**Notes from Arizona Association of REALTORS**

**Executive Committee Meeting, June 10, 2016**

Peggy Neely and Suzanne Brown from the Scottsdale Area Association of REALTORS made a presentation to the Executive Committee on the successes from this year’s MIPIM exhibit. The Ex Com agreed to assemble a work group to discuss how and if AAR will play a role in 2017. MIPIM international property event hosted in [Cannes](https://en.wikipedia.org/wiki/Cannes), France each March. It is hosted by Reed MIDEM and includes an exhibition area, networking events and conference sessions over a period of 4 days. The event aims to facilitate business between investors, corporate end-users, local authorities, hospitality professionals, industrial and logistics players and other [real estate](https://en.wikipedia.org/wiki/Real_estate) professionals.

CEO Lind reported that AAR staff is continuing to research the request that AAR flag RAPAC in e-commerce to receive funds directly into its state association bank account.  She has surveyed the State AEs in other states and provided the results to the Vice President of Government Affairs, Government Affairs Coordinator and Controller, all of which are working on this issue. The Controller and Government Affairs Coordinator have had conference calls with several other states regarding their processes.  The Legislative & Political Affairs Committee will be presented with the information once the research has been completed.

Scott Drucker, AAR General Counsel, discussed upcoming changes to the NAR Code of Ethics/Arbitration Manual. Please note the approved recommendations below necessitate revisions to Article VI, Privileges and Obligations, Section 5 of the NAR *Model Bylaws for Local Member Boards*, which provides as follows:  
*If a member resigns from the association or otherwise causes membership to terminate with an ethics complaint pending, that board of directors may condition the right of the resigning member to reapply for membership upon the applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel.*  
*(a) If a member resigns or otherwise causes membership to terminate, the duty to submit to arbitration (or to mediation if required by the association) continues in effect even after membership lapses or is terminated, provided that the dispute arose while the former member was a REALTOR®. (Amended 1/00 and 11/11)*

Residential Resale Purchase Contract Workgroup – Final group met on May 23rd and got through the cover page and the first two sections of the contract. Progress is slow but steady. Next meeting will be June 30th.

AAR continues to struggle with problems with violations of the do-not-call list by our members. (FSBO or listing turns inactive). Calls and Ethics Complaints – NOT code violations --- NAR’s position and NAR PS position. RMC recommended NAR address this on a federal level so Nicole LaSlavic is now assisting.

**Gerry Russell, Chair of the Risk Management committee reports:**

The legal hotline tracks the nature of the calls they receive, placing each call into one of 22 categories. Although the hotline attorney expressed that his office has not been receiving a significant number of hotline calls addressing “teams,” the committee asked that a new category be added for teams, thereby tracking calls of this nature to see if they are on the rise.

In regard to **forms,** the revised Residential Lease Agreement was released on June 1st. As you will recall, the only change was the addition of a jurisdictional provision.

**Professional Standards** statistics, we’re off to a good start for 2016.

* In the 1st quarter of 2016 we had:
  + - **23** ethics complaints filed with **13** forwarded.
    - **4** arbitration requests filed with **3** forwarded for mandatory mediation.
    - There were **8** Ethics hearings and **1** arbitration hearing completed in the 1st quarter of the year.
* **For the 1st quarter of 2016 our Ombudsman Program received:** 
  + **13** Requests. **9** were in the scope of the program, and of those **9**, **8** were successfully resolved. So we continue to have a strong success rate with the ombudsman program.
* **Our Mediation Program received:** 
  + **5** mediation requests in the 1st quarter of 2016**. 2** mediations were held, both of which were successful. So if we can get them in the room, we have a pretty good chance of reaching a resolution.

**Christopher Paris, Chair of the Professional & Business Development Committee reported**:

**LTA**

We have identified dates for Season 3:

* LTA1: November 29-30
* LTA2: January 18-19
* LTA3: February 1-2
* LTA4: March 1-2

**GRI**

GRI continues in full swing. To date, 30 members have earned their GRI designation. Attendance continues to surpass numbers in the same time period over last year – 829 attendees vs. 599 last year. 173 Scholarships have been awarded or committed through the 3rd Quarter.

**Industry Partners Conference** is confirmed for September 16. This year’s focus is on: If This..Then That. Content will concentrate on following timelines of a transaction from acceptance to close and common issues that create detours.

**Leadership Conference** - October 13-14 at the Embassy Suites in Paradise Valley. Keynote speakers are confirmed: Terry Watson, Elizabeth Mendenhall and Charles McMillan. In working with Paula Monthofer on the program, we are planning 4 breakout tracks: REALTOR Leadership, Community Leadership, Brokerage Leadership and Heart of a Leader.

**Holly Eslinger, Chair of the Legislative & Political Affairs Committee reports:**

**Legislative Update**

The Legislature adjourned sine die on May 7th at 5:45 am. A total of 1247 bills were introduced this legislative session (up 84 from last year), 388 bills passed, 374 of those bills have been signed into law and 14 bills were vetoed. All bills will become effective on August 6th, unless otherwise noted within the bill.

AAR tracked 174 bills that directly affected REALTOR® and homeowners. We had a very successful legislative session.

We were one of the first to have legislation signed by Governor Doug Ducey this year, beginning with HB 2514: restricted vehicle use: DUI; exemption. The bill exempts real estate brokers and salespersons from the prohibition of a person convicted of, or awaiting trial for a DUI within five years of applying for a fingerprint clearance card from driving any vehicle to transport employees or clients as a part of their employment.

We were also very successful in defeating legislation that would have allowed For-Profit institutions of higher education to lower their property taxes, which in turn would have shifted the property taxes onto other tax classes, resulting in an increase on residential property owner’s taxes. This is the third time this legislation has been attempted and is the third time that we have been successful in defeating the bill.

Lastly, AAR was instrumental in the passage of SB 1350 which establishes regulations for online lodging, vacation and short-term rental operations. The bill also requires the Arizona Department of Revenue to develop an electronic consolidated return form for use by property managers filing Transaction Privilege Tax on behalf of their client. Arizona is the first in the nation to set this policy in statute and as such, we are being looked at as a model for other states.

**REALTOR® Party Update**

We have very exciting news on the RAPAC front. As of a week and a half ago, Arizona has exceeded our Major Investor goal of 186 and we currently sit at 188.

In addition to making out Major Investor Goal, we are also blowing the Presidents Circle goal out of the water. Our goal was set at 19 President Circle members for 2016, and we currently sit at 33 President Circle members. In all, we currently sit at 73% of our monetary goal for the year and we still have five months to go!

**Motion to Amend the Primary Committee Guidelines:**

In March 2016, the Executive Committee approved Primary Committee Guidelines in order to formalize and clarify the Primary Committee appointment process as well as to insure that each Primary Committee consists of qualified and diverse members.

As such, the Legislative and Political Affairs committee makes the recommendation to the Executive Committee to add the Chair of the Legislative Committee, Chair of the REALTORS®. The Professional and Business Development committee asked to amend this motion to add the chairs of the GRI Workgroup, Broker University and CRPM Advisory Boards to the Professional and Business Development Committee. The motion was moved, seconded and carried.

**Yvonne Coelet, Chairwoman of the Business Services & Technology Committee reported:**

E-Sign: One third of AAR membership are successfully using E-sign with 1.6 million signing sessions completed to date.

Current month statistics from the Tech Helpline:

* 164 Unique Visitors
* 237 Cased
* 17.9 minutes average call length.
* Since Adoptions, 363 unique users
* 1,317 cases