

1999 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1279

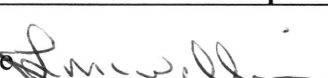
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1279

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 1-21-1999

Tape Number	Side A	Side B	Meter #
1		X	0 - 25.6
3	X		21.6 - 25.1
Committee Clerk Signature 			

Minutes: Some of the individuals testifying submit written testimony. When noted please refer to it for more detailed information.

Representative Klein, Chairman of the GVA Committee opened the hearing on January 21, 1999.

Summary of the Bill: Relating to real estate license continuing education requirements.

Testimony in Favor:

Representative S. Kelsh, Appeared before the committee and to introduce the bill he sponsored.

The amendments put a sunset clause on this bill.

Representative Thoreson, Couldn't the fee be set in code or can the board set it?

Kelsh, Yes.

Representative Devlin, What is the annual fee now? Essentially what were doing is doubling the fee if they don't fill the requirements each month or is that for 12 months. Aren't we lowering the standards for real estate agents?

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House Government and Veterans Affairs Committee

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Jeff Schlossman, The fee is 60 dollars for broker and 50 for salesman. I don't think it's lowering the standards. The law itself isn't so bad, it's just the way it's implemented. ***(He is just talking on and on about his life in the real estate arena and education that he has received, I suggest that you listen to the tape for all of this)**. In summary, mandatory classes are an issue in the state of ND with only one instructor.

Representative Klein, Do you have a license and are you a member of the brokers association?

Schlossman, Yes to both questions.

Representative Winrich, Do we make exceptions to this?

Schlossman, A fine would eliminate the headache involved with this.

Representative Klemin, Lines 12, 13, and 14 what is the meaning of actively working on it mean?

Schlossman, Maybe this language isn't needed.

Representative Kliniske, Are you licensed now? What is the number times a year the classes are offered? Were you notified?

Schlossman, Yes. Not sure of the times per year and yes I was notified. The time was adequate for notification.

Representative Cleary The mandated classes are only given in ND? There's no other place you can get them.

Schlossman, Yes.

Testimony in Opposition:

Claus Lembke, ND Association of Realtors appeared before the committee to state that there is plenty of notification--news letter.

Representative Klein, How long has this board been in existence? and have you had complaints before?

Lembke, 75 years. Probably 6 to 10 people out of 1500 people will complain.

Representative Grande, How many hours and the time period for this education?

Lembke, 24 hours of which 6 hours are mandatory. Three years for this time frame.

Ninetta Wandler, Chair of the ND Association of Realtors submitted a written testimony which she read in it's entirety (**please refer to her testimony**).

Jan Gubrud, Real Estate Broker submitted a written testimony which she read in it's entirety (**please refer to her testimony**).

Janelle Kerr, President of the Grand Forks Board of Realtors submitted written testimony which she read in it's entirety (**please refer to her testimony**).

Representative Klein, Closed the hearing on HB 1279.

Committee Action:

Representative Haas, Made a motion for a Do Pass on the amendments.

Representative Grande, Seconded the motion.

Motion Passes: Yes (vocal).

Representative Cleary, Made a motion for a Do Not Pass on the amended bill.

Representative Met calf, Seconded the motion

Motion Passes: Do Not Pass **15-0-0**.

Representative Klemin, Is the carrier for the bill.

FISCAL NOTE

Return original and 10 copies)

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Bill/Resolution No.: HB 1279 Amendment to: _____

Requested by Legislative Council Date of Request: 1-13-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative: House Bill 1279 provides that a person who does not satisfy the continuing education requirements when due at the conclusion of every three year period shall pay, in addition to the renewal fee, the sum of ten dollars for each month or fraction of a month after January first during which the continuing education requirements are not satisfied. It is difficult to determine how many licensees would take advantage of this provision and pay the fine rather than obtain the required hours at the end of the three year cycle. We estimate that approximately 100 licensees might choose to pay a fine and that approximately three months would be the normal period during which they would choose to complete their required education. There would be no additional administration costs.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:		\$ 3,000		\$ 3,000		\$ 3,000
Expenditures:		0		0		0


3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1997-99 biennium: None
- b. For the 1999-2001 biennium: None
- c. For the 2001-03 biennium: None

4. **County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
0	0	0	0	0	0	0	0	0

If additional space is needed, attach a supplemental sheet.

Signed 

Typed Name DENNIS SCHULZ

Date Prepared: 1-18-99

Department NORTH DAKOTA REAL ESTATE COMMISSION

Phone Number 701-328-9749

VK
1/22/99

HOUSE AMENDMENTS TO HOUSE BILL NO. 1279 GVA 1-22-99

Page 1, line 14, after "requirements" insert "and the period of noncompliance with the education requirements does not exceed three years"

Page 1, line 15, remove "shall pay" and after the second underscored comma insert "shall submit quarterly"

Page 1, line 20, overstrike "shall pay," and after the second comma insert "shall submit quarterly"

Renumber accordingly

HR141052

Date: 1-21-99

Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1279

House GOVERNMENT AND VETERANS AFFAIRS Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number 90473.0101 .0200

Action Taken DO NOT PASS AS AMENDED

Motion Made By CLEARY Seconded By METCALF
~~HAAS~~

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN	✓		REP. WINRICH	✓	
VICE-CHAIR KLINISKE	✓				
REP. BREKKE	✓				
REP. CLEARY	✓				
REP. DEVLIN	✓				
REP. FAIRFIELD	✓				
REP. GORDER	✓				
REP. GRANDE	✓				
REP. HAAS	✓				
REP. HAWKEN	✓				
REP. KLEMIN	✓				
REP. KROEBER	✓				
REP. METCALF	✓				
REP. THORESON	✓				

Total (Yes) 15 No 0

Absent 0

Floor Assignment KLEMIN

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1279: Government and Veterans Affairs Committee (Rep. Klein, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1279 was placed on the Sixth order on the calendar.

Page 1, line 14, after "requirements" insert "and the period of noncompliance with the education requirements does not exceed three years"

Page 1, line 15, remove "shall pay" and after the second underscored comma insert "shall submit quarterly"

Page 1, line 20, overstrike "shall pay," and after the second comma insert "shall submit quarterly"

Renumber accordingly

1999 TESTIMONY

HB 1279

Jan Gubrud, CRS, GRI
Broker Associate
Fredricksen Real Estate
719 2nd Street West
Williston, ND 58801
701-572-8167

Testimony HB 1279
House Government and Veterans Affairs
January 21, 1999

Mr. Chairman and members of the Government & Veterans Affairs Committee, my name is Jan Gubrud and I am a licensed Real Estate Broker from Williston. I have been a ND REALTOR® for 13 years and I have always easily met and many times exceeded the number of continuing education hours required to renew my license.

The North Dakota REALTOR'S® Association provides more than ample educational opportunities for licensees to obtain the required continuing education hours within the three year cycle currently in place. If a REALTOR® found they were short of continuing education hours towards the end of the three-year cycle, they then have an opportunity to pick up any or all of the necessary hours at the three-day session offered by NDAR in December. There is simply no excuse for a REALTOR® not obtaining the hours required by current law, other than carelessness or extreme procrastination.

North Dakota's education requirements for REALTORS® are designed to insure its citizens that real estate professionals are well trained and educated on the mechanics and laws governing our profession.

I encourage you to recommend a do not pass on HB 1279. Thank you for your time.



Janelle Kerr
Re/Max Realty Plus
2506 S Washington St, Suite A
Grand Forks, ND 58201
701-746-1313



Testimony HB 1279
House Government and Veterans Affairs
January 21, 1999

Mr. Chairman and members of the Government and Veterans Affairs Committee, my name is Janelle Kerr, broker with RE/MAX Realty Plus in Grand Forks. Currently I'm serving as President of the Grand Forks Board of Realtors and as a Director for the North Dakota Association of Realtors.

I appear in opposition to this legislation. The very essence of continuing education is to keep every licensee educated and knowledgeable on a regular basis. In the Grand Forks area we feel strongly about this issue and have asked for an introduction of legislation that increases the number of hours plus shortening the old 3-year cycle. We testified on SB 2098 and shared with the Senate Committee our experience with continuing education programs. Education elevates the professionalism in our industry and that is the ultimate benefit of the public. SB 2098 has already passed the Senate with a vote of 46 to 3.

This bill before you (1279) would be a step backwards. Line 12 through 17 on page one would allow anyone to pay \$10 a month in lieu of education.

I would like to recommend to you a do not pass on HB 1279.

Joe J. Frenzel, C.C.I.M.

*Certified Commercial
Investment Broker*

Sandi Frenzel, G.R.I., C.R.S.
Duane Schwab, G.R.I., C.R.S.
Ninetta Wandler, G.R.I., C.R.S.
Mirley Dukart, G.R.I.
Gene Duchscher, G.R.I.
John Radspinner
Lyllis Sackman, G.R.I.
Jackie Miller, G.R.I.
Lee Ann Galster
Ryan Scallon
Patrick Hedger



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Testimony HB 1279

House Government and Veterans Affairs

January 21, 1999

Mr. Chairman and members of the Government and Veterans Affairs Committee, my name is Ninetta Wandler and I am Chair-Elect of the NDAR Education Committee, was President of the Badlands Board of REALTORS® for two years and have been a Director on the State level. I am a REALTOR® with Everett Real Estate in Dickinson.

I am opposed to this legislation and appreciate the opportunity to explain to you my reason for opposition. I am opposed because there is no reason you shouldn't be able to finish your continuing education requirements because our State Association expends a great deal of effort to provide ample opportunities to attend education seminars. Attached to my testimony (page 2-4) you will find a chart that describes all seminars that we have provided in the last 3 years. The chart reveals the course topic, number of hours and location. (By the way the abbreviation of the town Bois refers to the Bois de Sioux Board of REALTORS® in Wahpeton/Breckenridge).

We also did a comparison analysis among other states and found this:

*Virtually every state has a continuing education law

*The average hours among the states are 11.5 hours each year

*Neighboring states:

Minnesota: 90 hours pre-licensing and 30 hours every two years thereafter

South Dakota: 60 hours pre-licensing and 24 hours every two years thereafter

Montana: 60 hours pre-licensing and 12 hours every year thereafter

North Dakota: 30 hours pre-licensing and 24 hours every **three** years thereafter

*We also found only one state (District of Columbia) that allows correspondence in lieu of classroom attendance for those who are 70 years old or older.

The need for ongoing education to keep ones knowledge and competence is equal. It should not make any difference if you sell lots of homes or only a few. Please oppose this legislation.

Course Description	Date	Dix.		Bis		Bois		Fgo		GFK		Jmst		Minot		Will	
		CE	#	CE	#	CE	#	CE	#	CE	#	CE	#	CE	#	CE	#
Licence Law	1/96	3	15	3	40	3	19	3	21	3	45	3	19	3	36	3	17
Fair Housing	3/96							2	30								
*Tax Deferred Exchanges	3/96									3	42						
*Fair Housing	5/96									3	15						
*Minnesota Agency Law	5/96									3	10						
Pro. Stds/Code	5/96											3	30				
ND/SD Convention	9/96							9									
*Pro Stds/Code	10/96			3													
*RS 202	10/96			14	38												
GRI II	10/96			30	30			30	36								
Mandatory Buyer Agency	12/96	3	46	3	89	3	16	3	74	3	51	3	34	3	90	3	27
GRI III	2/97			30	35												
RS 200	3/97									14	59						
Mandatory Buyer Agency	4/97							3	50								
Mandatory Contract Law	4/97	3	55	3	102									3	118	3	29
Fair Housing	5/97							2	38								
Mandatory Contract Law	5/97					3	17	3	100			3	55				
Mandatory Buyer Agency	6/97			3	46			3	27								
Mandatory Buyer Agency	7/97													3	20		
ND/SD Convention (9 hr. CE)	9/97																
Mandatory Contract Law	10/97			3	67												
RS 203	11/97							3	48								
Mandatory Contract Law	11/97							3	83	3	98						

P.M. Session																		
RS 204	10/98													13.5	45			
*Hearing Process Made Sim.	11/98							4	29									
*Code of Ethics	12/98							3	8									
December Seminar	12/98																	
Technology I				4	160													
Technology II				4	158													
Mandatory Buyer Agency				3	125													
Mandatory Contract Law				3	84													
Fair Housing				2	140													
Negotiations				3	144													
Prof. Stds/Code				3	144													
Environmental Aspects				2	123													
Mandatory Buyer Agency	1/99			3	13													
Mandatory Contract law	1/99			3	6													
Statewide Housing Summit	1/96			11	18													
Governor's Housing Conf	1/97			8	28													
ND Housing Conference	1/98			8.5	34													
TOTALS:		18	116	212.5	2147	9	52	127	1475	38	490	19	217	37.5	632	12	86	

Total CE: 473
Total Attendance: 5222