



Government of the District of Columbia  
Department of Consumer and Regulatory Affairs

## Real Estate Commission

January 31, 2019

Chairperson Anita Bonds  
Committee on Housing and Neighborhood Revitalization  
Council of the District of Columbia  
1350 Pennsylvania Avenue, N.W., Suite 404  
Washington, DC 20004

Dear Chairperson Bonds:

In response to the Committee on Housing and Neighborhood Revitalization performance oversight questions related to the Real Estate Commission, I respectfully submit the following information.

Thank you for the opportunity to provide prehearing responses to your questions related to the Board of Real Estate Appraisers' FY18 activities.

Sincerely,

A handwritten signature in blue ink, appearing to read "Frank Pietranton".

Frank Pietranton,  
Chairperson

## 2019 PERFORMANCE OVERSIGHT QUESTIONS

1. Please provide a list of the Commission's current members. For each member, please provide the following:
  - a. The member's name;
  - b. The organization the member represents;
  - c. When the member was appointed;
  - d. When the member's term expires; and
  - e. Attendance record.

<b>Name</b>	<b>Organization/ Ward</b>	<b>Appointed by</b>	<b>Expires</b>	<b>Attendance (Absences)</b>
Frank Pietranton	Ward 3	Mayor Bowser	12/13/20	(0 absences)
Ulani Gulstone	Ward 8	Mayor Bowser	12/13/20	(2 absence)
Edward Downs	Ward 3	Mayor Bowser	12/13/21	(1 absences)
Danai Mattison Sky	Ward 2	Mayor Bowser	12/13/18	(6 absences)
Christine Warnke	Ward 3	Mayor Bowser	12/13/19	(1 absence)
David Forster	Ward 5	Mayor Bowser	12/13/20	(2 absences)
Monique Owens <i>*Rotated off Commission in December 2017 and reappointed as a Property Manager Member in December 2018</i>	Ward 5	Mayor Bowser	12/13/20	(1 absence)

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**2. Please provide a list of the Commission's meeting dates, times, attendance, and locations, for FY18 and FY19 to date.**

<b>FY18 Dates</b>	<b>Time</b>	<b>Attendance (Absent)</b>	<b>Location</b>
10/17/17	10:30 am	Josephine Ricks, Monique Owens, Frank Pietranton, Ulani Gulstone, Danai Mattison Sky <i>(Christine Warnke)</i>	DCRA, 1100 4 <sup>th</sup> St., SW
11/14/17	10:30 am	Josephine Ricks, Monique Owens, Frank Pietranton, Ulani Gulstone, Christine Warnke, Danai Mattison Sky	DCRA, 1100 4 <sup>th</sup> St., SW
12/12/17	10:30 am	Josephine Ricks, Frank Pietranton, Monique Owens, Ulani Gulstone, Christine Warnke, Danai Mattison Sky	DCRA, 1100 4 <sup>th</sup> St., SW
1/9/18	10:30 am	Josephine Ricks, Frank Pietranton, Ulani Gulstone, Christine Warnke, David Forster, Edward Downs <i>(Danai Mattison Sky)</i>	DCRA, 1100 4 <sup>th</sup> St., SW
2/13/18	10:30 am	Josephine Ricks, Frank Pietranton, Ulani Gulstone, Christine Warnke, David Forster, Edward Downs <i>(Danai Mattison Sky)</i>	DCRA, 1100 4 <sup>th</sup> St., SW
3/13/18	10:30 am	Josephine Ricks, Frank Pietranton, Ulani Gulstone, Christine Warnke, David Forster, Edward Downs, Danai Mattison Sky	DCRA, 1100 4 <sup>th</sup> St., SW
4/10/18	10:30 am	Josephine Ricks, Frank Pietranton, Christine Warnke, David Forster, Edward Downs <i>(Danai Mattison Sky &amp; Ulani Gulstone)</i>	DCRA, 1100 4 <sup>th</sup> St., SW
5/8/18	10:30 am	Josephine Ricks, Frank Pietranton, Ulani Gulstone, Christine Warnke, David Forster, Edward Downs <i>(Danai Mattison Sky)</i>	DCRA, 1100 4 <sup>th</sup> St., SW
6/12/18	10:30 am	Josephine Ricks, Frank Pietranton, Ulani Gulstone, Christine Warnke, David Forster, Edward Downs, Danai Mattison Sky	DCRA, 1100 4 <sup>th</sup> St., SW
7/10/18	10:30 am	Josephine Ricks, Frank Pietranton, Christine Warnke, Danai Mattison Sky, Ulani Gulstone, Edward Downs <i>(David Forster)</i>	DCRA, 1100 4 <sup>th</sup> St., SW
August		Recess	DCRA, 1100 4 <sup>th</sup> St., SW
9/11/18	10:30 am	Josephine Ricks, Frank Pietranton, Christine Warnke, David Forster, Danai Mattison Sky <i>(Ulani Gulstone &amp; Edward Downs)</i>	DCRA, 1100 4 <sup>th</sup> St., SW
<b>FY18 Dates</b>	<b>Time</b>	<b>Attendance (Absent)</b>	<b>Location</b>
10/9/18	10:30 am	Frank Pietranton, Ulani Gulstone, Christine Warnke, Edward Downs, Monique Owens, David Forster ( &	DCRA, 1100 4 <sup>th</sup>

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		<i>Danai Mattison Sky</i>	St., SW
11/13/18	10:30 am	Frank Pietranton, Ulani Gulstone, Christine Warnke, Edward Downs, Danai Mattison Sky ( <i>David Forster &amp; Monique Owens</i> )	DCRA, 1100 4 <sup>th</sup> St., SW
12/11/18	10:30 am	Frank Pietranton, Ulani Gulstone, Christine Warnke, David Forster, Edward Downs, Monique Owens, Danai Mattison Sky	DCRA, 1100 4 <sup>th</sup> St., SW
1/8/19	10:30 am	Frank Pietranton, Ulani Gulstone, Christine Warnke, David Forster, Edward Downs, Monique Owens ( <i>Danai Mattison Sky</i> )	DCRA, 1100 4 <sup>th</sup> St., SW

- 3. Did the Commission receive funds in FY18? If so, please provide the following:**
- a. The amount of the funding;**
  - b. The source of the funding;**
  - c. A list of all expenditures; and**
  - d. 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.

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	145,389.50	0.00	0.00	151,744.10	151,744.10	(6,354.60)	104.4%
0014	FRINGE BENEFITS - CURR PERSONNEL	35,765.82	0.00	0.00	40,672.94	40,672.94	(4,907.12)	113.7%
0015	OVERTIME PAY	5,000.00	0.00	0.00	590.83	590.83	4,409.17	11.8%
	<b>PERSONNEL SERVICES</b>	<b>186,155.32</b>	<b>0.00</b>	<b>0.00</b>	<b>193,007.87</b>	<b>193,007.87</b>	<b>(6,852.55)</b>	
0020	SUPPLIES AND MATERIALS	5,500.00	0.00	0.00	5,196.46	5,196.46	303.54	94.5%
0040	OTHER SERVICES AND CHARGES	60,095.00	0.00	0.00	59,584.11	59,584.11	510.89	99.1%
0041	CONTRACTUAL SERVICES - OTHER	424,870.00	0.00	0.00	356,444.00	356,444.00	68,426.00	83.9%
0070	EQUIPMENT & EQUIPMENT RENTAL	10,000.00	0.00	0.00	0.00	0.00	10,000.00	0.0%
	<b>NON-PERSONNEL SERVICES</b>	<b>500,465.00</b>	<b>0.00</b>	<b>0.00</b>	<b>421,224.57</b>	<b>421,224.57</b>	<b>79,240.43</b>	
	<b>OPS95</b>	<b>686,620.32</b>	<b>0.00</b>	<b>0.00</b>	<b>614,232.44</b>	<b>614,232.44</b>	<b>72,387.88</b>	
	<b>Summary</b>	<b>686,620.32</b>	<b>0.00</b>	<b>0.00</b>	<b>614,232.44</b>	<b>614,232.44</b>	<b>72,387.88</b>	

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### **4. Please describe the Commission's activities and accomplishments in FY18 and FY19 to date, and how these have had an impact on the residents of the District.**

- The Commission participated in testimony on November 9, 2017, in support of Bill 22-396 "Property Manager Licensing Amendment Act of 2017 to clarify the scope of practice for licensed property managers and create pre-licensure education requirements for applicants seeking to obtain a license as a property manager in the District of Columbia. The new education requirement would ensure that applicants have completed education specific to the management of common interest communities, which include co-operatives and homeowners' associations
- The Commission's Property Management Task Force completed the following charges:
  - Developed and made recommendations to the Commission, which the Commission has approved.
  - Revised the broker and salesperson pre-licensing education course curriculum inclusive of common interest communities, including co-operatives and homeowners' association.
  - Developed continuing education courses, which the Commission has approved, to include property and community association management for property managers, real estate brokers, and salespersons.
  - Recommended, which the Commission has approved, a property management course inclusive of common interest communities, which include co-operatives and homeowner associations, for all applicants from other jurisdictions.
- 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.

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- 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 comprehensively reviewed statutes and rules governing the practice of real estate licensees to identify outdated provisions. This will ensure licensees and consumers are not hampered by outdated provisions in their real estate transactions.
- 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 15,000 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 17 schools and educational programs to offer 182 approved courses through the CE banking system for the 2019 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, and license renewal information.
- 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.

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- The Commission published one newsletter for distribution to over 15,000 licensees and the general public, as well as e-mail blast containing important real estate information.

### **5. Please describe the Commission's goals in FY19 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 plans to complete this by the end of FY19.
- 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 will continuously review existing statutes and regulations governing real estate on a continual basis to identify industry trends and current regulatory needs.
- The Commission will review with the testing vendor of 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 greatest 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 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.

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### **7. What challenges does the Commission face?**

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

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

Yes, the Commission is required to post meeting notes and agendas online. The Commission has done so every month for FY18.

### **9. How does the Commission represent and solicit feedback from residents? Please describe:**

The Commission informs the public and licensees of relevant information by publishing newsletters, mass mailings and 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.

### **10. When was the last time the Commission updated the educational materials for each of the professional licenses 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, 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 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



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licensing candidates. The Property Management Task Force is currently in the process of developing a course content outline for new property managers and has completed its work on revising continuing education courses for real estate brokers, salespersons, and property managers inclusive of community association management.

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

The Commission reviewed the real estate broker and real estate salesperson examinations in October 2017.

### **12. 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, however, the mandatory courses will change for the next licensing cycle ending in 2021 to also require a course on property management inclusive of community interest communities, which include co-operatives and homeowners' associations.

### **13. How many complaints has the Commission received in FY18 and FY19 to date?**

The Commission has received 46 complaints.

### **14. 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 warrants an investigation, the body votes to send these complaints to an investigator in the Occupational and Professional Licensing Administration. 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 if the respondent licensee needs to be interviewed and, if necessary, interviews are scheduled to gather a response to the complaint. Additionally, the complainant is also interviewed to gather more information. Letters are written depending on the severity of the allegations. Additional documents are obtained and reviewed during the

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interview process. Once the investigation report is completed, it is reviewed by the managers and sent to the Commission for appropriate action.