



Ethics and Professionalism Task Force Summary and Recommendations May 2013

The following are the recommendations being made by the Task Force.

1. That C.A.R. explore, and if feasible implement surveys to measure the current ethics climate of California licensees.
2. That C.A.R. explore, and if feasible implement surveys to measure ethics awareness (Ethics IQ) for individual measurement and aggregate analysis to determine collective ethics knowledge and that the \$26,500 be approved to implement this in 2013.
3. That local Associations be mandated to use the statewide ethics data base for (1) transfer and new applicants to their association in accordance with NAR policy and (2) implementing progressive discipline and (3) use for publication by C.A.R. and that \$20,000 be approved for software development for implementation in 2013.
4. That consistent with NAR Policy, C.A.R. publish, as soon as practical and feasible, the disciplinary actions reported by local Associations.
5. That C.A.R. seek an NAR policy change that allows more frequent publication of discipline in accordance with the guidelines in this report and if approved, C.A.R. publish the discipline reported by local Associations under the expanded guidelines.
6. That C.A.R. publish, as soon as practical, discipline from the DRE/BRE data base in accordance with the guidelines in this report and that \$8,500 be approved to create summaries of DRE discipline for publication online on car.org in 2013 and evaluate the feasibility and cost of publication in the CRE magazine as part of the 2014 budget cycle.
7. That C.A.R. seek a policy change from NAR that allows associations to impose fines of up to \$15,000 per hearing on a par with currently allowable MLS fines.
8. That C.A.R. develop expanded disciplinary guidelines and educate panels to impose more significant penalties to assist in deterring unethical behavior.

9. That the Legal Action Fund develop a policy to address assistance to local Associations when threatened with lawsuits for appropriate enforcement of the Code of Ethics.
10. That, as soon as practical and feasible, C.A.R amend its listing agreement to prominently include the essential elements of the new SEL form (about pocket listings) such as an explanation of the difference of private MLSs, the impact on the property value and include a place for seller's and agent's initials that all offers must be presented and that \$20,000 be approved in order to amend the SEL and all Listings agreements immediately.
11. That C.A.R. design an outreach campaign to inform members about the Ombudsmen and Ethics Advocate services that are available and how they assist them in dealing with others that are in violation of ethics, rules or lacking in professional courtesies.
12. That Associations be mandated to adopt a procedure to first refer all complaints to an Ombudsman (the statewide Ombudsman is acceptable) and then to an Ethics Advocate (regional lists of Ethics Advocates to be created).
13. That C.A.R. enhance its professional standards, Ombudsmen and Ethics Advocate training. Further, that C.A.R. provide mechanisms for volunteers in this capacity to communicate with each other, with appropriate protections for confidentiality, to assist each other and that \$6,000 be approved for the training.
14. Every Association should strive to achieve timely ethics hearings scheduled in less than 45 days from filing. Tips for expediting processing will be shared with local Associations. The current C.A.R. Code of Ethics and Arbitration Manual will be reviewed for opportunities to expedite hearings within due process and NAR policy constraints.
15. That C.A.R. seek legislation that mandates continuing education (CE) of 12 hours per year (a total of 48 hours over four years), including 3 hours of ethics annually, for all licensees through legislation in the 2014 session.
16. That the C.A.R. bylaws be amended to implement the mandatory sanctions listed in IV to compel local Associations to comply with policies as determined by the C.A.R. Board of Directors as mandatory. (Motions that include a mandatory element are conditioned on implementation of at least some of the sanctions listed in section IV.)

Total Expenditure if #2, 3, 6, 10 & 13 are approved: \$81,000