

Professional Standards

Regional Training

Class Outline

Year 2020

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All appendices referenced are available online at <https://www.sacrealtor.org/pro-standards-training>

A. Anti-trust issues Refer to Appendix 2.

1. Price fixing
2. Group boycott

B. Professional standards arena

II. What is new for 2020?

A. No Changes to the Preamble or Articles.

B. Change to Standard of Practice 1-7 to add the provision “Upon written request of a cooperating broker who submits an offer to the listing broker, the listing broker shall, **as soon as practical**, provide a written affirmation to the cooperating broker stating that the offer has been submitted to the seller/landlord, or a written notification that the seller/landlord has waived the obligation to have the offer presented.” Refer to Appendix 1.

C. Addition of Standard of Practice 3-11:

REALTORS® may not refuse to cooperate on the basis of a broker’s race, color, religion, sex, handicap, familial status, national origin, sexual orientation or gender identity.

D. Standard of Practice 12-2 is deleted and Standard of Practice 12-1 is revised as follows:

Unless they are receiving no compensation from any source for their time and services, REALTORS® may use the term “free” and similar terms in their advertising and in other representations only if they clearly and conspicuously disclose:

1. By whom they are being, or expect to be, paid;
2. The amount of the payment or anticipated payment;
3. Any conditions associated with the payment, offered product or service, and:
4. Any other terms related to their compensation.

E. Changes to the NAR Manual are described in Appendix 1. These changes to the NAR Manual and the NAR forms are not applicable in CA as we utilize our own Manual.

F. NAR made primarily administrative changes to Case Interpretations 1-30, 3-13, 12-7, 16-18, 16-2- and 16-22.

G. Changes to the CAR Manual are described in Appendix 1A.

1. Section 18(a) was added to provide “Where an ethics hearing takes place in the respondent’s absence, the respondent is still entitled to be represented by counsel at the hearing.”
2. The following was added to Sections 20(b) and 56(b): “When a party utilizes the Association or C.A.R. ombudsman program, the filing date is suspended until the case is reported closed by the ombudsman.”
3. The following has been added to Sections 26(a) and 56(c): “Additionally, at any time after the disciplinary complaint has been submitted and acknowledged by the Association Executive, the complainant must respond to any communications from the Association Executive within ten (10) business days. If no response is received from the complainant after ten (10) business days, the Association may consider the complaint withdrawn.”
4. The following has been added to Section 27(a): “Complaints cannot be amended to add, or substitute, other individuals or complainants except as mutually agreed to by the parties.”

5. Section 32 and 64 were revised to clarify situations in which a continuance fee may be assessed to a party.
6. Section 42(f) was added to specify claims that cannot be arbitrated at the Association pursuant to NAR policy.
7. Section 54(a) was revised to clarify that a broker may appoint a REALTOR® to attend an arbitration hearing on his or her behalf when the broker is unable to personally attend.
8. Section 56(h) was revised to indicate that the Association may elect to charge the respondent in an arbitration a filing fee of up to five hundred dollars (\$500).

H. We are in the second year of the first tri-annual Ethics Training cycle. All REALTORS® must be compliant between 1/1/19 and 12/31/21. Any Code of Ethics training taken online at NAR or C.A.R. websites will automatically post to NRDS when completed and will satisfy the requirement. NAR is also working on designating some additional professional conduct classes that will count toward the requirement.

I. NAR has completed developing a new Code of Excellence and will be rolling out the voluntary program to recognize members that go above and beyond in ethics training.

III. Operating in the Professional Standards Arena

A. Grievance Committee – Gateway to Ethics Hearings. Appendices 3 and 4.

B. Ethics and Arbitration Hearing Panels

1. Preparing for the Hearing. Appendix 5.

2. Conduct during the Hearing. Appendices 6, 7, 8 and 9.

3. Deliberations. Appendices 10 and 11.

C. Ethics Panels Only

1. Writing findings of fact. Appendices 12 and 12a.

2. Sanctioning Guidelines. Appendix 13.

D. Review Panels. Appendix 14

1. Preparing for the Hearing

2. Conduct during the Hearing

3. Deliberations

E. Overview of the Review Hearing Process.
Appendix 14A.

F. Appeals to Board of Directors

1. Arbitration

- a. Due process only

2. Ethics

- a. Due process

- b. Misapplication or misinterpretations of an Article of the Code or a Bylaw section imposing a membership duty

- c. Unwarranted discipline

G. Directors Action

- 1. Arbitration – No appeal – no action

- 2. Ethics – Ratify or return