

IREC/IAR®
Property Management Work Group

Meeting Notes
Tuesday, August 20, 2013; 9:00 a.m.

- ✓ Andy Enrico, Chair
Marc Banner
Idaho Real Estate Commission
575 E. Parkcenter Blvd., Suite 180
Boise, Idaho 83706
- ✓ Craig Boyack, IREC
Pam Bullock, Idaho Affordable Housing Assn.
Trish Callies
- ✓ Steve Cannariato (CCIM)
Jake Durtschi, Eastern Idaho Property Assn.
John Eaton, IAR®
Matt Engel
- ✓ Steve Fender, IREM
Senator Russ Fulcher
Brad Golphenee
James Holtzclaw
LeAnn Hume
- ✓ Jeanne Jackson-Heim, IREC
Mike Larsen, DOF
- ✓ Miguel Legaretta, ACAR® (by phone)
Paul Lorenzen
Shoni Pegram, Governor's Office
Jim Reimer, NARPM
- ✓ Tayson Rockefeller (by phone)
- ✓ Brian Shaffer, NARPM
- ✓ Geoff Wardle, BOMA

I. Chair Andy Enrico called the meeting to order at 9:05 a.m. Attendees are noted with a check mark above. Also present was Commission attorney Kim Coster.

II. Status Review – Chair Enrico briefly summarized the status of the work group meetings to date.

III. Discussion of New Draft – Trust Accounting and Property Management Agreements

Chair Enrico presented a revised draft of property management licensing legislation. Steve Fender was recognized for his efforts in reviewing and revising the legislation.

On behalf of the CCIM Chapter, Steve Cannariato asked that an exemption from licensure be added for commercial leasing agents. After discussion, the consensus of the group was that the exemption was unnecessary because the definition of property management activities would not include traditional leasing activities. Steve will take the discussion back to

his CCIM group to see if that section of the legislation adequately addresses the group's concerns.

Geoff Wardle spoke on behalf of BOMA and stated there was concern about the legislation being too comprehensive. There was general philosophical discussion about the prospects of passing this type of legislation, whether it would be too easy to impose additional licensing requirements once the legislation passed, and the desirability of various exemptions.

Geoff offered to rewrite section 54-298C(1)(a) and (g) to clarify these two exemptions from licensure.

Jeanne will contact the ARELLO® list serve to find out if other states exempt vacation rentals from property management regulation and, if so, why.

Jeanne will contact the ARELLO® list serve to find out what other states have for an insurance requirement for property managers, whether E&O, liability, or something else.

The group briefly discussed the required elements of the written property management agreement. The consensus was that some of them could be eliminated or revised.

Steve Fender will draft revisions to section 54-2099A(5), (6), (10), and (12) to address concerns and reflect the discussions of the work group.

There was discussion about the concept of "entrusted property" as it relates to management of furnished properties. The definition applicable to real estate transactions does not fit property management.

Jeanne will contact the ARELLO® list serve to see how other states address this issue.

Steve Fender will work on revisions to section 54-2099B to clarify a definition of "entrusted property."

IV. Chair Enrico adjourned the meeting at 10:30 a.m.