

5. Update from management

A. 2022-2023 priorities.

Focus: continue to improve Online Services, continue to document internal office procedures & policies, continue staff cross training, implement new rules, enhance CE compliance **Items completed since last meeting in yellow.**

- Online Services – update current and add new functions for convenience and efficiency
 - 8.2022 -- Worked with credit card payment processor & lowered processing cost by .5%; savings should be \$2,500 to \$3,000.
 - 9.2022 -- Completed updates to system for renewals (group CE certification by broker, CE upload/storage/review by broker, general updates & automation where possible, automatic no late fees for those licensed after 11.15)
 - 9.2022 – Integrated CE audit into renewal process.

- Internal office procedures & policies – for efficiency, continuity & cross-training
 - 8-9.2022 -- Continuing to document steps in office procedures for continuity, cross-training – documented QuickBooks processes
 - 9.2022 – CE audit procedures – how to determine eligible licensees, how to randomly select 15%, how to mail merge
 - 9.2022 – Quick Books – how to digitize & attach docs to deposits & to existing check payments, creating deposit docs & sales receipts, creating/paying bills
 - 9.2022 – General office procedures
 - 8-9.2022 -- With commission review policies that are not statute or rules
 - 8.16.2022 -- Commission reviewed/adjusted/approved 13 policies at 8.16.2022 meeting: applications/transfer/activation, criminal history background checks, reciprocity, retention of applications, incomplete pending applications, tabled applications, E&O insurance, trust account waivers, activating an inactive license/CE requirements – schedule for requiring 9 or 12 hours/year, renewing CE/inactivating license when CE isn't completed as required/non-resident CE; branch/duplicate broker licenses, letter of reprimand – expunging after 7 years if conditions met; and office hours/closure. Updates made to website, forms, etc. if needed.
 - 10.6.2022 -- Commission reviewing policies on MN/IA/GA reciprocity, advertising, inducements, unlicensed assistants, CE audit with/after renewals.
 - Update retention schedule (ongoing annually)
 - 9.2022 -- Completed records disposal according to retention schedule; completed annual forms inventory – both required by State.
 - 8.2022 -- Digitized all current support documents for payments & deposits in newest version of QuickBooks. The office migrated to QuickBooks online versus desktop so it can be accessed by multiple persons at one time. It also allows for digitizing income and expense records.
 - 8.2022 -- Increased amount of electronic (ACH) payments to vendors.
 - 8.2022 -- New licensing specialist worked with VA to submit paperwork to allow eligible veterans to seek reimbursement for licensing exams and pre-licensure education.
 - 9.2022 – Digitizing prior years' support documents for payments & deposits.
 - 9.2022 – Digitizing prior years' incomplete pending applications.

- Continue staff cross training
 - 8.2022 -- Cross training occurred on accounting functions, CE management, licensing applications and transactions continued; cross training on database/online services projects & tasks is part of licensing transactions.

- 8.2022 -- The accountant has been training new licensing specialist so that she is capable of handling various duties such a payroll, bank reconciliations, accounts payable, and deposits. This provides backup for the accountant and enhances internal control.
 - 8.2022 -- Licensing specialist and executive director trained new licensing specialist so new licensing specialist is handling CE approvals and is backup on license applications.
 - 9.2022 – CE approval/notification – program assistant/licensing specialist 2.
 - 9.2022 – State archives submissions – executive director/program assistant.
 - 9.2022 – Office audit information requests – CPA/accountant/ licensing specialist 2.
- Implement rules changes
 - 8.2022 -- All licensees received email on new rules; pre-licensure courses, tests, website & forms updated; technical assistance provided.
 - 9.2022 – Law books printed, mailed to all designated brokers; extras to association/boards/ pre-licensing education providers. Law book available for download on website.
 - Incorporated rules changes into CE for next CE cycle. See “CE compliance,” below.
- Continuing education compliance
 - 8.2022 – Updated language on website, approved policy on inactivating when CE is not compliant at renewal, approved.
 - 9.2022 -- Ready to begin CE audit as renewals begin.
 - 9.2022 -- Updated language in renewals.
 - 9.2022 – Audited mandatory CE course at NDAR conference, attended NDAR meeting.
 - 10 – 11.2022 – Audited CE in real time during renewals.
 - 11.2022 – Worked with online education providers to adapt and create mandatory courses.
 - 11.16.2022 – posted on website new updated CE requirements for 11.16.2022 through 11.15.2023 CE cycle.
 - 12.2022 and 1.2023 – Submitted information on new CE requirements to NDAR for their newsletter; will send enewsletter to all licensees on current CE and mandatory requirements – now 12 hours, not 9 hours; and 3-hour mandatory topics – contract law with administrative rules changes for all licensees, and agency law – a broker’s perspective for broker and broker associates.
 - 1.26.2023 – CE audit completed, reported to NDREC – no noncompliance.
 - 2.2023 – Enewsletter to all licensees on current CE requirements; reported NDAR BOD.
- Wholesaling and 40-year (“spring”) contracts (Priorities added 10.6.2022.)
 - 10.2022 -1.2023 – Researched issues with other state RE commissions, participated in NDAR Government Affairs Committee calls on if/how to address wholesaling and 40-year contracts. NDAR voted to draft legislation to address wholesaling and 40-year contracts. 1.13.2023 -- Commission voted to support 1188 (40-year contracts) as written and 1.18.2023 – House passed bill 91-0. Commission took no action on 1190 (wholesaling).
 - See next pages for HB 1188 and 1190 as passed by House. More information on bills may be available at the commission meeting on 1.26.2023.
 - 1188 – 40-year contracts – monitored -- 3.7.2023 – Senate Industry & Business Committee hearing where committee voted 5-0 “Do Pass.”
 - 1190 – wholesaling – NDREC supported -- 2.10.2023 – passed House 82-8; 3.7.2023 – NDREC submitted letter of support for Senate Industry & Business Committee hearing where committee voted 5-0 “Do Pass.”

See following pages for:

B. Legislation
C. Policies review -- fees
D. Online services/procurement
E. E&O insurance

F. Trust account waivers
G. Trust account audits
H. License numbers
I. Pass rates

B. Legislation – HB 1188 (40-year contract), 1190 (wholesaling), 1106 & 1107 (appraisers), – next pages

2 bills on our 2022-2023 priority issues of 40-year contracts and wholesaling --

1. HB 1188 – 40-year contracts

Outcome -- Senate will likely pass, Governor will sign, and law will take effect 8.1.2023.

Impact – Service agreement is unfair if obligations of agreement are not to be performed within 1 year after agreement is executed and: covenant runs with land, binds future owner of interests in property, allows for assignment of right to provide service without notice/agreement of owner; or creates a lien, encumbrance, or other security interest. Does not change 43-23 license law or apply to warranty, insurance, option to purchase/right of refusal, maintenance/repair agreement. Person can terminate agreement in district court.

2. HB 1190 – wholesaling

Outcome -- Senate will likely pass, Governor will sign, and law will take effect 8.1.2023.

Impact -- Changes 43-23 license law by requiring real estate license to wholesale -- offer for sale an equitable interest in a contract for the purchase of real property between a property owner and a prospective purchaser. Bill applies to residential property with fewer than 5 units, states that a wholesaler intends to make income or profit from transfer of equitable interest, requires written disclosure of wholesaling to all parties, and allows for cancellation of contract for noncompliance.

2 bills on appraisers – FYI --

3. HB 1106 – appraiser bill – failed – FYI -- Attempted to prohibit appraisal reviews by employees of appraisal management companies who were not licensed in North Dakota, even if they were licensed appraisers in good standing in another state.

4. HB 1107 – appraiser license law changes -- FYI

Outcome – Passed House 90-3, heard in Senate.

Impact – Doesn't affect real estate license law. Some appraiser license law changes: 1) specifically requires passing national exam as required by appraisal foundation appraisal qualification board criteria; and 2) exempts Bank of ND employees providing evaluations or appraisal reviews for federally insured depository institutions.

2 bills on occupational licensing boards that I have been monitoring --

I have monitored both SB 2249 and SB 2184 and talked to other executive directors who have testified. Any occupational board who testified were against the bills unless their board would be exempted. Both bills were significantly amended by the Senate.

5. SB 2249 – Labor commissioner will study occupational boards’ CE & licensing out-of-state practitioners

Outcome – Passed Senate 43-4; referred to House Industry, Business & Labor.

Impact – This bill adds to the duties of the labor commissioner the study of occupational licensing boards, specifically CE and licensing out-of-state practitioners, and further adds permissive language for labor commissioner to prepare/request legislation to implement a strategy for “more efficient CE requirements and more efficient practices for licensing out-of-state practitioners.”

If passed by House without amendments, NDREC would be included in this process, the goals of which are to “license out-of-state practitioners with 3 business days of application and to review CE requirements to recognize the contributions of employers and the opportunities afforded by evolving technology.” Labor commissioner shall prepare legislation for next session for “streamlining of licensure of out-of-state practitioners and revision of continuing education requirements.”

6. SB 2184 – Consideration of interim study on “the state’s system for regulating occupations and professions, including consideration of the powers, duties, and membership of ... boards; licensure requirements; disciplinary actions; and audit processes...”

Outcomes – Passed Senate 46-1, referred to House Industry, Business and Labor.

Impact – If passed by House without amendments, NDREC would be included in this study.

23.0650.01000

Sixty-eighth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1188

Introduced by

Representatives Louser, Boschee, Cory, Koppelman, Meier, Mock, Steiner, VanWinkle

Senators Larsen, Larson

1 A BILL for an Act to create and enact a new chapter to title 47 of the North Dakota Century
2 Code, relating to the prohibition of unfair service agreements.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** A new chapter to title 47 of the North Dakota Century Code is created and
5 enacted as follows:

6 **Definitions.**

7 As used in this chapter:

- 8 1. "Recording" means the act of presenting a patent, deed, mortgage, bill of sale,
9 security agreement, judgment, decree, lien, certificate of sale, or other instrument
10 required to be filed or admitted to record, to the county recorder of the county in which
11 the property is situated, for the purposes of placing the document in the proper books
12 or other storage media as described in section 11-18-01.
- 13 2. "Residential real estate" means real property located in this state which is used
14 primarily for personal, family, or household purposes and which is improved by one to
15 four dwelling units.
- 16 3. "Service agreement" means a contract under which a person agrees to provide
17 services in connection with the maintenance, purchase, or sale of residential real
18 estate.
- 19 4. "Service provider" means a person that enters a service agreement with a person that
20 has an interest in residential real estate.

21 **Unfair service agreements - Prohibition.**

- 22 1. A service agreement is deemed unfair under this chapter if the service obligations of
23 the agreement are not to be performed within one year after the agreement is
24 executed and the agreement:

- 1 a. Purports to be a covenant running with the land as described in section 47-04-25;
- 2 b. Purports to be binding on future owners of interests in the real property;
- 3 c. Allows for assignment of the right to provide service without notice and
- 4 agreement of the owner of residential real estate; or
- 5 d. Purports to create a lien, encumbrance, or other real property security interest.
- 6 2. This chapter does not:
 - 7 a. Apply to a home warranty or other type of similar product that covers the cost of
 - 8 maintenance of a major housing system for a set period of time from the date a
 - 9 house is sold;
 - 10 b. Apply to an insurance contract;
 - 11 c. Apply to an option to purchase or right of refusal;
 - 12 d. Apply to a maintenance or repair agreement executed between a landowner and
 - 13 a homeowners' association in a common interest community; and
 - 14 e. Impair the rights and remedies provided in chapter 35-27.

15 **Actions to terminate service agreements for unfairness - Unfair agreements void and**
 16 **unenforceable - Recording of court order.**

- 17 1. A person claiming to be subject to an unfair service agreement under this chapter may
- 18 bring an action to terminate the agreement in the district court of the county in which
- 19 the property is situated.
- 20 2. If a service agreement is found to be unfair under this chapter:
 - 21 a. The agreement is void; and
 - 22 b. A certified copy of the court order finding the service agreement void must be
 - 23 filed for recording along with a copy or memorandum of the original service
 - 24 agreement if the original service agreement is not of record.

25 **Actual Damages - Costs and and attorney's fees.**

26 The district court shall award the actual damages arising from the unfair service agreement,

27 actual attorney's fees proven against the service provider, and costs incurred by the challenging

28 party if the party with an interest in residential real estate subject to a service agreement has

29 been found to be unfair by a district court.

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1190

Introduced by

Representatives Louser, Boschee, Cory, Koppelman, Mock, Steiner, VanWinkle

Senators Larsen, Larson

1 A BILL for an Act to create and enact a new section to chapter 43-23 of the North Dakota
2 Century Code, relating to real estate wholesale buyers and sellers; and to amend and reenact
3 sections 43-23-06.1 and 43-23-07 of the North Dakota Century Code, relating to practicing as a
4 real estate broker or salesperson.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 43-23-06.1 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **43-23-06.1. Definitions.**

9 As used in this chapter, unless the context otherwise requires:

- 10 1. "Appointed agent" means a licensee appointed by a designated broker of the
11 licensee's real estate brokerage firm to act solely for a client of that brokerage firm to
12 the exclusion of other licensees of that brokerage firm.
- 13 2. "Client" means a person that has entered a written agency agreement with a real
14 estate brokerage firm.
- 15 3. "Commission" means the North Dakota real estate commission.
- 16 4. "Customer" means a buyer, prospective buyer, seller, lessee, or lessor that is not
17 represented by that real estate brokerage firm in a real property transaction.
- 18 5. "Designated broker" means a licensee designated by a real estate brokerage firm to
19 act on behalf of the brokerage firm.
- 20 6. "Dual agency" means a situation in which a real estate brokerage firm or the real
21 estate brokerage firm's licensees owe a duty to more than one party in a real estate
22 transaction. Dual agency is established only as follows:
 - 23 a. When one licensee represents both the buyer and the seller in a real estate
24 transaction; or

- 1 b. When two or more licensees, licensed to the same broker, each represents a
2 party to the real estate transaction.
- 3 "Dual agency" does not exist unless both the seller and the buyer in a real estate
4 transaction have written agency agreements with the same real estate brokerage firm.
5 For purposes of "dual agency" a subagency arrangement is not a written agency
6 agreement.
- 7 7. "Licensee" means a real estate broker, an associate real estate broker, or a real estate
8 salesperson who is associated with a real estate brokerage firm.
- 9 8. "Real estate", "real property", "realty", or words of like import, means any interest or
10 estate in land, including leaseholds, whether such interest or estate is corporeal,
11 incorporeal, freehold, or nonfreehold, and whether situated in this state or elsewhere;
12 provided, however, that the meaning as used in this chapter does not include oil, gas,
13 or mineral leases, nor does it include any other mineral leasehold, mineral estate, or
14 mineral interest of any nature whatsoever.
- 15 9. "Real estate broker", or "broker", means any person that, for another, for a fee,
16 commission, salary, or other consideration, or with the intention or expectation of
17 receiving or collecting such compensation from another, engages in or offers or
18 attempts to engage in, either directly or indirectly by a continuing course of conduct or
19 by a single act or transaction, any of the following acts:
- 20 a. Lists, offers, attempts, or agrees to list real estate or any interest in that real
21 estate, or any improvements affixed on that real estate for sale, exchange, or
22 lease.
- 23 b. Sells, exchanges, purchases, or leases real estate or any interest in that real
24 estate, or any improvements affixed on that real estate.
- 25 c. Offers to sell, exchange, purchase, or lease real estate or any interest in that real
26 estate, or any improvements affixed on that real estate.
- 27 d. Negotiates or offers, attempts, or agrees to negotiate the sale, exchange,
28 purchase, or leasing of real estate or any interest in that real estate, or any
29 improvements affixed on that real estate.
- 30 e. Buys, sells, offers to buy or sell, or otherwise deals in options on real estate or
31 any interest in that real estate, or any improvements on that real estate.

- 1 f. Who is a licensee under this chapter and performs any of the acts set out in this
2 subsection while acting in the licensee's own behalf.
- 3 g. Advertises or holds out as being engaged in the business of buying, selling,
4 exchanging, or leasing of real estate or any interest in that real estate, or any
5 improvements on that real estate.
- 6 h. Assists or directs in the procuring of prospects, calculated to result in the sale,
7 exchange, or leasing of real estate or any interest in that real estate, or any
8 improvements on that real estate.
- 9 i. Publicly markets for sale an equitable interest in a contract for the purchase of
10 real property between a property owner and a prospective purchaser.
- 11 10. "Real estate brokerage firm" means a person that is providing real estate brokerage
12 services through that person's licensees and which is licensed by the commission as a
13 real estate brokerage firm.
- 14 11. "Real estate salesperson" means any person that for a fee, compensation, salary, or
15 other consideration, or in the expectation or upon the promise of that compensation, is
16 employed or engaged by a licensed real estate broker to do any act or deal in any
17 transaction as provided in subsection 69 for or on behalf of such licensed real estate
18 broker.

19 **SECTION 2. AMENDMENT.** Section 43-23-07 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **43-23-07. Real estate brokers and salespersons - Exceptions.**

- 22 1. The term "real estate broker" or "real estate salesperson" does not include:
- 23 4. a. Any person, partnership, association, corporation, or limited liability company
24 who is a bona fide owner or lessor or who accepts or markets leasehold interests
25 in residential or agricultural property and performs any of the aforesaid acts with
26 reference to property owned or leased by them, nor does it apply to regular
27 employees thereof, when the acts are performed in the regular course of or as an
28 incident to the management of the property and the investment therein.
- 29 2. b. An attorney at law, admitted to practice in this state, handling sales of real estate
30 in the course of estate or guardianship administration in district court, or trust
31 administration, bankruptcy proceedings, receiverships, or like actions subject to

1 approval by a court of competent jurisdiction, or sales of real estate arising in the
2 usual course of the practice of law.

3 3. c. Any person selling real estate as an auctioneer, provided the sale is advertised
4 as a bona fide public auction.

5 4. d. Any bank or trust company or any of its officers or employees in the performance
6 of their duties as an officer or employee of the bank or trust company.

7 5. e. Any person holding in good faith a duly executed power of attorney from the
8 owner, authorizing a final consummation and execution for the sale, purchase,
9 lease, or exchange of real estate when such acts are not of a recurrent nature
10 and done with the intention of evading this section.

11 6. f. Any person while acting as a receiver, trustee, administrator, executor, guardian,
12 or under court order, or while acting under authority of a deed, trust, or will.

13 7. g. Public officers while performing their duties.

14 2. This section does not exempt from the definition of "real estate broker" or "real estate
15 salesperson" for consideration publicly marketing for sale an equitable interest in a
16 contract for the purchase of real property between a property owner and a prospective
17 purchaser.

18 **SECTION 3.** A new section to chapter 43-23 of the North Dakota Century Code is created
19 and enacted as follows:

20 **Wholesale buyers and sellers - Disclosure.**

21 1. As used in this section:

22 a. "Residential real property" means real property with fewer than five dwelling
23 units.

24 b. "Wholesaler" means a person that enters an agreement to make income or profit
25 from the transfer of or equitable interest in residential real property.

26 2. A wholesaler of residential real property shall disclose in writing to all parties to the
27 agreement that the wholesaler holds an equitable interest in the property, may not be
28 able to convey title to the property, and intends to make a profit or income from the
29 transfer of the equitable interest.

30 3. Notwithstanding any other provision contained in a contract for sale of residential real
31 property, if a wholesaler violates this section, the seller may cancel the contract for

- 1 sale at any time before the close of escrow without penalty and may retain any earnest
- 2 money paid by the wholesaler.
- 3 4. Notwithstanding any other provision contained in the contract for sale, if a wholesaler
- 4 violates this section, the buyer may cancel the contract for sale at any time before the
- 5 close of escrow without penalty and must be refunded all earnest money paid by the
- 6 buyer.

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1107

NOTE: 1106, another appraisal bill, failed and is not posted in this management update.

Introduced by

Industry, Business and Labor Committee

(At the request of the North Dakota Real Estate Appraiser Qualifications and Ethics Board)

1 A BILL for an Act to amend and reenact sections 43-23.3-01 and 43-23.3-02, subsection 1 of
2 section 43-23.3-03, sections 43-23.3-04 and 43-23.3-05, subsection 1 of section 43-23.3-06,
3 and sections 43-23.3-07, 43-23.3-08, 43-23.3-09, 43-23.3-10, 43-23.3-11, 43-23.3-13,
4 43-23.3-17, 43-23.3-18, and 43-23.3-23 of the North Dakota Century Code, relating to the
5 regulation of real estate appraisers; and to provide a penalty.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. AMENDMENT.** Section 43-23.3-01 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **43-23.3-01. Definitions.**

10 As used in this chapter, unless the context otherwise requires:

- 11 1. "Analysis" means a study of real estate other than estimating value.
- 12 2. "Appraisal" means an analysis, opinion, or conclusion relating to the nature, quality,
13 value, or utility of specified interests in, or aspects of, real estate. An appraisal may be
14 classified by subject matter into either a valuation or an analysis.
- 15 3. "Appraisal assignment" means an engagement for which a person is employed or
16 retained to act, or would be perceived by the public as acting, as a disinterested party
17 in rendering an unbiased supportable appraisal.
- 18 4. "Appraisal foundation" means the appraisal foundation incorporated as an Illinois
19 corporation on November 30, 1987.
- 20 5. "Appraisal report" means any communication of an appraisal.
- 21 6. "Appraisal subcommittee" means the appraisal subcommittee of the federal financial
22 institutions examination council.
- 23 7. "Appraiser" means a person who engages in appraisal activity for valuable
24 consideration.

- 1 8. "Apprentice appraiser" means a person who holds a valid permit as an apprentice
2 appraiser.
- 3 9. "Board" means the North Dakota real estate appraiser qualifications and ethics board.
- 4 10. "Certified appraiser" means a person who holds a valid permit as a certified residential
5 or general appraiser.
- 6 11. "Certified general appraiser" means a person who holds a valid permit as a certified
7 general appraiser.
- 8 12. "Certified residential appraiser" means a person who holds a valid permit as a certified
9 residential appraiser.
- 10 13. "Licensed appraiser" means a person who holds a valid permit as a licensed
11 appraiser.
- 12 14. "Permit" means the document issued by the board, verifying that the person named on
13 the permit has fulfilled all prerequisites to practice either as an apprentice appraiser, a
14 licensed appraiser, or a certified appraiser.
- 15 15. "Real estate" means an identified parcel or tract of land including improvements, and
16 interests, benefits, and rights inherent in the ownership of real estate.
- 17 16. "Uniform standards of professional appraisal practices" means standards of appraisal
18 promulgated by the appraisal standards board of the appraisal foundation as adopted
19 and modified by the board. ~~The standards adopted and modified by the board must~~
20 ~~meet the minimum standards adopted by the appraisal foundation.~~
- 21 17. "Valuation" means an estimate of the value of real estate or real property.

22 **SECTION 2. AMENDMENT.** Section 43-23.3-02 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **43-23.3-02. North Dakota real estate appraiser qualifications and ethics board.**

- 25 1. The governor shall appoint the board. The board must consist of five members. One
26 member must represent the public; one member must be a representative of the
27 financial industry; and three members must be appraisers, at least one of which is
28 experienced in the appraisal of agricultural property.
- 29 a. Each appraiser member of the board must be either a licensed or certified
30 appraiser, but at least two of the appraiser members must be certified appraisers.

- 1 b. The governor shall appoint the financial industry representative from a list of
2 qualified individuals submitted by the North Dakota bankers associations, the
3 credit union association of the Dakotas, and the North Dakota farm credit system
4 associations. Each of these entities may submit two names of candidates to the
5 governor. The public member of the board may not be engaged in the practice of
6 real estate appraising.
- 7 2. The term of each member is five years. A member may not serve more than two
8 consecutive five-year terms, after which at least two years must pass before the
9 governor may reappoint that former member to the board. The governor shall appoint
10 members so the terms of no more than two members expire each year. A member of
11 the board continues to hold office until the appointment and qualification of a
12 successor. The governor may remove a board member for cause.
- 13 3. Annually the members shall elect a chairman from among the members. At least two
14 of the members who are appraiser members must be present in order for a quorum to
15 exist. The members are entitled to receive compensation for each day actually
16 engaged in the service of the board and actual and necessary traveling expenses at
17 the rate allowed other state officials, paid from the fees collected by the board.
- 18 4. At least two of the members who are appraiser members must be present in order for
19 a quorum to exist.
- 20 5. The members are entitled to receive compensation for each day actually engaged in
21 the service of the board and actual and necessary traveling expenses at the rate
22 allowed other state officials, paid from the fees collected by the board.

23 **SECTION 3. AMENDMENT.** Subsection 1 of section 43-23.3-03 of the North Dakota
24 Century Code is amended and reenacted as follows:

- 25 1. The board, or the board's designated representative, shall:
- 26 a. Define apprentice appraiser, licensed appraiser, certified residential appraiser,
27 and certified general appraiser; determine the type of educational experience,
28 appraisal experience, and equivalent experience that meet the requirements of
29 this chapter; establish application procedures; and establish standards for
30 approval and disapproval of applications for permits.

- 1 b. Establish examination specifications for each category of licensed and
2 certified the apprentice and supervisory appraiser and administer examinations.
- 3 c. Approve or disapprove applications for permits, issue pocket cards and permits
4 to practice, and maintain a registry of the names and addresses of individuals
5 holding permits.
- 6 d. Discipline permittees.
- 7 e. Hold meetings, hearings, and examinations in places and at times as the board
8 designates and maintain records of board activities.
- 9 f. Adopt rules, pursuant to chapter 28-32, necessary to implement this chapter or
10 carry out the requirements imposed by federal law.
- 11 g. Adopt rules that clearly and concisely establish the standards for approval and
12 disapproval of applications for permits. The rules must include a requirement that
13 an application disapproval clearly specify the basis for the disapproval.
- 14 h. Keep permittees informed of board activities, including providing notification of
15 board member terms and any upcoming board vacancy; internet posting of
16 meeting notices and minutes; and internet posting of proposed and final rule
17 changes.

18 **SECTION 4. AMENDMENT.** Section 43-23.3-04 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **43-23.3-04. Permit required - Exemptions.**

- 21 1. Except as provided in this section, a person may not directly or indirectly engage in,
22 advertise, conduct the business of, or act in any capacity as an apprentice, licensed,
23 or certified appraiser without first obtaining a permit as provided in this chapter.
- 24 2. An appraiser, apprenticed, licensed, or certified in another state may not engage in,
25 advertise, conduct the business of, or act in any capacity as an appraiser in this state
26 without first obtaining a temporary permit under section 43-23.3-11 or a permit under
27 section 43-23.3-04.1.
- 28 3. This chapter does not apply to a licensed real estate broker or salesperson who, in the
29 ordinary course of business, gives an opinion to a potential seller or third party as to
30 the recommended listing price of real estate or an opinion to a potential purchaser or

1 third party as to the recommended purchase price of real estate. However, the opinion
2 as to the listing price or the purchase price may not be referred to as an appraisal.

3 4. This chapter does not apply to a person who, in the ordinary course of business, gives
4 an opinion of the value of real estate to that person's employer.

5 5. This chapter does not apply to a person employed by the Bank of North Dakota when
6 providing evaluations or appraisal reviews for federally insured depository institutions
7 under federal financial institution regulatory agency appraisal exemptions.

8 **SECTION 5. AMENDMENT.** Section 43-23.3-05 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **43-23.3-05. Permit process.**

11 An individual who desires to engage in the practice of real estate appraisal shall apply for a
12 permit ~~on forms prescribed by~~ with the board and submit the required fee.

13 **SECTION 6. AMENDMENT.** Subsection 1 of section 43-23.3-06 of the North Dakota
14 Century Code is amended and reenacted as follows:

15 1. An apprentice appraiser must meet the minimum requirements established by the
16 board for a permit. An apprentice appraiser may only assist ~~a licensed or a certified~~
17 appraiser in the performance of an appraisal assignment.

18 **SECTION 7. AMENDMENT.** Section 43-23.3-07 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **43-23.3-07. Examination requirement.**

21 The board shall issue a permit to practice as a licensed, certified residential, or certified
22 general appraiser to an individual who has ~~demonstrated the following qualifications through a~~
23 ~~written examination process:~~

24 1. ~~Knowledge of technical terms used in or related to real estate appraising, appraisal~~
25 ~~report writing, and economic concepts relating to real estate.~~

26 2. ~~Understanding of the principles of land economics, appraisal processes, and of~~
27 ~~problems likely to be encountered in gathering, interpreting, and processing of data in~~
28 ~~carrying out appraisal disciplines.~~

29 3. ~~Understanding of the uniform standards of professional appraisal practices.~~

- 1 4. Knowledge of theories of depreciation, cost estimating, methods of capitalization, the
2 mathematics of real estate appraisal, and other principles and procedures determined
3 by the board to be appropriate for the appreciable classification of permit.
- 4 5. Basic understanding of real estate law.
- 5 6. Understanding of the types of misconduct for which disciplinary proceedings may be
6 initiated against an appraiser successfully completed the appropriate national
7 examination as required by the appraisal foundation appraisal qualification board
8 criteria.

9 **SECTION 8. AMENDMENT.** Section 43-23.3-08 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **43-23.3-08. Application prerequisites Appraisal education requirements.**

12 An applicant for a permit as an apprentice, licensed, certified residential, or certified general
13 appraiser ~~must~~ shall successfully complete the education requirements established by the
14 board.

15 **SECTION 9. AMENDMENT.** Section 43-23.3-09 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **43-23.3-09. Appraisal experience requirements.**

18 The board may issue a permit to practice as a licensed, certified residential, or certified
19 general appraiser to an individual who possesses the minimum experience requirements
20 established by the board. ~~The board shall require an applicant to furnish, under oath, a detailed~~
21 ~~listing of the appraisal reports or file memoranda for which appraisal experience is claimed by~~
22 ~~the applicant. Upon request, the applicant shall provide to the board copies of appraisal reports~~
23 ~~or other documents that the applicant has assisted in preparing.~~

24 **SECTION 10. AMENDMENT.** Section 43-23.3-10 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **43-23.3-10. Expiration of permit.**

27 Permits expire biennially on December thirty-first of each year. The expiration date of the
28 permit must appear on the permit and no other notice of its expiration need be given to the
29 permittee.

30 **SECTION 11. AMENDMENT.** Section 43-23.3-11 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **43-23.3-11. Temporary permit.**

2 1. The board may issue a temporary permit to an applicant who is ~~apprenticed~~, licensed,
3 or certified in good standing by another state. The board may deny a temporary permit
4 to an applicant whose permit, apprenticeship, license, or certification was revoked,
5 suspended, or otherwise subjected to discipline by any state or jurisdiction.

6 2. ~~An applicant for a temporary permit shall file with the board a designation in writing
7 which appoints the chairman of the board to act as the applicant's licensed agent upon
8 whom all judicial and other process or legal notices directed to the applicant may be
9 served. Copies of the appointment, certified by the chairman of the board, may be
10 received in evidence in any proceeding and must be given the same effect as the
11 original. In the written designation, the applicant shall agree that any lawful process
12 against that individual which is served upon the agent is of the same legal force as if
13 served upon the applicant, and that the authority of the agent continues in force as
14 long as any liability of the applicant remains outstanding in this state. Upon the receipt
15 of any process or notice, the chairman shall mail a copy of the process or notice by
16 certified mail, return receipt requested, to the last known business address of the
17 applicant.~~

18 ~~3.~~ 3. The board may issue a temporary permit to an applicant if the applicant agrees in
19 writing to abide by this chapter and to submit to the jurisdiction of the board.

20 4.3. The board shall issue a temporary permit to an applicant who has complied with this
21 section. The board may require the applicant to pay a fee. The board shall determine
22 the amount of the fee and the duration of the temporary permit.

23 **SECTION 12. AMENDMENT.** Section 43-23.3-13 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **43-23.3-13. Principal place of business.**

26 A permittee shall notify the board of the address of the permittee's place of business. Within
27 twenty days of a change in the address of the place of business, the permittee shall give written
28 notification of the change to the board ~~and pay the change of address fee.~~

29 **SECTION 13. AMENDMENT.** Section 43-23.3-17 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **43-23.3-17. Retention of records.**

2 An apprentice, licensed, or certified appraiser shall retain, for at least five years, originals or
 3 copies of all written contracts engaging the permittee's services for appraisal work and all
 4 reports and supporting data assembled and formulated by the permittee in preparing the
 5 reports. The period for retention of records applies to each engagement of the services of the
 6 permittee and commences upon the date of the submission of the appraisal to the client unless,
 7 within that period, the permittee is notified that the appraisal report is involved in litigation, in
 8 which event the period for the retention of records commences on the date of the final
 9 disposition of the litigation. The permittee shall make available for inspection and copying by the
 10 board on reasonable notice all records required to be maintained comply with the recordkeeping
 11 rule as specified in the uniform standards of professional appraisal practice.

12 **SECTION 14. AMENDMENT.** Section 43-23.3-18 of the North Dakota Century Code is
 13 amended and reenacted as follows:

14 **43-23.3-18. Standards of professional appraisal practice.**

15 An apprentice, licensed, or certified appraiser shall comply with the standards of
 16 professional appraisal practice and ethical rules specified by the uniform standards of
 17 professional appraisal practice and all other standards and ethical requirements adopted by the
 18 appraisal standards board of the appraisal foundation.

19 **SECTION 15. AMENDMENT.** Section 43-23.3-23 of the North Dakota Century Code is
 20 amended and reenacted as follows:

21 **43-23.3-23. Penalties.**

22 A person acting or purporting to act as an apprentice, licensed, or certified appraiser without
 23 holding a permit to practice is guilty of a class A misdemeanor. An appraiser, apprenticed,
 24 licensed, or certified in another state, who engages in, advertises, conducts the business of, or
 25 acts in any capacity as an appraiser without first obtaining a temporary permit is guilty of a
 26 class A misdemeanor. In addition to any other penalty, a person receiving any money or other
 27 compensation in violation of this chapter is subject to a penalty of not less than the amount of
 28 the sum of money received and not more than three times the sum in the discretion of the court.

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2249

Introduced by

Senators Hogue, Larsen, Vedaa

Representatives Nathe, Roers Jones, Vetter

1 A BILL for an Act to create and enact a new chapter to title 34 of the North Dakota Century
2 Code, relating to the efficiency of administration of occupational boards; to provide for a report
3 to the legislative management; and to provide an effective date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new chapter to title 34 of the North Dakota Century Code is created and
6 enacted as follows:

7 **Definitions.**

8 1. "Board" means an occupational or professional board established under title 43.

9 2. "Commissioner" means the labor commissioner.

10 **Duties of commissioner.**

11 The commissioner shall gather information regarding the continuing education requirements
12 and the practice of licensing out-of-state practitioners for each board, the education standards
13 and practices board, and the state board of law examiners. The commissioner shall analyze the
14 information to develop and update a strategy for more efficient continuing education
15 requirements and more efficient practices for licensing out-of-state practitioners. As necessary,
16 the commissioner shall prepare and request introduction of legislation to implement this
17 strategy.

18 **SECTION 2. LABOR COMMISSIONER - OCCUPATIONS AND PROFESSIONS -**

19 **REPORT TO LEGISLATIVE MANAGEMENT.**

20 1. During the 2023-24 interim, the labor commissioner shall hold meetings with each
21 occupational board under title 43, the education standards and practices board, and
22 the state board of law examiners. The topics addressed at the meetings must include
23 administration of the boards, continuing education, and the licensure of out-of-state
24 applicants, with a goal of establishing a strategy to license out-of-state practitioners

- 1 within three business days of application and to revise continuing education
2 requirements to recognize the contributions of employers and the opportunities
3 afforded by evolving technology.
- 4 2. During the 2023-24 interim, the labor commissioner shall provide the legislative
5 management with periodic reports on the status of the commissioner's implementation
6 of this section.
- 7 3. The labor commissioner shall prepare and request introduction of legislation for the
8 sixty-ninth legislative assembly which provides for streamlining of licensure of
9 out-of-state practitioners, and revision of continuing education requirements.

10 **SECTION 3. EFFECTIVE DATE.** Section 1 of this Act becomes effective August 1, 2023.

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2184

Introduced by

Senators Lee, Burckhard, K. Roers

Representatives Mitskog, Weisz

1 A BILL for an Act to provide for a legislative management study regarding occupational and
2 professional regulation by the state.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - OCCUPATIONAL AND**

5 **PROFESSIONAL REGULATION.** During the 2023-24 interim, the legislative management shall
6 consider studying the state's system for regulating occupations and professions, including
7 consideration of the powers, duties, and membership of occupational and professional boards;
8 licensure requirements; disciplinary actions; and audit processes. The study must include
9 consultation with occupational and professional boards. The study may include consideration of
10 apprenticeships, internships, and board collaboration with primary and secondary education.
11 The legislative management shall report its findings and recommendations, together with any
12 legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

C. Policies review -- Fees

*Existing commission fees on firm application (A) and renewal (R), subdivided lands A/R and research and recovery fund are at the level authorized by statute.

Other fees are lower than authorized levels or the fee is not defined in dollars.

Fees – application & renewal (A/R)	Most recent before 2010	Beginning July 1, 2019	Authority	Citation
Broker	\$125	\$150 A=application; R=renewal	Not more than \$200 for A/R	43-23-13(1)
Firm*	\$150	\$200	Not more than \$200 for A/R	43-23-13(2)
Salesperson	\$100	\$150 - A/\$125- R	Not more than \$200 for A/R	43-23-13(3)
Duplicate broker license	\$25	\$50	Reasonable fee	43-23-13(4)
Branch office	\$25	\$50	Reasonable fee	43-23-13(4)
Late fees – renewals	\$50/month	\$100/month beginning 11.16.2020	As set by the commission for each fraction/month	43-23-13.1
Subdivided land*	\$100	\$100	\$100 for A/R	43-23.1-09(1) and (4)
Fees -- other				
	Most recent before 2010	Beginning July 1, 2019	Authority	Citation
Research & recovery fund*	\$20	\$20	Fee of \$20	43-23.2-02
Transfer	\$25	\$50	fee	70-02-01-08
Change name/business address	\$25/license	\$50/license	Reasonable fee	43-23-13(4)
Change name/business address – firm (when a firm changes locations)		Flat \$250/firm beginning 9.10.2020 Changed to \$250/firm of 5 or more licenses; or \$50/license for firms with 1-4 licenses beginning 11.4.2020		
Certificate of licensure	\$25	\$50	Fee set by commission	70-02-01-02(12)
Organization	\$200	Not more than \$200	One-time fee; not more than \$300	43-23-05.1(4) & 70-02-01-02(13)

List of fees continues on next page.

Fees -- other	Most recent before 2010	Beginning July 1, 2019	Authority	Citation
Change email or personal address	NC – no charge	NC		
Change from active to inactive	NC	NC		
CE course application	\$50	\$50	Not to exceed \$100	70-02-04-07(12)
Pre-licensure course application	\$50	\$50	Not to exceed \$200	70-02-02-02
Fines	Most recent before 2010	Beginning July 1, 2019	Authority	Citation
Fines for disciplinary actions	unknown	Not to exceed \$2,500 to commission's license fee account	Not to exceed \$5,000 to commission's license fee account (2021)	43-23-11.1(4)

Non-NDREC fees -- Applicants must issue a check for \$41.25 to ND Attorney General/Bureau of Criminal Investigation (BCI) for fingerprint analysis/reporting. Applicants pay NDREC \$9.60 so NDREC can pay a credit bureau the actual cost for the credit report. NDREC does not set either of these fees. The money collected is passed through NDREC to BCI or the credit bureau, and this fee collection has no effect on NDREC's budget.

Consideration of fees – A discussion on all fees at this March 16, 2023 for the next fiscal year (FY) -- July 1, 2023 through June 30, 2024 – allows staff to prepare next FY budget showing options.

END OF FEES LIST

D. Procurement/online services**ND Office of Management & Budget procurement thresholds & requirements:**

Level	Total cost of good or service being procured	Competition Requirements
1	Less than \$10,000	1 fair & reasonable quote
2	\$10,000 but less than \$50,000	3 informal quotes/bids or alternate procurement form
3	\$50,000 but less than \$100,000	Solicit informal bids/proposals using SPO Online with appropriate state bidders list or alternate procurement form.
4	\$100,000 and over	Formal sealed bids or Request for Proposal (RFP) using SPO Online with appropriate state bidders list or alternate procurement form.

ND Office of Management & Budget answers our questions on CDs & E&O insurance:

- 1) Investing in Certificates of Deposit is not a procurement of goods or services and procurement thresholds and requirements do not apply.
- 2) Securing a quote from Rice Insurance for group errors and omissions insurance is not a procurement of goods or services and procurement thresholds and requirements do not apply.

Online services -- Current contract with Big Picture/Albertsons ends in September 2023. If we do not contract with Big Picture after this, we need to begin building a new system now.

Current costs with Big Picture: 2019 -- Our initial development costs were \$70,000, plus \$10,000/year for 1st year, plus years 2-4 -- \$13,500/year; includes use-it-or-lose-it 8 hrs/month support (up to \$1,080/month), plus \$135/hr for additional hours. Invested about \$145,000 so far. Options based on initial research and are not final numbers:

Company	Estimate cost	Other	State vendor, no RFP
Big Picture	\$8,900/year plus \$138.38/hr – support, estimated at \$10,000 to \$12,000/yr, so <u>\$18,900 to \$20,900/yr</u> Total paid to Big Picture 2019-2023 – about \$145,000	Continue using current database & online services; NDREC subscribes to system	X
Prominent Technologies	\$15,000 for an initial analysis of current system to determine cost, plus <u>\$200,000 to \$250,000</u> initially Budget <u>\$1,000/month</u> for service	Create new database & online service infrastructure; NDREC owns system but would still need Prominent or another company to provide service at about \$12,000/yr	X
Thentia	<u>\$96,376/yr</u> cost at \$2.43/license/month; this cost is ongoing for subsequent years		Not a state vendor, RFP needed

New approved state vendor to track CE is available:

- OMB approved CE Broker to provide a basic level of service to track CE at no cost. Brokers could see licensees' CE. System would be outside of our database and renewal system. Not clear how nonresident licensee CE would be handled.
- Since we just added the CE review and certification functionalities to our current renewal system and it is a one-stop-shop for renewing and CE certification by broker, I advise not pursuing a system with CE Broker at this time.

E. Errors & omissions insurance

E&O group insurance offering for 2024

- NDREC's 5-year agreement with Rice Insurance to provide group E&O insurance at a reasonable cost to all licensees ends this year.
- ND OMB has determined that arranging for a provider of this insurance is not procurement of goods or services, procurement requirements and thresholds do not apply.
- In the past, only Rice and a former competitor, Williams Underwriting Group, have submitted proposals.
- Now Rice Insurance and Williams Underwriting Group are owned by the same parent company and Rice Insurance will be the only provider submitting a cost estimate to NDREC to provide 2024 E&O policies to ND licensees.
- I have advised Rice Insurance to provide estimate to us prior to 2024 renewals open. Rice usually gets this to me in late June or July.

Current agreement with Rice

- Rice Insurance is owned by AssuredPartners Capital, Inc. and Rice is now part of a new division of AssuredPartners called Accretive Insurance Solutions, Inc.
- Please approve my signing the following document from Rice, indicating their assignment to Accretive is acceptable.



February 23, 2023

Jeanne Prom
Executive Director
North Dakota Real Estate Commission
1120 College Dr. Ste 204
Bismarck, ND 58501

Via Email: jeprom@nd.gov

RE: Request for Approval of Assignment - Contract Number 21-0070 (North Dakota Real Estate Licensees)

Dear Jeanne,

Our parent company, AssuredPartners Capital, Inc., launched a new specialty, wholesale and program administration company called Accretive Insurance Solutions, Inc. (Accretive) in January 2022. Our division, Rice Insurance Services Center (RISC), a division of AssuredPartners NL, LLC (APNL), has been moved to Accretive effective January 1, 2023.

APNL and Accretive are both wholly owned subsidiaries of AssuredPartners Capital, Inc., a Delaware corporation and RISC's assets were assigned to Accretive in order to consolidate their assets and operations. We hereby request approval for assignment of Contract pursuant to RFP 2018.08.23 (the Contract) to the new affiliated entity Accretive. RISC will continue its operations as a division of Accretive Specialty Insurance Solutions, LLC dba Rice Insurance Services Center, a subsidiary of Accretive.

The office address for Accretive Specialty Insurance Solutions, LLC dba Rice Insurance Services Center is:

Accretive Specialty Insurance Solutions, LLC dba Rice Insurance Services Center
4211 Norbourne Boulevard
Louisville, KY 40207

Please let us know if the assignment of the Contract is acceptable for the contract modification to reflect the transfer to Accretive. We look forward to continuing to service the Contract with North Dakota for the errors and omissions insurance for the North Dakota real estate licensees.

If you have any questions or comments regarding these issues, please let us know. Thanks.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cindy Rice Grissom', is written over a light blue horizontal line.

Cindy Rice Grissom
Agency President

Acknowledged and agreed to:

Jeanne Prom, Executive Director
North Dakota Real Estate Commission

Date

P.O. Box 6709 Louisville KY 40206

www.risceo.com

Phone 502.897.1876

4211 Norbourne Blvd. Louisville KY 40207

A Division of Accretive Insurance Specialty Solutions, LLC

Fax 502.897.7174

3.16.2023

F. Trust account waivers

Broker	Firm	Location
Karen Johnston	KJ Realty LLC	Watford City, ND
Melody Medly	Propelio Realty, LLC	Weatherford, TX

G. Trust account audits

TRUST ACCOUNT AUDIT SUMMARY 3.1.23

Audits Completed

9.30.22-3.1.23 56

Audits in Process 15

Newly Licensed Firm 2023 21

Total Active Firms 237

Follow up required:

Rorvig Realty (On previous report)

Verify documentation is meeting requirements.

Most recent inquiry broker stated, he had no closed transactions

Encore Realty Inc.(On Previous report)

was not reconciling the trust account, they did

start after my audit, want to monitor the situation

The Real Estate Company, has an EM deposit over 3 years old

I instructed them to resolve it or send to Unclaimed Property

Valley Land Realty must send EM to unclaimed property that is over 3 years old

Forks Plus Realty LLC

Not reconciling trust account monthly. I am requesting reconciliations for the next few month and have received two thus far.

NextHome Fredricksen Real Estate

Had \$2.97 of interest not transferred to RETA. I requested they forward it. If it can no longer be accepted it is to be remitted to Unclaimed Property.. I will monitor the situation

Acres & Shares LLC (Initial Audit)

Was not confirming EM balances with the title company. I instructed them in what records must be kept and how when using title companies. They had minimal activity. I will follow up in a couple months.

Trillionaire Realty (Initial Audit)

No ledger being maintained, no individual ledgers being maintained monthly balance of EM not being confirmed with title company. Will recheck in a couple of months.





Dakota Commercial & Development

Must remove RETA from title on the bank statement. Requested copy of bank statement with correction.

701 Realty Inc. (Initial Audit)

Must have "trust account or escrow account" added to title on bank account. Requested a copy of the corrected statement.

H. License numbers Applications – 2023, 2022, 2021, 2020, 2019

2023		Salesperson		Broker		Firm		Organization	
Month	Total	Comment	Total	Comment	Total	Comment	Total	Comment	
Jan	29		4		1		2		
Feb	25		2		4		1		
	54	Grand Total	6	Grand Total	5	Grand Total	3	Grand Total	
2022		Salesperson		Broker		Firm		Organization	
Month	Total	Comment	Total	Comment	Total	Comment	Total	Comment	
Jan	45		4		4		6		
Feb	18	63	8	12	2	6	3	9	
Mar	32		3		4		3		
Apr	39		2		2		2		
May	27		3		2		2		
Jun	24		2		4		2		
Jul	23		2		1		2		
Aug	23		3		1		1		
Sep	24		6		6		0		
Oct	22		4		1		3		
Nov	17		4		2		0		
Dec	7		3		0		1		
	301	Grand Total	44	Grand Total	29	Grand Total	25	Grand Total	
2021		Salesperson		Broker		Firm		Organization	
Month	Total	Comment	Total	Comment	Total	Comment	Total	Comment	
Jan	49		9		3		1		
Feb	21	70	4	13	3	6	8	9	
Mar	34		8		6		6		
Apr	22		8		1		2		
May	14		3		2		0		
Jun	19		7		6		1		
Jul	25		5		3		1		
Aug	18		5		2		3		
Sep	31		5		0		5		
Oct	32		4		4		2		
Nov	26		5		3		0		
Dec	34		2		2		3		
	325	Grand Total	65	Grand Total	35	Grand Total	32	Grand Total	

2020	Salesperson		Broker		Firm		Organization	
	Month	Total	Comment	Total	Comment	Total	Comment	Total
Jan	30		7		5		8	
Feb	23	53	6	13	4	9	3	11
Mar	31		4		3		4	
Apr	26		12		1		4	
May	28		1		3		1	
Jun	42		2		4		4	
Jul	34		6		0		0	
Aug	45		12		4		1	
Sep	44		9		2		1	
Oct	54		8		3		0	
Nov	56		6		4		1	
Dec	58		3		4		2	
	471	Grand Total	76	Grand Total	37	Grand Total	29	Grand Total
2019	Salesperson		Broker		Firm		Organization	
	Month	Total	Comment	Total	Comment	Total	Comment	Total
Jan	30		4		0		3	
Feb	25	55	10	14	5	5	1	4
Mar	34		6		6		1	
Apr	46		5		1		7	
May	54		5		4		1	
Jun	34		7		5		5	
Jul	26		6		4		1	
Aug	24		2		2		1	
Sep	27		4		1		1	
Oct	32		10		6		1	
Nov	20		3		3		0	
Dec	23		5		2		0	
	375	Grand Total	67	Grand Total	39	Grand Total	22	Grand Total

Licenses as of 3.3.2023 compared to 3.1.2022

	sp	brkr assoc	broker
3.3.2023	2,188	369	420
	2,977		
3.1.2022	2,107	350	402
	2,859		

Firms as of 3.3.2023 compared to 3.1.2022

2023	401
2022	398

I. Pass rates

PFA Summary

1/1/2021 through 12/31/2021

Delivery Method: ALL

2021

Test Program: Broker Examination - B

Exam Type: Broker Simulation Examination - CSE

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
First Time	35	31	88.6%	4	11.4%	0	0.0%	35
Repeater	6	4	66.7%	2	33.3%	1	14.3%	7
Total	41	35	85.4%	6	14.6%	1	2.4%	42

Exam Type: Broker State Portion Examination Only - S

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
First Time	19	13	68.4%	6	31.6%	1	5.0%	20
Repeater	9	5	55.6%	4	44.4%	0	0.0%	9
Total	28	18	64.3%	10	35.7%	1	3.4%	29

Test Program: Salesperson Examination - S

Exam Type: Salesperson National Portion Examination Only - N

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
Repeater	180	61	33.9%	119	66.1%	8	4.3%	188
Total	180	61	33.9%	119	66.1%	8	4.3%	188

Exam Type: Salesperson State and National Portions-Complete Examination -

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
First Time	289	89	30.8%	200	69.2%	8	2.7%	297
Repeater	201	21	10.4%	180	89.6%	8	3.8%	209
Total	490	110	22.4%	380	77.6%	16	3.2%	506

Exam Type: Salesperson State Portion Examination Only - S

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
First Time	13	11	84.6%	2	15.4%	1	7.1%	14
Repeater	80	63	78.8%	17	21.3%	1	1.2%	81
Total	93	74	79.6%	19	20.4%	2	2.1%	95

PFA Summary

1/1/2022 through 12/31/2022

Delivery Method: ALL

2022

Test Program: Broker Examination - B

Exam Type: Broker Simulation Examination - CSE

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
First Time	23	19	82.6%	4	17.4%	1	4.2%	24
Repeater	5	5	100.0%	0	0.0%	0	0.0%	5
Total	28	24	85.7%	4	14.3%	1	3.4%	29

Exam Type: Broker State Portion Examination Only - S

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
First Time	12	7	58.3%	5	41.7%	1	7.7%	13
Repeater	6	3	50.0%	3	50.0%	0	0.0%	6
Total	18	10	55.6%	8	44.4%	1	5.3%	19

Test Program: Salesperson Examination - S

Exam Type: Salesperson National Portion Examination Only - N

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
Repeater	176	55	31.3%	121	68.8%	9	4.9%	185
Total	176	55	31.3%	121	68.8%	9	4.9%	185

Exam Type: Salesperson State and National Portions-Complete Examination -

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
First Time	206	75	36.4%	131	63.6%	5	2.4%	211
Repeater	151	14	9.3%	137	90.7%	7	4.4%	158
Total	357	89	24.9%	268	75.1%	12	3.3%	369

Exam Type: Salesperson State Portion Examination Only - S

	Total Tested	Pass	% Pass	Fail	% Fail	Absent	% Absent	Total
First Time	19	13	68.4%	6	31.6%	0	0.0%	19
Repeater	67	39	58.2%	28	41.8%	1	1.5%	68
Total	86	52	60.5%	34	39.5%	1	1.1%	87