7, 2016 starting at 1:00 PM on the first day in the South

4-O) COMMISSIONER COMMENTS

Commissioner Barrett thanked staff, fellow Commissioners, and Commission Counsel for their help.

Commissioner Cartinella asked about requirements for advertising signs.

Jan Holle stated that the name of the broker has to be prominent so it is noticeable.

Commissioner Cartinella suggested adding a discussion of disclosures of sex offenders to the next agenda.

President Opatik stated that item 4-F regarding Broker Compensation Fee was purposely skipped.

President Opatik requested that a discussion and decision about changing the continuing education course for each Commission hearing be put on the next agenda.

12) <u>PUBLIC COMMENTS</u>

William Rowen, Rowen Real Estate, stated that he wanted to make sure that the Duties Owed form would still be available to him because he requires it in his office for all real estate transactions.

Nick Nicholson stated that pursuant to NRS 645A.173 independent escrow agencies are required to obtain a broker's license before paying commission and if commission is paid to an out-of-state broker, independent escrow agencies are required to get a copy of the cooperating certificate. Mr. Nicholson stated that within that regulation it specifically states that companies are not required to verify the validity of the license number and commissions are paid after the independent escrow agency receives a copy of the cooperating certificate.

13) ADJOURNMENT

The meeting was adjourned at 4:25 PM on December 17, 2015