

Part 1 – Agency Profile

Agency Overview

The Idaho Real Estate Commission is a self-governing regulatory agency authorized under Chapter 20, Title 54, Idaho Code to administer the Real Estate License Law regulating real estate brokerage in Idaho. The Commission is a dedicated fund agency, meaning that all costs associated with operating the Commission come primarily from license and application fees; the Real Estate Commission receives no general fund monies. The Commission issues licenses to real estate brokers and sales associates, develops and oversees education programs and licensing exams, and investigates complaints and takes disciplinary actions for violations of the license law. The Commission is also charged with administering the State's Subdivided Lands Disposition Act (Chapter 18, Title 55, Idaho Code), which requires registration of those wishing to market timeshares and out-of-state subdivisions to Idaho residents.

The Commission is composed of four Governor-appointed Commissioners from four geographic areas of the state. The Commissioners meet monthly to establish the policies by which the Commission operates and to hear and decide enforcement matters. Commissioners hire an Executive Director to oversee agency operations and implement Commission policies.

In addition, the Real Estate Education Council is established to serve as an advisory group to the Commission and to perform other duties related to planning, coordinating and directing education programs as authorized in the Council's bylaws. The Education Council consists of six members, four appointed by the Commission from the four geographic areas of the state, one Commissioner, and the Commission's Executive Director.

Commission staff totals 16 employees in Administration, Education, Enforcement, and Licensing who carry out the day-to-day duties of the Commission with the guidance and assistance of a part-time contract attorney, who serves as the Commissioners' legal advisor.

Approximately 90% of Idaho licensees belong to the Idaho Association of REALTORS®, a prominent trade association for real estate brokers and sales associates. Although the interests of the agency and the association may sometimes differ, the Commission works with the Association to develop consensus on issues affecting licensees.

Core Functions/Idaho Code

Licensing Department – Issues and renews licenses for Idaho real estate brokers and salespersons, including verification of eligibility for licensure; handles processing of fingerprint cards for background checks; oversees licensee Errors & Omissions insurance program and monitors licensee compliance with E&O requirement; processes records changes and certified license histories.

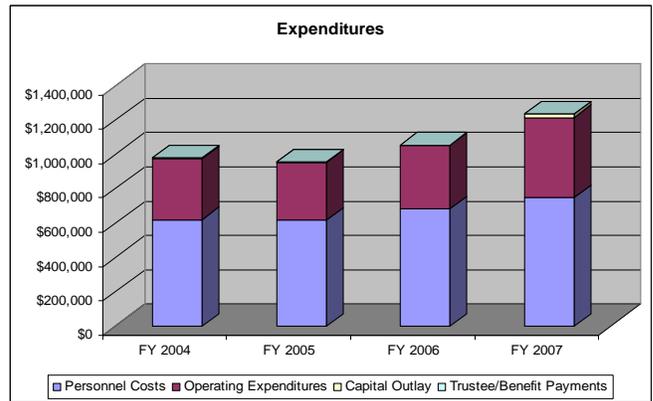
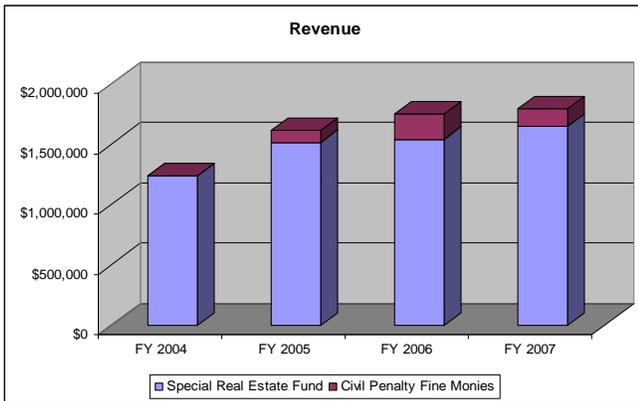
Education Department – Develops and reviews curriculum for pre-license education and the Commission's Business Conduct & Office Operations and annual Core courses; certifies courses, instructors and course providers and monitors their performance; evaluates education equivalency for sales and broker license requirements; audits licensee compliance with Continuing Education requirements; oversees license examination content and administration; maintains a library of education materials for public use; support staff for the Education Council.

Enforcement Department – Audits real estate brokerage trust accounts and office operations; investigates complaints of alleged license law violations; recommends and monitors discipline for licensees and others for violations of the license law; oversees the registrations required under the Idaho Subdivided Lands Disposition Act.

Administration Department – Maintains the Commission website and licensee database; publishes and distributes the bi-annual licensee newsletter (the *Real Estatement*), annual license law book, and Commission-approved agency disclosure brochure; liaison with legislature and trade association (Idaho Association of REALTORS®); fiscal, human resources and purchasing functions; and support staff for the Commissioners.

Revenue and Expenditures

Revenue	FY 2004	FY 2005	FY 2006	FY 2007
Special Real Estate Fund	\$1,241,229	\$1,518,088	\$1,543,056	\$1,652,440
Civil Penalty Fine Monies	\$ N/A	\$95,831	\$206,944	\$143,645
Total	\$1,241,229	\$1,613,919	\$1,750,000	\$1,763,084
Expenditure	FY 2004	FY 2005	FY 2006	FY 2007
Personnel Costs	\$619,600	\$615,700	\$682,000	\$748,666
Operating Expenditures	\$354,600	\$336,900	\$368,200	\$465,877
Capital Outlay	\$5,200	\$4,500	\$3,700	\$21,527
Trustee/Benefit Payments	\$0	\$0	\$0	\$0
Total	\$979,400	\$957,100	\$1,053,900	\$1,236,070



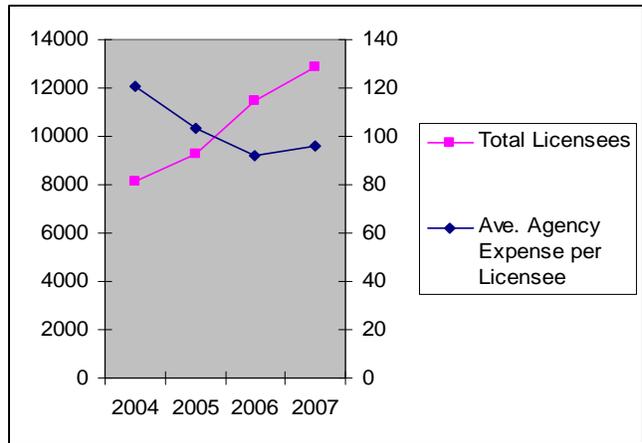
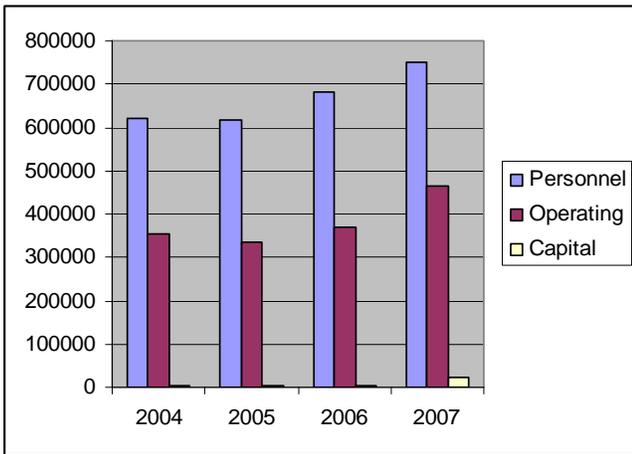
Profile of Key Services Provided

Key Services Provided	FY 2004	FY 2005	FY 2006	FY 2007
LICENSE DEPARTMENT (Increase in license numbers)				
New Licenses Issued	1,325/11.16%	1,934/45.96%	2,727/41.00%	2,620/-3.02%
Total % Increase FY04-FY 07 97.7%				
Total License Count	8,110/9.73%	9,248/14.03%	11,458/23.90%	12,887/12.47%
Total % Increase FY04-FY07 58.9%				
ENFORCEMENT DEPARTMENT (Disciplinary actions taken)				
Total Office Audits Completed				164
Total New Complaints Opened	484	288	584	552
Total Complaints Dismissed	64	73	110	106
Total Disciplinary Actions	420	215	474	446
CE Disciplinary Actions	17	27	171	86
E&O Disciplinary Actions				202
Other Disciplinary Actions	403	188	303	158
EDUCATION DEPARTMENT				
Certification of				
• Courses	28	49	136	157
• Instructors	16	37	12	11
• Providers	4	11	27	34
Curriculum Evaluation				
• Sales Pre-License		Start- 04/2005	Ongoing	Ongoing
• Broker Pre-License			Ongoing	Ongoing
Education Council Course Audits	15	15	16	16
License Exam statistics				
• Idaho exams administered	2091	3470	5381	4637

Performance Highlights

Despite a recent leveling off of the real estate boom throughout the nation, Idaho currently regulates a record number of real estate licensees, totaling 12,887 brokers and sales associates at the end of FY07. Due to the tremendous growth in licensee numbers and the dedication of Commission staff, the Commission has been able to reduce license fees three times in the years 2005-2006. As of July 1, 2007, licensees are no longer required to obtain or display paper license certificates, and the Commission has stopped charging its \$15 incidental fee for records changes. The Commission is proud of the fact that it has demonstrated good stewardship of licensee funds and has been able to efficiently accommodate the growth in license numbers.

A dramatic increase in license numbers has been accompanied by a corresponding rise in the number of certified education providers and courses. In addition, the Commission receives an increasing number of complaints of license law violations from members of the public and other licensees. The Commission has met this significantly increased demand for services through creativity, flexibility, and incorporating technology solutions whenever possible. The Commission currently offers some online services through its website and is currently working on a plan to automate additional routine functions for greater efficiency and improved customer service.



In 2004, legislation was passed requiring that all civil penalty fine monies be deposited into a special fund and expended exclusively for developing and delivering real estate education to benefit Idaho licensees. (Section 54-2059(4)). Spending authority for a portion of these funds has enabled the Commission to focus additional resources on priorities identified with guidance from the Education Council, education providers and instructors, and the Idaho Association of REALTORS®. Currently, a work group is reviewing and updating all prelicense course content, and recommendations have been developed for revisions to the education requirements to better equip new licensees to serve the public in the midst of a changing real estate marketplace.

In 2005, the Commission began conducting a 100% audit of all license renewals to ensure that every licensee has taken the required continuing education. This has resulted in 95-98% of licensees renewing in compliance with the license law. This spring, the Education Council began reviewing 100% of the continuing education course applications to ensure that the content fits within the Commission's approved topics.

Part II – Performance Measures

Performance Measure	2004	2005	2006	2007	Benchmark
Establish and maintain high quality education programs for new and existing licensees				NEW	License exams and prelicense curriculum reviewed at least bi-annually; Education Council review 100% of new CE course applications
Promptly investigate and pursue violations of the license law to assure consistent licensee compliance	X	X	X	X	100% of investigations completed within 6 months of opening; audit licensed offices bi-annually
Effectively administer the licensing process				NEW	Increase online license renewals to 70%; 100% of new license applications processed within 10 days of receipt
Operate the commission with accountability, efficiency and responsibility				NEW	100% of licensing and accounting documents stored electronically; update online services with enhancements such as shopping cart and data export capability
Communicate with licensees, educators and the public regarding the activities and decisions of the Commission and Education Council				X	<i>Real Estatement</i> is published bi-annually; commissioners hold two meetings per year in districts outside Boise

Performance Measure Explanatory Note:

The growth in licensee numbers has led to corresponding increases in workload for all Commission departments, which continues to strain Commission resources. Without additional staff or spending authority, licensees and the public occasionally experience delays in service due to the volume of staff’s workload and other agency priorities. In addition, the Commission has experienced significant challenges in obtaining enhancements to the online services portion of its website. The Commission is currently exploring other options for its website interface and hopes to be able to incorporate improvements and additions to its online functions in the near future.

<p>For More Information Contact</p> <p>Jeanne Jackson-Heim, Executive Director Real Estate Commission 633 North 4th P. O. Box 83720 Boise, ID 83720-0077 Phone: (208) 334-3285 Extension 118 E-mail: jeanne.jackson-heim@irec.idaho.gov</p>
