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SEP 30 2009
DEPARTMENT OF REAL ESTATE

DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * * * *

In the Matter of the Accusation of)
)
STEVEN R. RANGEL,)
)
)
Respondent.)

No. H-35470 LA

L-2009060284

DECISION

The Proposed Decision dated August 24, 2009, of the Administrative Law Judge of the Office of Administrative Hearings, is hereby adopted as the Decision of the Real Estate Commissioner in the above-entitled matter.

Pursuant to Section 11517(c)(2)(C) of the Government Code, the following correction is made:

Page 1, Paragraph 1: "Statement of Issues" is changed to "Accusation".

Page 5, Date line, "2007" is changed to "2009".

The Decision suspends or revokes one or more real estate licenses on grounds of the conviction of a crime, but the right to a restricted license is granted to Respondent.

The right to reinstatement of a revoked real estate license or to the reduction of a suspension is controlled by Section 11522 of the Government Code. A copy of Section 11522 and a copy of the Commissioner's Criteria of Rehabilitation are attached hereto for the information of respondent.

This Decision shall become effective at 12 o'clock noon on OCT 20 2009.

IT IS SO ORDERED 9-29-09

JEFF DAVI
Real Estate Commissioner

BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation Against:	Case No. H-35470 LA
STEVEN R. RANGEL,	OAH No. 2009060284
Respondent.	

PROPOSED DECISION

This matter was heard on July 27, 2009, in Los Angeles, by Chris Ruiz, Administrative Law Judge (ALJ), Office of Administrative Hearings.

Steven R. Rangel (Respondent) was present and represented himself.

Complainant Robin Trujillo, Deputy Real Estate Commissioner (Complainant), was represented by Shari L. Sveningson, Counsel for the Department of Real Estate (Department).

Oral and documentary evidence was received, and the matter was argued and submitted for decision on July 27, 2009.

FACTUAL FINDINGS

1. Complainant brought the ~~Statement of Issues~~ Accusation in her official capacity.

2. Respondent was initially licensed as a real estate salesperson on October 18, 2002. He presently holds a valid and active license which is due to expire in October 2010. There have been no prior instances of discipline against Respondent's license.

3. On May 4, 2007, in the Superior Court of California, County of Orange, case number 06SF0344 F A, Respondent was convicted of violating Health and Safety Code sections 11351 (possession for sale of a controlled substance) and 11352, subdivision (a) (transportation of a controlled substance), both felonies.

4. The underlying events leading to the conviction were as follows. Respondent was a very successful real estate agent, earning $160,000.00 in 2005. However, his job was very stressful and he eventually began using cocaine to cope. He sold a house to person who was a drug-dealer, so he had easy access to cocaine. When he was arrested, he had approximately six ounces of cocaine in his car. Respondent testified that he never sold the drug, but that he bought large amounts so as to limit his "drug deals." Respondent testified

that he paid $3,000 for the cocaine. Respondent's testimony regarding the underlying events leading to his conviction were credible. He was candid and forthright in his testimony. Further, Respondent was very busy in 2005 handling real estate transactions, "flipping" properties, and earning a six-figure income. Respondent did not need to sell cocaine to make money. While he was convicted of possession for sale, Respondent established that he never sold cocaine and this fact was considered in mitigation.

5. After his arrest and while awaiting his criminal trial, Respondent immediately enrolled in a drug rehabilitation program, which he attended for one year. Thereafter, he was convicted after a jury trial, and he spent most of 2007 in jail. He was thereafter placed on formal probation until May 2010. While in jail, he enrolled in the Phoenix House program to help maintain his sobriety. After his release from jail, he enrolled in another six month drug treatment program at the instruction of his probation officer. Respondent's probation officer, Gabriel Calvillo, provided a letter which confirms that Respondent is in compliance with all the conditions of his probation.

6. Respondent is 33 years old, married for 10 years, and has two children, ages 7 and 3. Respondent realizes that he put his family and career at risk. His income has been drastically reduced and he presently works for Rodeo Realty in Sherman Oaks. He also works for Fontana Distribution as a temporary employee. Respondent attends Narcotics Anonymous meetings as necessary and he is subject to random drug testing as a condition of his criminal probation.

7. Respondent submitted a letter from John Fernandes, a former Drug Enforcement Administration special agent. He states that the vast majority of people with drug problems do not realize that they need to change. However, he believes that Respondent realizes his serious mistake, that Respondent is fully remorseful, and that Respondent wants to live a life without drugs. Respondent made an excellent witness on his own behalf at hearing. He was remorseful, answered questions candidly, and appeared fully committed to changing his lifestyle.

LEGAL CONCLUSIONS AND DISCUSSION

1.. Cause exists to suspend or revoke Respondent's real estate salesperson license pursuant to Business and Professions Code sections 490 and 10177, subdivision (b), based on Respondent's conviction. (Factual Findings 1-3.)

Substantial Relationship

California Code of Regulations, title 10, section 2910, defines by regulation instances where acts are deemed to be substantially related to the qualifications, functions, or duties of a licensee. In this case Respondent was convicted of two felonies which are substantially related to the qualifications, functions, or duties of a real estate salesperson. Good judgment is one qualification required of a real estate salesperson. Driving around with cocaine, and

using cocaine, does is not show good judgment. Therefore, Respondent's convictions are substantially related to the qualifications, functions, or duties of a real estate salesperson. (Factual Findings 1-3.)

2. Criteria have been developed by the Department pursuant to Business and Professions Code section 482, subdivision (b), for the purpose of evaluating the rehabilitation of a licensee in considering whether or not to suspend or revoke the licensee's license on account of a crime committed by the licensee. These criteria, found at California Code of Regulations, title 10, section 2912, are summarized as follows:

Subdivision (a) passage of at least two years since the conviction;
Subdivision (b) restitution;
Subdivision (c) expungement of the conviction;
Subdivision (d) expungement of the requirement to register as a sex offender;
Subdivision (e) completion of the criminal probation;
Subdivision (f) abstinence from drugs or alcohol that contributed to the crime;
Subdivision (g) payment of any criminal fines or penalties;
Subdivision (h) correction of business practices responsible in some degree for the crime or crimes of which the licensee was convicted;
Subdivision (i) new and different social and business relationships;
Subdivision (j) stability of family life and fulfillment of parental and familial responsibilities subsequent to the criminal conviction;
Subdivision (k) completion of, or sustained enrollment in, formal educational or vocational training courses for economic self-improvement;
Subdivision (l) significant involvement in community; and
Subdivision (m) Change in attitude from that which existed at the time of the commission of the criminal acts in question as evidenced by any or all of the following:

(1) Testimony of applicant.
(2) Evidence from family members, friends or other persons familiar with the licensee's previous conduct and with subsequent attitudes and behavioral patterns.
(3) Evidence from probation or parole officers or law enforcement officials competent to testify as to applicant's social adjustments.
(4) Evidence from psychiatrists, clinical psychologists, sociologists or other persons competent to testify with regard to neuropsychiatric or emotional disturbances.
(5) Absence of subsequent felony or misdemeanor convictions that are reflective of an inability to conform to societal rules when considered in light of the conduct in question.

3. Respondent has addressed, and satisfied, a sufficient number of these criteria. Two years have passed since his conviction in May 2007 and he has complied with all terms of his criminal probation. After his arrest in 2006, Respondent immediately began to change his life even before he was convicted. Respondent no longer uses illegal drugs. He has a stable family life and has totally changed his attitude. He participated in numerous drug treatment programs in order to refrain from using illegal drugs. A long-time drug

enforcement agent believes that Respondent is one of the few who is committed to not using illegal drugs for his own benefit and that of his family. Respondent is also under the supervision of the criminal court until 2010 and he is subject to drug testing.

5. Administrative proceedings to revoke, suspend, or impose discipline on a professional license are non-criminal and non-penal; they are not intended to punish the licensee, but rather to protect the public. (*Hughes v. Board of Architectural Examiners* (1998) 17 Cal.4th 763, 785-786.) Respondent has previously suffered no discipline against his license. It was not established that Respondent has been anything but a professional and successful real estate salesperson. Respondent now understands that if he again uses illegal drugs, he will likely lose his family, his license, and his career. Thus, the following order will sufficiently protect the public. (Factual Findings 4-7.)

ORDER

WHEREFORE, THE FOLLOWING ORDER is hereby made:

All licenses and licensing rights of Respondent Steven R. Rangel under the Real Estate Law are revoked; provided, however, a restricted real estate salesperson license shall be issued to Respondent pursuant to Section 10156.5 of the Business and Professions Code if Respondent makes application therefor and pays to the Department of Real Estate the appropriate fee for the restricted license within 90 days from the effective date of this Decision. The restricted license issued to Respondent shall be subject to all of the provisions of Section 10156.7 of the Business and Professions Code and to the following limitations, conditions and restrictions imposed under authority of Section 10156.6 of that Code:

1. The restricted license issued to Respondent may be suspended prior to hearing by Order of the Real Estate Commissioner in the event of Respondent's conviction or plea of nolo contendere to a crime which is substantially related to Respondent's fitness or capacity as a real estate licensee.

2. The restricted license issued to Respondent may be suspended prior to hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands Law, Regulations of the Real Estate Commissioner or conditions attaching to the restricted license.

3. Respondent shall not be eligible to apply for the issuance of an unrestricted real estate license nor for the removal of any of the conditions, limitations or restrictions of a restricted license until three years have elapsed from the effective date of this Decision.

4. Respondent shall submit with any application for license under an employing broker, or any application for transfer to a new employing broker, a statement signed by the prospective employing real estate broker on a form approved by the Department

of Real Estate which shall certify:

(a) That the employing broker has read the Decision of the Commissioner which granted the right to a restricted license; and

(b) That the employing broker will exercise close supervision over the performance by the restricted licensee relating to activities for which a real estate license is required.

5. Respondent shall, within nine months from the effective date of this Decision, present evidence satisfactory to the Real Estate Commissioner that Respondent has, since the most recent issuance of an original or renewal real estate license, taken and successfully completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the Commissioner may order the suspension of the restricted license until the Respondent presents such evidence. The Commissioner shall afford Respondent the opportunity for a hearing pursuant to the Administrative Procedure Act to present such evidence.

6. Respondent shall, within six months from the effective date of this Decision, take and pass the Professional Responsibility Examination administered by the Department including the payment of the appropriate examination fee. If Respondent fails to satisfy this condition, the Commissioner may order suspension of Respondent's license until Respondent passes the examination.

DATED: August 24, 2007.

CHRIS RUIZ
Administrative Law Judge
Office of Administrative Hearings

SHARI SVENINGSON, Counsel (SBN 195298)
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NOV 17 2008
DEPARTMENT OF REAL ESTATE

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of STEVEN R. RANGEL, Respondent.	No. H-35470 LA A C C U S A T I O N

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, for cause of Accusation against STEVEN R. RANGEL, aka Steven Raul Rangel ("Respondent") alleges as follows:

1.

The Complainant, Robin Trujillo, a Deputy Real Estate Commissioner of the State of California, makes this Accusation in her official capacity.

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2.

Respondent is presently licensed and/or has license rights under the Real Estate Law, Part 1 of Division 4 of the California Business and Professions Code ("Code"), as a real estate salesperson.

3.

(CRIMINAL CONVICTIONS)

On or about May 4, 2007, in the Superior Court of California, County of Orange, in case no. 06SF0344 F A, Respondent was convicted of violating Health and Safety Code Section 11351(Possession For Sale of a Controlled Substance) and Health and Safety Code Section 11352(a)(Transportation of a Controlled Substance), both felonies. These crimes involve moral turpitude, which bear a substantial relationship under Section 2910, Title 10, Chapter 6, California Code of Regulations to the qualifications, functions or duties of a real estate licensee.

4.

The crimes of which Respondent was convicted, as described in Paragraph 3 above, constitute cause under Sections 490 and 10177(b) of the Code for the suspension or revocation of the license and license rights of Respondent under the Real Estate Law.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all the licenses and license rights of Respondent, STEVEN R. RANGEL, under the Real Estate Law (Part 1 of Division 4 of the Business and Professions Code) and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Los Angeles, California this 13 day of November 2008.

Robin Trujillo
Deputy Real Estate Commissioner

cc: STEVEN R. RANGEL
Rodeo Realty, Inc.
Robin Trujillo
Sacto.