

PERFORMANCE OVERSIGHT HEARING

DISTRICT OF COLUMBIA REAL ESTATE COMMISSION

1. Please provide a list of the Commission’s current members. For each member, please provide the following:

- **The member’s name**
- **The Ward, agency, or organization the member represents**
- **Who appointed the member**
- **When the member’s term expires**
- **Attendance record**

Answer:

Name	Ward	Appointed by	Expires	Attendance (Absences)
Josephine Ricks	2	Mayor Bowser	12/13/19	(1 absence)
Frank Pietranton	3	Mayor Bowser	12/13/20	(0 absences)
Ulani Gulstone	8	Mayor Bowser	12/13/20	(1 absence)
Edward Downs	2	Mayor Bowser	12/13/18	(0 absences)
Danai Mattison Sky	1	Mayor Bowser	12/13/18	(6 absences)
Christine Warnke	3	Mayor Bowser	12/13/19	(2 absences)
David Forster	5	Mayor Bowser	12/13/20	(0 absences)

2. Please provide a list of the Commission’s meeting dates, times, attendance, and locations, for FY17 and FY18 to date.

FY17 Dates	Time	Attendance (Absent)	Location
10/18/16	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Ulani Gulstone, Darrin Davis, Christine Warnke (<i>Danai Mattison Sky</i>)	DCRA, 1100 4 th St., SW
11/8/16	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Ulani Gulstone, Danai Mattison Sky, (<i>Christine Warnke, Darrin Davis</i>)	DCRA, 1100 4 th St., SW
12/13/16	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Ulani Gulstone, Darrin Davis, Christine Warnke (<i>Danai Mattison Sky</i>)	DCRA, 1100 4 th St., SW
1/10/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Darrin Davis, Danai Mattison Sky, Christine Warnke (<i>Ulani Gulstone</i>)	DCRA, 1100 4 th St., SW
2/14/17	10:00 am	Monique Owens, Frank Pietranton, Christine Warnke, Darrin Davis, Danai Mattison Sky, Ulani Gulstone (<i>Josephine Ricks</i>)	DCRA, 1100 4 th St., SW
3/14/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Christine Warnke (Phone), Darrin Davis (Phone), Ulani	DCRA, 1100 4 th

		Gulstone (<i>Danai Mattison Sky</i>)	St., SW
4/11/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Christine Warnke, Ulani Gulstone (<i>Danai Mattison Sky, Darrin Davis</i>)	DCRA, 1100 4 th St., SW
5/9/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Christine Warnke, Ulani Gulstone, Danai Mattison Sky (<i>Darrin Davis</i>)	DCRA, 1100 4 th St., SW
6/13/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Christine Warnke, Ulani Gulstone, Danai Mattison Sky (<i>Darrin Davis</i>)	DCRA, 1100 4 th St., SW
7/25/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Christine Warnke, Ulani Gulstone (<i>Danai Mattison Sky</i>)	DCRA, 1100 4 th St., SW
August		Recess	DCRA, 1100 4 th St., SW
9/12/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Christine Warnke, Ulani Gulstone, Danai Mattison Sky	DCRA, 1100 4 th St., SW
FY18 Dates	Time	Attendance (Absent)	Location
10/17/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Ulani Gulstone, Danai Mattison Sky (<i>Christine Warnke</i>)	DCRA, 1100 4 th St., SW
11/14/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Ulani Gulstone, Christine Warnke, Danai Mattison Sky	DCRA, 1100 4 th St., SW
12/12/17	10:00 am	Josephine Ricks, Monique Owens, Frank Pietranton, Ulani Gulstone, Christine Warnke, Danai Mattison Sky	DCRA, 1100 4 th St., SW
1/9/18	10:00 am	Josephine Ricks, Frank Pietranton, Ulani Gulstone, Christine Warnke, David Forster, Edward Downs (<i>Danai Mattison Sky</i>)	DCRA, 1100 4 th St., SW

3. Did the Commission receive funds in FY17? If so, please provide the following:

- **The amount of the funding**
- **The source of the funding**
- **A list of all expenditures**
- **A description of how these funds furthered the Commission's mission**

Funding is provided from licensee fees paid into the Real Estate Guaranty and Education Fund. These funds were used to sponsor education workshops, pay claims of direct losses to the public, and for attendance at regulatory association meetings.

Department of Consumer and Regulatory Affairs
FY 2017 - Budget Status Report - Real Estate Guarantee & Education (6008) Summary

OPS95

OCCUPATIONAL AND PROFESSIONAL LICENSING

Comp Source Group	Comp Source Group Title	Approp Bal	Pre Encumbrance Bal	Act Encumbrance Bal	Expend Bal	Pre-Encumbrances, Encumbrances and Expenses	Available Balance	Percent Obligated
0011	REGULAR PAY - CONT FULL TIME	136,205.35	0.00	0.00	108,248.63	108,248.63	27,956.72	79.5%
0013	ADDITIONAL GROSS PAY	0.00	0.00	0.00	10,710.62	10,710.62	(10,710.62)	
0014	FRINGE BENEFITS - CURR PERSONNEL	34,596.16	0.00	0.00	32,777.98	32,777.98	1,818.18	94.7%
0015	OVERTIME PAY	0.00	0.00	0.00	1,101.40	1,101.40	(1,101.40)	
PERSONNEL SERVICES		170,801.51	0.00	0.00	152,838.63	152,838.63	17,962.88	
0020	SUPPLIES AND MATERIALS	5,500.00	0.00	0.00	4,197.00	4,197.00	1,303.00	76.3%
0031	TELEPHONE, TELEGRAPH, TELEGRAM, ETC	0.00	0.00	0.00	949.98	949.98	(949.98)	
0040	OTHER SERVICES AND CHARGES	186,842.00	0.00	0.00	68,449.31	68,449.31	118,392.69	36.6%
0041	CONTRACTUAL SERVICES - OTHER	1,369,575.00	0.00	0.00	1,023,846.00	1,023,846.00	345,729.00	74.8%
0070	EQUIPMENT & EQUIPMENT RENTAL	7,400.00	0.00	0.00	6,400.00	6,400.00	1,000.00	86.5%
NON-PERSONNEL SERVICES		1,569,317.00	0.00	0.00	1,103,842.29	1,103,842.29	465,474.71	
OPS95		1,740,118.51	0.00	0.00	1,256,680.92	1,256,680.92	483,437.59	
Summary		1,740,118.51	0.00	0.00	1,256,680.92	1,256,680.92	483,437.59	

4. Please describe the Commission's activities and accomplishments in FY17 and FY18, to date, and how these have had an impact on the residents of the District.

- The Commission testified and provided feedback on Council legislation to clarify the scope of practice for licensed property managers and to create pre-licensure education requirements for applicants seeking to possess a property manager license in the District of Columbia. The legislation would include education on the management of common interest communities and community association management in the pre-licensure education requirements.
- The Commission appointed a Property Management Task Force with responsibilities to include, but not limited to:
 - Developing a pre-licensing course outline for property management licensure, inclusive of common interest community management;
 - Reviewing and making recommendations regarding the broker and salesperson pre-licensing education course curriculum;
 - Developing continuing education courses to include property and community association management for property managers, real estate brokers, and salespersons; and
 - Reviewing the current bank of broker, salesperson, and property management questions on the real estate examinations to reassess validity and monitor the effectiveness of new questions written on the broker, salesperson, and property

management examinations and include questions inclusive of community association management.

- The Commission participated in ongoing meetings with neighboring jurisdictions regarding major reciprocity related issues and new requirements for licensees at the ARELLO meetings. This ensures that the Commission is informed on industry trends in the area and may recommend adjustments to better service licensees, should an issue arise.
- The Commission offered seminars and co-sponsored educational opportunities for licensees in collaboration with other DC government agencies and private organizations. Providing educational opportunities in conjunction with other DC government agencies has the dual benefits of providing licensees with necessary information and introducing beneficial agencies and programs to licensees.
- The Commission monitored pre-licensing and continuing education programs to ensure they were being conducted appropriately. This protects consumers and residents by ensuring their real estate professional obtained legitimate and informative continuing education courses to meet license requirements.
- The Commission began work to establish a pre-licensing property management course. A pre-licensing property management course will improve comprehension of District-specific laws governing property management and encourage the use of best practices to benefit tenants.
- The Commission updated an email distribution list containing a data base of over 14,000 addresses for the purpose of disseminating significant regulatory alerts to licensees. This system has enhanced the Commission's ability to notify licensees immediately of trends involving illegal practices that will result in disciplinary actions, and other important information on regulatory requirements.
- The Commission approved 20 schools and educational programs to offer 86 approved courses through the CE banking system for the 2017 renewal cycle. Identifying schools and courses that provide qualified educational courses helps licensees meet educational requirements and encourages the use of best practices.
- The Commission regularly updated information on the Commission's website. These updates included new Commission members, legislation and regulations, administrative law and authority of the Commission, pre-licensing and continuing education courses, license renewal information, and a pamphlet discussing agency disclosure and real estate transactions.
- The Commission continued active involvement with the Association of Real Estate License Law Officials through Commission members serving as officers, committee chairpersons, and forum leaders in the Association. Interacting with officials across the

nation provides context for the Commission to evaluate the practice of real estate in the District and informs future decisions that impact licensees and consumers.

- The Commission's staff participated in a national examination review with the testing vendor of all existing questions related to real estate brokers and salespersons, on the general portion of the real estate examinations. This review consisted of reassessing their validity, deleting outdated questions, and drafting new questions consistent with regulations and industry trends. Reviewing and updating questions on real estate examinations ensures that licensees focus on current best practices.
- The Commission published two newsletters for distribution to over 14,000 licensees and the general public.

5. Please describe the Commission's goals in FY18 and the plan/timeline for completion?

- The Commission will review the questions on the law portion of the broker, salesperson, and property management examination, as well as the general portion of the property management examinations, to monitor the effectiveness of new questions and assess the appropriateness of existing exam questions. The property management review will be inclusive of community association management.
- The Commission will establish a pre-licensing property management course to ensure potential licensees are well-informed on laws and practices specific to the District of Columbia prior to examination. The Commission plans to complete this by the end of FY18.
- The Commission will review existing statutes and regulations governing real estate on a continual basis to identify industry trends and current regulatory needs.
- The Commission, with the testing vendor, will review all existing questions on the law part of the examination related to real estate brokers, salespersons, and property managers, as well as the portion of the general examination for property managers.

6. What are the Commission's biggest strengths?

The Commission is proud of the educational opportunities the organization provides by sponsoring and co-sponsoring numerous education workshops annually to ensure licensees maintain a high level of expertise in their evolving professions.

In addition to providing educational opportunities for licensees that encourage best practices, the Commission provides consumer protection to District residents. The Commission evaluates complaints brought by the public against licensees. These complaints are addressed in a timely manner and evaluated to ensure the licensee used best practices. In cases where a licensee may not have used best practices, the Commission's consumer protection measures may be extended

by providing the public with a means of recovery for direct losses through the Real Estate Guaranty and Education Fund.

7. What challenges does the Commission face?

The Commission does not currently face any challenges that prevent it from operating.

8. Does the Board have any legislative issues to the District of Columbia Second Omnibus Regulatory Act of 1998?

The Commission does not have any legislative issues regarding the District of Columbia Second Omnibus Regulatory Act of 1998.

9. Is the Commission required to post meeting notes or agendas online? Has the Commission done so?

The Commission is required to post meeting minutes online and has consistently posted the required documents.

10. How does the Commission represent and solicit feedback from residents? Please describe:

- **The process for soliciting feedback and number of submissions**
- **What has the Board/Commission learned from this feedback?**
- **How has the Commission changed its practices as a result of such feedback?**

The Commission informs the public and licensees of relevant information by publishing newsletters and mass mailings as well as sponsoring education and workshop courses. The public and licensees are able to respond to these publications and provide feedback to the Commission through a variety of means. The Commission has monthly public meetings where members of the public and licensees may provide feedback. The Commission also provides online complaint forms.

The Commission recognizes the importance of maintaining a feedback loop with the licensees it serves. In an effort to enhance the ease of submitting and regularity of receiving feedback, the Commission has recently begun providing surveys to licensees at the end of courses and events. The Commission looks forward to reviewing this feedback and the increased engagement with licensees it will foster.

11. When was the last time the Commission updated the educational materials for each of the professional license it regulates?

The Commission distributes two publications to assist licensees in staying abreast of changing regulations and/or to prepare for DC licensing exams. The primary document is the “Real Estate Legislation and Regulations” document, which was most recently updated in February 2016. While the “Legislation and Regulations” document is not intended as a substitute for official DC

Code published by the West Group, it is a handy resource for licensees and regulatory staff alike when the need arises to cite a law or rule. The other critical document is the “Study Guide for the Property Managers Examination” which was most recently revised in March 2016 and is currently under review by a special Property Management Task Force. This document has long been the sole resource for property management licensing candidates. The Property Management Task Force is currently in the process of developing a course content outline for new property managers and continuing education courses for real estate brokers, salespersons, and property managers inclusive of community association management.

12. When was the last time the Commission updated the required examination for each of the professional licenses it regulates?

The Commission’s staff participated with the testing vendor during October 2017 in its review of the national examination bank of questions for salespersons and brokers for the purpose of reassessing the validity of the questions, deleting outdated questions, and writing new or revised questions.

13. When was the last time the Commission updated the continuing education materials for each of the professional licenses it regulates?

The Commission reviews the course content outline for each of its mandatory courses before each of its licensing cycles during odd number years. The current mandatory courses are Legislative Update, Fair Housing, and Ethics.

14. How many complaints has the Commission received in FY17 and FY18 to date?

The Commission has received 42 complaints in FY17 and FY18, to date.

15. Please describe the investigatory process and remedial steps the Commission takes if it receives a complaint about the professional conduct of one of its licensees?

The Commission reviews complaints brought by the public at monthly meetings and when a determination is made that a complaint warrants an investigation, the body votes to send these complaints to an investigator in the Occupational and Professional Licensing Administration (OPLA). Once the referral is received, the investigator reviews the complaint and the allegations and researches the licensee’s record to determine if any previous violations have occurred. The investigator makes a determination on whether the respondent licensee needs to be interviewed and, if necessary, interviews are scheduled and conducted to prepare a response to the complaint. Additionally, the complainant is interviewed to gather more information. OPLA obtains and reviews additional documents during the interview process. Once the investigation report is completed, it is reviewed by the OPLA managers and sent to the Commission for appropriate action.

The remedial steps include Consent Orders, which may consist of appropriate coursework requirements to retrain the respondent licensee during a prescribed period. These courses are in

addition to regular continuing education requirements. Additional steps available to the Commission include probation, fines, suspensions, and revocations.