

**ARIZONA DEPARTMENT OF REAL ESTATE (ADRE)
REAL ESTATE ADVISORY BOARD'S
COMMITTEE ON CONTINUING EDUCATION
UNAPPROVED MINUTES
September 6, 2011**

The Arizona Real Estate Advisory Board's Committee on Continuing Education met on Tuesday, September 6, 2011 at the Arizona Department of Real Estate (ADRE), 2910 N. 44th Street, Third Floor Conference Room, in Phoenix, Arizona.

I. CALL TO ORDER

Co-Chair Horn called the meeting to order at 1:00 p.m.

Members present:

Charlie Bowles
Kim Clifton
Frank Dickens
Holly Eslinger
John Foltz
Barb Freestone
Evan Fuchs
Bill Gray
Kim Horn
Nicole LaSlavic
Elaine Miner
Pat Sheahan

Absent:

Cecil Daniels
Shelly Farley
Larry Hibler
Jim Hogan
Holly Mabery
Debra Prevost
Ed Ricketts

ADRE representatives present:

Carla Randolph, Manager, Education Division
Gretchen Conger, Legislative Liaison

Public Members:

Don Bonnell
Harry Eastlick

Co-Chair Horn announced that with public members, they would be given an opportunity to speak at the end of the meeting, and to please refrain from participating during the meeting. She further indicated that with the lack of a proposal at the end of the last meeting, the committee would need to focus on getting a proposal done by the end of the meeting.

II. Broker Education: Total hours, distribution of those hours, content (shall vs. may), to whom will it apply and legislatively how it should be addressed.

Co-Chair Horn started the discussion by saying that at the end of the last meeting, 30 hours was being discussed as an option for broker education, she questioned whether everybody was okay with this 30 hours. Member Clifton clarified that the 30 hours would be 9 hours of Broker Management Clinic and the rest would remain as it currently stands. Co-Chair Horn announced that since everyone was in agreement, the committee would move on.

In discussing the distribution of those hours, Member Eslinger suggested that they be separated 15 hours and 15 hours so that 15 are similar to what is currently required and the other 15 would reflect broker specific information. Member Gray posed a concern that 15 hours is too much for a Broker Management clinic because there is too much information without enough application. The committee continued to discuss many options for what the 30 hours would like and at what point the brokers would be required to complete designated hours. Member Gray suggested going with 9 hours of Broker Management Clinic to get a broker's license and then also completing another 9 for each renewal. Member Sheahan offered that 30 hours might be a mistake because it may be possible to achieve the same outcome without having to increase the total number of hours if they required that the current "general" category be converted to broker specific courses. Member Freestone suggested that changing the Broker Management Clinic outline may solve the problem, and other committee members indicated that the outline was really driven by the statute, so in order to change the outline, the statute would need to be amended. Member Gray, in responding to Member Sheahan's concern, suggested that it would be a mistake to remove the "general" category and that he was in favor of increasing to 30 so that there would still be some flexibility for the brokers.

The committee made a determination that some of the content should be moved from the "may" portion of ARS § 32-2136(B) to the "shall" portion of that statute, with the intention that there would be more time to complete the Broker Management Clinic and therefore a need to require some more specific topics be covered. The committee also suggested that this 9-hour Broker Management Clinic requirement apply to all brokers, regardless if they are designated brokers or not.

III. Salesperson Education: total hours, distribution of those hours, content (shall vs. may) and legislatively how it should be addressed

The committee members chose not to discuss and address salesperson education at this time.

VI. Final Recommendation

Member Eslinger motioned that the committee recommend to the Advisory Board to increase the 3-hour Broker Management Clinic to a 9-hour Broker Management Clinic, to include courses designated on the handout provided by Elaine Miner, that would be required of all brokers, and that all other continuing education requirements would remain the same, resulting in a total of 30 hours of continuing education for all brokers.

Member Clifton motioned to amend the motion to amend ARS § 32-2136(B) by adding at the end, after "brokers..." statutory requirements, broker policy development and supervising agents.

Member Bowles seconded the motion.

Member Eslinger moved her motion as amended.

Member Clifton seconded the motion.

After taking a formal vote, the only dissenting vote for the final recommendation was Member Sheahan.

VII. Call to the public

Public members Harry Eastlick and Don Bonnell shared a bit about themselves and their interest in the committee meeting.

VIII. Adjournment

Meeting was adjourned at 3:00 p.m.

Provided by: Member Miner

New Broker Post Education
Proposal

TOTAL: 30 Hours

PRE-LICENSING: 9 – Broker Management Clinic

3 – Statutory Requirements: Broker Responsibilities; Recordkeeping;
Agreements/Contracts: Employment, Property Mgmt, Purchase, Trust Fund;

3 – Broker Policy Dev, Managing Employees & Independent Contractors,
Agent Training - Risk Reduction

3 – Supervising Agents: Statutory Requirements; Independent Contractor
Agreements; Managing Broker Responsibility; creating checks & balances for
managing agents activities

The BMC's would be required of all broker's including associate, self-employed, designated, managing and branch managers. More detail would be covered in the already existing BMC and the new courses would include detail as outlined above.

Categories, depending upon determined content, could be Contract Law, Agency, and Real Estate Legal Issues.

The balance of 21 hours would be completed within the 2 year licensing period and would include the following:

3 – Today's Contract Issues – (CL)

3 – Professional Conduct (CS)

3 – Today's Disclosure Issues (D)

3 – Federal & State Regulation (FH)

3 – Broker – Agent Issues (A)

3 – Web, Links, Blogs, Broker Liability (LI)

New Licensee Post Education Required in First 6 Months
24 Hours

9 – Bootcamp (2 CL; 1 LI OR 1CL, 1A, 1LI)

3 – Current Legal Issues (LI)

3 – Today's Disclosure Issues (D)

3 – Professional Conduct (CS)

3 – Federal & State Regulation (FH)

3 – Agent & Client Issues (A)