

To advocate for the success of our members in partnership with our local Associations and the National Association of REALTORS®

Minutes **Government Affairs Committee**February 14, 2017
Bismarck Ramada Inn

Present: Tricia Schlosser, Chair; Phil Vanyo, Vice Chair; Dave Lanpher, Past Chair; Neal Messer; Greg Larson; Jamie McLean; Desri Neether; Vicki Roller; Mary Shelkey-Miller; Mary Splichal; Dewey Uhlir; Mike Swartz; Cindy Harvey; Scott Louser*; Delynn Weishaar; Tate Cymbaluk; Todd Fettig; Kevin Fisher.

Absent with prior notice: Jack Kavaney; Arlene Volk; Ron Volk; Sharon Lunski; Tom Beadle*; Josh Boschee*; Tom Kading*; Jim Roers*; Scott Meyer; Steve Vetter* (*legislators/ex-officio)

Absent: Ninetta Wandler; Tyler Hofland; Candi Steidler; Paul Krabbenhoft.

Guests: Pat Jergenson, NDREC; Jerry Schlosser; LuAnn White; Sue Heth; Jill Kjorstad; Ruth Ann Halvorson; Nicole Schoeder; Dave Blumkin; Deb Nichols; Lyn Dwyer; Emily Johnson; Ben Schroeder; Dawid Boroski; Nick Leavy; Barb Lupo; John Colter; Nancy Deichert.

Staff: Jill Beck, Jane Marum, Nancy R. Willis

Presiding: Tricia Schlosser, Chair
Director Liaison: Amy Hullet, Vice President
Staff Liaison: Nancy R. Willis, GAD

Tricia Schlosser welcomed everyone and introductions were made. Schlosser informed the committee that we would begin business and when Karl Eckhart called in with the federal update we would cease and go to that agenda item.

- 1. The minutes of the January 4, 2017 meeting were approved. M/S/C
- 3. Nancy R. Willis reviewed the bills that NDAR is tracking. When the review got to HB 1306 related to the ND Real Estate Commission the committee discussed the bill in depth. Rep. Scott Louser first disclosed a conflict of interest as his mother serves on the NDREC, and then expressed concerns about the NDREC's opposition to the bill and stronger opposition as amended by the House Government and Veterans Affairs Committee in relation to the NDREC's relationship with NDAR.

In the original version of the bill as introduced, Commission composition was described as, "five members...four of whom must be licensed and active real estate brokers...One member must be of the general public and not licensed as a real estate broker in the state." The House GVA Committee amended this section to say, "five members...three of whom must be licensed and active real estate brokers...Two members must be of the general public and not licensed as real estate brokers in the state." Current law says "five members, three of whom must be active real estate brokers..." Concern was that currently the language would allow the governor to appoint five brokers, whereas the amendment now would limit the number of brokers.

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Commission chair Jerry Schlosser said that having two public members on the commission could be detrimental as it was difficult even for licensees to understand Code of Ethics and Agency. Pat Jergenson stated, for the record, a concern about the Call for Action that went out for a Do Pass on the bill using the language "out of compliance" to describe a comment made in the House GVA Committee that the current composition did not jive with the information on the Governor's website being disseminated to the public which says, "Three members must be active real estate brokers and two public members also serve."

In response to concerns expressed about wanting to ensure a continued good working relationship with the NDREC, the possible inability to have a majority of brokers on the commission and questions about how this amendment could be addressed, Rep. Louser described a number of options. NDAR could work to kill the bill. However, the Call for Action had gone out and this would seem odd and could hurt NDAR's reputation at the Legislature. NDAR could let the bill go through the House as is and since the process begins anew in the Senate, NDAR could work to remove the amendments in the Senate. If it passed out of the Senate, then a Conference Committee composed of members of both the House and Senate would need to resolve the language difference in the two versions of the bill. A third option would be to direct Rep. Louser to request that the bill be divided into Division A, which would consist of Section 1, which contained the amendment and other language related to composition of the Commission and Division B which would consist of Sections 2 and 3, which contain language related to term limits and commissioners being able to serve out their terms. Then he would ask House members to kill Division A and pass Division B.

A motion was made, seconded and passed by the Government Affairs Committee to recommend to the Board of Directors to direct Rep. Louser to divide the bill into Division A and Division B and to ask House members to kill Division A and pass Division B.

M/S/C Rep. Louser said he would call into the Board of Directors meeting on Thursday morning to verify that he had NDAR's authority to carry out this action.

- During the discussion, Karl Eckhart had texted and said he was not able to connect via the conference number he was given and would not be able to call in as he had another engagement, so this agenda item was dispensed with.
- 4. Due to the length of time used for discussion of item 2, committee meeting time had been exhausted and this item was dispensed with.
- Other Neil Messer asked the Committee to consider taking a position on SB 2225 relating to criminal trespass, hunting on private land and posting of lands. Messer said as a landowner and hunter himself, he believed this bill related to property rights and should be supported by NDAR It was moved, seconded and passed to support SB 2225. M/S/C

Respectfully submitted,

Nancy R. Willis, GAD