NEVADA REAL ESTATE COMMISSION MINUTES

VIA IN PERSON AND WEBEX VIRTUAL MEETING

December 13, 2022

Nevada State Business Center 3300 W. Sahara Avenue, Nevada Room Las Vegas, Nevada 89102

VIDEO CONFERENCE TO:

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

The meeting was called to order at 9:06 a.m.

1-A) Introduction of Commissioners in Attendance

Spiridon Filios, Clark County; Lee Gurr, Elko County; David Tina, Clark County; Russell Roth, Clark County; and Darrell Plummer, Washoe County.

Commission Counsel: Deputy Attorney General Sophia Long

1-B) Swearing in of reappointed Commissioner

Commissioner Plummer was sworn in

1-C) Introduction of Division Staff in Attendance

Sharath Chandra, Administrator; Charvez Foger, Deputy Administrator; Shareece Bates, Administration Section Manager; Kelly Valadez, Commission Coordinator; Maria Gallo, Commission Coordinator; Jan Holle, Chief Compliance Audit Investigator; Kimber Bruce, Compliance Audit Investigator; and Annalyn Carrillo, Education and Information Officer.

2) Public Comment

Tiffany Banks, Nevada Realtors Association, thanked the Administrator, Mr. Chandra, and the Real Estate Division for the hard work with the regulation changes and supports the work group and testimony that will be given today by educators and sponsors who help to make this regulation workable and what it should be.

Erin Schiller, Reno-Sparks Association of Realtors and Ticor Title Company, thanked the Commissioners, staff, and working group that worked to make the changes to NAC 645.

3) Regulation Workshop for Proposed Changes to NAC 645

Section 1

Shareece Bates read Section 1 into the record.

No public comment.

Section 2

Shareece Bates read Section 2 into the record.

Neil Schwartz, stated that he does not believe the Real Estate Division should approve a course with a combination of classroom and live instruction. Mr. Schwartz stated the presentation to the agents in the separate forums is different. Mr. Schwartz also stated that a live-streaming or ZOOM class with more than 25 students should have a required class monitor so the instructor can focus on the lesson. Mr. Schwartz submitted written public comment.

Megan Stevenson, representing Preferred Systems Incorporated, stated that she is in agreement with Mr. Schwartz regarding the hybrid model of instruction. Ms. Stevenson stated that most states do not allow for hybrid learning as it does not allow the instructor to interact with students in both mediums.

Scott Beaudry, representing Better Homes and Gardens Real Estate Universal, stated that he believes with the right regulations, a hybrid model of education with proper monitoring, can be an option for learning.

Neil Schwartz, stated that at the last faculty meeting of Las Vegas Realtors (LVR), a vote was taken to not present hybrid classes. Mr. Schwartz stated the faculty believes that hybrid classes are not an advantage to students or the instructor. Mr. Schwartz stated that although the material may be the same, the presentation is vastly different. Mr. Schwartz added his agreement to Mr. Beaudry, in that a monitor should be required for ZOOM classes of more than 20 students.

Norma Jean Opatik, an instructor for CE classes, stated that she does not believe it is possible to conduct hybrid classes. Ms. Opatik stated that she has had experience with an individual creating a video loop during a hybrid classes to appear to be present in class. Ms. Opatik stated with increased technology students may find more creative ways to cheat the system. Ms. Opatik stated the attendance and attention is not to the same level of in-person students. Ms. Opatik stated she does not agree with a hybrid situation.

Marlene Reyes, stated as a student for CE, the separation of instruction for the different teaching style is important.

Section 3

Shareece Bates read Section 3 into the record.

Erin Schiller, stated that the Reno-Sparks Association of Realtors (RSAR) submitted written comment regarding several sections.

Norma Jean Opatik, stated that there are classes that she believes could have a dual designation. Ms. Opatik stated she has a contracts class that relates to NRS/NAC 645 and could therefore be designated as law or contracts.

Section 4

Shareece Bates read Section 4 into the record.

No public comment.

Section 5

Shareece Bates read Section 5 into the record.

Michael Nolan, instructor, sponsor, broker and member of Sierra Nevada Realtors Leadership, stated he applauded the idea of certifying instructors and verifying their competency and ability to instruct. Mr. Nolan stated that the issue is with perceived redundancy of section 16. Mr. Nolan believes that if the instructor is certified, the sponsor should be able to receive the certificate and allow the instructor to teach a class without additional approval from the Division.

Megan Stevenson referenced section 16 in her comment. Ms. Stevenson suggested that regarding the instructor registration, the Division could match instructor topics with course topics. Once an instructor is approved for a topic, they can instruct any course under that topic offered by any provider. Ms. Stevenson spoke to section 8 and expressed her concern and shared past experience with limited instructor workshops. Ms. Stevenson recommended that the workshop be offered virtually, in person, at multiple locations and at different times to give instructors the opportunity to take the workshop. Ms. Stevenson referenced section 13 (d), she stated that the Division could consider a requirement in lieu of the workshop, such as proof by the instructor of a specified number of hours taught within the preceding renewal period. The documentation could show proof of engagement in educational activities and ongoing learning experiences.

Erin Schiller, expressed a concern with section 5 (2). Ms. Schiller stated that as a title company, her agency has employees who teach the classes on title and escrow related services. Ms. Schiller stated that the \$100/fee per instructor may have an impact on business. Ms. Schiller suggested that a consideration could be made to lower the fee for employees to lessen the financial impact. Ms. Schiller submitted written public comment.

Neil Schwartz, stated that his outlook of education during his time on the Commission, was to ensure continuity across the state. Mr. Schwartz stated that unless the Division holds workshops regularly, the process will not work. Mr. Schwartz suggested that if the process is approved, that the Division hold a workshop in the north and south each year. Mr. Schwartz stated that in the past, attendance at the workshops was very low and therefore to allow sufficient opportunity, at

least 4 workshops should be offered within a 2-year period. Mr. Schwartz stated he believes the Division should charge a fee for the workshop.

Georgia Purpura, broker and instructor stated that teaching is an art form. Ms. Purpura stated that the Division should have the workshops in order to raise the standards and level of expectation for instructors. Ms. Purpura stated that a workshop could help limit the number of people that enter the industry if they are unwilling to participate in required activities to improve their craft.

Scott Beaudry, stated that he is in full agreement with Mr. Schwartz and Ms. Purpura, in that it should be more difficult to become an instructor and that a fee should be charged in order to improve the access and quality of the workshop.

Sharath Chandra, Administrator thanked the public for their engagement in the process and providing public comment. Mr. Chandra recalled the current Division process of approving the course and the instructor as one application packet. Mr. Chandra stated the Division worked alongside the Education Work Group to come up with some recommendations. Mr. Chandra stated that the process may be more efficient and require less paperwork if the course were approved separately from the instructor. Mr. Chandra stated the \$100.00 fee is the initial fee for the first two years due to the level of review completed by Division staff. Mr. Chandra stated the renewal fee every 2 years is \$50.00. Mr. Chandra stated that a sponsor would be free to select any approved instructor under the specified designation. Mr. Chandra stated that the regulation would lay the framework for the separation of the two processes that could begin in 2025. Mr. Chandra stated the intent of the Instructor Development Workshop (IDW) is to rework the agenda and content to ensure that the workshop is aligned to instructor responsibilities and needs. Ms. Chandra stated that the Division may need to develop guides, standards and requirements for the process. Mr. Chandra stated that there would be no need to charge a fee for the workshop as the fee is charged upon registration.

Michael Nolan thanked Mr. Chandra for the intent of the language. Mr. Nolan stated his hope that a sponsor would have the freedom to select the instructor of choice without approval from the Division.

Section 6

Shareece Bates read Section 6 into the record.

No public comment.

Section 7

Shareece Bates read Section 7 into the record.

No public comment.

Section 8

Shareece Bates read Section 8 into the record.

Megan Stevenson noted a discrepancy between the language in section 8 subsection 3 (b) and Sections 13 and 18; the sections have different criteria listed as acceptable requirements.

Section 9

Shareece Bates read Section 8 into the record.

Neil Schwartz stated that he would like to see a requirement that the Division and Commission form a committee to review post-licensing curriculum every 2-3 years. Mr. Schwartz stated that a regular review of the curriculum will ensure all changes have been considered timely.

Norma Jean Opatik stated that the last review occurred over 7 years prior. Ms. Opatik suggested that the approved courses should be targeted to the area in which they are taught. Ms. Opatik gave an example of the difference between land sales in Nye vs Clark County. Ms. Opatik emphasized that an agent working within a rural county must have a different level of subject knowledge.

Georgia Purpura stated that the average post-licensing class does provide for an overview of many subjects. Ms. Purpura suggested having two separate post-licensing courses, one for residential agents and one for commercial agents. Ms. Purpura stated that oftentimes commercial agents will take contract courses where substantial time is taken covering residential purchase agreements of which they have no access in practice.

Geoffrey Lavell, broker and property manager stated there are licenses that blend activities where a specialty is required. Mr. Lavell stated there may be a way to simplify our licensing and the required education in order to allow those with a specialty to take education commensurate with their licensing.

Erin Schiller, referenced written comment submitted. Ms. Schiller stated a concern that the requirement to submit course information may inhibit a sponsor's ability to accommodate members in special cases. Ms. Schiller states her agreement with comments made by Mr. Schwartz regarding the need for a regular review of post-licensing education. Ms. Schiller also expressed her the need for increased discussion time for title and escrow within the modules.

Michael Nolan expressed concern with the 15-day requirement in that there are times when a sponsor would need to act within the 15-day period to protect the integrity of a transaction. Mr. Nolan did state that he understands the Division's position in order to properly review courses. Mr. Nolan also stated his agreement with comments made by Mr. Schwartz regarding the review of post-licensing courses. Mr. Nolan stated that within the 3-hour sessions, there is no way to make students experts in every field. Mr. Nolan stated it is important for instructors to make sure students know where to find further information and what are their responsibilities.

Megan Stevenson echoed concern of 15-day requirement, stating her company allows instructors to make their own schedule which they report. Ms. Stevenson stated there may not be enough time for the instructor to notify the agency in time for them to notify the Division, therefore compliance with the 15-day requirement would be an issue.

Forrest Barbee expressed appreciation for the discussions regarding post-licensing. Mr. Barbee stated legislation was written to add 30 hours to pre-licensing due to the failures of post-licensing. Mr. Barbee states further consideration may be needed to evaluate whether post-licensing has run its course or whether the additional 30 hours of pre-licensing and extra hours of continuing education provide sufficient content. Mr. Barbee states if the additional hours with targeted topics are comparable, students could be ushered directly into continuing education with the removal of post-licensing.

Erin Schiller expressed agreement with Mr. Barbee's comments. Ms. Schiller suggested either look at post-licensing and require the timeframe to be within 3-6 months of the license issuance or have the agents start 36-hours of continuing education within a 1-year time frame. Ms. Schiller stated some new licensees wait until the last minute to take classes which leads to mistakes made in the beginning of the career.

Neil Schwartz agreed with Ms. Schiller. Mr. Schwartz stated that when the shortened time was proposed years ago, there was push back form the rural communities due to the lack of availability of post-licensing classes. Mr. Schwartz suggested that with the adoption of virtual classes as live-instruction, it may be time to consider allowing post-licensing classes to be taught virtually as well. Mr. Schwartz stated in reference to comments by Mr. Nolan, that his understanding of the intent of post-licensing was to provide supplemental information to agents that may not have received the information from their broker.

Norma Jean Opatik expressed concern with the discussion of disbanding post-licensing. Ms. Opatik stated it would be a mistake to mix seasoned agents with new agents. Ms. Opatik stated that new agents need the basics whereas that same information would be rudimentary for seasoned agents. Ms. Opatik that post-licensing needs to be re-evaluated but not removed.

Commissioner Spiros Filios stated that he is one of the few commissioners who practices and owns commercial real estate. Commissioner Filios suggested for those who teach post-licensing but do not have a firm grasp of the material, to gain an understanding of the Letter of Intent. Commissioner Filios stated that there is a simple way to introduce commercial transactions.

Sharath Chandra stated that the Division would consider putting together a working committee to look at post-licensing and other topics not fully addressed, including commercial classes. Mr. Chandra stated the Division doesn't have the expertise, so the reliance has been on the industry to create the classes. Mr. Chandra stated the Division would work with the education work group and bring the feedback before the commission.

Section 10

Shareece Bates read Section 10 into the record.

No public comment.

Section 11

Shareece Bates read Section 11 into the record.

Sharath Chandra pointed out a small discrepancy on section 1 (d), the word synchronous should be replaced by live.

Section 12

Shareece Bates read Section 12 into the record.

No public comment.

Section 13

Shareece Bates read Section 13 into the record.

Sharath Chandra addressed the public comments made earlier regarding discrepancies in the requirements with other sections. Mr. Chandra clarified the 3 pieces to education, pre, post and continuing education. Mr. Chandra stated that the standards could vary between the different types of education.

Section 14

Shareece Bates read Section 14 into the record.

Scott Beaudry proposed that 3 hours of the general credits be replaced with a mandatory 3-hour course on fair housing, specifically on federal and state fair housing laws. Mr. Beaudry stated he hears concerns from agents in the field regarding the lack of knowledge of fair housing laws.

Section 15

Shareece Bates read Section 15 into the record.

Erin Schiller, referenced the written public comment previously submitted.

Commissioner Lee Gurr asked Mr. Chandra the intent for section 4 (f).

Sharath Chandra stated that the Division wanted to limit the ability for copy/paste content if/when the material can be used within several course designations.

Commissioner Gurr suggested that the Division consider rewording the section because the language seems contradictory to what is already in regulation regarding the approval or denial of a course.

Sharath Chandra stated the Division would review the language and propose the changes during the subsequent draft regulation.

Michael Nolan expressed his concern as agents are encouraged to take courses with deeper content and/or designation courses, the general category can become meaningless. Mr. Nolan asked that some consideration be made for these course designations other than general.

Section 16

Shareece Bates read Section 16 into the record.

Michael Nolan stated that oftentimes his company advertises classes as 'CE pending' in order to garner interest in an event. Mr. Nolan stated there is an understanding of the Division's process for review of courses but asked for some consideration to be made.

Commissioner Lee Gurr asked Mr. Chandra the rationale behind section 16.

Sharath Chandra stated the intent is to capture and hold accountable providers who may accept monies for courses not yet approved.

Commissioner Lee Gurr suggested that perhaps consideration can be made if the provider separates the collection of monies from the advertising process.

Sharath Chandra stated the Division does not want to dictate how businesses run their operation. Mr. Chandra stated that staff would review the written and oral public comment regarding the section and work on the language for the subsequent draft.

Michael Nolan stated that there is likely abuse within the system, however he would hope that the regulations do not limit the work of the majority of providers.

Neil Schwartz stated his objection to providers advertising courses prior to Division approval. Mr. Schwartz stated if an agent is depending upon a pending course and the course is not approved in time, that may cause harm to the agent.

New Language LCB File No: R060-20 effective December 29, 2020

Sharath Chandra explained that the last regulation passed, R060-20, had not yet been codified by LCB therefore the noted changes have been made to that language.

No other public comment.

Section 17

Shareece Bates read Section 17 into the record.

Norma Jean Opatik stated that language had been changed for 2 (q) to replace personal development with general.

Sharath Chandra stated the language would be updated on the proposed draft but again, not yet codified by LCB.

No other public comment.

Section 18

Shareece Bates read Section 18 into the record.

Megan Stevenson suggested an increase the 3-day course attendance requirement in order to allow providers to gather and submit attendance data.

Scott Beaudry expressed agreement with the suggestion by Ms. Stevenson to increase the attendance requirement. Mr. Beaudry also recommended that the minimum passing percentage be increased from 75% to 80% for internet courses.

Norma Jean Opatik stated it may be difficult for individual providers to submit at least 3 months schedules for approved classes if they have not been scheduled. Ms Opatik also pointed out that number 3 be registered instructor to maintain continuity.

Sharath Chandra gave some context to section 18. Mr. Chandra stated a goal of the Division is to provide information on courses and publish a calendar of available courses. Mr. Chandra stated that the idea of the calendar was to supplement what the sponsor has to make a centralized place for anyone searching for courses. Mr. Chandra stated that hopefully the calendar will be easier to maintain with the new system and approved processes.

New Language LCB File No: R004-16 effective February 27, 2018

Shareece Bates read the changed language pursuant to this section.

No public comment.

Section 19

Shareece Bates read Section 19 into the record.

Scott Beaudry stated that he did not see any proposed regulation on internet continuing education and he would like to see regulations strengthening requirements. Mr. Beaudry suggested a regulation that a sponsor must have a bank of 20 questions randomized in the case that a student

fails an exam. Mr. Beaudry also stated that for live-virtual, he suggested that the videos be limited to a maximum of 25% of pre-recorded videos.

Public workshop was closed.

Commissioner Discussion

Commissioner Lee Gurr referenced Section 4 of the proposed regulation. Commissioner Gurr restated that the intent of the regulation is to allow a commissioner to serve beyond their term due to a delayed successor appointment by the Governor. Commissioner Gurr suggested changing the language to state that the language reflects back to the actual term as opposed to the carry-over time.

Sharath Chandra stated that the proposed language is from NRS, the intent was to align the regulation. Mr. Chandra stated that eventually the language will be added to NRS once a bill can be put forward. In response to the appointment time, Mr. Chandra stated the terms are determined by the Governor's Office of Boards and Commissions so the interpretation of the statute is their discretion.

Commissioner Darrell Plummer thanked the public for their participation and input.

Commissioner Plummer also referenced the language in Section 4 regarding the term and lack of end date of service.

Commissioner David Tina expressed agreement with Mr. Beaudry's suggestion to include Fair Housing as a required course. Commissioner Tina stated his support for a hybrid course as long as monitor is assigned to assist the virtual students.

Sharath Chandra responded by mentioned Section 15 (6) of the proposed regulation referencing the prescriptive course manual to be created by the Division. Mr. Chandra stated the regulation would serve as the framework so the Division may utilize the manual as guidelines of practice. Mr. Chandra also stated that the Division may work with the education work group to establish guidelines.

Commissioner Darrell Plummer referenced the discussion on post-licensing and his support for moving up requirements to help with agent retention and representation for the general public.

Commissioner David Tina expressed agreement with moving post-licensing to 6-months.

Minutes prepared by:

Shareece Bates

Administration Section Manager

7-A) <u>For Possible Action: Discussion and Decision Regarding Respondent's Petition for</u> Rehearing and Reconsideration of Discipline.

NRED v Joseph Anderson, for possible action

Case# 2020-383

Parties Present

Joseph Anderson was present.

Jan Holle, Chief Compliance Audit Investigator was present.

Mr. Holle stated that Mr. Anderson's hearing was September 27, 2022, where he failed to appear and the Commission heard the case as a default and imposed discipline to the respondent.

Mr. Anderson stated that he had moved and was not receiving mail for his case and subsequently did not receive any mailings to know when to appear for his hearing. Mr. Anderson stated that he takes full responsibility for not updating his address with the Division but would like to request a rehearing to plead his case.

Commissioner Roth stated that he does not oppose granting a rehearing.

Commissioner Plummer stated that he would be in favor of granting a rehearing for this case.

Commissioner Gurr stated that she would be in favor of a rehearing.

Commissioner Gurr moved for the matter of NRED v Joseph Anderson case number 2021-383 that a rehearing be granted. Seconded by Commissioner Plummer. Motion carried.

4-F) For possible action: Pursuant to NAC 645.875 discussion and decision regarding a petition for adoption, filing, amendment or repeal of NAC 645 regarding regulation of licensed entities, brokerages, or principal licensees who have been subject to eviction, lease desertion, foreclosures, or business insolvency bankruptcy submitted by Anthony George Keep.

Anthony Keep stated that he has been a broker in Nevada for fifteen years, holds four other licensing credentials, is a member of Las Vegas Realtors and the Northern Nevada Regional MLS, and a real estate continuing education instructor who has taught six different classes since 2010.

Mr. Keep stated that the purpose of this petition is to pursue and encourage the creation of a new regulation to assure that real estate brokerages or other licensed entities and/or their licensed principals who have developed histories of irresponsible financial management, chronic debt problems or poor organizational controls after they have been initially licensed, will be further regulated to help protect the public from fiduciary recklessness; and to assure the public that reasonable skill and care with respect to financial and disclosure issues relating to these entities, brokerages and their principals will be fully disclosed when applying for licensing reinstatement.

Mr. Keep stated these might be matters that have flown under the radar of regulators because these types of subjects that people are involved in are not ones they would want broadcast; and these operators sometimes operate in the shadows or gray areas where the Division does not have

any compliance authority to do anything. Mr. Keep stated that original applicants are scrutinized through fingerprinting to discover possible misdemeanors or felony incidents in their background and with the thorough set of questions in section 4 of Form-549 to determine past affiliations, prior bankruptcies, administrative matters, intent to defraud, or issues of moral turpitude and in the instance of brokers Form-558, a confidential financial statement, is completed; and additionally for someone with a criminal history, they can complete the petition to review criminal history for predetermination on Form-550. Mr. Keep stated that these procedures can usually give the Division enough information for how to proceed with original applicants but there does not seem to be any regulation for parties that develop habits of fiduciary and financial carelessness later in their careers, particularly in matters that end up hurting people economically. Mr. Keep stated that these matters would cover licensed entities, brokerages or principal licensees who have been subject to evictions, lease desertion, foreclosure, or business insolvency bankruptcy. Mr. Keep stated that his proposed regulation addresses these post licensing predicaments that may develop in later years after a licensee has been practicing. Mr. Keep stated that it is time for Nevada to take a look at further regulating licensees that have been in the workplace for a while but become financially irresponsible hurting the public.

Commissioner Tina moved to grant the petition. Seconded by Commissioner Roth. Motion carried.

6-A) <u>For Possible Action: Discussion and Decision Regarding Respondent's Petition for Rehearing and Reconsideration of License Revocation</u>

NRED v Charity Sabrina Hart, for possible action Case # 2021-285

Parties Present

Charity Sabrina Hart was not present.

Commissioner Gurr moved in the matter of Charity Sabrina case number 2021-285 that the Commission deny her petition for rehearing and reconsideration of license revocation. Seconded by Commissioner Tina. Motion carried.

5-A) <u>For Possible Action: Discussion and Decision Regarding License Denial Appeal Pursuant to NAC 645.335</u>

Dewayne Hargraves File No. S-LDA-23-001

Parties Present

Dewayne Hargraves was present.

Susan Clark, Licensing Manager, was present.

Jan Holle, Chief Compliance Audit Investigator, was present.

Mr. Hargraves requested that the Commission go into closed session.

Commissioner Tina moved pursuant to NRS 241.030 that the Commission go into closed session. Seconded by Commissioner Roth. Motion carried.

Commissioner Roth moved to go back into open session. Seconded by Commissioner Tina. Motion carried.

Commissioner Gurr moved that Dewayne Hargraves' license denial appeal is denied. Seconded by Commissioner Plummer. Motion carried.

4-A) Discussion regarding Administrator's report.

Sharath Chandra stated that Legislative session is coming up and the only bill that the Division has is the self-funding bill, which if passed would help to improve services to licensees and the Division's initiative of having a licensing presence in the North. Mr. Chandra stated that the Division is meeting weekly with the new technology vendor for the Division and hoping to have it up and running soon where troubleshooting can begin with all the different aspects of the licensing process. Mr. Chandra stated that staffing with the State is an issue and that the Division is dealing with a lot of turnovers but working to fill the vacant positions.

4-B) Discussion regarding the Disciplinary report.

Shareece Bates presented this report. Ms. Bates provided the Commission with a written report.

4-C) <u>Discussion regarding the Compliance Section's current caseload report, including a summary of recent topics of complaints filed.</u>

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

4-D) <u>Discussion regarding the Administrative Sanction Report.</u>

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

4-E) <u>Discussion regarding Continuing Education reports.</u>

Annalyn Carrillo presented this report. Ms. Carrillo provided the Commission with a written report.

4-G) <u>For possible action: Discussion and decision to approve minutes of the September 27-28, 2022, meeting.</u>

Commissioner Tina moved to approve the minutes as presented from September 27-28, 2022, meeting. Seconded by Commissioner Roth. Motion carried.

4-H) <u>For possible action: Discussion and decision on date, time, place & agenda items for upcoming meetings, including setting meeting dates for 2023.</u>

The Commission agreed on the following dates for the 2023 Commission meetings.

- February 21-23, 2023
- May 2-4, 2023
- August 22-24, 2023
- November 7-9, 2023

9) Public Comment

No public comment.

10) For Possible Action: Adjournment

Meeting recessed at 2:48 p.m. on December 13, 2022.

Minutes prepared by: Kelly Valader
Kelly Valader

Commission Coordinator

NEVADA REAL ESTATE COMMISSION MINUTES

VIA IN PERSON AND WEBEX VIRTUAL MEETING

December 14, 2022

Nevada State Business Center 3300 W. Sahara Avenue, Nevada Room Las Vegas, Nevada 89102

VIDEO CONFERENCE TO:

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

The meeting was called to order at 9:10 a.m.

1-A) Introduction of Commissioners in Attendance

Spiridon Filios, Clark County; Lee Gurr, Elko County; David Tina, Clark County; Russell Roth, Clark County; and Darrell Plummer, Washoe County.

Commission Counsel: Deputy Attorney General Sophia Long

1-C) Introduction of Division Staff in Attendance

Sharath Chandra, Administrator; Charvez Foger, Deputy Administrator; Shareece Bates, Administration Section Manager; Kelly Valadez, Commission Coordinator; Maria Gallo, Commission Coordinator; Jan Holle, Chief Compliance Audit Investigator; Kimber Bruce, Compliance Audit Investigator; and Annalyn Carrillo, Education and Information Officer.

Deputy Attorney Generals Michelle Briggs and Phil Su were present representing the Division.

2) Public Comment

Neil Schwartz stated that he wanted to thank the Commissioners and Administrator Chandra for their time and support with the workshop on education and the proposed changes that will benefit the industry.

8-A) NRED v Khalil Abusharkh, for possible action

Case # 2020-1034

Parties Present

Khalil Abusharkh was present via Webex.

Senior Deputy Attorney General Phil Su was present representing the Division.

Preliminary Matters

Mr. Su stated that a settlement had been reached. Mr. Su read the factual allegations and settlement into the record.

Settlement

Respondent agrees to pay the Division \$4,400.00 as an administrative fine and \$1,880.00 in administrative costs within 60 days of the Commission's order approving the settlement.

Commissioner Gurr moved to accept the stipulation as presented. Seconded by Commissioner Roth. Motion carried 4:1 with Commissioner Plummer opposed. Motion carried.

8-B) NRED v Kenneth Calder, for possible action

Case # 2021-1227

8-C) NRED v Kenneth R. Calder, for possible action

Case # 2021-1230

Parties Present

Kenneth Calder was present.

Nicholas Wooldridge, Esq. was present representing Mr. Calder.

Senior Deputy Attorney General Phil Su was present representing the Division.

Preliminary Matters

Mr. Su stated that a settlement had been reached. Mr. Su read the factual allegations and settlements into the record for case numbers 2021-1230 and 2021-1227.

Case 2021-1230 Settlement

- Respondent agrees to pay the Division \$8,000.00 as an administrative fine and \$3,295.86 in administrative costs within 90 days of the Commission's order approving the settlement.
- Respondent shall surrender any and all property management permits issued to him by the Division for a period of five years from the Effective date of the order approving this settlement and shall not be permitted to engage in any type of activity constituting property management during the time said permits are surrendered.

Case 2021-1227 Settlement

- Respondent agrees to pay the Division \$500.00 as an administrative fine and \$2,129.80 in administrative costs within 90 days of the Commission's order approving the settlement.
- Respondent shall surrender any and all property management permits issued to him by the Division for a period of five years from the Effective date of the order approving this settlement and shall not be permitted to engage in any type of activity constituting property management during the time said permits are surrendered.

Commissioner Plummer moved to accept the stipulation as presented. Seconded by Commissioner Tina. Motion carried.

8-E) NRED v Malcolm B. Boot, for possible action Case # 2020-815

Parties Present

Malcolm Boot was present.

Andrew Pastwick, Esq. was present representing Mr. Boot.

Senior Deputy Attorney General Phil Su was present representing the Division.

Preliminary Matters

Mr. Su stated that a settlement had been reached. Mr. Su read the factual allegations and settlement into the record.

Settlement

Respondent agrees to pay the Division \$500.00 as an administrative fine and \$3,872.60 in administrative costs within 36 months of the Commission's order approving the settlement.

Commissioner Tina moved to accept the stipulation as presented. Seconded by Commissioner Roth. Motion carried.

8-D) NRED v Richard Naft, for possible action

Case # 2020-1052

Parties Present

Richard Naft was present.

Andrew Pastwick, Esq. was present representing Mr. Naft.

Senior Deputy Attorney General Phil Su was present representing the Division.

Preliminary Matters

Mr. Su stated that a settlement had been reached. Mr. Su read the factual allegations and settlement into the record.

Settlement

Respondent agrees to pay the Division \$500.00 as an administrative fine and \$3,692.60 in administrative costs within 36 months of the Commission's order approving the settlement.

Commissioner Tina moved to accept the stipulation as presented. Seconded by Commissioner Gurr. Motion carried.

8-N) NRED v Candace Easdale, for possible action

Case # 2020-633

Parties Present

Candace Easdale was present.

Andrew Pastwick, Esq. was present representing Ms. Easdale.

Senior Deputy Attorney General Phil Su was present representing the Division.

Preliminary Matters

Mr. Su stated that a settlement had been reached. Mr. Su read the factual allegations and settlement into the record.

<u>Settlement</u>

Respondent agrees to pay the Division \$5,000.00 as an administrative fine and \$4,161.15 in administrative costs within 90 days of the Commission's order approving the settlement.

Commissioner Tina moved to accept the stipulation as presented. Seconded by Commissioner Roth. Motion carried.

8-F) NRED v Tammy Hinh, for possible action

Case # 2021-417

Parties Present

Tammy Hinh was not present.

Chief Deputy Attorney General Michelle Briggs was present representing the Division.

Ms. Briggs stated that the Division would submit that there was proper service upon Ms. Hinh.

State's Witness

Kelly Valadez, Commission Coordinator, testified regarding service of complaint.

Commissioner Gurr moved that the Commission pursuant to NAC 645.860 find that the Real Estate Division has proven service of notice to respondent. Seconded by Commissioner Plummer. Motion carried.

Ms. Briggs read the factual allegations and violations of law into the record.

Ms. Briggs asked that the documents for this case be admitted.

President Filios stated that the documents are admitted.

Commissioner Plummer moved that the factual allegations and violations of law were proven. Seconded by Commissioner Tina. Motion carried.

Division's Recommendation for Discipline

Jan Holle presented this:

- > \$70,000.00 administrative fine plus the cost of the hearing and investigation in the amount of \$2,295.10 to be paid within 60 days of the effective date of the order.
- Revocation of all real estate licenses and permits.

Commissioner Gurr moved in the matter of NRED v Tammy Hinh case# 2021-417, that the respondent be fined \$70,000, pay administrative costs in the amount of \$2,295.10, with all fines and costs being payable to the Division within 60 days of the effective date of the order, and that all respondent's licenses, permits, and certifications be revoked. Seconded by Commissioner Plummer. Motion carried.

8-K) NRED v Jordan Shtulman, for possible action Case # 2020-738

Parties Present

Jordan Shtulman was not present.

Senior Deputy Attorney General Phil Su was present representing the Division.

Mr. Su stated that the Division would submit that there was proper service upon Mr. Shtulman.

State's Witness

Kelly Valadez, Commission Coordinator, testified regarding service of complaint.

Commissioner Gurr moved that the Commission pursuant to NAC 645.860 find that the Real Estate Division has proven service of notice to respondent. Seconded by Commissioner Roth. Motion carried.

Mr. Su read the factual allegations and violations of law into the record.

Mr. Su asked that the documents for this case be admitted.

President Filios stated that the documents are admitted.

Commissioner Gurr moved that the factual allegations and violations of law were proven. Seconded by Commissioner Tina. Motion carried.

Division's Recommendation for Discipline

Jan Holle presented this:

> \$5,000.00 administrative fine plus the cost of the hearing and investigation in the amount of \$3,188.64 to be paid within 30 days of the effective date of the order.

Commissioner Tina moved in the matter of NRED v Jordan Shtulman case# 2020-738, that the respondent be fined \$5,000 and pay administrative costs in the amount of \$3,188.64, with all fines and costs being payable to the Division within 30 days of the effective date of the order. Seconded by Commissioner Roth. Motion carried.

8-L) NRED v Connor Shell, for possible action Case # 2020-739

Parties Present

Connor Shell was not present.

Senior Deputy Attorney General Phil Su was present representing the Division.

Mr. Su stated that the Division would submit that there was proper service upon Mr. Shell.

State's Witness

Kelly Valadez, Commission Coordinator, testified regarding service of complaint.

Commissioner Gurr moved that the Commission pursuant to NAC 645.860 find that the Real Estate Division has proven service of notice to respondent. Seconded by Commissioner Roth. Motion carried.

Mr. Su read a summary of the factual allegations and violations of law into the record.

President Filios stated that the documents in this case are admitted.

Commissioner Gurr moved that the factual allegations and violations of law were proven. Seconded by Commissioner Tina. Motion carried.

Division's Recommendation for Discipline

Jan Holle presented this:

➤ \$5,000.00 administrative fine plus the cost of the hearing and investigation in the amount of \$3,173.20 to be paid within 30 days of the effective date of the order

Commissioner Tina moved in the matter of NRED v Connor Shell case# 2020-739, that the respondent be fined \$5,000 and pay administrative costs in the amount of \$3,173.20, with all fines and costs being payable to the Division within 30 days of the effective date of the order. Seconded by Commissioner Roth. Motion carried.

8-M) NRED v Graham Gold, for possible action Case # 2020-740

Parties Present

Graham Gold was not present.

Senior Deputy Attorney General Phil Su was present representing the Division.

Mr. Su stated that the Division would submit that there was proper service upon Mr. Gold.

State's Witness

Kelly Valadez, Commission Coordinator, testified regarding service of complaint.

Commissioner Gurr moved that the Commission pursuant to NAC 645.860 find that the Real Estate Division has proven service of notice to respondent. Seconded by Commissioner Roth. Motion carried.

Mr. Su read a summary of the factual allegations and violations of law into the record.

President Filios stated that the documents in this case are admitted.

Commissioner Gurr moved that the factual allegations and violations of law were proven. Seconded by Commissioner Tina. Motion carried.

Division's Recommendation for Discipline

Jan Holle presented this:

\$5,000.00 administrative fine plus the cost of the hearing and investigation in the amount of \$3,173.20 to be paid within 30 days of the effective date of the order.

Commissioner Tina moved in the matter of NRED v Graham Gold case# 2020-740, that the respondent be fined \$5,000 and pay administrative costs in the amount of \$3,173.20, with all fines and costs being payable to the Division within 30 days of the effective date of the order. Seconded by Commissioner Roth. Motion carried.

8-H) NRED v George L. Anderson, for possible action Case # 2021-32

President Filios stated that this case has been continued until a later date.

8-I) NRED v George L. Anderson, for possible action Case # 2021-1228

President Filios stated that this case has been continued until a later date.

8-J) NRED v Allan N. Rothstein, for possible action Case # 2020-359

President Filios stated that this case has been continued until a later date.

8-G) NRED v Sherry Lynn Matzdorff, for possible action Case # 2020-86

Parties Present

Sherry Lynn Matzdorff was present.

Kenneth Toop, Esq. was present representing Ms. Matzdorff

Chief Deputy Attorney General Michelle Briggs was present representing the Division.

Ms. Briggs stated that an email was received yesterday, December 13, 2022, notifying the Division of additional counsel and requesting another continuance. Ms. Briggs stated that the Division does not agree with granting another continuance and would like the case to proceed today.

Mr. Toop stated that the new counsel was not present today. Mr. Toop stated that the previous request and current second request for a continuance is due to the respondent having knee surgery and to allow new counsel that was hired yesterday to have time for discovery and prepare their case.

Ms. Briggs stated that the respondent had requested a continuance last week due to having knee surgery and that request was denied by the Commission's Secretary, and another request for a continuance was received yesterday due to the respondent hiring new counsel.

Commissioner Plummer, Commission Secretary, stated that he denied the request for a continuance received last week due to Ms. Matzdorff having knee surgery and asked that the respondent appear virtually.

Mr. Toop stated that if this second request for a continuance is granted, Ms. Matzdorff is willing to put a voluntary hold on her license and not practice or represent clients until her case is heard by the Commission.

Commissioner Plummer stated that if there is a voluntary surrender of her license, he is open to the discussion of his previous opposition to the continuance request.

Ms. Briggs stated that the respondent's license should not be put on hold but should be suspended so that Ms. Matzdorff cannot conduct business or receive any commissions until her case is heard by the Commission.

Commissioner Tina stated that if the respondent's license was suspended and she was not practicing, he would agree to continuing the matter until the next scheduled Commission meeting.

Commissioner Roth agreed with Commissioner Tina.

Commissioner Gurr asked if the respondent is in agreement to having her license suspended, not just put on hold, until the next scheduled Commission meetings.

Mr. Toop stated that Ms. Matzdorff will agree to have her license suspended but would request that the order for suspension be entered on Monday, December 19, 2022, to allow the respondent to receive a commission from a closing that will take place on Friday, December 16, 2022.

Commissioner Gurr asked if Ms. Matzdorff's broker was in attendance and hearing that if the respondent's license is suspended that she would not be receiving any commissions.

Mr. Toop stated that Mr. Sommers, Ms. Matzdorff's broker is in attendance.

Commissioner Plummer asked if there was anything else pending that the respondent would need to assign to someone else.

Mr. Toop stated that there was nothing else pending.

President Filios moved that the request for a continuance be granted pursuant to and stipulated by the parties, that the respondent's license is suspended immediately until this case is heard and decided by the Commission and that the respondent will not receive any commissions for closings currently in escrow or otherwise. Seconded by Commissioner Roth. Motion carried.

9) Public Comment

No public comment.

10) For Possible Action: Adjournment

The meeting adjourned at 12:00 p.m. on December 14, 2022.

Minutes prepared by: Kelly Valadez

Kelly Valadez

Commission Coordinator