

SOUTH DAKOTA REAL ESTATE COMMISSION
KNEIP BUILDING
JULY 17, 2014
700 GOVERNORS DR
PIERRE, SOUTH DAKOTA

The South Dakota Real Estate Commission convened at 8:02 a.m. on July 17, 2014. Present for the meeting were Chairman Matt Krogman and commission members David Bonde, Paula Lewis, Mark Wahlstrom and Ryan Wordeman. Also present were executive director Melissa Miller, licensing program administrator Norma Schilling, Department of Labor and Regulation legal counsel Aaron Arnold and compliance officer Brian Jackson.

Motion by Wahlstrom, seconded by Bonde, to approve the agenda as presented. Motion carried.

Motion by Bonde, seconded by Wordeman, to approve the minutes of the May 20, 2014 meeting. Motion carried.

Motion by Wahlstrom, seconded by Bonde, to approve the financial reports for May & June 2014. Motion carried.

Motion by Bonde, seconded by Wahlstrom, to enter into executive session at 8:16 a.m. pursuant to SDCL 1-25-2(3). Motion carried.

The Commission reconvened to regular session at 8:33 a.m.

No action was taken regarding possible disciplinary action negotiation.

Compliance officer Brian Jackson briefed the Commission on the complaints.

Motion by Wahlstrom, seconded by Wordeman, to enter into executive session at 9:20 a.m. pursuant to SDCL 1-25-2(3). Motion carried.

The Commission reconvened to regular session at 9:48 a.m.

Motion by Lewis, seconded by Wahlstrom, to dismiss complaint 2014-79 with a letter to the licensee named in the complaint. Motion carried.

Motion by Wahlstrom, seconded by Bonde, to dismiss complaint 2014-081. Motion carried.

Motion by Wahlstrom, seconded by Lewis, to have legal counsel negotiate a consent agreement with the licensee named in the complaint and have the executive director write a letter to the listing agent in complaint 2014-082. Motion carried.

Motion by Wahlstrom, seconded by Bonde, to deny the broker associate application of applicant No. 1. Motion carried.

Motion by Bonde, seconded by Wahlstrom, to deny the broker associate application of applicant No. 2. Motion failed with 4 Nay and 1 Aye. Motion by Wahlstrom, seconded by Wordeman, to approve the application of applicant No. 2. Motion carried with 4 Aye and 1 Nay.

Motion by Bonde, seconded by Wahlstrom, to deny the broker associate application of applicant No. 3 until proof is received of payments being made. Motion carried.

Motion by Bonde, seconded by Wahlstrom, to accept the consent agreement of Bo Hauer to the following:

- a. Mr. Hauer shall pay an administrative fine in the amount of \$2,500.00 to the Commission by December 31, 2014;
- b. Mr. Hauer shall pay for, attend and successfully complete the Commission approved 15 hour Responsible Broker course in an in-classroom setting. Mr. Hauer shall submit written proof of completing the required education by December 31, 2014. For purposes of this Agreement, "in-classroom setting" means a class offered in the traditional classroom setting with the instructor and a body of students present in the same room. The courses may not be distance education offerings. The required course work will not count toward Mr. Hauer's continuing education requirement for maintaining his license and cannot be completed at the South Dakota School of Real Estate; and
- c. Mr. Hauer shall pay for, attend, and successfully complete the following Commission approved education courses in an in-classroom setting;
 1. Agency – 6 hours;
 2. Contracts – 6 hours; andMr. Hauer shall submit written proof of completing the required education by December 31, 2014. The required course work will not count toward Mr. Hauer's continuing education requirement for maintaining his license and cannot be completed at the South Dakota School of Real Estate.
- d. Mr. Hauer agrees that if he fails to comply with sections 7(a), 7(b), and 7(c) of this Consent Agreement, then his license will be suspended immediately, beginning the first full day after the Commission is made aware of the failure to comply.

Motion carried.

Motion by Wahlstrom, seconded by Wordeman, to conditionally approve the consent agreement of James Peterson until the signed agreement has been received to the following:

- a. Mr. Peterson shall pay an administrative fine in the amount of \$500.00 to the Commission by August 31, 2014;
- b. Mr. Peterson will pay for, attend, and successfully complete 12 hours of Commission approved courses in the following areas of study: License Law and Agency; 6 hours in each of the mentioned areas of study. Each course shall be an in-person classroom setting and proved written evidence of such compliance to the South Dakota Real Estate Commission by March 31, 2015. The required course work will not count toward Mr. Peterson's continuing education requirement for maintaining his license and cannot be completed at the South Dakota School of Real Estate; and
- c. Mr. Peterson agrees that if he fails to comply with 15(a) or 15(b) of this Agreement, then his license shall be suspended until he has fully complied with both sections.

Motion carried.

Compliance officer Michelle Metzinger joined the meeting at 10:25 a.m.

Discussion was held on the forms. Motion by Lewis, seconded by Wordeman, to conditionally approve the real estate relationship disclosure form pending review of the form by the Forms Task Force. Motion carried.

Discussion was held on proposed legislation.

Motion by Bonde, seconded by Wahlstrom, to amend the motion and deny the broker associate application of applicant No. 3 based on outstanding judgments.

The executive director informed the Commission of the ARELLO Annual Conference September 17-21, 2014 in Philadelphia, PA. Motion by Wahlstrom, seconded by Bonde, to approve the attendance of Commission member Lewis at the Annual ARELLO Conference in Philadelphia, PA. Motion carried.

The executive director informed the Commission of the 2014 REALTOR Convention of the Dakota's September 10-12, 2014 in Bismarck, ND. Motion by Bonde, seconded by Wordeman, to approve the attendance of the executive director at the convention. Motion carried.

The next regular meeting of the Commission will be held September 24, 2015 in Pierre.

There being no further business, motion by Wahlstrom, seconded by Bonde, to adjourn at 11:46 a.m.

Minutes submitted by Norma Schilling

Matt Krogman, Chairman

Melissa Miller, Executive Director