

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2146

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Operator's Signature

10-16-03  
Date

2003 SENATE POLITICAL SUBDIVISIONS

SB 2146

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2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2146

Senate Political Subdivisions Committee

Conference Committee

Hearing Date: **January 16, 2003**

Tape Number	Side A	Side B	Meter #
1	X		3,755 - End
1		X	0 - 3181

Committee Clerk Signature

Minutes:

**CHAIRMAN COOK** opened the hearing on SB 2146. All senators in attendance. SB 2146 is relating to real estate broker and real estate salesperson license and renewal fees.

**Testimony in Support of SB 2146:**

**SENATOR LEE** spoke in favor of SB 2146. (See attached Testimony)

She also passed out E- mailed copies from Kris Sheriden, Real Estate Agent. (See attached copy)

**Pat Jergenson**, Secretary Treasurer, ND Real Estate Commission spoke in favor of SB 2146

**Roger Cymbaluk**, Vice Chair of ND Real Estate Commission, spoke in favor of SB 2146

(See attached testimony) Mr.Cymbaluk also presented 3 exhibits. (See Attached)

**SENATOR COOK** asked what the revenues of \$1200, in other funds, was for on the fiscal note.

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*10-16-03*  
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Senate Political Subdivisions Committee  
Bill/Resolution Number SB 2146  
Hearing Date: January 16, 2003

**Pat Jergenson** answered the \$1200 would be in calculation of what they would get for new licenses coming in if this bill goes into effect. The rest of the budget for this year would be a projected increase of a \$100 for this year.

**Roger Cymbaluk** stated that there would be no increase in the license fees but there would be an increase in some of the other services such as change of address. That would be the \$1200 impact.

**SENATOR COOK** asked, also in the fiscal note in the explanation, it stated that we project \$117,690 increase in revenue for each fiscal year. In Roger;s testimony, you got that figure from raising the individual license fee from \$50 to \$100 and the other fee from \$60 to \$125, which comes up to \$117,000 but in the fiscal note you show revenues of \$235,380. Is that if the fee went to \$200?

**Pat Jergenson** answered no, that would be for two years.

**SENATOR COOK** asked Roger; where did the reserves that you have been taking money out of for the last two years come from.

**Roger Cymbaluk** answered the reserves came from three different areas. One is that the real estate agent use to process all of the applications and the testing, which is about a \$10,000 bill. That is now being done electronically in a couple of locations, so that is not a revenue. The second is that we are mandated to have a \$60,000 recovery fund and that is every time a new licensee makes an application for a license, they have to put \$20.00 in for the recovery fund. Over a period of time that recovery fund had built up substantially and interest rates where alot different. The funds from the interest are no longer available and the recovery fund at one time

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Senate Political Subdivisions Committee  
Bill/Resolution Number SB 2146  
Hearing Date: January 16, 2003

was at \$100,000 and we now have about \$77,000 in the account. By law we can use \$17,000 of those funds but we need by law to keep a \$60,000 cushion.

**SENATOR COOK** asked if the real estate commission was subject to state audits.

**Roger Cymbaluk** answered that they are, but they do pay for their own audit. They bid it out to people in the private sector but that is subject to review by the state auditing department. The state auditing department does audit the individual expenses.

**SENATOR POLOVITZ** asked how often the fees were accessed.

**Roger** answered the license fee is every year. January 1 it is due.

**Claus Lembke**, ND Association of Realtors, introduced Ninetta Wandler, Jerry Engel and Don Dietrich to testify in support of SB 2146 on three different points.

**Ninetta Wandler**, President of ND Association of Realtors (see attached testimony)

**Don Dietrich**, Broker, Dietrich Realty and Auction Grand Forks (see attached testimony)

**Jerry Engel**, Broker Associate with Oaktree Realtors (See attached testimony)

**Al Jaeger** appeared as a licensed real estate broker and asked for a do pass on SB 2146.

**Testimony in opposition to SB 2146**

**John Vonrueden**, Vonrueden Real Estate, works individually and spoke in opposition of SB 2146 because the added fees would be a financial burden on the small realtors.

**Representative Frank Wald** appeared in his own behave, He has a brokers license that is inactive. He has nothing against bill except the fees increase . He requested that the inactive status fees be kept at \$60.00 a year.

**Leon Mallberg** of Stanton ND, appeared in opposition to SB 2146.

**Harry Berg** Auctioneer and Realtor, opposed SB 2146. No justification in the bill.

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Senate Political Subdivisions Committee

Bill/Resolution Number SB 2146

Hearing Date: January 16, 2003

**Earl Allen**, Realtor and Broker, opposed SB 2146.

**Kathy Feist**, Bianco Realty, Bismarck, opposed SB 2146. She is concerned about the new realtors coming into the business.

**Greg Gerhardt**, Realtor, did research on fees in other states and left copy.

No other testimony.

**CHAIRMAN COOK** closed the hearing on SB 2146.

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2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO SB 2146

Senate Political Subdivisions Committee

Conference Committee

Hearing Date: January 24, 2003 (Discussion)

Tape Number	Side A	Side B	Meter #
1		X	3945 -5176
			(discussion)
Committee Clerk Signature <i>Stanley Long</i>			

Minutes:

**SENATOR COOK** opened discussion on SB 2146. He suggested that an amendment is pursued to set these fees at where the testimony indicated they needed to go rather than give them liberty to go up to two hundred dollars.

**SENATOR JUDY LEE** would like to have the fee set so they have some flexibility so they don't have to come back.

**SENATOR COOK** will have amendments next week.

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Operator's Signature

10-16-03  
Date

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2146

Senate Political Subdivisions Committee

Conference Committee

Hearing Date: January 31, 2003 (Discussion and Action)

Tape Number	Side A	Side B	Meter #
1		X	4340 - 5100

Committee Clerk Signature *Shirley Berg*

Minutes

**CHAIRMAN COOK** opened the discussion on SB 2146. All in Attendance (6)

Relating to the fees for the Real Estate Commission.

**CHAIRMAN COOK** had a problem with setting the fees up to two hundred dollars. He would like to see it reduced to what the fee actually will be. If he is the only one that feels that way, then will pass the bill out as is. If not feels there should be discussion on the issue.

**SENATOR JUDY LEE** passed out information made available by Pat Jergenson, Executive Director of the Real Estate Commission (See Attached) which shows what they are looking at as far as expenses and budget projections. It is not an official budget but shows you what they are looking at and that they end up with a budget of approximately \$250,000 for the next two years. In order to meet that \$250,000 number a suggestion was made that the firm fees would have to be at one hundred fifty dollars. This is a little different from her original testimony. Senator J Lee pointed out to the members of the committee that SB 2128 was passed which allowed four

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10-16-03  
Date



Page 2

Senate Political Subdivisions Committee

Bill/Resolution Number SB 2146

Hearing Date January 31, 2003

hundred dollar for a money brokers application fee and three hundred dollars a year annual license fee, which is significantly more than what we are paying here. Because of that she trusts these commissioners to make fair decisions. Senator J Lee hesitates to put a lower cap on there which would makes them come back to the legislature.

**SENATOR JUDY LEE** moved a **DO PASS** on SB 2146

**SENATOR SYVERSON** seconded the motion.

Roll Call Vote    **Yes 5    No 1    Absent 0**

**SENATOR SYVERSON** will carry the bill.

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*10-16-03*  
Date

**FISCAL NOTE**  
 Requested by Legislative Council  
 01/03/2003

Bill/Resolution No.: SB 2146

**1A. State fiscal effect:** Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>		\$1,200		\$235,380		\$235,380
<b>Expenditures</b>						
<b>Appropriations</b>						

**1B. County, city, and school district fiscal effect:** Identify the fiscal effect on the appropriate political subdivision.

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2. Narrative:** Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

The Commission depends on real estate license renewal fees for the majority of its income each fiscal year. We receive no appropriations from the state budget. The proposed legislation would establish a \$200 cap on real estate license fees and remove the incidental fees from the law thereby allowing the Commission to set reasonable fees administratively. We project \$117,690.00 increase in revenue each fiscal year.

**3. State fiscal effect detail:** For information shown under state fiscal effect in 1A, please:

**A. Revenues:** Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

**B. Expenditures:** Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

**C. Appropriations:** Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

<b>Name:</b>	Patricia M. Jergenson	<b>Agency:</b>	North Dakota Real Estate Commission
<b>Phone Number:</b>	328-9737	<b>Date Prepared:</b>	01/08/2003

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Yuzerica d. Lee 10-16-03  
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Date: 1-31-03  
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2146 Do Pass

Senate Political Subdivisions Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Senator Judy Lee Seconded By Senator Syverson

Senators	Yes	No	Senators	Yes	No
Senator Dwight Cook, Chairman		X			
Senator John O. Syverson, V C	X				
Senator Gary A. Lee	X				
Senator Judy Lee	X				
Senator Linda Christenson	X				
Senator Michael Polovitz	X				

Total (Yes) 5 No 1

Absent 0

Floor Assignment Senator Syverson

If the vote is on an amendment, briefly indicate intent:

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10-16-03  
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REPORT OF STANDING COMMITTEE (410)  
February 3, 2003 9:05 a.m.

Module No: SR-20-1490  
Carrier: Syverson  
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2146: Political Subdivisions Committee (Sen. Cook, Chairman) recommends DO  
PASS (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2146 was placed on the  
Eleventh order on the calendar.

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2003 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2146

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2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2146

House Industry, Business and Labor Committee

Conference Committee

Hearing Date March 4, 2003

Tape Number	Side A	Side B	Meter #
2	x		28.5-end
2		x	0.0-13.9
2		x	16.2-18.0

Committee Clerk Signature *Judith Hemma*

Minutes: Chairman Keiser opened the hearing on SB 2146.

**Pat Jergenson, Secretary Treasurer of the North Dakota Real Estate Commission,**

introduced SB 2146 and testified in support of the legislation. (See attached #1) She then

introduced **Senator J. Lee, District 13,** who testified in support of SB 2146. (See attached #2).

**Chairman Keiser:** The previous bill, SB 2145, if we can transfer \$24,000 back to the violators, assuming that you have 1000 members paying into the fund, that would be a reduction of \$24 of the fee. If we left the fees alone, we're picking up \$ 23,000-\$24,000 in the budget. How does that affect the budget projections? Does it solve the problem, in and of itself?

**Senator Lee:** Perhaps the Executive Director could answer those specific questions. My response is this: we asked for a projected budget from the director when we were looking at this on the senate side, there was an adjustment in the fee for firms that was made. There just wasn't any way to get the money up there. Their fiscal year is not a calendar year, they won't do their budget until this spring with this going into effect in the summer. They need to see what comes

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House Industry, Business and Labor Committee  
Bill/Resolution Number SB 2146  
Hearing Date March 4, 2003

out of the legislature session in order to go forward. The \$100 gives them some latitude. In order to be responsible and not have to ask them to come back for a \$5 increase, we thought this was appropriate.

**Rep. Kasper:** Where the \$10 annual fee is being struck, it appears that we are setting an opportunity for the fees to be set by the commissioner at whatever level they desire. What is the intent there?

**Senator Lee:** I can't answer that properly.

**Roger Cymbaluk, Vice-Chair, North Dakota Real Estate Commission** testified in support of SB 2146. (See attached #3 with 4 additional exhibits)

**Rep. Kasper:** The Errors and Omissions Bill of 2001, has that met your expectations? Is there any revenue stream coming from that?

**Cymbaluk:** It met our expectations in the sense that a lot of the people we talked about in SB 2145 who have licenses that came before the Commission, we felt there was nothing that was illegal. We encouraged them to seek relief through the E & O Program. A lot of agents did nothing legally wrong, we can't charge them for stupidity. Some times there are errors and mistakes. Say if it's an encroachment on property survey lines. Lots of times an agent doesn't have the personal resources to deal with the ramifications of those issues. That is where it's been really effective. The frustration with it is that there is a \$125 cap.

**Rep. Klein:** Do you hire auditors or CPA's to perform your annual audit?

**Cymbaluk:** We bid that out and it has to meet state guidelines.

**Rep. Johnson:** Here on Exhibit 4, what is the debt retirement exactly?

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House Industry, Business and Labor Committee  
Bill/Resolution Number SB 2146  
Hearing Date March 4, 2003

**Cymbaluk:** We have built up some legal fees and we have to pay off sick leave and vacation pay for our longtime Secretary-Treasurer who retired last year.

**Chairman Keiser:** What is the current reserve in the fund?

**Cymbaluk:** We are mandated by law to hold \$60,000 in a recovery fund. That is set up to handle a critical situation if a realtor should do something really bad and the E & O wouldn't cover it. The public can collect up to \$20,000 per occurrence. We haven't had occasion to use that but every agent who applies for his license the first time pays a one time fee of \$20 which is deposited in the recovery fund.

The final thing I want to discuss with you is the ARELLO Group handout (See attached #4 ) that is being passed around to you right now. It breaks out income streams for all states. The second pages outlines fees and so forth.

**Chairman Keiser:** On your Exhibit 2, for 2002-2003, your budget is \$127,310. With the proposed new fee schedule it goes to \$245,000, that reflects a \$118,000 increase. Looking at Exhibit 4 on the expense side we're adding \$38,500 in the biennium for travel to the ARELLO Conference.

**Cymbaluk:** That has always been part of the budget up to this year.

**Chairman Keiser:** But on the last page you are continuing to carry forward legal fees and investment costs at \$20,000. Are those the fees you were previously paying in that \$23,000-\$25,000 per year? Won't we recover those in SB 2145?

**Cymbaluk:** That's right about the \$23,000-\$25,000. But no, we won't recover, we only recover if somebody is found guilty. We will rarely see a \$2500 fine levied by the current Commission.

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House Industry, Business and Labor Committee  
Bill/Resolution Number SB 2146  
Hearing Date March 4, 2003

More important is that ability to recover costs if we're run around the flagpole. In Exhibit 2, we've taken \$15,500 from those extra funds, we haven't touched the \$60,000 Recovery Fund, but we've milked the other down from \$100,000 to \$60,000. We should have been here two or even four years ago.

**Claus Lembke, NDAR,** introduced **Ninetta Wandler, President of NDAR, Larry Sundbakken, Minot, and Randy Schwartz, Fargo,** to present testimony in support of SB 2146.  
(See attachments # 5, #6, and #7, respectively)

**Rep. Kasper:** Do local realty boards duplicate the functions of the NDAR? How are complaints handled?

**Schwartz:** Nothing relating to licensure is handled by local realtors. A local board has providence over its membership but not all licensees are in fact realtors. Complaints can be submitted locally or to the State Board, it's up to the complainant.

**Al Jaeger,** spoke on his own behalf, and testified in support of SB 2146. "I've trusted this commission for 30 years, they won't run amok if given what they are asking for in this legislation. They have to be reimbursed for their expenses. The commission is appointed by the Governor, there are checks and balances in the system in terms of the realtor organization. I want to go on record as being in support of both SB 2145 & SB 2146."

**Rep. Severson:** How many continuing education hours are required?

**Jaeger:** I think it's 24 every 2 years.

**Lembke:** For the record it's 16 hours every two years.

**Rep. Froseth:** Rep. Kasper's question on page 1, section IV, lines 19, 20, 21 wasn't clarified.

Can someone respond to that?

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House Industry, Business and Labor Committee  
Bill/Resolution Number SB 2146  
Hearing Date March 4, 2003

**Jaeger:** I just looked at the bill, I think that is enabling legislation, it's not out of the ordinary, the other sections have the limits in them.

As there was no one else present to testify either in support of or in opposition to SB 2146,

**Chairman Keiser** closed the hearing.

**Chairman Keiser** called for committee work on SB 2146.

**Rep. Thorpe** moved a Do Pass.

**Rep. Nottestad** seconded the motion.

**Rep. Froseth:** If this passes, Rep. Kasper had better be able to defend the fee increase when this hits the floor. Fee increases haven't been received very kindly on the floor this session.

**Rep. Klein:** Won't this cap keep them from having to come back in a couple years?

**Rep. Froseth:** The budget that was presented was based on about half the cap. That ought to be pointed out on the floor.

**Rep. Severson:** I will have to oppose this because my realtors, my constituents, have gotten to me.

**Results of the roll call vote were 12-1-1.**

**Rep. Kasper** will carry this on the floor.

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2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2146

House Industry, Business and Labor Committee

Conference Committee

Hearing Date March 5, 2003

Tape Number	Side A	Side B	Meter #
2		x	36.5-47.2
Committee Clerk Signature <i>Judith Hammer</i>			

Minutes: **Rep. Kasper** moved to reconsider the committee's action of March 4, 2003, in which SB 2146 was passed out of committee. SB 2146 relates to the real estate brokers increasing their fees substantially.

**Rep. Ruby** seconded the motion. Results of the roll call vote were: 5-8-1.

**The motion to reconsider failed.**

**Rep. Kasper** stated that the buzz on the floor is that the bill will be killed because the fee is too high. If the fee were changed to a more modest increase, it would save the bill.

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*10-16-03*  
Date

Date: 3/4/03  
 Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2146

House INDUSTRY BUSINESS & LABOR Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Thorpe Seconded By Nottestad

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	✓		Boe		
Vice-Chair Severson		✓	Ekstrom	✓	
Dosch	✓		Thorpe	✓	
Froseth	✓		Zaiser		
Johnson	✓				
Kasper	✓				
Klein	✓				
Nottestad	✓				
Ruby	✓				
Tieman	✓				

Total (Yes) 12 No 1

Absent 1

Floor Assignment Kasper

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Yherosa J. Lee 10-16-03  
 Operator's Signature Date

REPORT OF STANDING COMMITTEE (410)  
March 4, 2003 4:57 p.m.

Module No: HR-38-3918  
Carrier: Kasper  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**  
SB 2146: Industry, Business and Labor Committee (Rep. Kelsner, Chairman) recommends  
DO PASS (12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). SB 2146 was placed on  
the Fourteenth order on the calendar.

(2) DESK, (3) COMM

Page No. 1

HR-38-3918

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Operator's Signature

*10-16-03*  
Date

Date: 3/ 5/03  
 Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2146

House INDUSTRY BUSINESS & LABOR Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Reconsider Actions of 3/4/03

Motion Made By Kasper Seconded By Ruby

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser		✓	Boe		✓
Vice-Chair Severson		✓	Ekstrom		✓
Dosch		✓	Thorpe		✓
Froseth	✓		Zaiser		
Johnson		✓			
Kasper	✓				
Klein	✓				
Nottestad		✓			
Ruby	✓				
Tieman	✓				

Total (Yes) 5 No 8

Absent 1 ~~2~~

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

motion failed

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Yuberaca J. Lee  
 Operator's Signature

10-16-03  
 Date

2003 TESTIMONY

SB 2146

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Yvonne A. Lee  
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10-16-03  
Date

(For Sen. J. Lee)

Scratch Pad for Bill: SB 2146

SB 2146  
Political Subdivisions Committee  
January 16, 2003

*Some testimony  
to be  
added*

SB 2146 will permit the Real Estate Commission to increase license and renewal fees.

The figures which are proposed are maximum fees. It is unlikely that the fees would increase to that new level in the near future. But the current fees of \$60 for a broker, \$60 for a firm, and \$50 for a salesperson have been in place since 1995, and the cost of conducting the business of the Commission has dramatically increased.

I have been in the real estate business since 1975, and I can think of no other business in which the cost of going to work is as little as it is to become a licensed real estate agent. The Commissioners are absorbing personally the increased costs of doing their work by paying all of their own expenses and not taking their per diem pay. This is not fair. The dedicated people serving on our state boards and commissions deserve to have their expenses paid and to receive their per diem pay.

In fact, I would be even more favorable to the idea of not setting any amounts in statute, but leaving the amount of the license fees to the Board itself. We just passed a bill out of the Human Services Committee which makes that change for a board which regulates one of the health professions, and I think it's a good idea. The people serving on our ND boards and commissions are responsible people and deserve our trust that they will perform their duties in a professional manner.

Whether you accept the increased amounts already in SB 2146 or remove the amounts entirely, I urge the committee to support the idea of allowing the Real Estate Commission to establish license fees which will provide the funding they need to continue their work on behalf of ND citizens.

<http://auth.intranetapps.nd.gov/lr/legislature/laws?request=LRLawsPrintScratchPad&memb...> 1/15/2003

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Operator's Signature

*10-16-03*  
Date





"Kris Sheridan"  
<Kris@parkcompany.com>

To: <jlee@state.nd.us>  
cc:  
Subject: real estate commission bills

01/15/2003 07:36 AM

Good Morning.

Here are my thoughts on these bills:

The reality is that we cannot continue to operate the Real Estate Commission without an increase in fees and the ability to recover our investigation costs.

The North Dakota real estate consumer has the right to expect that licensed real estate agents are governed by a fair, impartial and knowledgeable group of people. With the changing demographics, the rising costs of technology as well as the expensive process of properly investigating claims made by consumers, it is not economically feasible for the Commission to do its job.

Since I have the opportunity to interact with both Mn and ND licensing agencies, I see first hand what an advantage we have in our state.

The Minnesota Department of Commerce is comprised of state bureaucrats and attorneys who direct the course of the industry.

In ND we are so fortunate to have a Commission made up of people involved in the real estate business on a daily basis. I like the fact that fellow real estate professionals are governing my business and I think that the consumer is better served because of it.

Without the ability to run the Commission in a fiscally responsible way, we cannot continue to do what I believe the public and the real estate licensees want us to do.

It just costs more today to be in any business or to run any organization.

This past year we have had to make some pretty dramatic changes in order to pay our bills. No longer can we send someone to the Arelllo conferences. This is a huge disadvantage because, as you know, interacting with other Commissioners from around the country is how we stay on top of the many changes in the industry.

Also, when we receive a complaint from a consumer, we have to really take a long, hard look at it before the investigation process starts as we have no extra money to spend on iffy cases. I don't believe that is a proper way to run a licensing commission.

The Commissioners are paying their own expenses this year (and last year) for all the meetings in order to keep the costs down.

We are unable to move ahead with technology because of our budget problems. The Commission needs a website with important information for the public and the licensees and we are unable to do it.

We do not have the income to hire a trust account auditor even on a limited basis. I think we have a responsibility to audit trust accounts on a periodic basis and that is not happening.

The real estate business has changed dramatically in the past 5 years. It's become much more complicated both for licensees and the consumer and the ND Real Estate Commission must be able to do its job of protecting the public and enhancing the professionalism of the industry.

With the current fee structure, we are unable to be effective in our mission and the future looks pretty bleak without an increase in income.

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10-16-03  
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Senate Bill 2146

Testimony before the Political Subdivisions Committee  
January 16, 2003

By: Pat Jergenson, Secretary Treasurer  
North Dakota Real Estate Commission

Mr. Chairman and members of the Political Subdivision Committee; on behalf of the Real Estate Commission I want to thank Senator Lee and the other cosponsors for assisting us with the introduction and sponsorship of Senate Bill 2146.

My name is Pat Jergenson.

*Same text given to House*

Senate Bill 2146 has been introduced at the request of the North Dakota Real Estate Commission. The purpose of this bill is to request a cap of \$200 for all real estate license fees and to remove the incidental fees (such as license transfer, duplicate license, and change of name) from the law thereby allowing the Commission to set reasonable fees administratively. It is important to note that the Commission depends on license renewal fees for the majority of its income each fiscal year and that we receive no appropriations from the state budget.

And now I would like to introduce Commissioner Roger Cymbaluk, Vice Chair of the Real Estate Commission, who is here to present our testimony

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*10-16-03*  
Date

Senate Bill 2146  
Testimony before the Political Subdivisions Committee  
January 16, 2003

By: Roger Cymbaluk, Vice Chair  
North Dakota Real Estate Commission

Mr. Chairman and Members of the Political Subdivision Committee:

The North Dakota Real Estate Commission was established in 1957. During the last 46 years license fees have been increased 4 times, in 1967, 1983, 1989, and 1995. These fee increases were in increments of \$5.00 and \$10.00. When we came before you in 1995 our total income from all sources was \$125,475.00 - our 2002 total income from all sources was \$127,173.00 and we are projecting an income of \$127,300.00 in 2003, which represents a 2% increase in income. Our expenses in 1995 were \$137,777.00, in 1999 \$139,642.00, in 2000 \$145,444.00, in 2001 \$155,220.00 and in 2002 \$159,877.00. That represents an increase of 14% since 1995. We have been drawing on reserves for several years, however they are gone and in order to balance the 2003 budget approximately \$24,000.00 was cut from an already conservative budget. (See Exhibit 1) The Commissioners are paying all of their own expenses and are not taking their per diem for Commission meetings, there is no out of state travel, half of our meetings are held by conference call, printing and office supply expenses were reduced, as well as accounting fees, legal fees and investigation costs. There has not

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Testimony of Roger Cymbaluk, Vice Chair  
Senate Bill 2146  
Page 2

been an auditor on staff for 3 years. All of these items have resulted in the reduction of some services.

Legal costs consume approximately 19% of our expense budget. (\$24,789.00 in 2001 and \$23,742.00 in 2002 alone) We do not foresee the number of complaints decreasing, nor will the cost of processing these complaints. It is very difficult to budget an item such as this and it has had a definite impact on our budget. We are addressing the recovery of some those costs in Senate Bill 2145.

With the passage of this bill we anticipate an increase of the salesperson license fee from \$50.00 to \$100.00 per year and the firm and broker license fees to increase from \$60.00 to \$125.00 per year. The projected results of these increases are demonstrated in Exhibit 2. We do anticipate a decrease in the number of inactive licensees. (Exhibit 3) Using these figures our revenues would increase by \$117,690.00. This represents a large increase in our income but it is important to point out the following:

1. We do not have an auditor on staff. The auditor's position is important as it not only oversees trust accounts, they assure they are being properly managed and an auditor would provide the Commission with information regarding areas that require more education or clarification regarding license law thereby providing a service to the public and licensee.

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Salary, training and travel expenses would be approximately \$40,000.00 per year.

2. We are examining ways to contain costs and improve efficiency but we are unable to move ahead with technology and staff training due to the lack of funds. Most of the daily operations of the office have been done manually. A licensee database, forms available on the computer, and a web site are a few of the items that would provide a faster, cost efficient manner to serve the public and the licensee.
3. We have reduced the current fiscal year budget by \$24,000.00 resulting in reductions in all areas of operation of this agency.

Though it was apparent that there was a need for a license fee increase, we did not come before you with this legislation in 2001 because our focus was on the passage of legislation requiring all licensees to have errors and omissions insurance for consumer protection.

The Commission has always been conservative in its spending and we intend to continue in that manner. Passing this legislation with the \$200 license fee cap would allow the Commission to continue to do what it was established to do; ensure that the interests of the public who use the services of real estate licensees are adequately protected, investigate

Testimony of Roger Cymbaluk, Vice Chair  
Senate Bill 2146  
Page 4

complaints alleging misconduct, issue real estate licenses to brokers and salespeople, and determine what is appropriate education in real estate without having to come before you every few years for incremental fee increases. Current law requires that we would come before you to increase a \$10.00 transfer fee to \$12.50. We believe that your time is valuable and can be used in a more worthwhile manner.

Based on the information you have received today you can see that the Commission has demonstrated its ability to exercise sound fiscal management and its desire to keep license fees and the other fees at a reasonable amount. Just to recap: we cut our current budget by \$24,000.00 (19% compared to the Governor's call for a reduction of 5%) which resulted in the Commissioners paying all of their own expenses and not taking their per diem for Commission meetings. And there is no out of state travel, half of our meetings are held by conference call, printing and office supply expenses have been reduced, as well as accounting fees, legal fees and investigation costs. These budget cuts have had an impact on the services we can provide to both the public and the licensees.

We ask that your Committee give favorable consideration to Senate Bill 2146.

Thank you.

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10-16-03  
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**Exhibit 1**

**NORTH DAKOTA REAL ESTATE COMMISSION**  
**July 1, 2002 – June 30, 2003**  
**Expense Budget**

Account	2001-02 Budget	Projected Yr End 2002-03	Proposed 2002-03	Actual
Payroll	73,396.00	76,511.00	66,676.00	66,676.00
Staff Travel & Expenses	1,900.00	900.00	4,032.50	1,500.00
Retirement & Health Insurance	17,200.00	16,850.00	15,984.00	15,984.00
FICA, Workers' Comp, Job Service	7,000.00	6,233.00	5,300.00	5,300.00
Commissioners' Salary/Expenses	11,000.00	11,000.00	10,992.50	2,500.00
Printing Costs	4,500.00	4,500.00	4,800.00	3,000.00
Office Supplies			900.00	900.00
Postage	2,500.00	2,200.00	2,500.00	2,500.00
Professional Fees	3,990.00	3,790.00	3,410.00	1,910.00
Rent	4,680.00	4,680.00	4,680.00	4,680.00
Telephone	1,300.00	1,300.00	1,300.00	1,300.00
Office Equip/Main	900.00	800.00	1,000.00	1,000.00
Legal Fees & Investigation Costs	13,000.00	26,000.00	26,000.00	16,788.00
Property & Liability Insurance			1,422.00	1,272.00
Miscellaneous	2,810.00	2,200.00	3,200.00	2,000.00
<b>TOTAL</b>	<b>144,176.00</b>	<b>156,954.00</b>	<b>152,197.00</b>	<b>127,310.00</b>

Column 3 is the proposed expense amount to maintain our agency at its current level of efficiency while column 4 is our actual budgeted amount and demonstrates the efforts that have been taken to deal with our current financial situation and the need for increased revenue from license fees.

This expense budget does not show the salary and training & travel expenses which would be required if we had an auditor in place or any funding set aside for software and equipment upgrades.

Budget approved June 28, 2002

(10/17/02)

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 Operator's Signature Date

**Exhibit 2**

**NORTH DAKOTA REAL ESTATE COMMISSION  
Income Proposal for Legislature**

Account	2001-02 Budget	Projected Yr End	2002-03 Approved	As Proposed
New license fees				
Firm		1,060.00	1,020.00	2,125.00
Broker		1,980.00	2,100.00	4,375.00
Salesperson		8,100.00	6,750.00	13,500.00
Lic. Renewals				
Firm		10,440.00	10,440.00	21,750.00
Broker		38,170.00	39,000.00	72,875.00
Salesperson		57,400.00	57,250.00	96,900.00
Inactive Licenses				
Broker **				5,625.00
Salesperson **				17,100.00
				234,250.00 (Subtotal)
Late penalty		670.00	650.00	650.00
Change of add.		1,150.00	1,100.00	1,100.00
Change of name			200.00	200.00
Subdivisions				
New		400.00	400.00	400.00
Renewal		1,400.00	1,200.00	1,200.00
Branch offc fee		180.00	150.00	150.00
Dup. License fee		180.00	150.00	150.00
Cert of licensure		800.00	950.00	950.00
CE approval fee		1,800.00	1,750.00	1,750.00
<b>License Fees total</b>	<b>124,000.00</b>	<b>123,060.00</b>	<b>123,110.00</b>	<b>240,800.00</b>
Misc. sales	1,500.00	725.00	1,200.00	1,200.00
Interest earned	2,000.00	700.00	1,000.00	1,000.00
Fines	1,250.00	3,150.00	2,000.00	2,000.00
Total w/out transfer from Recovery Fund	128,750.00	127,635.00		
Rec. Fund transfer	15,500.00	15,500.00		
<b>TOTAL</b>	<b>144,250.00</b>	<b>143,135.00</b>	<b>127,310.00</b>	<b>245,000.00</b>

\*\*inactive license figures were reduced by 1/2 in this calculation

10/17/02

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**Exhibit 3**

**North Dakota Real Estate Commission  
Income Proposal before the Legislature**

License fees

New license fees		
Firm 17 x \$125	\$ 2,125.00	
Broker 35 x \$125	\$ 4,375.00	
Salesperson 135 x \$100	\$13,500.00	
License Renewal fees		
Firm 174 x \$125	\$21,750.00	
Broker 583 x \$125	\$72,875.00	
Salesperson 969 x \$100	\$96,900.00	
Inactive Licenses		
Broker 45 x \$125 **	\$ 5,625.00	
Salesperson 171 x \$100 **	\$17,100.00	
Late penalty		
\$10 per month thru Feb.	\$ 650.00	
Change of address (\$10)	\$ 1,100.00	
Change of business name (\$10)	\$ 200.00	
Out of State - Subdivisions		
New \$100 fee	\$ 400.00	
Renewals \$100 fee	\$ 1,200.00	
Branch Office fees (\$10)	\$ 150.00	
Duplicate license fee (\$10)	\$ 150.00	
Certificate of licensure (\$10)	\$ 950.00	
CE Course approval fee (\$50)	\$ 1,750.00	
		\$ 240,800.00

Miscellaneous sales

Includes sale of labels, books, rosters \$ 1,200.00

Interest earned

\$ 1,000.00

Fines

\$ 2,000.00

TOTAL

\$ 245,000.00

\*\* inactive license figures were reduced by 1/2 in this calculation

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**Exhibit 4**

**North Dakota Real Estate Commission  
Expense Budget Projections**

	2003/04	2004/05
<u>Payroll</u>		
Secretary Treasurer		
Administrative Assistant		
Auditor		
	\$ 100,000.00	\$ 106,000.00
<u>Staff Travel &amp; Expenses</u>		
ARELLO Central/Western District Conf.		
\$850.00 & \$850.00		
NDAR State Convention		
\$700.00 & \$400.00		
ARELLO Annual Conf.		
\$1,700.00 & \$1,700.00		
Misc travel	\$ 150.00 & \$ 150.00	
Auditor travel/training		
\$10,000.00 & \$10,000.00		
	\$ 13,400.00	\$ 13,400.00
	\$ 1,000.00	\$ 1,000.00
<u>Staff Education/Training</u>		
<u>Retirement &amp; Health Insurance</u>		
Blue Cross Blue Shield \$520.00/employee (3)		
\$18,720.00 & \$18,720.00		
Retirement: (9.25% of gross salary)		
\$9,560.00 & 10,221.00		
	\$ 28,280.00	\$ 28,941.00
<u>FICA, Workers' Comp, Job Service</u>		
FICA 7.65% x gross salary		
\$7,650.00 & \$8,109.00		
Workers' Comp		
\$200.00 & \$200.00		
	\$ 7,850.00	\$ 8,309.00
<u>Commissioners' Salary &amp; Expenses</u>		
9 Commission meetings		
\$5400.00 & \$5400.00		
ARELLO Central/Western District Conf.		
\$4250.00 & \$4250.00 (5 attending)		
ARELLO Annual Conf. (3 attending)		
\$5100.00 & \$5100.00		
ARELLO Board of Directors meeting (3 attending)		
\$4500.00 & \$4500.00		
	\$ 19,250.00	\$ 19,250.00
<u>Printing Costs</u>	\$ 5,000.00	\$ 5,000.00
<u>Office supplies</u>	\$ 1,500.00	\$ 1,500.00
<u>Postage</u>	\$ 3,000.00	\$ 3,000.00

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Professional Fees

ARELLO annual dues \$500.00

Accountant \$2000.00 & \$3000.00

Rent

\$390.00 per month (lease runs through 9/30/03)

Telephone

Office Equipment & Maintenance

Technology (develop web site & maintenance)

Legal fees and Investigation Costs

Property and Liability Insurance

Miscellaneous

Reserve funds

Debt retirement

\$ 2,500.00                      \$ 3,000.00

\$ 5,000.00                      \$ 7,200.00

\$ 1,500.00                      \$ 1,500.00

\$ 2,000.00                      \$ 2,000.00

\$ 16,000.00                      \$ 2,000.00

\$ 20,000.00                      \$ 20,000.00

\$ 1,750.00                      \$ 1,750.00

\$ 2,500.00                      \$ 3,000.00

\$ 5,000.00                      \$ 15,000.00

\$ 13,300.00                      \$ 5,000.00

TOTAL

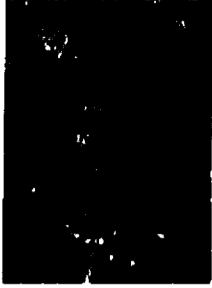
\$248,830.00

\$246,850.00

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10-16-03  
Date

 Ninetta Wandler, ABR, CRS, GRI  
Everett Real Estate Inc  
Box 1036  
Dickinson ND 58602  
701-225-8183

*Same given to House*

Senate Bill 2146

Testimony before the Senate Political Subdivision Committee

By: Ninetta Wandler, President

North Dakota Association of Realtors

Mr. Chairman and Members of the Senate Political Subdivision Committee.

My name is Ninetta Wandler with Everett Real Estate Company in Dickinson and I am the current President of the North Dakota Association of REALTORS®.

Our NDAR (North Dakota Association of REALTORS®) has an excellent working relationship with the ND Real Estate Commission and its staff since its inception in 1957. As a matter of fact the NDAR was instrumental in seeking legislation in 1957 that created the Commission. As you can see from their testimony, they have a very conservative record when it comes to spending and we are very confident that this will continue in the future. Administratively, they have the same number of employees today as they had 46 years ago. I don't think you will find that in many other Boards or Commissions.

It is for this reason that our Board of Directors last September voted to support this legislation.

On behalf of our North Dakota Association I am asking for your support of SB 2146.

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Operator's Signature

10-16-03  
Date



Don Dietrich  
Dietrich Realty and Auction  
1133A South Columbia Rd  
Grand Forks, ND 58208  
701-746-5312

Senate Bill 2146

Testimony before the Senate Political Subdivision Committee.

January 16, 2003

By: Don Dietrich, Broker, Dietrich Realty and Auction Grand Forks

Mr. Chairman and members of the Senate Political Subdivision committee.

My name is Don Dietrich and I own and manage Dietrich Realty and Auction Company in Grand Forks. I am a past President of the Grand Forks Board of REALTORS® and chairman of our Political Affairs committee and also a member of our State Association's Political Affairs committee.

My point here today is the absence of an auditor at the Real Estate commission. The Commission's inability to hire an Auditor is of concern to us. In the past the commission utilized auditing as a form of education. Whenever the auditor found any deficiencies he would send a notice to the broker requesting them to correct the deficiencies. One could always tell when and where such an auditor was working by a sudden increase in requests for forms or disclosure notices that we have developed at our State Association. Auditing is good insurance for the Public as well. It seems invariable that when we hold arbitration or ethics hearing that we will find some deficiencies in some files or activities of our members. Regular audits would detect this and therefore reduce mistakes or deficiencies

I urge your favorable support for this legislation.

Thank you!

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*Yubereca d. Lee*  
Operator's Signature

*10-16-03*  
Date



**G.W. (Jerry) Engel**

Broker Associate

Office: 701-223-7422 x206

Res: 701-250-9347

Cell: 701-220-3466

Fax: 701-223-6801

Relo: 800-279-0171

E-Mail: jengel@oaktree-realtors.com



**Oaktree Realtors**

523 North 4th Street  
Bismarck, ND 58501

Senate Bill 2146

Testimony before the Senate Political Subdivisions Committee

January 16, 2003

By: Jerry Engel, Broker Associate with Oaktree REALTORS

Mr. Chairman and members of the Senate Political Subdivisions Committee. My name is Jerry Engel and I am a Broker with Oaktree REALTORS here in Bismarck. I am a past President and currently a member of the Political Affairs Committee of the North Dakota Association of REALTORS.

The officers of our state association and our Political Affairs Committee discussed this bill proposal thoroughly during the past few months. Some members raised the concern that the fees would increase significantly. We do not share that concern. The conservative history of the Real Estate Commission over the past 46 years has proven that to us. The Board has always conducted its business in a very responsible and frugal manner. For this reason we support this legislation and ask for your favorable consideration.

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*Yuberica J. Lee*  
Operator's Signature

*10-16-03*  
Date

#3

Senate Bill 2146

Testimony before the Industry, Business and Labor Committee  
March 4, 2003

By: Roger Cymbaluk, Vice Chair  
North Dakota Real Estate Commission

Mr. Chairman and Members of the Industry, Business and Labor  
Committee:

The North Dakota Real Estate Commission was established in 1957. During the last 46 years license fees have been increased 4 times, in 1967, 1983, 1989, and 1995. These fee increases were in increments of \$5.00 and \$10.00. When we came before you in 1995 our total income from all sources was \$125,475.00 - our 2002 total income from all sources was \$127,173.00 and we are projecting an income of \$127,300.00 in 2003, which represents a 2% increase in income. Our expenses in 1995 were \$137,777.00, in 1999 \$139,642.00, in 2000 \$145,444.00, in 2001 \$155,220.00 and in 2002 \$159,877.00. That represents an increase of 14% since 1995. We have been drawing on reserves for several years, however they are gone and in order to balance the 2003 budget approximately \$24,000.00 was cut from an already conservative budget. (See Exhibit 1) The Commissioners are paying all of their own expenses and are not taking their per diem for Commission meetings, there is no out of state travel, half of our meetings are held by conference call, printing and office supply expenses were reduced, as well as accounting fees, legal fees and investigation costs. There has not

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Testimony of Roger Cymbaluk, Vice Chair  
Senate Bill 2146  
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been an auditor on staff for 3 years. All of these items have resulted in the reduction of some services.

Legal costs consume approximately 19% of our expense budget. (\$24,789.00 in 2001 and \$23,742.00 in 2002 alone) We do not foresee the number of complaints decreasing, nor will the cost of processing these complaints. It is very difficult to budget an item such as this and it has had a definite impact on our budget. We are addressing the recovery of some those costs in Senate Bill 2145.

With the passage of this bill we anticipate an increase of the salesperson license fee from \$50.00 to \$100.00 per year and the firm and broker license fees to increase from \$60.00 to \$125.00 per year. The projected results of these increases are demonstrated in Exhibit 2. We do anticipate a decrease in the number of inactive licensees. (Exhibit 3) Using these figures our revenues would increase by \$117,690.00. Exhibit 4 is an example of a projected expense budget showing how we envision the revenues would be spent. It is important to point out the following:

1. We do not have an auditor on staff. The auditor's position is important as it not only oversees trust accounts, they assure they are being properly managed and an auditor would provide the Commission with information regarding areas that require more education or

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Testimony of Roger Cymbaluk, Vice Chair  
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clarification regarding license law thereby providing a service to the public and licensee.

Salary, training and travel expenses would be approximately \$40,000.00 per year.

2. We are examining ways to contain costs and improve efficiency but we are unable to move ahead with technology and staff training due to the lack of funds. Most of the daily operations of the office have been done manually. A licensee database, forms available on the computer, and a web site are a few of the items that would provide a faster, cost efficient manner to serve the public and the licensee.
3. We have reduced the current fiscal year budget by \$24,000.00 resulting in reductions in all areas of operation of this agency.

Though it was apparent that there was a need for a license fee increase, we did not come before you with this legislation in 2001 because our focus was on the passage of legislation requiring all licensees to have errors and omissions insurance for consumer protection.

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Testimony of Roger Cymba'uk, Vice Chair  
Senate Bill 2146  
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The Commission has always been conservative in it's spending and we intend to continue in that manner. Passing this legislation with the \$200 license fee cap would allow the Commission to continue to do what it was established to do; ensure that the interests of the public who use the services of real estate licensees are adequately protected, investigate complaints alleging misconduct, issue real estate licenses to brokers and salespeople, and determine what is appropriate education in real estate without having to come before you every few years for incremental fee increases. Current law requires that we would come before you to increase a \$10.00 transfer fee to \$12.50. We believe that your time is valuable and can be used in a more worthwhile manner.

Based on the information you have received today you can see that the Commission has demonstrated its ability to exercise sound fiscal management and its desire to keep license fees and the other fees at a reasonable amount. Just to recap: we cut our current budget by \$24,000.00 (19% compared to the Governor's call for a reduction of 5%) which resulted in the Commissioners paying all of their own expenses and not taking their per diem for Commission meetings. And there is no out of state travel, half of our meetings are held by conference call, printing and office supply expenses have been reduced, as well as accounting fees, legal fees and investigation costs. These budget cuts have had an impact on the services we can provide to both the public and the licensees.

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Testimony of Roger Cymbaluk, Vice Chair  
Senate Bill 2146  
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We ask that your Committee give favorable consideration to Senate Bill  
2146.

Thank you.

(rev 2/26/03)

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*Roger Cymbaluk*  
Operator's Signature

10-16-03  
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SB 2146

**NORTH DAKOTA REAL ESTATE COMMISSION**  
**Expense Budget Projections**

Account	2002-2003 Actual	2003-04	2004-05
Payroll	66,676.00	100,000.00	106,000.00
Staff Travel/ Exp.	1,500.00	13,400.00	13,400.00
Staff Educ/Training	-0-	1,000.00	1,000.00
Retirement & Health Insurance	15,984.00	28,280.00	28,941.00
FICA, Workers' Comp, Job Service	5,300.00	7,850.00	8,309.00
Commissioners' Salary/Expenses	2,500.00	19,250.00	19,250.00
Printing Costs	3,000.00	5,000.00	5,000.00
Office Supplies	900.00	1,500.00	1,500.00
Postage	2,500.00	3,000.00	3,000.00
Professional Fees	1,910.00	2,500.00	3,000.00
Rent	4,680.00	5,000.00	7,200.00
Telephone	1,300.00	1,500.00	1,500.00
Office Equip/Main Technology	1,000.00	2,000.00	2,000.00
Legal Fees & Investigation Costs	16,788.00	20,000.00	20,000.00
Property & Liability Insurance	1,272.00	1,750.00	1,750.00
Miscellaneous	2,000.00	2,500.00	3,000.00
Reserve funds	-0-	5,000.00	15,000.00
Debt retirement	-0-	13,300.00	5,000.00
<b>TOTAL</b>	<b>127,310.00</b>	<b>248,830.00</b>	<b>246,850.00</b>

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**North Dakota Real Estate Commission  
Income Projection**

License fees

New license fees		
Firm	17 x \$150	\$ 2,550.00
Broker	35 x \$125	\$ 4,375.00
Salesperson	135 x \$100	\$13,500.00
License Renewal fees		
Firm	174 x \$150	\$26,100.00
Broker	583 x \$125	\$72,875.00
Salesperson	969 x \$100	\$96,900.00
Inactive Licenses		
Broker	45 x \$125 **	\$ 5,625.00
Salesperson	171 x \$100 **	\$17,100.00
Late penalty		
\$10 per month thru Feb.		\$ 650.00
Change of address (\$10)		\$ 1,100.00
Change of business name (\$10)		\$ 200.00
Out of State - Subdivisions		
New	\$100 fee	\$ 400.00
Renewals	\$100 fee	\$ 1,200.00
Branch Office fees (\$10)		\$ 150.00
Duplicate license fee (\$10)		\$ 150.00
Certificate of licensure (\$10)		\$ 950.00
CE Course approval fee (\$50)		\$ 1,750.00
		\$ 245,575.00

Miscellaneous sales

Includes sale of labels, books, rosters \$ 1,200.00

Interest earned

\$ 1,000.00

Fines

\$ 2,000.00

**TOTAL**

\$ 249,775.00

\*\* inactive license figures were reduced by 1/2 for this calculation

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# FUNDING

	FISCAL YEAR		SOURCE				APPROVAL				INCOME		EXPENSE			
	Begins	Ends	Licenses	Exams	General Fund	Other	Board/Council / Commission	Umbrella Agency	Legislature	Other	Period	Licenses & Exams	All Other	Period	Cost to run year organization	Added costs for central svcs
ALABAMA	10/00	9/01	X	X		X		X				1,374,459	131,871		1,316,429	
ALASKA	7/01	6/00	X					X	X	Biennial						
ARIZONA	7/00	6/01			X			X		Annual	2,609,400	670,000	Annual	3,110,100	0	
ARKANSAS	7/00	6/01	X	X				X		Annual	745,000	164,000	Annual	939,000	N/A	
BRITISH COLUMBIA	7/00	6/01	X	X		X	X			Annual	2,510,206	7,384 Interest	Annual	2,474,869	492,950	
CALIFORNIA	7/00	6/01	X	X		X		X		Annual	11,173,039	8,876,322	Annual	27,578,971	None	
COLORADO	7/00	6/01	X					X		Annual	3,300,000	0	Annual	3,300,000	0	
CONNECTICUT	7/00	6/01			X			X		Annual	5,437,897	N/A	Annual	1,150,948	N/A	
DELAWARE	7/00	6/01	X					X			N/A	0				
DISTRICT OF COLUMBIA	10/01	9/02	X		X	X	X	X	X							
FLORIDA	7/00	6/01	X					X		Annual	N/A	N/A	Annual	N/A	N/A	
GEORGIA	7/00	6/01	X				X	X	X		2,980,439	0		1,991,943	0	
GUAM	10/01	9/30			X			X		Annual						
HAWAII	7/00	6/01	X			X	X	X		Biennial	1,000,000		Annual	600,000		
IDAHO	7/00	6/01	X	X		X		X						893,560		
ILLINOIS	7/00	6/01	X					X		Annual	4,767,800		Annual	4243744		
INDIANA	7/00	6/01			X			X		Annual	475,276					
IOWA	1/01	6/02			X			X				995,051			572,593	
KANSAS	7/00	6/01	X					X		Annual	680,000-715,000	78,500	Annual	644,400	0	
KENTUCKY	7/00	6/01	X	X		X	X				1,958,355	0		1,643,767	0	
LOUISIANA	7/00	6/01									1,624,592	138,149		1,739,716	0	
MAINE	7/00	6/02	X	X			X	X		Annual	556,102		Annual	327,982		
MANITOBA	4/00	3/01	X	X	X		X			Annual	260,000	0	Annual	344,000	0	
MARYLAND	7/00	6/01		X	X			X								
MASSACHUSETTS	7/00	6/01			X		X	X			1,562,182	40,917				
MICHIGAN	10/00	9/01			X	X	X	X		Annual	975,000	217,500	Annual	850,000	190,000	
MISSISSIPPI	7/00	6/01	X	X				X		Annual	998,000	217,300				
MISSOURI	7/00	6/02	X	X		X	X	X	X	Annual	1,906,000	98,000	Annual	1,075,000	721,000	
NEBRASKA	7/00	6/01	X	X		X	X	X			769,410	102,224		828,090		
NEVADA	7/00	6/01	X	X	X	X		X			602,300	2,077,555		1,973,723	N/A	
NEW HAMPSHIRE	7/00	6/01	X	X				X	X	Annual	467,160	34,922	Annual	397,343	0	
NEW JERSEY	7/00	6/01			X			X			3.1 million	250,000		2.2 million		
NEW MEXICO	7/00	6/01	X	X		X	X	X		Annual	666,000	12,000	Annual	869,000	62,000	
NORTH CAROLINA	7/00	6/01	X	X			X				2,908,827	874,780		3,893,346	0	
NORTH DAKOTA	7/00	6/01	X				X				127,000			155,000		
NW TERRITORIES	4/01	3/31			X			X			4,075	150,000				
NOVA SCOTIA	1/01	12/01	X	X	X	X	X				136,000	359,000		359,000	N/A	
OKLAHOMA	7/00	6/01	X	X		X	X			Annual	877,174	62,300 Misc. Fees	Annual	1,214,295	*	
OREGON	7/01	6/03	X	X		X		X		Biennial	4,976,369	5,348,156	Biennial	5,077,714	122,284	
PENNSYLVANIA	7/01	6/02	X					X		Biennial	4,193,252	0	Biennial	4,294,428	257,502	
QUEBEC	1/00	12/00	X	X	X	X	X				3,430,000	1,500,000 car		4,800,000		
RHODE ISLAND	7/1	6/30			X			X								
SASKATCHEWAN	7/00	6/01	X			X	X			Annual	226,205	182,486	Annual	459,808	N/A	
SOUTH AFRICA	1/00	12/00	X	X			X			Annual	R7 194 000	R13 997 000	Annual	R14 130 000	N/A	
SOUTH CAROLINA	7/00	6/01	X				X			Annual	2,680,786	N/A		881,478	N/A	
SOUTH DAKOTA	7/00	6/01	X			X	X			Annual	164,970	132,294	Annual	341,056	10,184	
TENNESSEE	7/00	6/01	X				X			Annual	3,982,147	0	Annual	994,932	617,538	
TEXAS	9/00	8/01	X	X		X	X	X		Annual	4,993,863	184,700	Annual	4,015,747	950,000	
UTAH	7/01	6/02			X			X						1,158,500		
VERMONT	7/00	6/01				X		X		Biennial	50,200			183,217		
VIRGINIA	7/00	7/01	X				X	X		Annual	1,597,528		Annual	2,394,721		
WASHINGTON	7/01	6/02	X	X		X		X		Biennial	6,355,277	250,000 (estimate)	Biennial	5,743,969	1,169,012 (Biennial)	
WESTERN AUSTRALIA	6/00	6/01	X			X		X		Annual	747,489	9,753,721	Annual	4,409,491	3,169,433 *	
WISCONSIN	7/1	6/30	X					X								
WYOMING	7/00	6/01	X	X			X	X		Annual	227,811	28,123	Annual	257,667	16,212	

\* Oklahoma: 4,500 - Included in previous response. Western Australia: Education & home buyers grants, and fidelity guarantee payments.

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10-16-03  
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Information provided by  
APRILLO 2002

LICENSE/REGISTRATION FEES - PART ONE

	ORIGINAL LICENSE					RENEWAL					TRANSFERS			NAME CHG.				
	Active Broker	Inactive Broker	Active Salesperson	Inactive Salesperson	Firm, Corporation, etc.	Active Broker	Inactive Broker	Active Salesperson	Inactive Salesperson	Firm, Corporation, etc.	Broker	Salesperson	Other	Broker	Salesperson	Other	Licensee Change of Address	Change of Firm Name
ALABAMA	150	150	150	150	130	155	155	135	135	135	2	25	25	25	25	25	0	25
ALASKA	300	300	300	300		300	300	300			2	25	25	25	5	5	0	25
ALBERTA	175	N/A	175	N/A	75	175	175	N/A	75	1	1	25	25	25	25	0	25	
ARIZONA	169/189	169	114	94	0	125	60	60	0	2	2	10	20	10	10	0	10*	
ARKANSAS	70	70	50	50	N/A	70	50	50	N/A	1	1	30	30	30	30	30	30	
BRITISH COLUMBIA	400	N/A	400	N/A	400	400	400	N/A	400	2	2	100	100	100	100	N/A	100	
CALIFORNIA	218	N/A	129	N/A	218	218	129	N/A	218	4	4	0	0	0	0	0	0	
COLORADO	155	155			133	190	190	190	0	3	3	10	10	10	10	0	10	
CONNECTICUT	*	N/A	**	N/A	***	300	225	N/A	300	+	+	N/A	25	25	25	25	25	
DISTRICT OF COLUMBIA	130	160	130	160	135	160	100	0	85	2	2	20	20	20	20	20	20	
DELAWARE	90*	7**	46*	7**	67**	90	46	7	67+	2	2	10	10	10	10	N/A	10**	
FLORIDA	95	95	85	85	95	95	85	85	95	2	2			N/A		N/A	N/A	
GEORGIA	175	175	175	175	275	100	100	100	200	4	4	N/A	N/A	N/A	N/A	N/A	N/A	
GUAM	20		10		50	50	30		50	2*	2*							
HAWAII	255/185*	255/185*	255/185*	255/185*	235*	180	180	180	230	2	2			10	10		0	
IDAHO	200 +20	200 +20	200 +20	200 +20	100*	200 +20	200 +20	200 +20	100*	2	2	15	15	0	15	15	15	15**
ILLINOIS	100		100		100	100	50		100	2	2	25	25	25	25	25	25	
INDIANA	50	50	25	25	50	50	25	25	50	2	2							
IOWA	120	120	75	75	120	120	75	75	120	3	3	0	0	0	0	0	0	
KANSAS	150*		100*			150	100	100		2	2	15	15	6**	1**		0	
KENTUCKY	55	55	55	55	N/A	55	50	50	N/A	1	1	10	10	10	10	0	10*	
LOUISIANA	120	45	45	45	120	70	35	35	70	1	1	35	35	0	0	0	25	
MAINE	100	85	100	85	100	100	100	85	100	2	2	20	20	20	20	20	20	
MANITOBA	125		125		300	75	75		200	1	1	125	30	N/A	N/A	N/A	N/A	
MARYLAND	115*	115	65	65	5**	95	45	45	65**	2	2	10	10	5	5	5	5	
MASSACHUSETTS	70	70	55	55	100	70	55	55	100	2	2			N/A	0	0	0	
MICHIGAN	38	N/A	23	N/A	38	18	13	N/A	18	1	1	N/A	10	10	10	10	10	
MISSISSIPPI	150	150	120	120	150	150	120	120	150	2	2							
MISSOURI	80	80	40	N/A	80	50	40	40	50	2	2	50	50	25	25	0	80	
MONTANA	200	200	175	175		200	175	175		2	2	45	45					
NEBRASKA	100	100	75	75		100	75	75		1	1	15	15					
NEVADA	170	170	130	130	0	170	130	130	0	2	2	10	10	10	10	0	10*	
NEW HAMPSHIRE	75	75	55	55	0	75	55	55	0	2	2	15	15	15	15	15	15	
NEW JERSEY	160		100		160	100	50		100	2	2	25	25	25	25		25	
NEW MEXICO	180	180	100	100	180	180	180	180	180	3	3	20	20	N/A	20	20	20	
NEW YORK	150	150	50	50	150	150	50	50	150	2	2	10	10	10	10	10	150	
NORTH CAROLINA	30	30	30	30	30	35	35	35	35	1	1	0	0	5	5	0	5	
NORTH DAKOTA	60	60	50	50	60	60	50	50	60	1	1	10	10	10	10	10	10	
NOVA SCOTIA	200		120		200	80	60		50	1	1	50	50	0	0	0	100	
OKLAHOMA	225	140	145*	150**	225***	225	165	110	225+	3++	3++	25	25	25	25	0	25	
OREGON	230	230	180	180	230	230	180	90	N/A	2	2	10	10	10	10	0	10*	
PENNSYLVANIA	109		99		169	84	64		84	2	2	20	20	0	0	0	75	
QUEBEC	*	N/A	*	N/A	*	100	80	N/A	100	1	1	N/A	257	0	0	0	0	
RHODE ISLAND	120		80			120	80			2	2			5				
SASKATCHEWAN	140	N/A	140	N/A	210	140	140	N/A	210	1	1	75	75	20	20	20	20	
SOUTH CAROLINA	135	N/A	50	N/A	N/A	80	60	150	N/A	2	2	10	10	10	10	0	10*	
SOUTH DAKOTA	200	200	200	200	100	100	100	100	100	2	2	15	15	15	15	15	15	
TENNESSEE	100	100	100	100	100	80	80	80	80	2	2	25	25	10	10	0	10*	
TEXAS	295	295	67.50	67.50	95	500	95	95	100	1+2	1+2	20	20	20	20	0	20	
UTAH	101	101	101	101		51	51	51	25	2	2	0	0	0	0	0	25	
VERMONT	50	N/A	50	N/A	50	175	175	N/A	75	2	2	10	10	10	10	10	10	
VIRGINIA	85	85	75	75	125	42	39	39	65	2	2	35	35	0	0	0	0	
WASHINGTON STATE	180	180	115M	115M	180	115M	115M	115M	115M	2	2	25.50	25.50	25.50	25.50	0	25.50	
WESTERN AUSTRALIA	538		177		705	333	150	132		333	3	0	0	0	0	0	0	
WISCONSIN	53	53	53	53	138	93	118	66	2	2	10	10	10	10	10	10	10	
WYOMING	75	75	75	75	170	170	170	170	170	3	3	20	20	20	20	0	20	

\* Arizona: Each license affected. Connecticut: Prorated quarterly ranging from \$450 down to \$112.50. Delaware: For 2 years. Florida: \$50 - \$95 depending on time in the renewal period. Guam: year original, 4 year renewal. Hawaii: (Odd/Even Year). Idaho: For all entities, \$50 for Branch Office holding original transaction records and licenses, -0- for unlicensed branch offices such as shopping center kiosks and home offices not holding original transactions and licenses. Kansas: Prorated to renewal date. Kentucky: Per license. Maryland: Active/Inactive Associate Broker \$8 Nevada: Per license. Nova Scotia: Brokerage \$100. Oklahoma: /Active Sales 75 Provisional Sales 1-Year License (effective 8/1/01). Oregon: Per license. Quebec: 415,15 plus 1/12 of 691, per month remaining in the year. South Carolina: Per Person Max out at \$250. Tennessee: per license plus new completed firm application form.  
 \*\* Connecticut: Prorated quarterly ranging from \$225 down to \$76.25. Delaware: Per year. Idaho: per business/\$15 per license. Kansas: Per month for prorating to next renewal date. Maryland: Branch Office. Oklahoma: Inactive Sales Associate - 75/Inactive Provisional Sales 1 Yr. license effective 8/1/01.  
 \*\*\* Connecticut: Prorated quarterly ranging from \$450 down to \$112.50. Delaware: Per 2 years for a Branch Office Permit. Kansas: Per month for prorating to next renewal date. Maryland: Active/Inactive Associate Broker \$65  
 + Connecticut: One or portion thereof. Delaware: Branch Permit. Oklahoma: Corporation, Association, Partnership - \$125 Branch Office.  
 ++ Connecticut: If revised license is requested. Delaware: Per license. Oklahoma: Exception: 1-Year Provisional Sales Associate license (effective 8/1/01).

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*Yubereca J. Lee*  
 Operator's Signature 10-16-03  
Date

# 2146

Information provided by  
ARELLO 2003

Attached #4

FUNDING

	FISCAL YEAR						SOURCES				APPROVAL				INCOME		EXPENSES	
	Begin	Ends	Licenses	Exam.	General Fund	Other	Regist./Council / Commission	Umbrella Agency	Legislation	Other	Period	Licenses & Exams	All Other	Period	Cost to run your organization	Added costs for central serv.		
ALABAMA	10/01	09/30	X			X			X	Annual	1,430,875	85,588	Annual	1,490,179	0			
ALASKA	7/1	6/30	X	X		X			X									
ARIZONA	7/1	6/30			X				X	Annual	2,831,400	634,600	Annual	3,190,800	None			
ARKANSAS	7/1	6/30	X	X					X	Biennial	743,000	164,000	Annual	999,000	N/A			
CALIFORNIA	07/01	6/30	X	X		X			X	Annual	22,686,240	8,969,980	Annual	20,865,129	None			
COLORADO	7/01	6/30	X						X	Annual	2,780,187	754,762	Annual	3,357,949	412,643			
CONNECTICUT	7/1	6/30			X				X									
DELAWARE	7/1	6/30	X	X					X									
DISTRICT OF COLUMBIA	10/1	9/30	X		X	X	X	X	X	X								
FLORIDA	7/1	6/30	X						X		N/A	N/A		N/A	N/A			
GEORGIA	7/1	6/30	X				X		X	Annual	3,098,135	None		1,917,327				
HAWAII	7/1	6/30	X			X	X	X	X	Biennial			Annual					
IDAHO	7/1	6/30	X	X		X			X	Annual	720,226	723,704	Annual	857,589	N/A			
ILLINOIS	7/01	6/30	X						X		4,212,735	N/A	Annual	4,204,332	N/A			
IOWA	1/1	6/30			X				X									
KANSAS	7/1	6/30	X						X	Annual	791,817	0		637,576	?			
KENTUCKY	7/1	6/30	X	X		X	X				1,462,205	0		1,664,095	0			
LOUISIANA	7/1	6/30									1,634,917	1,163,128		2,723,564	0			
MAINE	7/1	6/30	X						X	Annual	560,036		Annual	335,940				
MARYLAND	7/1	6/30		X	X				X									
MASSACHUSETTS	7/1	6/30			X				X		1,562,182	40,917						
MICHIGAN	10/1	9/30	X		X	X		X	X	Annual	975,000	217,500	Annual	850,000	190,000			
MISSISSIPPI	7/1	6/30	X	X					X	Biennial	2,250,000	0	Biennial	1,800,000	0			
MISSOURI	7/1	6/30	X			X	X	X	X	Annual	1,827,567	negligible	Annual	808,616	812,430			
MONTANA	7/1	6/30	X						X		691,043				307,168			
NEBRASKA	7/1	6/30	X	X		X	X		X	Annual	790,060	168,978	Annual	718,572	N/A			
NEVADA	7/1	6/30	X		X				X	Annual	2,350,000	1,837,134	Annual	2,743,517	N/A			
NEW HAMPSHIRE	7/1	6/30	X	X		X				Annual	486,910	63,945	Annual	439,446	0			
NEW JERSEY	7/1	6/30			X				X	Annual	3,330,000	300,000	Annual	3,000,000	N/A			
NEW MEXICO	6/30	7/01	X	X		X			X									
NEW YORK																		
NORTH CAROLINA	7/1	6/30	X	X			X			Annual	3,280,640	814,107	Annual	3,920,525	N/A			
NORTH DAKOTA	7/1	7/1	X				X			Annual	127,000			144,000				
OHIO	7/1	6/30	X	X					X	Annual	3,181,905	0	Annual	2,798,536	0			
OKLAHOMA	7/1	6/30	X	X		X	X		X	Annual	1,179,417	285,863	Annual	1,110,000	0			
OREGON	7/1	6/30	X	X		X												
RHODE ISLAND	6/30	7/1				X			X									
PENNSYLVANIA	7/1	6/30	X						X		4,193,252	0		4,193,252	257,502			
SOUTH CAROLINA	7/1	6/30	X					X		Biennial	1,979,024	N/A	Annual	896,532	N/A			
SOUTH DAKOTA	7/1	6/30	X			X	X			Annual	321,973	141,479	Annual	332,053	21,205			
TENNESSEE	7/1	6/30	X						X		1,693,248	0		1,120,135	460,381			
TEXAS	9/1	8/31	X	X		X		X	X	Annual	5,925,532	189,183		3,934,987	1,132,366			
UTAH	7/01	6/30	X		X				X									
VERMONT	7/1	6/30	X			X	X	X			378,923			177,268				
VIRGINIA	7/1	6/30	X					X	X	Annual	1,838,270		Annual	2,163,378				
WASHINGTON	7/1	6/30	X	X		X			X	Biennial	6,603,000	240,000	Biennial	5,717,000	1,286,000			
WEST VIRGINIA			X	X		X			X	Annual	411,087	439,442						
WISCONSIN	7/1	6/30	X	X					X									
WYOMING	7/1	6/30	X	X		X	X		X	Annual	484,530	51,182		530,180	27,360			
TASMANIA	11/1	10/31	X	X	X		X			Annual	115,000	228,000	Annual	222,100	N/A			
ALBERTA	7/1	6/30	X			X	X			Annual	2,008,704	438,087	Annual	2,497,576	0			
BRITISH COLUMBIA	7/1	6/30	X	X			X			Annual			Annual					
MANITOBA	4/1	3/31	X	X	X		X			Annual	246,000	0	Annual	364,119	0			
NOVA SCOTIA	1/1	12/31	X	X	X	X	X				128,900	234,377		388,608	0			
NORTHWEST TERRITORIES	5/31	4/1	X		X				X	Annual	3000							
QUEBEC	1/1	12/31	X	X	X	X	X				3,275,676	2,417,293		6,025,259	N/A			
SOUTH AFRICA	1/1	12/31	1	1	0	0	1	0	0	0	Annual	R16 020 000	Annual	R 200 000	N/A			

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Operator's signature

10-16-03  
Date



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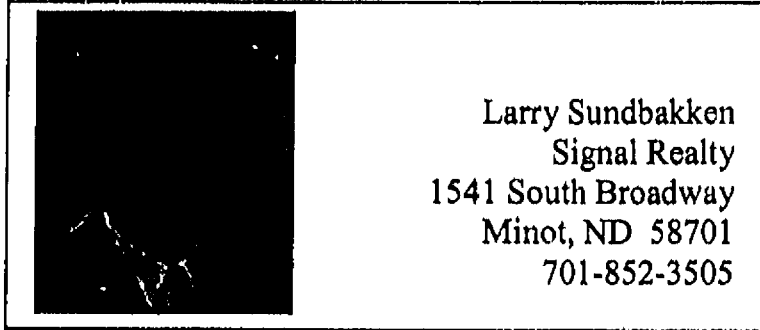
LICENSE/REGISTRATION FEES - PART ONE

	ORIGINAL LICENSE					RENEWAL					TRANSFERS			NAME CHG.				
	Active Broker	Inactive Broker	Active Subprocessor	Inactive Subprocessor	Firm, Corporation, etc.	Active Broker	Inactive Broker	Active Subprocessor	Inactive Subprocessor	Firm, Corporation, etc.	Broker	Subprocessor	Other	Broker	Subprocessor	Other	License Change of Address	Change of Firm Name
ALABAMA	150	150	130	130	130	155	155	135	135	130	2	25	25		25	25	0	25
ALASKA	420	420	420	420	100	345	345	345	N/A	100	2	50	50	*	25	25	0	**
ARIZONA	189	169	114	94	0	125	60	60	0	0	2	10	20		10	10	0	*
ARKANSAS	70	70	50	50	N/A	70	50	50	N/A	N/A	1	30	30		30	30	30	30
CALIFORNIA	218	N/A	129	N/A	218	218	129	N/A	218	218	4	0	0		0	0	0	0
COLORADO	190	190	N/A	N/A		134	N/A	134			3	5	N/A		5	N/A	0	5
CONNECTICUT	450		300		450	300	225		300	450	1		25					
DELAWARE	96	8	49	8		96	49	8			2	10	10		10	10	N/A	10
DISTRICT OF COLUMBIA	130	160	130	160	135	160	100	0	85	135	2	20	20		20	20	20	20
FLORIDA	95	95	85	85	95	95	85	85	95	95	2			N/A			N/A	N/A
GEORGIA	170	170	170	170	275	100	100	100	200	275	4	0	0	0	0	0	0	0
HAWAII	*	*	*	*	**	180	180	180	230	**	2	10	10		10	10		10
IDAHO	200	200	200	200	**	200	200	200		**	2	15	15	0	15	15	0	+
ILLINOIS	100	N/A	100	N/A	100	100	50	N/A	100	100	2	25	25		25	25	N/A	25
IOWA	170	170	125	125	170	170	125	125	170	170	3	0	0		0	0	0	0
KANSAS	*	*	**	**		150	100	100			2	15	15		*	**	0	+
KENTUCKY	55	55	55	55	N/A	55	50	50	N/A	N/A	1	10	10		10	10	0	*
LOUISIANA	165	70	90	55	155	90	55	55	35	155	1	35	35	0	0	0	0	25
MAINE	100	85	100	85	100	100	100	85	100	100	2	20	20		20	20	20	20
MARYLAND	115	115	65	65	5	95	45	45		5	2	10	10		5	5	*	5
MASSACHUSETTS	93	93	70	70	150	93	70	70	150	150	2			*	11	11	0	11
MICHIGAN	38	N/A	23	N/A	38	18	13	N/A	18	38	1	N/A	10		10	10	10	10
MISSISSIPPI	150	150	120	120	150	150	120	120	150	150	2	50	50		50	50	0	50
MISSOURI	80	80	40	N/A	80	50	40	40	50	80	2	50	50		25	25	0	80
MONTANA	200	10	175	10		200	175	175			2	45	45		0	0	0	0
NEBRASKA	100	100	75	75		100	75	75			1	15	15		N/A	N/A	N/A	N/A
NEVADA	85	85	65	65	0	170	130	130	0	0	*	10	10	0	10	10	0	10
NEW HAMPSHIRE	90	90	75	75	0	90	90	75	75	0								
NEW JERSEY	160	0	100	0	145	100	50	0	100	145	2	25	25		25	25	0	25
NEW MEXICO	180	180	180	180	0	180	180	180	0	0	3	20	20	N/A	20	20	0	20
NEW YORK	150	150	50	50	150	150	50	50	150	150	2	10	10		10	10	10	150
NORTH CAROLINA	30	30	30	30	30	35	35	35	35	30	1				5	5		5
NORTH DAKOTA	60	60	50	50	60	60	50	50	60	60	1	10	10		10	10	10	10
OHIO	49	49	39	39	0	49	39	39	*	0	1	25	20		20	20	0	25
OKLAHOMA	225	140	165	110	225	225	165	110	225	225	*	25	25		25	25	0	25
OREGON	230	230	N/A	N/A	230	230	N/A	N/A	0	230	2	10	N/A		N/A	N/A	*	230
RHODE ISLAND	120		80			120	80				2		5					
PENNSYLVANIA	109		99		169	84	84		169	2	20	20						75
SOUTH CAROLINA	135	N/A	50	N/A	N/A	80	60	130	N/A	N/A	2	10	10		10	10	0	*
SOUTH DAKOTA	200	200	200	200	100	100	100	100	100	100	2	15	15		15	15	15	15
TENNESSEE	100	100	100	100	100	80	80	80	100	100	2	25	25	**	10	10	**	0
TEXAS	295	295	70	70	95	507	98	98	95	95	2	20	20		20	20	20	20
UTAH	101	101	101	101	25	51	51	51	N/A	25	2	N/A	N/A		N/A	N/A	N/A	25
VERMONT	50	N/A	50	N/A	50	175	175	N/A	75	50	2	10	10		10	10	10	10
VIRGINIA	105	105	95	95	145	42	39	39	65	145	2	35	35					
WASHINGTON	210	210	146	146	210	210	146	146	210	210	2	30	30		30	30	30	30
WEST VIRGINIA	80	80	40	40	80	80	40	40	80	80	1	10	10		10	10	0	10
WISCONSIN	53	N/A	53	N/A	53	138	93	N/A	66	53	2	10	10		10	10	10	10
WYOMING	75	75	75	75	75	170	170	170	170	75	3	20	20		20	20	0	20
NEW ZEALAND	422		78			422	78											
N. TERRITORY	360	360	60	60	360	360	60	60	360	360	1	360	60		5	5	5	5
TASMANIA	204	204	115	115	264	154	60	60	154	264	1	0	0	0	0	0	0	0
ALBERTA	175	0	175	0	75	175	175	0	75	75	1	25	25		25	25	0	25
BRITISH COLUMBIA	400	N/A	400	N/A	400	400	400	N/A	400	400	2	100	100		100	100	0	100
MANITOBA	125		125		300	75	75		200	300	1	125	30		N/A	N/A	N/A	N/A
NOVA SCOTIA	210	0	130	0	210	90	70	0	60	210	1	60	60	60	50	50	50	100
NW TERRITORIES	100		75			100	75				1							
QUEBEC	601	N/A	340	N/A	601	601	340	N/A	601	601	1	N/A	257		0	0	0	0
HONG KONG	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SOUTH AFRICA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\* Alaska Associate Broker \$50. Assistant Per Licensee Florida 850 - 895 depending on time in the renewal period. Hawaii 255/185 (Odd/Even Year). Idaho + \$20 (Recovery Fund). Kansas Pro-rated at 6 per month for the time per remaining until the next renewal date. Kentucky 10 per license. Maryland 85 to add subprocessor. Massachusetts We do not permit the transfer of a license unless it's a new address. There is no charge for the actual address change. A fee of \$11 dollar is charged for a duplicate license. Minnesota Per two years. Nevada 1 yr. on first year and then 2 years thereafter. Ohio If there are more than 10 sales agents in a firm the fee is \$64; a fee of \$37 is charged for each increment of 1 for 10. Each additional branch office is charged \$8. Oklahoma 5 Year (except for Provisional Sales Associates, which is a 1-year non-renewable license). Oregon 10 per license. South Carolina 10 per person - must not be \$250. The Tennessee Subprocessor \*\* Alaska 25 for each license in office. Hawaii 330/225 (Odd/Even Year). Idaho \$100 Firm, Corporation, etc. \$50 Branch Office holding original transactions & licenses \$0 for unlicensed branch offices such as cover Models and home offices not holding original transactions & licenses. Kansas 25 temporary license fee for 6 months. If the license is converted to a standard subprocessor's license, it is pro-rated at 4 per month for the time period remaining next renewal date. Tennessee 10 per license plus new completed application form. \*\* Idaho \$100 Firm, Corporation, etc. \$30 Branch office holding original \$0 unlicensed branch office with out original. Kansas Pro-rated at 4 per the time period remaining until the next renewal date. + Idaho 15 per business per license Kansas 7.50 per unlicensed license.

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Yubereca d. Lee 10-16-03  
Operator's Signature Date



Larry Sundbakken  
Signal Realty  
1541 South Broadway  
Minot, ND 58701  
701-852-3505

#6

Senate Bill 2146

Testimony before the House Industry, Business and Labor Committee.

March 4, 2003

By: Larry Sundbakken, Signal Realty, Minot, ND

Mr. Chairman and members of the House IBL Committee.

My name is Larry Sundbakken. I have been a REALTOR® for slightly over 30 years and am currently a broker with Signal Realty in Minot. I also hold a broker's license in South Dakota and Montana. For my entire career, I have had the highest respect for the North Dakota Real Estate Commission. The Real Estate Commission has earned the respect I have for them because they have had the ability to protect the public from unfair, illegal, and unethical practices done by any individual that holds a real estate license in the State of North Dakota.

It has come to my attention lately that because of a lack of funds, the Real Estate Commission has been unable to hire an auditor. This is a major concern for all respectable REALTORS®. Regular audits can detect any deficiencies and immediately request them to be corrected; therefore, keeping any damage that may be done to a minimum. The public is more protected, and the REALTORS® are more professional.

If the Real Estate Commission was given the authority to raise the fees to hold a license in our state and could charge appropriate fines when a violation is committed, I believe they could afford to hire an auditor and also perform other functions that they currently cannot. This could only make the Real Estate industry more efficient and protect the public as well.

I'm asking you to please support Senate Bill 2146. You are probably asking yourself, why would I ask for your support for a bill that will raise my fees? I do so because I believe in the respectability of my industry and I want to keep it that way.

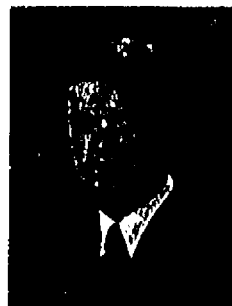
Thank you!

Larry Sundbakken

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*Yubereca J. Lee*  
Operator's Signature

10-16-03  
Date



Randy Schwartz  
Town and Country Realty  
2534 S University Drive #6  
Fargo, ND 58107  
701-293-3333

A7

Senate Bill 2146

Testimony before the House Industry, Business & Labor Committee

March 4, 2003

By: Randy Schwartz, Town & Country Realty, Fargo

Mr. Chairman and members of the House IBL Committee.

Mr. Chairman and members of the House Industry, Business and Labor committee. My name is Randy Schwartz and I am the owner of Town & Country Realty in Fargo and the President of the Fargo-Moorhead Area Association of Realtors. I would like to thank the committee for this opportunity to present testimony on SB 2146.

The merits of this bill have been discussed at length both at our local and state levels. We have reached the consensus the increases in revenue provided in this bill are paramount to the survival of the Real Estate Commission. The commission is charged with a vital role in the protection of the public interest. In order for them to carry out that responsibility they must be provided with an adequate source of revenue. The cap on license fees has not been addressed by the legislature since 1995. It is our hope the caps proposed by this bill will allow a like term before this issue is addressed again.

We are aware some are concerned the passage of this legislation would cause the Real Estate Commission to increase license fees exorbitantly. Our industry does not share that concern. Our Real Estate Commission has a 46-year history of conducting its business in a very responsible, conservative and frugal manner. For this reason our industry supports this legislation and we ask for your favorable consideration.

This concludes my testimony and I am ready to answer any questions you might have.

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*Yubereca d. Lee*  
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10-16-03  
Date