

**NEVADA REAL ESTATE COMMISSION
MINUTES**

August 20, 2019

Nevada Division of Insurance
1818 E. College Parkway, Suite 103
Carson City, Nevada 89706

VIDEO CONFERENCE TO:
Nevada State Business Center
3300 West Sahara Avenue
4th Floor – Nevada Room
Las Vegas, Nevada 89102

The meeting was called to order at 9:00 AM

1-A) Introduction of Commissioners in Attendance

Neil Schwartz, Clark County; Lee Gurr, Elko County; Wayne Capurro, Washoe County; Devin Reiss, Clark County and Lee Barrett, Clark County

Commission Counsel: Senior Deputy Attorney General Henna Rasul

1-B) Introduction of Division Staff in Attendance

In Carson City: Perry Faigin, Deputy Administrator; Jan Holle, Chief Compliance Audit Investigator, Ann Angell, Compliance Audit Investigator; Evelyn Pattee, Commission Coordinator; Deputy Attorney General Peter Keegan representing the Division.

In Las Vegas: Sharath Chandra, Administrator; Teralyn Lewis, Administration Section Manager; Annalyn Carrillo, Education & Information Officer; Kimberly Smith, Education Supervisor; Abel Ayala, Education staff; Erica Arnold, Education staff; Deputy Attorney General Dennis Belcourt representing the Division.

2) Public Comment

Tiffany Banks, general counsel for Nevada Association of Realtors, commented that the Association has been answering many questions regarding Senate Bill 230, particularly how it relates to the use of license numbers. Ms. Banks stated that the Association is telling members to include their license number on all advertising including signs, flyers and social media home pages. Ms. Banks stated that the Association anticipates the Commission won't adopt regulations regarding the use of nicknames. Ms. Banks stated that the Nevada Association of Realtors plans on creating a "best practices" guide that can be shared with members once this is decided.

Brian Alexander, broker-salesperson, commented. Mr. Alexander stated that companies are offering \$500-\$1,000 for referring people to them without the expectation of a purchase of sale. Mr. Alexander stated that if this were approved, an agent would be required to present this offer to any person they are dealing with whether the person is a client or not, otherwise this would be a violation of fair housing. Mr. Alexander stated that the offer of a fee is with the expectation to be paid to an actual buyer, seller, past client or unlicensed real estate person. Mr. Alexander stated that this offer would have to be made to every person walking into the real estate office in Nevada. Mr. Alexander stated that this is this a violation of NRS 645.280. Mr. Alexander stated that the Commission should look at the Amazon partnership with Realogy offering up to \$5,000 in

Amazon credits for purchases if a Realogy company is used. Mr. Alexander stated that this offer is made prior to the listing or purchase. Mr. Alexander stated that the Amazon and Realogy partnership seems to offer an advantage that is limited to only Realogy companies. Mr. Alexander stated that the offer should be made to all realtors.

9-A) NRED V Mariah S. Crume, for possible action

Case # 2017-1738

Parties Present

Mariah S. Crume was not present.

Anthony Walsh was present representing Ms. Crume via telephone.

Deputy Attorney General Peter Keegan was present representing the Division.

Preliminary Matters

Mr. Keegan stated that a settlement had been reached. Mr. Keegan read the settlement and the complaint into the record.

Settlement

- Respondent agrees to pay the Division \$1,000 as an administrative fine and \$581.44 in administrative costs in monthly payments or within 15 months of the Commission's order approving the stipulation.
- 3 hours of continuing education in agency and 3 hours of continuing education in contracts must be completed within 180 days of the effective date of the Commission's order approving the stipulation. Such continuing education shall not accrue toward license renewal requirements.
- Respondent agrees to reimburse the complainant \$1,000 and provide proof of payment to the Division within 30 days of the Commission's order approving the stipulation.

Commissioner Reiss moved to accept the stipulation as presented. Seconded by Commissioner Capurro. Motion passed.

**6-A) For possible action: Discussion and decision regarding license denial appeal:
Juan Guerrero-Flores File No. S-LDA-19-001**

Juan Guerrero-Flores was present and requested that the Commission go into closed session.

The meeting went into closed session.

The meeting went into open session.

Commissioner Gurr moved to grant the real estate license. Seconded by Commissioner Reiss. Motion passed.

4-A) For possible action: Discussion and decision regarding respondent's request for reconsideration of disciplinary terms:

NRED v Megan Barry

Case # 2017-2062

Parties Present

Megan Barry was present via telephone.

Charles Gianelloni was present in Las Vegas representing Ms. Barry.

Deputy Attorney General Peter Keegan was present representing the Division.

Mr. Keegan stated Ms. Barry wants to make a payment arrangement. Mr. Keegan stated that

Mr. Gianelloni will represent how the payment arrangement will be structured.

Mr. Gianelloni stated he had spoken to Mr. Belcourt prior to this hearing and there have been one other developments. Mr. Gianelloni stated the request for reconsideration was based on the May 18, 2019 decision against Ms. Barry after the March 2019 Commission hearing that was regarding a complaint against Ms. Barry and Stephen Baxter concerning assignments and purchase agreements regarding property in Nevada. Mr. Gianelloni stated that Ms. Barry was disciplined however Mr. Baxter received no discipline. Mr. Gianelloni stated that since then, the Division has filed new investigations against Ms. Barry and Mr. Baxter. Mr. Gianelloni stated that Ms. Barry and Mr. Baxter are no longer doing business in Nevada. Mr. Gianelloni asked the Commission to re-visit Ms. Barry's fine for the fact that Ms. Barry was fined for assisting Mr. Baxter who didn't violate the law based on the Commission's May 18, 2019 decision. Mr. Gianelloni stated that after the Commission's consideration, if there is a fine, Ms. Barry is willing to pay \$2,500 per month until the fine has been paid in full.

Mr. Keegan stated that based on a June 26, 2019 email, there was an offer to make a \$10,000 payment in August 2019 and thereafter \$2,500 per month until the remainder of the fine is paid.

Mr. Gianelloni stated that the stipulation has changed based on new investigations occurring which has caused Ms. Barry and Mr. Baxter to stop doing business in Nevada and has affected Ms. Barry's cash flow.

Commissioner Reiss asked Mr. Keegan if there was any objection to the payment plan Mr. Gianelloni is proposing. Mr. Keegan stated that there is no objection. Mr. Keegan stated that Mr. Gianelloni is bringing up a May 18, 2019 investigation and the offer of \$10,000 was made the end of June. Mr. Keegan stated that Ms. Barry and Mr. Gianelloni would have been cognizant of the fact that the offer was pending. Mr. Keegan stated that it would be disingenuous now for Ms. Barry and Mr. Gianelloni to make their argument based on the timing of the offer.

Commissioner Reiss moved to grant a payment plan of an up-front payment of \$10,000 and \$2,500 per month until balance is paid. Seconded by Commissioner Schwartz.

Commissioner Gurr stated that Ms. Barry and Mr. Baxter are no longer doing business in Nevada, therefore their income stream is reduced. Commissioner Gurr stated that she supports Mr. Gianelloni's proposition and is not in favor of the motion.

Motion passed 3-2 with Commissioners Gurr and Capurro opposed.

5-A) Discussion and decision regarding respondent's petition for rehearing and reconsideration of disciplinary terms:
NRED v Katherine Hunter
Case # 2017-2158

Parties Present

Katherine Hunter was not present.

Deputy Attorney General Peter Keegan was present representing the Division.

Mr. Keegan stated that since the petitioner for the rehearing is not present, the Division would request that the rehearing request be denied.

Commissioner Reiss moved that the petition for rehearing be denied. Seconded by Commissioner Capurro. Motion passed.

9-B) NRED v Terry Nelson, for possible action

Case # 2017-1715

Parties Present

Terry Nelson was present.

Richard Elmore was present representing Ms. Nelson.

Deputy Attorney General Peter Keegan was present representing the Division.

Preliminary Matters

Mr. Keegan stated that Ms. Nelson filed a motion to dismiss in this matter. Mr. Keegan stated that the Division filed an opposition and a reply was filed.

Commissioner Capurro disclosed that he has worked as an expert witness for Mr. Elmore. Commissioner Capurro stated that he feels no need to recuse himself.

Mr. Keegan asked Commissioner Capurro how many times he worked as an expert witness for Mr. Elmore.

Commissioner Capurro stated he had worked as an expert witness for Mr. Elmore at least two or three times on relatively involved cases. Commissioner Capurro stated that he believed the combined amount would be in excess of \$10,000, maybe close to 20,000.

Mr. Keegan stated that the Division would have pause for Commissioner Capurro's vote in this matter based on the compensation Commissioner Capurro received from Mr. Elmore.

Mr. Elmore stated that he remembered Commissioner Capurro's involvement as an expert witness. Mr. Elmore stated that he has a different recollection of the amount of compensation Commissioner Capurro would have been paid as part of the two or three cases that went to trial in which Commissioner Capurro was an expert witness. Mr. Elmore stated that his best recollection is that the compensation amount was somewhere around \$10,000 in total.

Mr. Keegan asked Commissioner Capurro if he has a personal relationship with Mr. Elmore.

Commissioner Capurro stated that he does not have a personal relationship with Mr. Elmore.

Mr. Keegan asked Commissioner Capurro if he know Mr. Elmore prior to the working engagement that he entered in to with Mr. Elmore.

Commissioner Capurro stated that he did not know Mr. Elmore prior to the working engagement that he entered in to with Mr. Elmore.

Mr. Keegan stated the Division would maintain its objection to Commissioner Capurro's vote in this matter based on the compensation received in the past.

Henna Rasul stated that Commissioner Capurro should recuse himself but that it is Commissioner Capurro's decision.

Commissioner Capurro stated that he will not recuse himself. Commissioner Capurro stated that he does not believe his past relationship with Mr. Elmore will affect his judgement in this case.

Mr. Elmore stated that he is comfortable with Commissioner Capurro's decision not to recuse himself.

Mr. Elmore presented the history of the dispute and Ms. Nelson's reply in support of the motion to dismiss. Mr. Elmore stated that there is no legal or factual basis for the Division to be able to proceed. Mr. Elmore stated that the motion to dismiss should be granted in its entirety.

Mr. Keegan stated that the Division filed its opposition to the motion to dismiss in this matter. Mr. Keegan stated the reasons to the opposition of the motion to dismiss. Mr. Keegan stated that for reasons cited, the Division submits that the motion to dismiss should not be granted and to proceed with the hearing.

Mr. Elmore presented his rebuttal. Mr. Elmore stated that there is nothing that has been identified in this proceeding to support the allegations.

Commissioner Reiss moved to deny the motion to dismiss. Seconded by Commissioner Schwartz. Motion passed.

Opening Statements

Mr. Keegan waived his opening statement.

Mr. Elmore waived his opening statement.

Preliminary Matters

Mr. Keegan stated that Ms. Elmore submitted a stipulation to dismiss along with a letter that contained fifteen multiple listing service (MLS) waivers. Mr. Keegan stated that allegation number three on the violations alleged that there were no MLS waivers based on the brokerage file that was initially provided. Mr. Keegan stated that the documents have since been provided. Mr. Keegan stated that the Division stipulates to the dismissal of all alleged violations in paragraph number three, page number 34 based on the evidence that was submitted by the respondent's counsel.

Mr. Keegan asked that State's exhibits be admitted.

Mr. Elmore asked that Respondent's exhibits be admitted.

President Barrett stated that all exhibits would be admitted.

State's Witness

Eric Lynn Crosby testified.

Mr. Elmore cross-examined Mr. Crosby.

The Commission questioned Mr. Crosby.

State's Witness

Terry Nelson testified.

10) Public Comment

No public comment.

11) For Possible Action: Adjournment

Meeting recessed at 4:25 p.m. on August 20, 2019.

NOT APPROVED BY COMMISSION

August 21, 2019

Nevada Division of Insurance
1818 E. College Parkway, Suite 103
Carson City, Nevada 89706

VIDEO CONFERENCE TO:
Nevada State Business Center
3300 West Sahara Avenue
4th Floor – Tahoe Room
Las Vegas, Nevada 89102

The meeting was called to order at 9:14 AM

1-A) Introduction of Commissioners in Attendance

Neil Schwartz, Clark County; Lee Gurr, Elko County; Wayne Capurro, Washoe County; Devin Reiss, Clark County and Lee Barrett, Clark County

Commission Counsel: Chief Deputy Attorney General Greg Ott

1-B) Introduction of Division Staff in Attendance

In Carson City: Perry Faigin, Deputy Administrator; Jan Holle, Chief Compliance Audit Investigator, Ann Angell, Compliance Audit Investigator; Evelyn Pattee, Commission Coordinator; Deputy Attorney General Peter Keegan representing the Division.

In Las Vegas: Sharath Chandra, Administrator; Teralyn Lewis, Administration Section Manager; Annalyn Carrillo, Education & Information Officer; Kimberly Smith, Education Supervisor; Leah Holmes, Education Staff.

2) Public Comment

Steve Norkus thanked everyone for attending.

9-B) NRED v Terry Nelson, for possible action

Case # 2017-1715

Parties Present

Terry Nelson was present.

Richard Elmore was present representing Ms. Nelson.

Deputy Attorney General Peter Keegan was present representing the Division.

State's Witness

Terry Nelson testified.

3-J) For possible action: Discussion and decision to approve minutes of the June 11-12, 2019 meeting.

Commissioner Reiss moved to approve the minutes as presented. Seconded by Commissioner Gurr.
Motion Passed.

3-F) Discussion regarding Instructor Training Workshops.

Annalyn Carrillo stated that the Education Section is working on the solicitation for the Instructor Training Workshops.

Commissioner Schwartz read into the record his thoughts and suggestions regarding the direction of Instructor Training Workshops.

Commissioner Gurr asked Ms. Carrillo where the bid solicitations are sent. Commissioner Gurr stated that all the training workshops she has attended were always by Division staff. Commissioner Gurr stated that staff talked about what the instructors had to teach, not methods of instruction. Commissioner Gurr stated that methods of instruction improve the quality of the classroom.

Perry Faigin stated that the Instructor Training Workshops have been approved by the Legislature with a budget for fiscal years 2020 and 2021 with regards to the development of course material and teaching of courses. Mr. Faigin stated that the Division understands the concerns that Commissioner Schwartz has with regards to this matter. Mr. Faigin stated the Division will look at where and how the solicitations are going out and who they are going to in order to make sure the Division is offering up the best quality product possible.

9-B) NRED v Terry Nelson, for possible action

Case # 2017-1715

Parties Present

Terry Nelson was present.

Richard Elmore was present representing Ms. Nelson.

Deputy Attorney General Peter Keegan was present representing the Division.

State's Witness

Terry Nelson testified.

Mr. Elmore cross-examined Ms. Nelson.

Mr. Keegan re-examined Ms. Nelson.

The Commission questioned Ms. Nelson.

State's Witness

Ann Angell testified.

Mr. Elmore cross-examined Ms. Angell.

10) Public Comment

No public comment.

11) For Possible Action: Adjournment

Meeting recessed at 4:30 p.m. on August 21, 2019.

August 22, 2019

Nevada Division of Insurance
1818 E. College Parkway, Suite 103
Carson City, Nevada 89706

VIDEO CONFERENCE TO:
Nevada State Business Center
3300 West Sahara Avenue
4th Floor – Tahoe Room
Las Vegas, Nevada 89102

The meeting was called to order at 9:00 AM

1-A) Introduction of Commissioners in Attendance

Neil Schwartz, Clark County; Lee Gurr, Elko County; Wayne Capurro, Washoe County; Devin Reiss, Clark County and Lee Barrett, Clark County
Commission Counsel: Senior Deputy Attorney General Henna Rasul

1-B) Introduction of Division Staff in Attendance

In Carson City: Perry Faigin, Deputy Administrator; Jan Holle, Chief Compliance Audit Investigator, Ann Angell, Compliance Audit Investigator; Evelyn Pattee, Commission Coordinator; Deputy Attorney General Peter Keegan representing the Division.

In Las Vegas: Sharath Chandra, Administrator; Teralyn Lewis, Administration Section Manager; Annalyn Carrillo, Education & Information Officer; Kimberly Smith, Education Supervisor; Leah Holmes, Education staff.

2) Public Comment

No public comment.

9-B) NRED v Terry Nelson, for possible action

Case # 2017-1715

Parties Present

Terry Nelson was present.

Richard Elmore was present representing Ms. Nelson.

Deputy Attorney General Peter Keegan was present representing the Division.

State's Witness

Ann Angell testified.

Mr. Elmore cross-examined Ms. Angell.

Mr. Keegan re-examined Ms. Angell.

Mr. Elmore re-examined Ms. Angell.

The Commission questioned Ms. Angell.

Closing Statements

Mr. Keegan gave his closing statement.

Mr. Elmore gave his closing statement.

Mr. Keegan gave his rebuttal.

Factual Allegations

Commissioner Reiss moved that all factual allegations were proven with one modification.

Commissioner Reiss amended item number 3 to read "Respondent is married to Brian Nelson, a Nevada licensed Broker-Salesperson, License Number BS.0037511."

Seconded by Commissioner Schwartz. Motion passed 4-1 with Commissioner Gurr opposed.

Commissioner Capurro stated that today's reality makes it almost impossible to get the earnest money check to the title officer in time. Commissioner Capurro stated that in continuing education courses, instructions are to not take possession of earnest money checks rather instruct buyers to obtain a cashier's check and hand deliver it to title on their own. Commissioner Capurro stated that all the violations are irrelevant to what this case hinges upon which is Ms. Nelson's fiduciary duties to her sellers. Commissioner Capurro stated that he can't support any of the twenty-one violations. Commissioner Capurro stated that he has a problem with the violations against Ms. Nelson regarding a non-disclosure of her marital relationship. Commissioner Capurro stated that the non-disclosure is another irrelevancy to the primary concern. Commissioner Capurro stated that the waiver that permits licensees not to present all offers is inappropriate in this case. Commissioner Capurro stated that he thinks that Ms. Nelson presented all offers. Commissioner Capurro stated that he thinks it was a mistake for the respondent to cross out the obligation on the Exclusive Right to Sell form and write in her own wording in three instances. Commissioner Capurro stated that it is not illegal or a violation of NRS to offer \$75.00 commission on a listing agreement or change the \$75.00 to 3% and back again since the MLS board offers that ability. Commissioner Capurro stated that he believes Ms. Nelson did engage in a business model that restricted the open market, however believes that Ms. Nelson didn't break any laws in doing so.

Commissioner Gurr stated that the allegation that Ms. Nelson's failure to offer a high compensation through MLS fails. Commissioner Gurr stated that she thinks buyers' brokerage agreements are what protects buyer broker agents. Commissioner Gurr stated that commissions are negotiable. Commissioner Gurr stated that an open market predisposes agents to ensure that the client's best interest is protected without consideration of compensation. Commissioner Gurr stated that whether Ms. Nelson offered a lot of money or no money, should not be the issue. Commissioner Gurr stated that the Division does not interpret forms. Commissioner Gurr stated that on the listing agreement where the seller's initials are blank for the compensation being offered, is not required and is part of a form that the Division does not oversee. Commissioner Gurr stated that the multiple listing service is also not under the oversight of the Division. Commissioner Gurr referenced the Nevada Law and Reference Guide. Commissioner Gurr stated that the Guide does not state that a married couple acting in a transaction must disclose a marital relationship unless they are principals to the transaction. Commissioner Gurr stated that if there is no interest in the transaction, there is no obligation to disclose the relationship.

Commissioner Schwartz stated that the buyer's commission offered on the MLS is guaranteed. Commissioner Schwartz stated that it's the seller's side of the commission that is variable. Commissioner Schwartz stated that unless other arrangements are made earnest money should

be deposited within one business day.

President Barrett stated that the earnest money deposit has always been an issue. President Barrett stated that he does not believe that business practice trumps the law. President Barrett stated that the law says earnest money must be deposited in one business day although the contract can be expanded to allow the parties involved to make that decision. President Barrett stated that when it's not expanded to that level, the seller must believe the earnest money has been deposited. President Barrett stated that it is the fiduciary duty of the agent, particularly if the agent is representing both parties, to inform the seller that earnest money has been deposited. President Barrett stated that there has been no proof in this case that both parties agreed to adjusting the contract.

Violations of Law

Commissioner Reiss moved that violation 1 was proven. Seconded by Commissioner Schwartz.

Commissioner Gurr stated that she is in opposition to the motion. Commissioner Gurr stated that she doesn't think Ms. Nelson violated any portion of the statute or regulation by failing to offer higher compensation through MLS.

Commissioner Capurro stated that he agrees with Commissioner Gurr. Commissioner Capurro stated that violation 1 is worded wrong. Commissioner Capurro stated that he thinks the business model Ms. Nelson engaged in obstructing the fair and open market that resulted in less offers and lower purchase prices in at least some or perhaps most of the 21 cases before the Commission.

Commissioner Reiss stated that Ms. Nelson's activity caused less buyers to come to the property and it was done intentionally to manipulate so that there wouldn't be other offers. Commissioner Reiss stated that Ms. Nelson intentionally obstructing the fair market and limiting prospective buyers.

Commissioner Capurro stated that there isn't any evidence that Ms. Nelson inflated the commission amount she negotiated with each seller so that the seller wound up paying more than what was initially contracted.

President Barrett stated that changes in the MLS occurred before the closings and were manipulative. President Barrett read the interpretation of NAC 645.605. President Barrett stated Ms. Nelson made changes in a negligent way to benefit her business model.

Commissioner Reiss stated that changes in the MLS were not done to reflect what actually happened. Commissioner Reiss stated that the changes were made to make the seller/bank believe the listing was placed in an open market when in fact it wasn't. Commissioner Reiss stated it was completely fraudulent.

Commissioner Capurro stated that he thinks it's speculative and that there isn't any evidence that proves that it was fraudulent.

Motion passed 3-2 with Commissioners Gurr and Capurro opposed.

Commissioner Schwartz read violation 2.

Commissioner Reiss moved that violation 2 was proven. Seconded by Commissioner Schwartz.

Commissioner Gurr stated that she is not in favor of the motion as stated.

Commissioner Capurro spoke in opposition to the motion. Commissioner Capurro stated that Ms. Nelson testified that she instructed buyers to get their earnest money deposited as timely as possible. Commissioner Capurro stated that there is no evidence from a title officer, buyer or seller that Ms. Nelson did otherwise.

President Barrett stated that Ms. Nelson has an obligation in arguing her point to bring evidence to prove that earnest money was deposited timely.

Commissioner Reiss stated that earnest money deposits were made beyond the one business day as the contract stated. Commissioner Reiss stated that he will not adjust the motion as stated.

Motion passed 3-2 with Commissioners Gurr and Capurro opposed.

Commissioner Schwartz read violation 4.

Commissioner Gurr moved that violation 4 was not proven. Seconded by Commissioner Reiss. Motion passed 4-1 with President Barrett opposed.

Commissioner Schwartz read violation 5.

Commissioner Gurr moved that violation was proven. Seconded by Commissioner Reiss.

Commissioner Capurro stated that there was testimony that the earnest money checks were endorsed at the title company and not hand carried by Ms. Nelson. Commissioner Capurro stated that when Ms. Nelson went to the title company for the closing or prior to closing, Ms. Nelson signed the checks. Commissioner Capurro stated that he doesn't see anything wrong with what Ms. Nelson did.

President Barrett stated that there is no way to know when Ms. Nelson went to the title company to sign the earnest money checks. President Barrett stated that it would have been nice to question the title company for more clarity however the Ms. Nelson didn't subpoena the title company.

Commissioner Reiss stated that it's the responsibility of the person whose name is on the check to account for that check.

Motion passed 4-1 with Commissioner Capurro opposed.

Commissioner Schwartz read violation 6.

Commissioner Capurro moved that violation 6 was not proven. Seconded by Commissioner Gurr.

Commissioner Gurr stated that Ms. Nelson clarified that she was not going to be required to present all offers. Commissioner Gurr stated that she is in support of Ms. Nelson's contention that the current version of the Division provided form is insufficient to support the intent of the waiver form. Commissioner Gurr stated the way the waiver form reads, does not support Ms. Nelson's client's lawful agreement that she was not required to present all offers.

Commissioner Gurr stated that the form needs to be revisited and fixed.

Motion passed.

Commissioner Schwartz read violation 7.

Commissioner Gurr moved that violation 7 was not proven. Seconded by Commissioner Capurro.

Commissioner Gurr stated that Ms. Nelson had MLS waivers therefore had no obligation to put the properties on the MLS outside of her association with the Northern Nevada Regional MLS requirements that even with the waiver, listings must go on the MLS when they are closed.

Motion passed.

Division's Recommendation for Discipline

Jan Holle present this:

- Fine amount of \$210,000 plus the cost of hearing and investigation of \$12,489.22 to be paid within one year from the effective date of the order.
- License revocation effective within 30 days of the effective date of the order.

Mr. Holle stated that the other two options being suspension or downgrade of the license along with imposing significant education.

Commissioner Reiss moved to impose a fine of \$210,000 plus costs of \$12,489.22 payable within one year of the effective date of the order and revocation of the real estate license within 30 days of the effective date of the order. Seconded by Commissioner Schwartz.

Commissioner Gurr stated that the amount of fine is incredibly high. Commissioner Gurr that she doesn't think anything Ms. Nelson did is egregious enough to revoke Ms. Nelson's license.

Commissioner Capurro stated that taking away the Ms. Nelson's ability to earn a living and pay the fine is egregious. Commissioner Capurro stated that \$210,000 is excessive. Commissioner Capurro stated Ms. Nelson has paid a significant price already.

Commissioner Reiss stated that he hopes Ms. Nelson is never able to practice real estate again. Commissioner Reiss stated that this is clear intentional fraud.

Motion passed 3-2 with Commissioners Gurr and Capurro opposed.

7) For possible action: Discussion and decision regarding reinstatement denial appeal: Barbara Gayton File No. S-LDA-19-005

Parties Present

Barbara Gayton was present.

Susan Clark, Licensing Manager for the Real Estate Division stated the reason Ms. Gayton's reinstatement application for her salesperson license was denied.

Ms. Gayton gave her statement.

The Commission questioned Ms. Gayton.

Dave Hilbig, broker with Keller Williams Realty, gave a statement in favor of Ms. Gayton reinstating her license.

Ken Amundson, corporate broker with Keller Williams Realty, gave a statement in favor of Ms. Gayton reinstating her license.

Sandra Grider, with Keller Williams Realty, gave a statement in favor of Ms. Gayton reinstating her license.

Commissioner Schwartz moved to grant Ms. Gayton a real estate license. Seconded by Commissioner Reiss. Motion passed.

3-D) Discussion regarding the Administrative Sanction Report.

Jan Holle presented this report. Mr. Holle provided the Commission with a written report and summarized.

3-C) Discussion regarding the Compliance Section's current caseload report, including a summary of recent topics of complaints filed.

Jan Holle presented this report. Mr. Holle provided the Commission with a written report and summarized.

3-B) Discussion regarding the Disciplinary Report.

Teralyn Lewis presented this report. Ms. Lewis provided the Commission with a written report and summarized updates from the last Commission meeting.

3-E-1 Discussion regarding Continuing Education Supervisor's reports on education certificate issues and midterm education record-keeping.

3-E-2 Discussion regarding Continuing Education Supervisor's reports on continuing Education and post education roster upload submittals issues.

3-E-3 Discussion regarding Continuing Education Supervisor's reports on online Registration for real estate licensees to receive continuing education credits for Attending Real Estate Commission meetings.

Tabled to the next Real Estate Commission meeting.

3-G) Discussion regarding the launch of the Division's new Online Continuing Education Course renewal system.

Perry Faigin and Annalyn Carrillo presented this report. Mr. Faigin and Ms. Carrillo provided the Commission with an update regarding the launch of the new continuing education course renewal system.

3-H) For possible action: Discussion and decision regarding FY20 Education and Research Fund Projects for Commission approval pursuant to NRS 645.842.

Annalyn Carrillo presented this report.

The Commission was provided with a memorandum regarding the Division's recommended proposed education offering for FY20 for Commission approval. Ms. Carrillo stated that the class, What Every Licensee Should Know, will have 6 courses offered in Las Vegas, 4 courses offered in Reno and 2 courses offered in Elko. Ms. Carrillo stated that 4 Trust Account Management courses will be offered in Las Vegas, 2 courses in Elko and 2 courses in Reno. Ms. Carrillo stated that 4

Property Management Best Practice courses will be offered in Las Vegas, 2 courses in Reno and 2 classes in Elko. Ms. Carrillo stated that the total proposed expenditures for classes offered in FY20 is \$11,880.00 and are expected to be the same for FY21.

Commissioner Schwartz moved that the memorandum dated August 20-22, 2019, Education And Research Fund (ERF) Projects be approved. Seconded by Commissioner Gurr.

Motion passed.

3-I) For possible action: Discussion, nomination and election of officers for FY 20 pursuant to NRS 645.110.

Commissioner Schwartz moved for Commissioner Reiss to be president. Seconded by Commissioner Gurr. Motion passed 4 to 1 with Commissioner Reiss abstaining.

Commissioner Schwartz moved for Commissioner Gurr to be secretary. Seconded by Commissioner Reiss. Motion passed 4 to 1 with Commissioner Gurr abstaining.

Commissioner Schwartz moved for Commissioner Capurro to be vice-president. Seconded by Commissioner Gurr. Motion passed 4 to 1 with Commissioner Capurro abstaining.

8) For possible action: Discussion and decision concerning Real Estate Advisory Review

Committee applications:

Sandra M. Wakefield, License No.: B.0037909.LLC

Kenneth Calder, License No.: B.1001776.LLC

Marisa Kagan, License No.: BS.0144409.LLC

Christopher LoBello, License No.: B.0038359

Susanne Zedlitz, License No.: BS.0143932.LLC

Michelle Hulin, License No.: B.0144160.INDV

Commissioner Gurr moved to accept the 6 applications for the advisory review committee. Seconded by Commissioner Schwartz. Motion passed.

10) Public Comment

No public comment.

11) For Possible Action: Adjournment

Meeting adjourned at 3:00 p.m. on August 22, 2019.