

2014 Risk Management Committee
Nation Association of Realtors
Realtor Party Convention
May 14, 2014

ARELLO Report:

Forum Chair Jewell McKinney reported there were a number of issues coming out of the 2014 ARELLO Annual Meeting. Among the issues discussed were 1) a rise in out-of-state activity by licensees from other jurisdictions and a request by state regulators to work with NAR to update a chart that describes what an out-of-state licensee can do in each jurisdiction and 2) advertising programs of multi-state brokerages and franchisors for their salespeople that may not comply with the advertising rules of all states, in particular, advertising for teams. ARELLO is planning to collect the advertising rules for all states into one document, and NAR will help facilitate the distribution of this document to members and large brokerages.

Insurance Program Update:

Eric Myers, Vice President and Program Manager at Victor O. Schinnerer & Company, updated the committee regarding the trends emerging in the E & O insurance program.

Medical Marijuana:

Glen Kimball, of O'Connor & Kimball provided the committee with a short presentation about the status of medical marijuana laws across the U.S., its impact on the real estate industry and discussed relevant case law.

Risk Management Issues Report/Emerging Issues/State Reports:

The committee identified and discussed emerging risk management issues including a) actions required in a short sale transactions: b) flood insurance c) independent contractor status and pending litigation in this area d) assessors attempts to gain access to properties prior to closing to assess code compliance e) inclusion of environmental issues on seller disclosure forms f) ordinances requiring registration and inspection for dilapidated, vacant or abandoned properties, and in some cases the posting of a significant bonds and g) potential RESPA violations associated with the advertising of title companies by brokers and the payments associated therewith.

Legal Pulse:

Jessica Edgerton, NAR staff informed the committee about a new resource call "The Legal Pulse," a quarterly newsletter that analyzes trends that impact real estate professionals. The newsletter tracks both cases and statutes and will be available on the "Legal Pulse" section of the Law, Ethics and Policy section of realtor.org.

RPAC 100% Donation Goal

The Risk Management Committee was reminded about the 100% RPAC donation challenge for all committee members. Those who have not donated to date were encouraged to do so by the October 31, deadline.

Thank you North Dakota Association of Realtors for the opportunity to attend the Realtor Party Convention and for allowing me to serve on the Risk Management Committee!!

Respectfully,

Cindy Harvey