

**Arizona Department of Real Estate (ADRE)
Education Advisory Committee (EAC)
Meeting Minutes**

Wednesday
December 12, 2018
10:00 a.m. – 12:00 p.m.
Arizona Department of Real Estate
Commissioner's Conference room
100 North 15th Avenue, Suite 201
Phoenix, Arizona 85007

I. Call to Order -
Commissioner Lowe called the meeting to order at 10:00 a.m.

II. Introductions & Welcome

Members present:

Marti Barnewolt

Holly Eslinger

Barb Freestone

Marc Blonstein – attempted telephonically, unable to connect

Jim Hogan- attempted telephonically, unable to connect

Jon Kichen

Sherry Olsen

Debra Prevost

Mary Sand

Patrick Sheahan

Debbie Shields

Kelly Zitlow

Absent:

Evan Fuchs

Laura Kovacs

ADRE Representatives present:

Judy Lowe, Commissioner

Louis Dettorre, Deputy Commissioner (DC)

Carla Randolph, Asst. Commissioner Licensing Services/ CIO (AC)

Jim Williams, Education Auditor

Abby Hansen, Chief of Staff

Public:

None

- III. Approval of September 12, 2018 Meeting Minutes
Commissioner Lowe asked for an approval of the September 12, 2018 Meeting Minutes. Upon a motion by Member Eslinger, the minutes were unanimously approved.
- IV. Volunteer Monitor Program Update – Jim Williams
- The Department issues roughly 20 Volunteer Monitor requests a month and usually receives 15 completed assignments.
- Member Eslinger asked how monitors are selected. Mr. Williams stated they need to be licensees in good standing, in the business and that they also receive credit for the class. Member Sheahan asked if the monitors are required to pay for the class, Mr. Williams stated no. Member Eslinger suggested reaching out to the Women’s Council of Realtors (WCR) for volunteers. AC Randolph stated that the Department was planning an orientation for new monitors.
- There are currently 402 classes scheduled from 12/12/18 through 12/31/2018.
 - The requirement for Pre licensing in the class room test question bank is a 2 for 1 ratio, i.e. if the test has 150 questions then 300 questions must be submitted with the application.
 - The Department shows that roughly 37 schools still need to submit their courses for approval prior to the end of the year.
 - AC Randolph stated one additional staff person has been trained for processing education applications.
- V. Review Education/Licensing Division Monthly Reports – AC Carla Randolph
- AC Randolph reviewed the Education and Licensing statistics handout.
 - The School Audit Declaration is due by the end of January 2019.

- The Department will provide another Pre License Education Instructor Development Workshop (IDW) on December 17th. This class provides an Instructor Development credit for the attendees.

VI. Classroom Environment Issues/Definition-Handout VI

- Member Freestone asked if “live streaming” qualified as a “live instructor”. Commissioner Lowe stated yes.
- Member Sheahan asked if classes may be held at a Brokerage “cube farm”. Commissioner Lowe stated that if this definition is accepted anyone teaching a class would need to adhere to the definition.
- Member Shields asked about individuals with disabilities. Commissioner Lowe stated that would be a Federal regulation.
- Member Sands asked if the class were held in an office with very minimal distractions would that be approved. Commissioner Lowe stated minimal distractions may be acceptable.
- Member Kichen stated that he is all for adding “structure” in the definition and feels that this definition is still too vague. In addition, he asked where would this definition be located, i.e. Rule, Substantive Policy Statement?
- DC Dettorre offered a few suggestions regarding the definition.
- Commissioner Lowe stated the Department would utilize this definition when a complaint was received and that the Department would include this definition on the course application.
- Member Barnewolt utilizes the definition when asked to teach a course.
- Member Shields asked to include “distractions out of control of the instructor”.
- AC Randolph suggested “barring any extenuating circumstances”.
- Member Freestone stated the EAC and the ADRE education department should work on elevating the education experience to send a message “education is professional” to assist the few educators that may require the awareness to raise the level of quality education services they provide.
- Member Kichen stated that by placing the definition on the application the Department is setting the standard expected of the classroom.
- Member Shields offered that the description should be created as presented with the exception of removing “free from distractions that would impact the learning experience”.
- Member Sands made a motion to approve the definition as follows; “Classroom Standard: A classroom shall have a live instructor and provide for an active learning atmosphere. A classroom shall be suitable for all real

estate course credit hours and held in a room where other business is not being conducted simultaneously. A classroom shall comply with applicable, local, state and federal regulations regarding safety, health and disabilities.”

Member Barnewolt seconded the motion.

The motion was approved by unanimous “yes” vote.

It was recommended that this new standard be posted in the 14 day course notice, on all applications and provided to school administrators to encourage adherence to this standard.

VII. Industry/Legislative/ADRE Update- Commissioner Lowe/DC Dettorre

- Commissioner Lowe stated the number one item making the phone ring and coming through the Message Center was regarding the “Do Not Call List”. She stated the Arizona Attorney General is working on the problem, along with at least 40 other states.
- DC Dettorre gave a brief legislative update and noted the Legislature starts next month and had nothing specific to share at this time.
- The ADRE budget has been submitted with a request for additional funds for technology improvements.
- Commissioner Lowe referred the members to read an article published in Inman News about ADRE being tough on licensing companies that solicit leads and companies that perform the final walk through on rentals and determine how much of the deposit is refunded. All of these require an Arizona real estate license.
- Member Sands asked about the status of the TEAM Substantive Policy Statement (SPS). DC Dettorre and Jim Tsighes are co-chairs of the Team Review Committee and their next meeting will be in January.
- Commissioner Lowe stated that the Distance Learning education review is on hold for the time being, so the Department can give its complete focus to online prelicensing.
- Member Olsen asked if the course evaluation must be completed. Commissioner Lowe stated yes and it’s up to the educator to determine how to require the students to complete them. Member Sand asked if the name is optional on the course evaluation and how can they enforce it. She explained that many hate to complete course evaluations. Commissioner Lowe stated it is up to the school to best determine how to complete the requirement.

- Volunteer Monitors will attend pre license classes to verify guidelines have been met.

Member Kichen noted that many students are asking about competing/changing business models. The committee suggested referring them to the Code of Ethics. Member Kichen stated the last inquiry was a code of ethics class. It was suggested that the Administrators need to take control of the class and topics. Commissioner Lowe stated that it is an ethical and anti-trust issue, thus a Federal and an Association issue. DC Dettorre briefly described presentations on this topic at the July Inman conference.

VIII. ADRE Pre licensure Education -

- A draft copy of the “Online Pre Licensing Education Course and Learning Guidelines” was distributed to all EAC members. Commissioner Lowe asked for all input and recommendations to be submitted by Friday December 14th at 5:00pm.
- There will now be one license exam combining both state and national questions. AC Randolph met with the group of subject matter experts (SME) to review and develop questions.
- Member Sheahan asked for the pass/fail rates to be posted more prominently on the ADRE website. AC Randolph stated Pearson Vue (test administrator) will be providing pass/fail rates indicating online, as well as classroom separately.
- DC Dettorre showed the committee where they could access the report from the home page of the ADRE website. The committee seemed to like the idea of adding a new color button to obtain the report.
- The pre licensing rollout timeframe was discussed.

IX. Upcoming

- AC Randolph reminded all that the Pre Licensing IDW will be held on December 17th at ADRE and stated that all pre license instructors should be strongly encouraged to attend as the information is invaluable.

X. Next EAC Meeting date: March 12, 2019 from 10:00 a.m. to Noon

XI. Other matters –
None

XII. Call to the public;
None

XIII. Meeting adjourned at noon.

Respectfully submitted this _____ day of March, 2019
Education Advisory Committee

Commissioner Judy Lowe

Members of the Education Advisory Committee will attend either in person or by telephone conferencing.