



North Dakota Real Estate Commission Meeting Minutes -- FINAL
9:00 a.m., Thursday, January 25, 2024
1120 College Dr Ste 204, Bismarck, ND

www.realestatend.org

Present in person or by Teams: Tate Cymbaluk, chair; Scott Breidenbach, vice chair; members: Sandra Meyer, Steven Bitz, Steven Link; David Phillips, special assistant attorney general; staff: Jeanne Prom, executive director; Rob Yost, CPA/auditor; Cieana Schneider, licensing specialist. Members of the public also present.

1. Call to order, roll call and determination of quorum. Chair Mr. Tate Cymbaluk called the meeting to order at 9:00 a.m. Ms. Jeanne Prom, executive director, called the roll, with a quorum of all members present. Others present in the room introduced themselves.
2. Review and approval of agenda. Mr. Steven Link moved to approve the agenda as presented. Mr. Steven Bitz seconded. Motion carried by unanimous voice vote.
3. Review of nonresident broker applicant Gerard Kelly. Ms. Cieana Schneider, licensing specialist, reviewed the application and Mr. Gerard Kelly provided an explanation and answered questions from the commission. Mr. Bitz moved to allow Mr. Gerard Kelly to take the state broker examination. Mr. Link seconded. Discussion: Nonresident applicants licensed and in good standing in another state take only the state examination. Mr. Bitz moved to amend the motion to specify that the Commission is allowing Mr. Gerard Kelly to take the North Dakota portion of the broker examination after staff receive a satisfactory criminal history background report from the Federal Bureau of Investigation. Mr. Link seconded the amendment. The amendment passed by unanimous voice vote. Roll call vote on the amended motion: ayes – Mr. Link, Mr. Bitz, Ms. Meyer, Mr. Cymbaluk; nays – Mr. Breidenbach. The amended motion carried 4-1.
4. Update on complaints.
 - A. 2023-03 – LeRae Vangsness v. Xavier Welty -- recommendation. Mr. David Phillips, special assistant attorney general, explained the complaint and response and recommended the commission set the case for hearing. Mr. Breidenbach moved to set 2023-03 – LeRae Vangsness v. Xavier Welty for hearing. Ms. Sandra Meyer seconded. Roll call vote: ayes – Mr. Link, Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk; nays – none. Motion carried unanimously.
 - B. 2023-05 – Julie Spotts v. Kelsi Hach -- recommendation. Mr. Phillips explained the complaint and response and recommended the commission dismiss the case. Mr. Link moved to dismiss 2023-05 – Julie Spotts v. Kelsi Hach. Mr. Bitz seconded. Roll call vote: ayes – Mr. Link, Mr. Bitz, Ms. Meyer, Mr. Breidenbach, Mr. Cymbaluk; nays – none. Motion carried unanimously.
5. Update from management.
 - A. Next meetings – Labor Commissioner questionnaire. The commission discussed draft responses to a questionnaire, which is part of the Labor Commissioner’s interim study on occupational licensing boards. By consensus the commission directed Ms. Prom to circulate an updated draft of responses to the commission and receive approval from each commissioner before submitting to the Labor Commissioner. The Labor Commissioner will attend the commission’s March 21, 2024 meeting to discuss occupational licensing boards and their administration, continuing education requirements, and nonresident applicants.
The commission discussed reciprocity agreements. The commission currently has reciprocity agreements with Minnesota, Iowa, and Georgia. Licensees in these states do not need to take the North Dakota state exam if they apply for a license here. The

commission agreed by consensus to direct Mr. Phillips to draft letters to South Dakota and Montana to inquire about interest in reciprocity agreements.

- B. 2023-2024 priorities. Ms. Prom provided a progress report on 2023-2024 priorities. Mr. Rob Yost, CPA/auditor, reported 100 percent compliance on the audit of licensees' continuing education (CE). The 19 licensees initially noncompliant were able to upload correct CE certificates or complete required CE by the November 15, 2023 deadline. Ms. Candie Robinson, licensing specialist, completed the audit during renewals for the second year.

Ms. Prom reported that staff have not yet located existing courses on vacant property and other scams, which is the mandatory topic for one year from now (2024-2025). N.D. Association of Realtors has not located an existing course but is developing one.

Ms. Prom reviewed current mandatory topics. Salespersons must take 3 hours on contract law with focus on purchases/purchase agreements. Brokers must take 3 hours on broker responsibility including earnest money, NDREC-required office policies, and advertising.

Ms. Prom spoke with Representative Scott Louser about the rising costs and limited options for audits of this agency.

- C. Policies/procedures. Ms. Prom provided a written report on recent updates to policies and procedures.
- D. Trust account waivers. Ms. Schneider provided a written report of recent trust account waivers.
- E. Trust account audits. Mr. Yost reviewed recent trust account audits, including initial audits of newly licensed firms.
- D. License numbers. The commission reviewed current license and application numbers, licensing exam pass-fail rates, and renewals.
6. Financial reports – October 2023 through December 2023. Mr. Breidenbach moved to approve the October 2023 through December 2023 financial statements. Mr. Link seconded. Motion carried by unanimous voice vote.
7. Minutes – December 15, 2023 special meeting. Ms. Prom reported that the respondents Mr. Mike Nelson and Ms. Danielle Levey did not challenge the commission's final order issued after the hearing on 2022-09 – Myron and Dina Goodman v. Mike Nelson and Danielle Levey. Mr. Link moved to approve the December 15, 2023 special meeting minutes as presented. Ms. Meyer seconded. Motion carried by unanimous voice vote.
8. Other – next meeting – March 21, 2024. The next commission meeting is at 10 a.m., Thursday, March 21, 2024 and will include up to an hour with the Labor Commissioner to discuss occupational licensing boards. Chair Cymbaluk asked that commissioners attend the meeting in person if possible. Ms. Schneider explained that staff send out fingerprint kits right after the individual applies, after a question from Mr. Breidenbach. The commission reviewed the statute that requires a broker to complete the pre-licensure course before taking the licensing examination but allows a salesperson applicant to take the licensure test prior to completing the pre-licensure course. At the next meeting, the commission will start discussing this, and other potential changes to statute, in preparation for the 2025 legislature. Staff will post online the checklist for the salesperson and broker applications, so designated brokers and others who are assisting applicants can see this checklist. Ms. Jill Beck, N.D. Association of Realtors, thanked the commission for proactively addressing policy issues recently and historically. Chair Cymbaluk expressed condolences from the commission to Ms. Schneider on the loss of her father.

Adjourn. Mr. Bitz moved the meeting be adjourned. Mr. Link seconded. Chair Cymbaluk adjourned the meeting at 10:30 a.m.