

PLB NEWS

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Welcome to PLB News, the quarterly newsletter of the Iowa Professional Licensing Bureau.

To keep licensees and stakeholders informed, we are pleased to provide you with information about each of the Bureau's seven professional licensing boards. Click on the name of the board in the list to the left, and you will jump to that section of the newsletter.

We welcome your feedback. Feel free to call the office or e-mail your profession's board. Contact information can be found on the last page of the newsletter.

PLB

New Staff Members



The Professional Licensing Bureau welcomes two new staff members: Mary Chase (left) and Renee Paulsen (right).

Mary Chase is the Background Coordinator for the Iowa Real Estate Commission. She joined the staff in October.

Renee Paulsen is the licensing specialist for the Architectural Board, Landscape Architectural Board, Real Estate Appraiser Board, and the Real Estate Commission. She joined PLB in September.

Military Service and Veteran Reciprocity

2014 Iowa Acts, Senate File 303 §34, now codified as Iowa Code §272C.4(11)-(13) requires that all licensing boards adopt rules to provide credit towards qualifications for licensure education, training, and service obtained while serving honorably on federal active duty, state active duty, or national guard duty. The Act also provides for the expedited licensing of a veteran who is licensed in another state. If the licensing requirements of the state where the veteran is licensed are substantially equivalent to the licensing requirements of Iowa, the veteran shall be licensed. If the requirements are not substantially equivalent the veteran must be allowed provisional licensing for a period of time to obtain a substantial equivalent to Iowa licensing requirements.

PBL has adopted a new chapter 14, "Military Service and Veteran Reciprocity," Iowa Administrative Code. The chapter addresses the process under which the Bureau will provide credit toward licensure

qualifications for military service, education, and training and the procedures for expediting reciprocal and provisional licensure for veterans who are licensed in other states. The rules establish the same procedure for all seven boards within the Bureau. The rules will be effective December 31, 2014.

The Attorney General's office has prepared a template which the licensing boards are using as the base for their own regulation. All licensing boards have adopted a version of this template, which can be found at <https://plb.iowa.gov/documents/military-service-application>.

Board Members Needed

Boards and commissions are responsible for advising the Governor and Lt. Governor, the legislature and state agencies. The Governor and Lt. Governor are looking for qualified applicants who are strong believers in becoming an active voice in state government.

The Governor and Lt. Governor appoint members to more than 160 boards and commissions as openings become available. If you are interested, please look at what [boards and commissions the Governor will make appointments to](#) in March 2015, or view the complete [List of Boards and Commissions](#).

If you find a position you are interested in, [sign up and fill out an online application](#) for consideration by the Governor and Lt. Governor.

Iowa Taxpayers Increase Donations to Wildlife in 2013 Tax Year



Last year, more than 8,000 Iowa taxpayers helped boost wildlife conservation with donations to the Fish and Wildlife Fund on their tax form. This marks the fourth straight year donations to the fund have increased, a trend that Stephanie Shepherd, DNR Wildlife Diversity Biologist, hopes to continue in 2014.

“The amount Iowans are donating to the fund is growing after a 10-year downward trend,” said Shepherd. “Those donations go directly to research and habitat development for some of Iowa’s most vulnerable animal species, so the funds are very important for natural

resources.”

According to Shepherd, Iowans donated \$136,000 last spring when completing their 2013 tax forms.

The Fish and Wildlife Fund, known popularly as the “Chickadee Check-off,” is a mechanism the Iowa Legislature created in the 1980s for Iowa citizens to donate to wildlife conservation on the Iowa state tax form. At its height, Iowans donated more than \$200,000 annually to the fund. According to Shepherd, one of the main reasons for a low number of contributors is taxpayers just not being aware of the Check-offs existence. This is where tax preparers can help.

“The simple act of asking whether a client wishes to donate to any of the check-offs can make a huge difference,” said Shepherd. “You don’t have to advocate, but make a point to include the contribution line in your tax preparation routine.”

Donating on the tax form is easy: simply write the amount to donate next to the Fish and Wildlife Check-Off (somewhere between lines 55-60 on Form 1040) and the sum is either automatically deducted from the refund or added to the amount owed. As with all charitable contributions, the amount is deductible from next year's taxes.

"Currently only about half a percent of Iowans donate," said Shepherd. "Our goal in 2014 is for more people to find the check off on their tax form, and to increase donations by 10 percent. If every taxpayer in Iowa donated just \$1 it would mean \$1.5 million for wildlife conservation in this state."

All proceeds from the check-off support the Department of Natural Resources' Wildlife Diversity program, responsible for protecting more than 1,000 fish and wildlife species in the state. Money from the Check-off helps improve wildlife habitat, fund research studies, support the reintroduction of threatened or endangered species, and much more.

Accountancy Board

Iowa Society of CPAs CEO Named to National Groups



Cindy Adams, CEO of Iowa Society of Certified Public Accountants, has been appointed to two national groups that serve those in the accounting profession. Adams was named a state executive representative to the American Institute of CPAs National Accreditation Commission. She was also named to the CPA Society Executives Association board of directors. Adams has been CEO for the Iowa Society of CPAs since February 2012. Prior to that, she was vice president of Strategic Outsourcing Partners LLC and vice president of information technology at Holmes Murphy & Associates Inc., a company she was with for more than 25 years.

Accountancy Board Discipline

Consent orders accepted by the Board may be found on the disciplinary index on the accountancy homepage. This index is a work in progress and will have past consent orders added as time allows.

14-12, Seim-Johnson, LLP, CPA Firm Permit #02014-414

The Board charged the Respondent with practicing public accountancy on a lapsed certificate. In addition to being reprimanded, a \$1,000 civil penalty was imposed and the Respondent was required to notify all clients for whom services were provided while the permit to practice was lapsed.

14-16, David Ellingson, CPA, #R02988

The Board disciplined the Respondent as a result of disciplinary action taken by the Nebraska accountancy board. The Respondent's Iowa CPA certificate is placed on probation until such time as he is released from probation by the Nebraska State Board of Public Accountancy.

14-17, Timothy Swedean, CPA, #005722

The Board charged the Respondent with practicing public accountancy on a lapsed certificate. In addition to being reprimanded, a \$1,000 civil penalty was imposed and the Respondent was required to complete 4 hours of ethics by November 30, 2014.

Architectural Examining Board

Best Podcasts for Architects

NCARB's Samantha Miller recently blogged about the [best podcasts for architects](#).

Recommendations include

- [Archispeak](#): Each episode, Evan Troxel, Neal Pann, and Cormac Phalen get together for a casual conversation about all things architecture.
- [Spotlight on Design](#): Produced by the National Building Museum, the lecture series features legendary voices in architecture, urban planning, and design.
- [99% Invisible](#): Award-winning producer Roman Mars explores how we've become numb to the design around us.
- [Entrepreneur Architect](#): Every week, Mark R. LePage shares invaluable business tips for small-firm architects.
- [The Architecture Happy Hour](#): Laura Davis and Larry Paschall, principals of HPD Architecture, discuss everything from finding a contractor to working abroad.
- [DnA: Design & Architecture](#): The popular podcast explores architectural trends in the modern age.
- [AIA Podnet](#): The AIA's podcast features brief interviews with design professionals from around the world.

Other podcasts mentioned were Architect Exam Prep and Business of Architecture.

Visit blog.ncarb.org to join the conversation.

Engineering & Land Surveying Examining Board

Engineering/Surveying License Renewal is Open

If your engineering and/or land surveying license was initially issued in an odd-numbered year, your license will expire at midnight on December 31, 2014. Renewal notifications were mailed mid-November to all licensees with a December 31, 2014 expiration date. The notifications were mailed to the last known address on file.

For online renewals, visit www.licensediniowa.gov. The transaction must be completed on or before midnight on December 31, 2014, to avoid the \$25 late fee. The late fee will be applied automatically to anyone renewing electronically after December 31, 2014 and before February 1, 2015.

If the online renewal system does not allow your electronic renewal, paper renewal applications will be provided and must be completed, including the appropriate fee, and postmarked on or before December 31, 2014 to avoid a \$25 late fee.

VanBuskirk Will Serve as NCEES Central Zone Vice President

From the August 2014 issue of NCEES' Licensure Exchange



Iowa Engineering and Land Surveying Examining board member Christy VanBuskirk, P.E., is the incoming NCEES Incoming Central Zone Vice President. Her term will began August 23, 2014.

Why did you choose to run for Central Zone vice president?

Fortunately, I have been able to participate in NCEES activities since my 2006 appointment to the Iowa board. Attending annual and zone meetings, as well as serving on NCEES committees and as a zone officer, has given me a desire to serve and contribute at the national level and be an active voice for the Central Zone.

How has your past experience prepared you for this office?

I have had the opportunity to attend the majority of zone and annual meetings during my time on the Iowa board. I served as co-chair when Iowa hosted the 2009 Central Zone interim meeting in Des Moines. This was my first exposure to the nuts and bolts of organizing a zone meeting. Serving as the Central Zone assistant vice president the past two years has given me additional knowledge of the logistics of zone meetings.

Serving on the Exam Audit, EPP, and PE Civil exam committees and observing five cut score meetings have given me a well-rounded background in NCEES exam development policies and procedures.

I have served in various leadership positions and am a past president of the Iowa section of the American Society of Civil Engineers. I also have served in leadership positions and on various committees for the Iowa County Engineers Association.

What issues or goals do you want to focus on during your term?

My primary goal is to ensure the Central Zone has an active voice in discussion and decisions in NCEES activities. But I do have several other goals.

First, I want our newer members to feel welcome and become active in NCEES.

Second, I want all Central Zone members to feel they can speak freely about issues before the Council. Everyone should be heard. We have had some actions and motions brought before the Council that have generated differing opinions and discussion. If the discussion is constructive, productive, and respectful, we should have it. It is time well spent.

My other goal is a commitment to NCEES' purpose of advancing licensure for engineers and surveyors to protect the health, safety, and welfare of the public.

Today's world is global and ever changing. NCEES is doing a good job adapting to and meeting the needs of engineering and surveying licensure. We need to ensure our goals of mobility, minimum competence, and reaching out to potential licensees are in line with our purpose.

How did you first get involved with NCEES?

My first meeting was the 2006 annual meeting in Anchorage, Alaska. I met other state licensing board members committed to NCEES' purpose. There was a myriad of information to process, and it definitely made my head spin. I realized then that you need to review the *Action Items and Conference Reports* prior to the meeting in order to make informed decisions.

Serving on NCEES committees has been very rewarding on many levels and has motivated me to

participate in NCEES activities. The work can be detailed and intense, but it has created networking opportunities and provided a working knowledge and appreciation of the various facets of exam development and administration.

Engineering/Surveying Board Discipline

09-18 Clarence Carrell, PLS, P07575

The Board charged the Respondent with failure to adhere to minimum land surveying standards. The Respondent was reprimanded and ordered to correct plats of survey. Additionally, his license was put on probation, with future work subject to desk review until released by the Board.

Landscape Architectural Examining Board

Notes from the Board

At its October meeting, the Board reviewed Iowa Code section 544B and Iowa Administrative Code Chapter 193D. In respect to the rules, the Board identified several definitions and procedural items that should be further reviewed and updated to better correspond to CLARB and the application and review process. If you would be interested in serving on a committee to review these documents or have comments to share with the committee, please contact Jill Simbro, executive officer, at jill.simbro@iowa.gov.

Currently, there are 233 actively licensed landscape architects in Iowa.

Real Estate Appraiser Examining Board

Administrative Rule Changes

With the many changes effective January 1, 2015, the Board has diligently been working to update the Administrative Rules 193F to maintain compliance with the Appraiser Qualifications Board. The Board has made substantial changes to many chapters this year. It is your responsibility to know these changes. If you'd like to know what appraiser board administrative rules are in the process, you may use the link at <https://www.legis.iowa.gov/law/administrativeRules/tracker> to track the information. This tool allows you quick access to the process. Remember, ignorance is NOT bliss when it comes to compliance with the Board.

Supporting Adjustments

By William Pruett, Rally Appraisal

A few years ago I was asked what my typical adjustment was between a two car and a three-car garage. I told the inquisitor that there is no "set" adjustment as adjustments are specific to the assignment and depend greatly on a number of factors. This was an unsatisfactory answer as the person was "just trying to come up with a value." This exchange bothered me at the time and has come to bother me more over the years. It is as though most readers of appraisal reports consider appraisers as those who "just come up with a value." The methodology necessary to "come up" with that value is often misunderstood and perhaps disrespected by those who do not understand our

profession.

This is augmented by adjustment “lists” which spell out how much a certain item should be adjusted for given the price range of the home. For example, a three car garage over a two car would be \$6,000 in the \$200,000 price range. A Fireplace adjustment would be \$1,000 in the \$100,000 price range and \$2,000 in the \$250,000 price range. I’ve seen these lists circulated among real estate agents and appraisers alike. They are usually from an appraiser who took the time to “help out” a real estate salesperson or broker friend. As well-intended as these lists may be, they are not only an affront to the appraisal profession, they mislead the individual in possession of the list.

So how do we come up with adjustments and why are these lists so dangerous? This has always been a relevant question and now is more timely in light of recent news from FNMA that the GSEs will be using the UAD to evaluate the consistency of adjustments in appraisal reports. Under such scrutiny, the appraiser would do well to disregard general lists with broad applications and focus on more supportable techniques in market valuation.

Supported adjustments come from two primary methods; Quantitative Analysis and Qualitative Analysis. Quantitative analysis is easiest understood as it deals with hard data resulting from research. Quantitative Adjustments (Appraisal of Real Estate 12th Ed., pg 438)

Several techniques are available to quantify adjustments to the sales prices of comparable properties:

- Data analysis techniques (including paired data analysis, grouped data analysis, and secondary data analysis)
- Statistical analysis
- Graphic analysis
- Trend analysis
- Cost analysis (cost-to-cure, depreciated cost)
- Capitalization of rent differences

Any of these approaches could render a supportable adjustment for a garage, fireplace, deck, basement finish, GLA, etc. The experienced appraiser has retained data files over the years which are updated regularly and make these data readily available and pertinent for their next assignment. Inexperienced appraisers must take the time over the coming months and years to develop these data sets and learn how to apply them to the new assignment at hand. Providing an arbitrary list of adjustments as a short-cut to these analyses misapplies the appraisal process and encourages a very poor methodology.

In addition to these quantitative approaches, there is the qualitative aspect in analysis. It has been said that Qualitative analysis transforms data into findings. Qualitative analysis “gets behind the numbers” and allows for interpretation. This is where years of experience, interviews with participants, unbiased approach, sensitivity to context, and a willingness to learn refine the data into a professional conclusion.

Qualitative analysis leans heavily on the appraiser’s experience and objectivity. Predetermined values, adjustments or other outcomes violate the essence of analysis which is only possible after the interaction of data. “Coming up with a value” encases the whole of the appraiser’s hard work and research and cannot be substituted with predetermined . . . anything. Adjustment lists cannot substitute the findings of a well researched and thought out conclusion.

For experienced appraisers and real estate agents, this is not news. We’ve been around our profession

long enough to know that every property is unique. The ability to discern comparables, market influences, buyer preference and appropriate methodology is no less essential than having knowledge of regression analysis, paired sales or local cost modes. For the less experienced, hang in there. Do your due diligence. Realize that “coming up with a value” is an art, a professional opinion based on your hard work and knowledge of the market place. “Hard work is its own reward, but it also rewards the people we work for” (Victoria Ricchiuti). There are no short cuts in the philosophy of hard work, only time and diligence.

ASB Q&A

Recently the Appraisal Foundation’s Appraisal Standards Board (ASB) issued Q & As on the following topics:

- Explaining the Exclusion of Approaches
- Value Conclusion Below Contract Price
- "USPAP Certified" Advertisement

You may read these at

<https://appraisalfoundation.sharefile.com/download.aspx?id=sc103e603aaf4b268>.

Your Appraiser Education is Your Responsibility

It is YOUR responsibility to confirm that continuing education courses are approved by the Iowa Real Estate Appraiser Examining Board. A complete list of approved appraiser courses can be found at our website <https://plb.iowa.gov/>. If a course has been approved by the AQB for qualifying education, it is automatically accepted. If a course is approved by the appraiser board in the state which the course was taken it will also be accepted in Iowa. If it is not approved in either of these manners, you must apply for post-approval credit as outlined in the Administrative Rules 193F. These rules can be found on a link from our website.

Real Estate Appraiser Examining Board Discipline

The case listed below has been summarized. You may read the entire order on the board’s website at www.plb.iowa.gov/real-estate-appraisers/disciplinary-index.

Formal Hearing

14-01 Hauser, Christopher (CR02698) Des Moines, IA

The Board charged Hauser, a certified residential appraiser, with failure to comply with a Board disciplinary order, in violation of Iowa Code §272C.3(2)(a). A formal hearing was conducted by the Board. The Board ordered that Hauser’s Iowa Real Estate Appraiser Certificate No. CR02698 be SUSPENDED until he 1) Fully complies with the terms of the January 23, 2014 Consent Order; 2) Passes the certified residential examination; 3) Completes two demonstration reports in a USPAP compliant manner; and 4) Files a reinstatement application demonstrating the reason for the suspension no longer exists.

Real Estate Commission

Commission Update

Licensing Totals – 10,886 Individuals Licensed

	<u>Brokers</u>		<u>Salespeople</u>		
	<u>Firms</u>	Active	Inactive	Active	Inactive
As of November 30, 2014	1,246	3,464	465	5,578	1,379

Important Renewal Information for 2014

Electronic renewals for those licensees whose licenses expire on December 31, 2014 are now available. Approximately 4,000 licenses are up for renewal. A renewal reminder postcard should have been mailed to those that are due to renew. Remember, even if you don't receive a renewal postcard, you are still responsible for renewing your license.

Go to the following link to renew if your license expires on December 31, 2014: <https://plb.iowa.gov/2014-fall-renewals>.

To prepare for your on-line renewal have the following information available:

- License number
- For salesperson or broker license: last 4 digits of social security number
 1. If reporting continuing education, have your continuing education certificates. Licensees will need to know how many hours of Law Update, how many hours of Ethics and how many hours of electives were successfully completed. The breakdown of these hours between classroom and correspondence (online, home study, etc.) will also need to be reported.
- If reporting an exam in lieu of continuing education, have the pass notices received from PSI.
- Credit/Debit card information (Visa, MasterCard or Discover)

Trade-name, branch and additional broker officer licenses all have the same expiration date as the main license. Make sure all licenses are renewed, if applicable.

Inactive licenses need to be renewed or they will expire. To renew inactive there is no continuing education or errors and omissions insurance requirement. If you currently are an active licensee and intend to renew to inactive status, notify your employing broker in writing.

Renewal fees are as follows:

- Salespersons (active or inactive) \$125
- Brokers (active or inactive) \$170
- Firms (can only be active) \$170
- Trade-names (can only be active) \$50
- Branch (can only be active) \$50
- Additional broker officer (can only be active) \$50

Education Requirements for December 31, 2014 Renewal

A minimum of 36 hours of qualifying continuing education **MUST** be completed between January 1, 2012 and December 31, 2014 and prior to the completion of your renewal. Licensees **DO NOT** have a

30-day grace period to complete education. If you do not have your continuing education done by December 31, 2014, you must renew to inactive status.

The education requirements are:

- 8 hours Law Update (mandatory)
- 4 hours Ethics (mandatory)
- 24 hours electives

A maximum of 24 hours may be taken by correspondence/home study during each three year renewal period.

During each three year renewal period a course may be taken for credit only once. A course may be repeated for credit ONLY if the course numbers **and** instructors are different.

Licensees residing and licensed in the following states will sign an affidavit to verify continuing education requirements: Alabama, Arkansas, Colorado, Georgia, Louisiana, Minnesota, Mississippi, Nebraska, North Dakota, Oklahoma, South Dakota, and Tennessee.

Licensees residing in all other states must comply with Iowa's 36 hour continuing education requirement.

In addition to courses approved directly by the Commission and the IREC Education Director, the Commission accepts the following courses to meet the 24 hour elective requirement:

- Credits earned in a state which has a continuing education requirement for renewal of a license if the course is approved by the real estate licensing board of that state for credit for renewal. However, **state-specific courses are not acceptable**.
- Courses sponsored by the National Association of Realtors (NAR) or its affiliates.

All brokers and salespersons can, at any time between July 1, 2014 and December 31, 2014, take and pass the appropriate licensing exam in lieu of completing the required continuing education for the December 31, 2014 license renewal. Contact the Commission to obtain an authorization letter for admittance to take the exam. Please send your written request to take the exam in lieu of continuing education to realestatecommisison@iowa.gov. When you pass the test you will automatically be given an application – do NOT use this to renew!

It is the responsibility of licensees to maintain records that support the continuing education claimed to renew and the validity of the credits. Documentation must be retained by licensees for a period of three years after the effective date of the license renewal. The Iowa Real Estate Commission does not maintain licensee's continuing education certificates.

Errors & Omissions Insurance Requirements

You must have current E & O insurance to renew to active status (salespersons, brokers, and firms) and attest that you will maintain uninterrupted coverage as long as your license is on active status according to the IREC licensing database.

If you intend to maintain an active real estate license (salesperson, broker, firm) in the state of Iowa in 2015, you are required to have uninterrupted errors and omissions insurance coverage.

For those E & O insurance policies that expire at year end, errors and omissions insurance must be **procured BEFORE January 1, 2015**.

Employing brokers, please determine that all of your licensees assigned to you have E & O insurance for 2015. For those licensees that are not going to have their real estate license active as of January 1,

2015, please follow the instructions on the IREC “Change of Status from Active to Inactive” form, fill it out, and also include the license to be mailed into the Commission. This documentation will have to be received by the offices of the Commission **BEFORE** January 1, 2015.

Please contact realestatecommission@iowa.gov with any questions.

From the Trust Account Auditor

Interest – Real Estate

193E 13.1(2): “Unless there is a written agreement between all parties to the transaction to the contrary, or the provisions of paragraph 13.1(2)(g) apply, all interest earned on the trust account shall be transferred on a calendar quarterly basis to the state. The amount to be remitted to the state will be the amount of interest earned less any service charges directly attributed to the requirement of maintaining an interest-bearing account and of remitting the interest to the state. The broker may have the depository remit the interest directly or the broker may remit the interest, but in either case, it shall be the responsibility of the broker to see that the interest is remitted.”

The broker should verify the following:

- Was the interest remitted on a quarterly basis to the State of Iowa?
- Was the interest that was remitted the correct amount?
- Does the interest have a sub-ledger?

Under no circumstances is the broker to receive any of the interest earned on a trust account.

Interest – Property Management

193E 13.1(2)(e): “If the property management or rental account is interest-bearing, the interest shall be transferred on a calendar quarter basis to the state unless there is a written agreement paying interest to the property owner.”

193E 13.1(4): “Receipts from property management and rental account transactions may be deposited in a trust account separate from the real estate sales transaction funds. If separately maintained, this account shall *not* be required to be an interest-bearing account.”

The broker should verify the following:

- Is the property management account interest bearing?
- If the property management account is interest bearing, is there a written agreement to pay the interest to the property owner? If not, is the interest being remitted to the State of Iowa on a quarterly basis?

Real Estate Commission Discipline

Signed settlement agreements may be viewed on Commission’s [website](#). (Page is under construction.)

Formal Hearing

14-054 Michael Landau (Applicant), Cedar Falls, IA

STATEMENT OF THE CASE: On May 5, 2014, the Iowa Real Estate Commission sent a letter to Michael Landau notifying him that the Commission had voted to deny his application for a real estate salesperson license. The denial was based on Landau’s two convictions for Assault Causing Bodily Injury, which the Commission determined were crimes of moral turpitude. Landau filed a timely Notice of Appeal, and an in-

person hearing was held on August 7, 2014 at the offices of the Iowa Real Estate Commission in Des Moines, Iowa.

THE RECORD: On March 31, 2014, Michael Landau submitted an Application for an Individual (Salesperson) License to the Commission after completing the required pre-licensure education and passing the Iowa real estate salesperson examination. Landau responded "yes" to the question on the application that asked if he had been convicted of a felony or misdemeanor criminal offense. On his application, Landau disclosed three criminal convictions: two convictions for Assault Causing Bodily Injury (February 26, 2007 and March 16, 2012) and one conviction for Public Urination (December 6, 2004).

CONCLUSIONS OF LAW: Applicable Statute - The legislature has established minimum qualifications for persons seeking licensure as real estate salespersons in the state of Iowa. Iowa Code section 543B.15(2013) provides, in relevant part: 543B.15 Qualifications

... 3.a. An applicant for a real estate broker's or salesperson's license who has been convicted of an offense specified in this subsection shall not be considered for licensure until the following time periods have elapsed following completion of any applicable period of incarceration, or payment of a fine or fulfillment of any other type of sentence:

(1) For an offense which is classified as a felony, two years.

(2) Notwithstanding subparagraph (1), for offenses including or involving forgery, embezzlement, obtaining money under false pretenses, theft, arson, extortion, conspiracy to defraud, or other similar offense, any offense involving moral turpitude, or other offense involving a criminal breach of fiduciary duty, five years.

b. After expiration of the time periods specified in paragraph "a", an application shall be considered by the Commission pursuant to subsection 7 and may be denied on the grounds of the conviction. An applicant may request a hearing pursuant to section 543B.19 in the event of a denial...

Therefore, if an applicant has been convicted of one of the offenses listed in Iowa Code section 543B.15(3)(a), the Commission is precluded from issuing the applicant a license until the expiration of the time period (2 years or 5 years) specified in the statute.

Analysis - A. The Applicant's Two Convictions for Assault Causing Bodily Injury Are "Offenses Involving Moral Turpitude." Assault Causing Bodily Injury is not a felony and is not one of the crimes specifically listed in 543B.15(3)(a)(2). In its initial decision denying the application, the Commission determined that Landau's convictions for Assault Causing Bodily Injury fell within the category of "offenses involving moral turpitude" because the conduct (underlying his convictions) was contrary to good morals. The issue presented on appeal is whether or not the Commission has properly classified these two convictions as offenses "involving moral turpitude," thereby triggering the mandatory five year waiting period established in Iowa Code section 543B.15(3)(a)(2).

The legislature has authorized the Commission to adopt rules to carry out and administer the provisions of Iowa Code chapter 543B. Pursuant to this authority, the Commission has adopted an administrative rule defining "moral turpitude" to mean: an act of baseness, vileness, or depravity, in the private and social duties which a person owes to another person or to society in general, contrary to the accepted and customary rule of right and duty between person and person. It is conduct that is contrary to justice, honesty, and good morals. Various factors may cause an offense which is generally not regarded as constituting moral turpitude to be regarded as such. A crime of moral turpitude as specified in Iowa Code section 543B.15(3) shall include without limitation forcible felonies as delineated in Iowa Code section 702.11.

The Commission finds that Landau's two convictions for the serious misdemeanor crime of Assault Causing Bodily Injury are offenses "involving moral turpitude" because the commission of such an offense "is contrary to the accepted and customary rule of right and duty between person and person" and constitutes conduct that is "contrary to justice, honesty, and good morals." Licensed real estate brokers and salespersons have significant daily contact with members of the public in a variety of circumstances. They frequently meet with members of the public alone, and they must be able to handle difficult personalities and situations in a calm manner without escalating any conflict that may arise. The Commission must be confident that those persons licensed as real estate salespersons have the necessary professionalism and self-control to ensure that the public is treated in a safe, fair, and respectful manner.

DECISION AND ORDER: It is ordered that the application filed by Michael Landau for a real estate salesperson license in the state of Iowa is DENIED.

License Revoked Or Voluntarily Surrendered

12-228 David L. Larsen (B05222000), Kalona, IA – Voluntary Surrender of Broker License

The Commission charged Larsen, a broker, with Count I: With having been convicted of a felony criminal offense and/or a criminal offense involving forgery, embezzlement, obtaining money under false pretenses, theft, arson, extortion, conspiracy to defraud, or other similar offense, any offense involving moral turpitude, or other offense involving a criminal breach of fiduciary duty in a court of competent jurisdiction in this state, or in any other state, territory, or district of the United States in violation of Iowa Code § 543B.29(1)(f) (2013). See also Iowa Code §§ 272C.10(5) & 543B.15(3); 193E Iowa Administrative Code §§ 18.2(1) & 18.2(4).

The Commission charged Larsen, a broker, with Count II: With failing to notify the Commission of his conviction of a criminal offense within ten days of the conviction in violation of Iowa Code section 543B.29(1)(f)(1) (2011). See also Iowa Code section 543B.15(3); 193E Iowa Administrative Code §§ 18.2, 18.14(5)(s).

The Commission charged Larsen, a broker, with Count III: With having made a false statement of material fact on a renewal application for a real estate broker's license, or causing to be submitted, or having been a party to preparing or submitting a false renewal application for a real estate broker's license in violation of Iowa Code section 543B.29(1)(b) (2011). See also Iowa Code sections 272C.10(1), 543B.15(5), 543B.34(1), 543B.34(11) (2011); and 193E Iowa Administrative Code sections 3.1(3), 3.5(2), 3.6(5), 18.2, 18.14(5)(s).

Larsen agreed to resolve the charges with a Voluntary Surrender of Broker License through Consent Order. Larsen voluntarily agreed to surrender his Iowa real estate broker license (B05222000) to the Iowa Real Estate Commission. The effective date of the license surrender shall commence ninety (90) days after the date the Order is accepted by the Commission. In consideration of the fact that Larsen fulfilled his federal criminal sentence and has been released from further court supervision, the Commission agreed to downgrade the Larsen's real estate broker license upon its surrender to a real estate salesperson license. Following the return of his real estate broker license to the Commission, Larsen shall be eligible to activate his license as a real estate salesperson pursuant to Iowa Code section 543B.33, immediately upon his employment by a qualifying Iowa real estate broker.

Larsen further acknowledges that Iowa law allows the Respondent to reapply for an Iowa real estate broker license if the surrender or revocation took place two (2) years (or longer) prior to reapplication, AND that the Respondent must qualify as if he had never previously been licensed as a real estate broker in the state of Iowa, AND that reapplication may or may not be granted by the Iowa Real Estate Commission.

14-001 Charles A. Ruhl, Jr. (B08199000), Davenport, IA – Voluntary Surrender

The Commission charged Ruhl, a broker, with Count I: With having been convicted of a felony criminal offense and/or a criminal offense involving forgery, embezzlement, obtaining money under false pretenses, theft, arson, extortion, conspiracy to defraud, or other similar offense, any offense involving moral turpitude, or other offense involving a criminal breach of fiduciary duty in a court of competent jurisdiction in this state, or in any other state, territory, or district of the United States in violation of Iowa Code § 543B.29(1)(f) (2013). See also Iowa Code §§ 272C.10(5), 543B.15(3); 193E Iowa Administrative Code §§ 18.2(1), 18.2(4).

Ruhl agreed to resolve the charge with a Voluntary Surrender of Broker License through Consent Order. Ruhl's license surrender shall be for an indefinite period of time and the Commission shall not grant an application for reinstatement until all terms of the sentencing has been fully satisfied. Ruhl further acknowledges that Iowa Code § 543B.15(3) (2013) prohibits him from applying for an Iowa Real Estate license until five (5) years after the he has successfully satisfied any applicable period of incarceration, payment of all fines, and/or fulfillment of any other type of sentence pursuant to United States of America v. Charles Arthur Ruhl, Jr., Criminal No. 3:13-cr-00057, that he must qualify as a salesperson starting over as if never licensed, and that reapplication may or may not be granted by the Commission. Reinstatement of his license shall be governed by 193 Iowa Administrative Code section 18.5.

Engaging in Practices Harmful or Detrimental to the Public and Failing to Diligently Exercise Reasonable Skill and Care in Providing Brokerage Services

13-209 Lola D. Vaith (B33116000), Mason City, IA – Informal Settlement

The Commission charged Vaith, a broker, with Count I: Engaging in practices harmful or detrimental to the public, and failing to diligently exercise reasonable skill and care in providing brokerage services to all parties in violation of Iowa Code sections 543B.29(1)(c), 543B.34, 543B.56(1)(a), 543B.56(1)(b) (2013); and 193E Iowa Administrative Code section 18.14(5)(s) by entering a property without proper authorization.

Vaith agreed to resolve the charge with a Settlement Agreement. She was ordered to pay a civil penalty in the amount of five hundred dollars (\$500) within thirty (30) days of acceptance of the Agreement by the Commission. She also agreed to fully comply with all pertinent orders of the Commission and the statutes and rules regulating the practice of real estate.

Failing to Diligently Exercise Reasonable Skill and Care in Supervising

14-111 Iowa Realty Co Inc (F00710000), West Des Moines, IA – Informal Settlement

The Commission charged Iowa Realty Co Inc, a firm, with Count 1: Failing to diligently exercise reasonable skill and care in supervising, by allowing a licensee in the employment of the Respondent to practice real estate without current errors and omissions insurance in the State of Iowa in violation of Iowa Code sections 543B.29(1)(j), 543B.34, 543B.47(1), 543B.62(3)(b) (2013); and 193E Iowa Administrative Code sections 7.11, 18.14(5)(s).

Iowa Realty Co agreed to resolve the charge with a Settlement Agreement. Iowa Realty Co was ordered to pay a civil penalty in the amount of one thousand dollars (\$1,000) within one hundred eighty (180) days of acceptance of the Agreement by the Commission. Iowa Realty Co also agreed to fully comply with all pertinent orders of the Commission and the statutes and rules regulating the practice of real estate.

Trust Account Violations

See Iowa Code 543B.29(1)(k), 543B.34, 193E Iowa Administrative Code chapter 13, and 193E Iowa Administrative Code § 18.14(5)(e).

14-071 Timothy C. Schultheis (B41839000), Fulton, IL – Informal Settlement

Schultheis agreed to resolve the charge with a Settlement Agreement. He was ordered to pay a civil penalty in the amount of one thousand five hundred dollars (\$1,500) within one hundred and eighty (180) days of acceptance of the Agreement by the Commission. He also agreed to fully comply with all pertinent orders of the Commission and the statutes and rules regulating the practice of real estate.

Failing to Comply with the Mandatory Errors and Omissions Insurance Requirement

All licensees disciplined for E & O insurance violations were active at the time of the infraction. See Iowa Code 543B.29(1)(c), 543B.47(1), 543B.47(6) and 193E Iowa Administrative Code sections 18.2(5), 18.14(5)(s), 19.6(5), 19.6(6).

14-057 Professionals Group, LLC (F04715000), Sioux Falls, SD - \$1,000 Civil Penalty

14-110 Siri L. Hirth (S62476000), Davenport, IA - \$1,000 Civil Penalty

14-116 AJ Alloway, Inc (F05339000), Omaha, NE - \$1,000 Civil Penalty

14-118 George A. Sargent (S26733000), Keokuk, IA - \$1,000 Civil Penalty

14-120 Carol J. Bermel (S40162000), Keota, IA - \$1,000 Civil Penalty to be paid prior to reactivation or reinstatement of license

14-122 Myong-Hui Palmer (S60029000), Bettendorf, IA - \$1,000 Civil Penalty to be paid prior to reactivation or reinstatement of license

14-127 Brooke Gillum (S60457000), Ankeny, IA - \$1,000 Civil Penalty to be paid prior to reactivation or reinstatement of license

14-128 Marcia L. Jones-McFeeley (S58159000), Novato, CA - \$1,000 Civil Penalty to be paid prior to reactivation or reinstatement of license

14-129 Karen Roberts (S62475000), Madison, WI - \$1,000 Civil Penalty

14-130 Michael D. Hoepfner (B11327000), Okoboji, IA - \$1,000 Civil Penalty

14-131 Hazel E. McClellan (S12813000), Eldora, IA - \$1,000 Civil Penalty

Failing to Comply with the Mandatory Errors and Omissions Insurance Requirement (2nd Offense)

See Iowa Code 543B.29(1)(c), 543B.47(1), 543B.47(6) and 193E Iowa Administrative Code sections 18.2(5), 18.14(5)(s), 19.6(5), 19.6(6).

13-163 James Curran (S59119000), Chariton, IA - \$2,000 Civil Penalty to be paid prior to reactivation or reinstatement of license

Failing to Comply with Continuing Education Requirements and Causing to be Submitted, Whether Intentional or Otherwise, Incorrect Information on a Renewal Application

See Iowa Code 272C.10(1), 543B.15(5), 543B.29(1), 543B.34(1) and 193E Iowa Administrative Code chapter 16 and 193E Iowa Administrative Code § 18.14(5)(s).

14-070 Richard J. Grote (S42498000), Neola, IA - \$500 Civil Penalty

14-102 Jonathan Chambers (S60893000), Cedar Rapids, IA - \$500 Civil Penalty

14-106 Andrew J. Kohles (S59557000), West Des Moines, IA - \$500 Civil Penalty

Failing to Timely Inform the Commission in Writing of a Change of Residence Address

See Iowa Code §§ 543B.16, 543B.18; and 193E Iowa Administrative Code §§ 7.2(6), 18.14(5)(d)(5).

14-128 Marcia L. Jones-McFeeley (S58159000), Novato, CA - \$50 Civil Penalty to be paid prior to reactivation or reinstatement of license

Failing to Fully Disclose Criminal History on an Application

See Iowa Code § 543B.15(5).

14-123 Austin M. Szegda (S63072000), Bettendorf, IA - \$500 Civil Penalty

14-145 Julie A. Greving (S63124000), Des Moines, IA - \$500 Civil Penalty

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