

Idaho Real Estate Commission



Strategic Plan for Fiscal Years 2021-2024

Submitted August 28, 2020

MISSION STATEMENT

Protects the public well-being in regulated real estate dealings by monitoring licensing and fair brokerage practices with reasonable standards, ensuring well-trained real estate professionals, and offering guidance and direction to Idahoans.

BACKGROUND

The Idaho Real Estate Commission was created in 1947 as a self-governing agency operated with dedicated funds from license fees. The Commission is charged with administering and enforcing all provisions of the Idaho Real Estate License Law (Idaho Code 54-2001, *et seq.*) as well as the Subdivided Lands Disposition Act (Idaho Code 55-1801, *et seq.*)

The Commission consists of four Commissioners from the industry appointed by the Governor to represent four geographic districts in the State of Idaho. The license law requires that Commissioners be actively licensed real estate brokers with at least five years of broker experience.

The Commission also has a public non-industry member to be appointed by the Governor.

The current Commission includes:

Michael L. Gamblin (Boise) Term expires July 2021
Michael J. Johnston (Idaho Falls) Term expires July 2022
Kim Cooper (Coeur d'Alene) Term expires July 2023
Jill Stone (Twin Falls) Term expires July 2024
Martin Espil (Public Member) Term expires July 2024

IREC has 14 authorized full-time staff positions based in the Boise office. One position is currently vacant. IREC also has a 6-member Education Council which provides advice and review for Commission education matters.

KEY EXTERNAL FACTORS

Shifting economic, political and professional climates that are beyond the Commission's control may impact the long-range goals and objectives.

These include:

The Economy and Housing Market

The real estate market has greatly improved over the last several years, and this is reflected by a steady increase in the number of licensees, averaging about 150 new licensees per month. Real estate educators report the strong prelicense course enrollment shows no signs of abating.

Along with the recovery of the housing market comes a younger generation entering the profession that is accustomed to using technology in every aspect of their lives. The Commission receives many requests each year from potential licensees who would like to attend prelicense classes online, but none are available. Although the Commission has made advances this year in technology by offering classes through synchronous remote delivery (Zoom for example), there is still demand for self-paced online courses. It behooves the Commission, as a state agency, to accommodate the demand for technology-based education.

Unregulated Property Management

The Commission receives many phone calls and complaints relating to property management, which is presently unregulated in the State of Idaho. Many property owners report difficulty in obtaining the rent monies to which they are entitled. The Commission has no jurisdiction or authority to pursue these complaints, even if the property manager is also a real estate licensee. Nearly six years ago, the Commission assembled a task force comprised of licensees and property manager stakeholders to discuss whether and how a licensing requirement should be implemented. The task force came to consensus on some issues, but more work remains.

Legislative or Governor Actions

State legislation and federal law changes can also alter or significantly impact the functions of the Commission.

Executive Order 2020-10 moved the Real Estate Commission from a stand-alone agency to be included under the Division of Occupational and Professional Licensing. This merge could significantly change the functions within the Real Estate Commission.

COMMISSION GOALS

After identification of critical issues, licensee wants and needs, and agency constraints, IREC Staff have identified the following goals:

GOAL 1: ENSURE THAT IDAHO REAL ESTATE LICENSE LAW AND RULES ARE CONSISTENT WITH THE PUBLIC INTEREST AND INDUSTRY BEST PRACTICES.

Objective A: Improve analysis of national industry and regulatory trends by Commission and staff actively participating in two Association of Real Estate License Law Officials (ARELLO®) meetings.

Objective B: Work in cooperation with Commissioners, Commission staff, Idaho REALTORS® (IR), or other relevant stakeholders at least monthly to identify trending issues.

Objective C: Identify opportunities for improvement.

- a. Cultivate ideas and feedback from relevant stakeholders, including licensees and registrants of the Board
- b. Identify opportunities to remove restrictions on practice and barriers to entry
- c. Identify opportunities to increase license portability and mobility

Objective D: Pursue agency legislation and rule changes to enable improvement

- a. Submit requisite forms and draft legislative language within established deadlines
- b. Ensure negotiated rulemaking has opportunity for public input and is a transparent process

Measurement: Number of ARELLO® conferences attended each year

Benchmark: Two

How Established: Commissioner direction

Measurement: Number of meetings between IREC and the stakeholders each year

Benchmark: 10

How Established: Agency workload

Measurement: Number of negotiated rulemaking sessions each year

Benchmark: One

How Established: Rule changes submitted

GOAL 2: EDUCATION STAFF WILL MAINTAIN THE QUALITY AND RELEVANCE OF EDUCATION PROGRAMS FOR NEW AND EXISTING LICENSEES.

Objective A: Conduct a review of courses and licensing exams.

- a. Conduct curriculum updates of all Commission-developed courses every 4 years
- b. Conduct curriculum review of continuing education courses every 2 years
- c. Evaluate sales associate and broker licensing exams to ensure they correctly measure minimum competencies
- d. Monitor certified instructors and course providers for quality and compliance with Idaho license law, rules and policy

Objective B: Ensure prelicense courses are available through multiple methods of delivery.

Measurement: Number of Commission-developed courses reviewed and updated each year for relevance and current laws

Benchmark: 25%

How Established: Agency workload

Measurement: Number of certified instructors and course providers monitored every year

Benchmark: 50%

How Established: Course and instructor evaluations; course and instructor audits; inquiries and complaints received from the public

Measurement: Number of exam review workshops conducted every 18 months

Benchmark: One state exam item writing workshop

How Established: Industry standard

Measurement: Offer online education for sales prelicense courses

Benchmark: January 2022

How Established: Agency workload and budget

GOAL 3: PROMPTLY AND EFFICIENTLY PROCESS LICENSING PAPERWORK & REQUESTS.

Objective A: Ensure all eligible licenses and record changes are issued timely and accurately.

Measurement: Number of new license applications and notice of change forms processed error-free within ten (10) business days from receipt

Benchmark: 100%

How Established: Agency workload

Measurement: Complete the rewrite and troubleshooting of internal licensing application

Benchmark: October 2020

How Established: Agency workload/contract capability

GOAL 4: ENFORCEMENT STAFF WILL ASSURE COMPLIANCE WITH REAL ESTATE LICENSE LAW.

Objective A: Process complaints in a thorough, fair and timely manner to maintain public and licensee confidence.

Objective B: Review regulated business activities and practices on an ongoing basis.

Measurement: Number of investigations completed within 6 months from opening of case

Benchmark: 100%

How Established: Agency workload

Measurement: Bi-annual in person or online audit by inspector of Idaho brokerages conducting regulated business

Benchmark: 50% per year

How Established: Agency workload; licensing system capacity

GOAL 5: DEVELOP AND MAINTAIN TECHNOLOGY, PROCEDURES AND STAFF TRAINING TO PROVIDE EFFICIENT OPERATIONS AND CUSTOMER SERVICE.

Objective A: Maintain an electronic document management system by ITS and Commission staff.

Objective B: Provide outstanding customer service to licensees and the public by staff.

a. Promptly respond to phone call and e-mail inquiries

b. Improve licensee and public self-service functions (online information and transactions)

Objective C: Monitor and maintain a fiscally responsible budget by Financial Specialist

Measurement: Continuing training for improved document management and storage

Benchmark: Annually

How Established: Agency workload and budget

Measurement: Number of certified license and education histories obtained by licensees through the online services by July 2021

Benchmark: 100%

How Established: Online services capability and budget

Measurement: Implement online shopping cart for licensees to order printed materials and pay civil penalty fines

Benchmark: July 2021

How Established: Online services capability and budget

Measurement: Number of callers or e-mail inquiries who can contact a staff member within one business day of contacting the Commission office

Benchmark: 100%

How Established: Feedback from consumers, licensees, Commissioners, and staff

Measurement: Annual review of up-to-date written procedures/desk manuals for job functions

Benchmark: 100%

How Established: Agency workload

Measurement: Create enhancements to the IREC online services which will prevent licensees from renewing or activating without having all continuing education and insurance requirements completed and posted to their records

Benchmark: July 2021

How Established: Online services capability and budget

Measurement: Develop annual budget to support Commission goals and create and maintain monthly financial report

Benchmark: 100%

How Established: Commissioner direction

GOAL 6: COMMUNICATE EFFECTIVELY WITH LICENSEES, EDUCATORS AND THE PUBLIC REGARDING THE PROGRAMS AND ACTIVITIES OF THE COMMISSION.

Objective A: Publish and distribute information via regular mail and online.

Objective B: Conduct Commission meetings throughout the State of Idaho.

Objective C: Improve the IREC website to provide more useful information to licensees and the public.

Measurement: Number of Real Estate newsletters published each year

Benchmark: Two

How Established: Agency workload

Measurement: Number of “broker bulletin” newsletters sent each year

Benchmark: One

How Established: Commissioner direction; agency workload

Measurement: Number of Commission meetings held outside Boise each year

Benchmark: Two

How Established: Commissioner direction

Measurement: Review of website content

Benchmark: Annually

How Established: Agency workload

Addendum to Agency Strategic Plans: Adoption of the NIST Cybersecurity Framework and Implementation of CIS Critical Security Controls 1 – 5.

As a technology customer of the Office of Information Technology Services (ITS) in the Governor's Office, we are using the cybersecurity systems and technical expertise in ITS to fulfill requirements related to Executive Order 2017-02. Staff from ITS were briefed on the NIST Core Framework, CIS Controls 1-5, and their plan for adoption of the NIST Cybersecurity Framework. We participate in DHR and ITS administered cybersecurity training, as awareness is a critical component of an effective cybersecurity program. As briefed by ITS staff, implementation of the CIS Controls 1-5 will be their responsibility for the systems they operate and, as technological tools applied to the computer systems, largely invisible to us as a customer. ITS, working through the multi-agency Incident Response Task Force, has developed an Incident Response Program in support of our agency.

Addendum to Agency Strategic Plans: Red Tape Reduction Act

The Commission has designated a Rules Review Officer (RRO) "to undertake a critical and comprehensive review of the agency's administrative rules to identify costly, ineffective, or outdated regulations." Name and contact information have been submitted to the Division of Financial Management. To date, 84% of the Real Estate Commission's Administrative Rules have been removed or set to expired.

The Commission intends to:

Identify opportunities for improvement and pursue rule changes to reflect identified opportunities

- a. Scheduled regular review of Administrative Rules with staff and Commissioners
- b. Contract with an outside, governance expert to identify improvements to rules
- c. Submit requisite forms and draft legislative language within established deadlines
- d. Ensure negotiated rulemaking has opportunity for public input and is a transparent process