

STATE OF WEST VIRGINIA

PRELIMINARY PERFORMANCE REVIEW OF THE

Real Estate Commission

**Proactive Enforcement Appears to
Decrease Disciplinary Activity**

**The Commission Should Limit Future
Expenditure Increases in Response
to Falling Revenues**

**The Commission has Developed an
Easy to Use Web Site**

OFFICE OF LEGISLATIVE AUDITOR
Performance Evaluation and Research Division
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May 2000

PE00-08-166

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May 2000

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Antonio E. Jones, Ph.D.
Director

May 12, 2000

The Honorable Edwin J. Bowman
State Senate
129 West Circle Drive
Weirton, West Virginia 26062

The Honorable Vicki Douglas
House of Delegates
Building 1, Room E-213
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305-0470

Dear Chairs:

Pursuant to the West Virginia Sunset Law, we are transmitting a Preliminary Performance Review of the *Real Estate Commission*, which will be presented to the Joint Committee on Government Operations on Friday, May 12, 2000. The issues covered herein are "Proactive Enforcement Appears to Decrease Disciplinary Activity; The Commission Should Limit Future Expenditure Increases in Response to Falling Revenues; and The Commission has Developed an Easy to Use Web Site."

We conducted an exit conference with the *Real Estate Commission* on May 5, 2000. We received the agency response on May 5, 2000.

Let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Antonio E. Jones".

Antonio E. Jones

AEJ/wsc

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Executive Summary

Issue Area 1: The Commission's proactive enforcement by its full-time investigator appears to decrease disciplinary activity when compared to surrounding states's real estate licensure agencies.

West Virginia's Real Estate Commission ranks last among the States listed in the number of disciplinary actions taken each year, while at the same time, the Commission consistently receives the smallest proportional and absolute number of complaints regarding its licensees. Data indicate that while the Commission is less active with respect to disciplinary actions, there appears to a lower level of demand for disciplinary actions in West Virginia than in surrounding states given the much smaller numbers of licensees and complaints. While the Commission takes fewer disciplinary actions per 1,000 licensees than surrounding states, this may be the result of a determined and proactive enforcement effort, since the investigator employed by the Commission conducts 300-400 compliance reviews among licensed brokers annually. This may result in a decreased incidence of serious violations.

Issue Area 2: The Commission should limit future expenditure increases in response to falling revenues and to maintain its self-sufficiency.

Expenditure patterns for the Commission have changed considerably during the period from FY 1994 to FY 1999. Total revenues decreased slightly, but steadily from FY 1994 to FY 1999. At the same time, total disbursements have risen sharply each year. Given the historical trend towards decreasing numbers of licensees and therefore reduced licensure revenue, and the fact that the fewest number of applicants over the period studied sat for exams in FY 1999, the Real Estate Commission should be prepared for further decreases in total revenues. The Commission should, therefore, take steps to ensure that the historic trend towards sharply increasing expenditures does not continue in future years. The Commission does, on the other hand, have approximately twice its annual budget in its account. This means that the Commission's funding needs for the immediate future can be met without increasing licensure fees.

Recommendation 1:

The Commission should take measures to limit the growth of future expenditure levels in response to falling revenues.

Issue Area 3: The Commission has developed an easy to use Web site with links to a wide range of information relevant for real estate brokers, salespersons and the public.

In addition to containing the West Virginia license law and administrative regulations, the Web site has links to general information on the Commission including its authority with respect to the filing of complaints and directions to the Commission's office and the testing site. The public is

directed to contact the Commission in order to obtain complaint forms as they are not available on-line. The Web site also provides links to information necessary for obtaining a license such as exam application deadlines and testing dates as well as a description of testing procedures. Another set of links provides information on pre-licensing education and continuing education requirements, as well as education providers. Downloads available include application forms needed by different classes of licensees, as well as other forms needed by licensees. The availability of these documents on-line greatly facilitates licensees' adherence to the various reporting and documentation requirements of the *Code*. The Commission has clearly sought to make maximum use of the Internet to provide information to its licensees.

Recommendation 2:

The Commission should continue to maintain the wide range of information and documents currently available on its Web site.

Recommendation 3:

The Commission should enhance its website by adding a printable complaint form to it.

Objective and Methodology

The objective of this preliminary performance review is to determine if the Real Estate Commission is carrying out its duties with respect to disciplinary actions, comparing the Commission to other states; to examine the Commission's response to falling licensure revenues; and the Commission's responsiveness to the information needs of licensees.

The time period of this review covers fiscal years 1994 through 1999. Information used to complete this report was drawn from the Commission's records, including annual reports, expense reimbursement records, meeting minutes, and interviews conducted with Commission staff. Information was also obtained from survey data gathered by The Association of Real Estate License Law Officials (ARELLO) and the U.S. Census Bureau.

This review will assist the Joint Committee on Government Operations in making one of three recommendations to the Legislature for its next Regular Session:

1. the agency be terminated as scheduled;
2. the agency be continued and reestablished; or
3. the agency be continued and reestablished, but the statutes governing it be amended in specific ways to correct ineffective or discriminatory practices or procedures, burdensome rules and regulations, lack of protection of the public interest, overlapping of jurisdiction with other governmental entities, unwarranted exercise of authority either in law or in fact any other deficiencies.

Every aspect of this review complied with **Generally Accepted Government Auditing Standards.**

Background

The West Virginia Real Estate Commission, created in 1937, has the principal purpose of protecting the public against unscrupulous practices of real estate agents. The Commission is composed of three members, two of whom are to have been employed as real estate brokers or salespersons for at least ten years. The third member is a representative of the general public. Members are appointed by the governor by and with the consent of the Senate. They serve four-year terms. The Commission meets on a monthly basis. Members are compensated at a rate of one hundred dollars per day while conducting Commission business. Members routinely receive compensation for between three and five days per month. The Commission has six employees including an executive director, a deputy director, an education director, an investigator, and two secretaries.

The program of this agency can be generally classified into administration and enforcement. The administration functions include the categories:

- Process and qualify applications for licenses
- Investigate and test applicants
- Issue licenses to qualified applicants
- Inspect licensed agents for conformance with the Real Estate Licensing Act
- Investigate complaints
- Investigate unlicensed activity
- Conduct hearings for possible suspension or revocation of license
- Renew licenses annually
- Regulate and accredit schools and instructors offering real estate courses to applicants for real estate license

The Commission conducts written examinations for real estate license applicants which include reading, writing, spelling, elementary arithmetic, a general knowledge of the statutes relating to real property, deeds, mortgages, agreements of sale, agency contract, leases, ethics, appraisals and the provisions of WVC Chapter 47 Article 12. All licenses issued to brokers or salespersons expire on the thirtieth of June.

All fees collected by the Commission are paid by the executive director at least once a month into the State Treasury fund designated as the Real Estate License Fund. These fees pay for salaries and expenses including the printing of an annual directory of licensees and for educational purposes. The Commission's expenditures cannot exceed the revenue it collects.

Willful failure to pay any of the fees is just cause for revocation of or refusal to issue or renew a license. The last fee increase took effect in FY 1994 when eight of the twelve fees collected were raised. The Commission charges the following license fees:

**Table 1
License Fee Schedule**

Type of Fee	Amount
Examination Fee	\$25, with no additional fee for second examination
Investigation Fee	\$10
Broker's License	\$80
Salesperson's License	\$40
Broker's Renewal Fee	\$80, payable by the thirtieth day of June each year
Salesperson's Renewal Fee	\$40, payable by the thirtieth day of June each year
Branch Office Fee	\$80
Renewal of Branch Office License	\$80
Transfer of Salesperson's License	\$10
Duplicate License or Certification	\$10
Change of Name	\$10
Change of Office	\$10

The Commission can refuse a license for reasonable cause and can revoke or suspend a license for unethical conduct as defined in §47-12-11. Upon its own motion or the receipt of a verified written complaint, the Commission determines the facts and if warranted holds a hearing for the suspension or revocation of a license. Any applicant or licensee, or aggrieved person has the right to appeal any adverse ruling within thirty days of the service of notice of the action of the Commission.

The Commission does not act upon certain types of complaints. A statement on the Commission's Web site describes the types of complaints in which it will and will not act.

The Real Estate Commission regulates real estate licensees. The Commission is not empowered to enforce, interpret, modify, rescind or cancel listing agreements, purchase and sale agreements or any other contract, or to order the return of earnest money, award damages, settle real estate commission fee disputes or otherwise settle claims. If a licensee is found guilty of a violation of the Real Estate License Law or Administrative Regulations, the Commission has the authority to take disciplinary action against that licensee.

The Commission is authorized to conduct or to assist other entities in conducting real estate courses for applicants. It may incur any expenses in connection with these courses. The Commission also approves continuing education courses for licensees. WVC §47-12-7A requires each licensee to complete seven hours of continuing education, with each hour equal to fifty minutes of instruction.

Issue Area 1: The Commission’s Proactive Enforcement by its Full-Time Investigator Appears to Decrease Disciplinary Activity When Compared to Surrounding States’s Real Estate Licensure Agencies.

Table 2 illustrates the number of complaints received by the West Virginia Real Estate Commission and disciplinary actions taken. The category of complaints labeled “tabled” include four from 1996 which were tabled indefinitely. Two of these involved on-going litigation and any action by the Commission was delayed for that reason. The complaint that was tabled in 1998 required additional information and was acted upon in January 2000. The complaints dismissed by the Commission frequently deal with the terms of a real estate contract which are dealt with through the court system or otherwise fall under the categories of complaints that the Commission does not act upon. There is no provision in §47-12 of the West Virginia *Code* which authorizes the Real Estate Commission to enforce, interpret, modify rescind or cancel listing agreements, purchase and sale agreements or any other contract. Other complaints dismissed by the Commission include those that, upon investigation, clearly involve no violations of the *Code* or administrative regulations.

**Table 2
Number of Complaints and Disciplinary Actions in West Virginia**

Calendar Year	Complaints Received	Complaints Dismissed	Complaints Tabled	Complaints Acted upon	Cease and Desist	Consent Decree	Reprimands
1996	31	22	4	5	2	0	3
1997	25	21	0	4	1	0	3
1998	19	13	1	5	0	4	1
1999	19	15	0	4	0	3	1

As Table 3 illustrates, the West Virginia Real Estate Commission consistently takes fewer disciplinary actions in proportion to the number of licensees in the State than its counterpart licensure agencies in surrounding states. Table 3 lists the numbers of both complaints and disciplinary actions per 1,000 licensees for each year from 1996 to 1999. These ratios show that West Virginia’s Real Estate Commission ranks last among the States listed in the number of disciplinary actions taken each year, while at the same time, the Commission consistently receives the smallest proportion and number of complaints regarding its licensees. These data indicate that there appears to a lower level of demand for disciplinary actions in West Virginia than in surrounding states given the State’s much smaller numbers of licensees and complaints.

Table 3
Comparison of Disciplinary Actions Between West Virginia and Surrounding States

			Complaints				
1996	State Population	Licenses	Total Received	Investigated	Number Dismissed	Resulting in Disciplinary Actions	Ratio of Actions Per 1,000/ Complaints Per 1,000
Penn.	12,038,008	43,086	480	450	N/A	108	2.5/11.1
Ohio	11,187,032	45,552	280	280	276	52	1.1/6.2
Kentucky	3,881,051	13,598	205	135	148	15	1.1/15.1
Virginia	6,665,491	12,548	481	448	281	N/A	N/A
Maryland	5,057,142	39,987	566	487	214+	64	1.6/14.2
West Virginia	1,818,983	9,198	22	22	18	3	0.3/2.4
1997							
Penn.	12,015,888	43,053	735	646	N/A	87	2.0/17.1
Ohio	11,212,498	45,673	260	260	180	56	1.2/5.7
Kentucky	2,616,339	13,528	204	179	68	22	1.6/15.1
Virginia	6,732,878	37,833	418	418	370	N/A	N/A
Maryland	5,092,914	34,579	559	359	N/A	81	2.3/16.2
West Virginia	1,815,588	9,094	28	28	17	4	0.4/3.1
1998							
Penn.	12,002,329	45,661	691	1,009	N/A	69	1.5/15.1
Ohio	11,237,752	44,413	304	304	172	53	1.2/6.8
Kentucky	3,934,310	13,557	234	179	145	30	2.2/17.3
Virginia	6,789,225	36,210	731	731	337	117	3.2/20.2
Maryland	5,130,072	34,579	583	375	202	47	1.4/16.9
West Virginia	1,811,688	8,787	26	26	21	5	0.6/3.0
1999							
Penn.	11,994,016	39,999	344	657	N/A	59	1.5/8.6
Ohio	11,256,654	41,878	289	289	256	70	1.7/6.9
Kentucky	3,960,825	13,590	159	96	118	19	1.4/11.7
Virginia	6,872,912	44,217	731	731	337	117	2.7/16.5
Maryland	5,171,634	27,029	485	540	162	30	1.1/17.9
West Virginia	1,806,928	8,533	19	19	16	4	0.5/2.2

Data Source: The Association of Real Estate License Law Officials (ARELLO) Digest of Real Estate License Laws and data received from The Maryland Real Estate Commission and The West Virginia Real Estate Commission

Compliance Reviews Conducted by the Commission

While disciplinary statistics may appear to suggest a lower level of activity in West Virginia than in surrounding states, it must be recognized that the Commission makes considerable efforts to be proactive in its enforcement activities. The investigator employed by the Commission makes 300-400 compliance reviews of licensed brokers each year. These reviews include audits of the brokers' Trust Fund Accounts, which are maintained by brokers with all funds entrusted to them in the course of real estate transactions. The investigator also examines compliance with other requirements of the *Code* and administrative rules. Most infractions discovered during these reviews are minor in nature such as failure to display licenses, the use of improper signs to mark the business, and minor discrepancies in the broker's Trust Fund Account. These reviews may be an important reason why there are so few complaints made against licensees in West Virginia. The Commission's proactive approach to enforcement may serve as a deterrent to ethical and legal violations. The familiarity with brokers around the State that the completion of these reviews gives the Commission may also reduce the need for lengthy investigations after complaints have been filed. *Since the Commission ensures that brokers are familiar with the legal requirements under which they must operate, the incidence of severe violations may also be reduced. This may explain why there are so few disciplinary actions per 1,000 licensees in West Virginia than in surrounding states.*

Conclusion

When compared with the levels of disciplinary activity maintained by surrounding states, the Commission takes fewer disciplinary actions. West Virginia consistently maintains a lower level of disciplinary activity in proportion to the number of licensees in the State. At the same time, West Virginia's Real Estate Commission receives fewer complaints than corresponding agencies in surrounding states. While the Commission takes fewer disciplinary actions per 1,000 licensees than surrounding states, this may be the result of a determined and proactive enforcement effort, since the investigator employed by the Commission conducts 300-400 compliance reviews among licensed brokers annually.

Issue Area 2: The Commission Should Limit Future Expenditure Increases in Response to Falling Revenues and to Maintain its Self-Sufficiency.

Expenditure patterns for the Commission have changed considerably during the period from FY 1994 to FY 1999. As Table 4 illustrates, total revenues have decreased slightly, but steadily each year. At the same time, total disbursements have risen sharply each year.

**Table 4
Real Estate Commission Revenues and Disbursements**

FY	Total Revenues	Total Disbursements	Excess Revenues Over Disbursements
1994	\$489,525	\$265,993	\$223,532
1995	\$481,755	\$303,726	\$178,029
1996	\$473,545	\$356,376	\$117,169
1997	\$464,430	\$378,308	\$86,122
1998	\$451,075	\$504,257¹	(\$53,182)
1999	\$435,225	\$404,439	\$30,786

Increases in expenditures have resulted, in large part, from new staff members and increased salary expenses during the period examined. An education director, an investigator, and a secretary were hired after the Legislature approved staff increases in 1993. A ruling from the Human Rights Commission later required the Real Estate Commission to increase the salary level of one employee. It must be recognized that during 1999, the last year examined in this review, expenditure levels were greatly reduced from the previous year, but were slightly more than in 1997. This indicates that the growth in expenditures was the result of the hiring of new staff and unusual circumstances, particularly in 1998.

Declining Numbers of Licensees

Table 5 illustrates the decline in the numbers of real estate brokers and salespersons currently licensed and in the number sitting for examinations. Since FY 1994, the total number of licensees has fallen by almost 1,000 or nearly 10%. The number of applicants sitting for the salesperson examination in FY 1998 (802) was 22% fewer than in FY 1994 (1,028). Given the historical trend towards decreasing numbers of licensees and the fact that the fewest number of applicants over the period studied sat for exams in FY 1999, the Real Estate Commission should be prepared for further

¹

During FY 1998, a claims disbursement of \$55,184 was incurred. This legal action associated with this disbursement is on-going. This situation, coupled with unusually large information systems disbursements of \$32,850 largely account for the increase in total disbursements for this year.

decreases in total revenues. The Commission should, therefore, take steps to ensure that the historic trend towards sharply increasing expenditures does not continue in future years.

Table 5
Numbers of Current Licensees and License Applicants

FY	Total Licensees	Broker Examinations (% passed)	Salesperson Examinations (% passed)
1994	9,476	97 (39%)	1,028 (65%)
1995	9,367	108 (44%)	956 (62%)
1996	9,198	70 (51%)	1,020 (48%)
1997	9,094	50 (48%)	841 (71%)
1998	8,787	64 (52%)	802 (58%)
1999	8,533	62 (63%)	691 (71%)

The Commission has Adequate Funds for the Needs of the Immediate Future

An examination of the funds currently maintained by the Commission in the State Treasury indicates that while annual license fee revenues continue to fall, the budget surplus maintained in previous years has enabled the Commission to save a considerable amount of money. At the end of Calendar Year 1999, the Commission had a cash balance of nearly \$955,000 in its Real Estate License Fund. The Commission, therefore, has a comfortable reserve of funds available to it for management purposes. This provides flexibility when presented with unexpected expenses such as the costs of legal representation which the Commission had to incur in FY 1998. It will also permit the Commission to operate with the current schedule of license fees for several years, even if the Commission's expenditures somewhat exceed revenues. These excess funds should not, however, be viewed as a permanent solution to the long-term decrease in license fee revenue.

As was mentioned earlier, the Commission's expenditures were reduced to \$404,439 during FY 1999, which was nearly the same amount as in FY 1997, after rising considerably to \$504,257 in FY 1998. If expenditure levels remain constant in future years, as it appears they may, the danger posed by decreasing revenues will be greatly reduced.

Although the Commission currently has adequate funds to compensate for possible budget shortfalls over the next few years, it would not be wise to allow the growth of expenditures to routinely exceed revenues. If this trend were to continue, eventually a license fee increase would be required, when the excess funds currently held by the Commission were exhausted. Careful planning and management of the Commission's budget at the present time may avert a future crisis.

Conclusion

Expenditure patterns for the Commission have changed considerably during the period from FY 1994 to FY 1999. Total revenues have decreased slightly, but steadily each year. At the same time, total disbursements have risen sharply each year. Since FY 1994, the total number of licensees has fallen by almost 1,000 or nearly 10%. This has led to a corresponding decrease in licensure revenue.

At the end of Calendar Year 1999, the Commission had a cash balance of nearly \$955,000 in its Real Estate License Fund. This reserve of excess funds permit the Commission to operate with the current schedule of license fees for several years, even if the Commission's expenditures somewhat exceed revenues. These excess funds should not, however, be viewed as a permanent solution to the long-term decrease in license fee revenue. If the growth in expenditures continues, eventually a license fee increase will be required.

Recommendation 1:

The Commission should take measures to limit the growth of future expenditure levels in response to falling revenues.

Issue Area 3: The Commission Has Developed an Easy to Use Web Site With Links to a Wide Range of Information Relevant for Real Estate Brokers and Salespersons.

In addition to containing the West Virginia license law and administrative regulations, the Web site has links to general information on the Commission including its authority with respect to the filing of complaints and directions to the Commission’s office and the testing site. The public is directed to contact the Commission in order to obtain complaint forms as they are not available on-line. The Web site also provides links to information necessary for obtaining a license such as exam application deadlines and testing dates as well as a description of testing procedures. Another set of links provides information on pre-licensing education and continuing education requirements, as well as education providers. Downloads available include application forms needed by different classes of licensees, as well as other forms needed by licensees. The availability of these documents on-line greatly facilitates licensees’ adherence to the various reporting and documentation requirements of the *Code*. The Commission has clearly sought to make maximum use of the Internet to provide information to its licensees.

Recommendation 2:

The Commission should continue to maintain the wide range of information and documents currently available on its Web site.

Recommendation 3:

The Commission should enhance its web site by adding a printable complaint form to it.

APPENDIX A

Transmittal Letter to Agency

WEST VIRGINIA LEGISLATURE
Performance Evaluation and Research Division

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1900 Kanawha Boulevard, East
Charleston, West Virginia 25305-0610
(304) 347-4890
(304) 347-4939 FAX



Antonio E. Jones, Ph.D.
Director

May 4, 2000

Mr. Richard E. Strader, Executive Director
West Virginia Real Estate Commission
1033 Quarrier Street, Suite 400
Charleston, WV 25301-2315

Dear Mr. Strader:

Pursuant to the West Virginia Sunset Law, we are transmitting a draft of the Preliminary Performance Review of the Real Estate Commission, which will be tentatively scheduled to be to the Joint Committee on Government Operations on Thursday, May 11, 2000.

We would appreciate a written response by Tuesday, May 8, 2000. If you have any questions please contact Brian Armentrout, Research Manager or Russell Kitchen, Research Analyst.

Sincerely,

A handwritten signature in black ink, appearing to read "Antonio E. Jones".

Antonio E. Jones

Joint Committee on Government and Finance

APPENDIX B
Agency Response



State of West Virginia
Real Estate Commission

1033 Quarrier Street, Suite 400
Charleston, West Virginia 25301-2315
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RICHARD E. STRADER, CPA
EXECUTIVE DIRECTOR

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JOHN H. REED, III, SECRETARY
HARRISBURG

May 5, 2000

Antonio E. Jones, Ph.D., Director
Performance Evaluation and Research Division
Office of Legislative Auditor
Building 1, Room W-314
1900 Kanawha Blvd., East
Charleston, WV 25305-0610

RECEIVED

MAY 5 2000

**RESEARCH AND PERFORMANCE
EVALUATION DIVISION**

Dear Mr. Jones:

Thank you for affording the Real Estate Commission an opportunity to supply some supplemental information to the report being presented to the Joint Committee on Government Operations.

I first would like to commend Brian Armentrout and Russell Kitchen for their high level of professionalism and their conscientious endeavors to complete the review without placing an undue burden on the Real Estate Commission staff.

I understand the report was compiled based on the data that was available to your staff, however, since your office does not have experience in the day to day operation of this office, there are two items in the report that I feel need expanded upon.

Issue Area 1: "The Commission's Proactive Enforcement by its Full-Time Investigator Appears to Decrease Disciplinary Activity When Compared to Surrounding States's Real Estate Licensure Agencies."

Commission
Comment:

The Commission certainly agrees with the above statement but would like to point out that this is just one reason for the lower level of disciplinary activity than is found in surrounding states. The Real Estate Commission feels that through the "Hands On" approach of the Commission Members and the accessibility of Commission staff to the general public and the licensees, many potential problems are alleviated. In addition, the education programs regulated by the Commission are structured to increase the overall level of understanding of the entire industry.

Member - Association of Real Estate License Law Officials
EEO/ Affirmative Action Employer

Issue Area 3: "The Commission Has Developed an Easy to Use Web Site With Links to a Wide Range of Information Relevant for Real Estate Brokers and Salespersons."

Recommendation 3: "The Commission should enhance its web site by adding a printable complaint form to it."

**Commission
Comment:**

The Commission, in the past, has not placed the complaint form on the web site because the Commission is empowered to deal only with matters that are specified in WV Code §47-12 and CSR §174-1. It has been the experience of the Commission that the general public assumes that the Commission can deal with any matter involved in a real estate transaction. Attached is a copy of the web site page that deals with complaints. The complete text of WV Code §47-12 and CSR §174-1, are also available on the web site.

Again, thank you for the opportunity to provide this information for inclusion in the report.

Sincerely,



Richard E. Strader,
Executive Director

Enc.

STATE OF WEST VIRGINIA
WEST VIRGINIA REAL ESTATE COMMISSION
1033 QUARRIER STREET, SUITE 400
CHARLESTON, WV 25301-2315
304-558-3555

FORMAL COMPLAINT

For assistance in completing or submitting a Complaint, contact the Real Estate Commission.

Attach legible copies of contracts and all other documents relating to your complaint. Please do not use a "Highlighter" on any of the documents you submit with your complaint due to the fact these marks do not copy well. You should provide all information which you know or can discover with reasonable investigation. If you wish to file affidavits from persons who have personal knowledge of the facts and circumstances involved in the complaint, the affidavits must be verified before a Notary Public in order to be admissible.

The Real Estate Commission regulates real estate licensees. The Commission is not empowered to enforce, interpret, modify, rescind or cancel listing agreements, purchase and sale agreements or any other contract, or to order the return of earnest money, award damages, settle real estate commission fee disputes or otherwise settle claims. If a licensee is found guilty of a violation of the *Real Estate License Law or Administrative Regulations*, the Commission has the authority to take disciplinary action against that licensee.

The Real Estate Commission cannot provide private legal advice or services.

Contact the Commission to discuss your complaint and to obtain the appropriate complaint form.

