MARYLAND REAL ESTATE COMMISSION 500 North Calvert Street Baltimore, MD 21202

Mission: Protecting the health, safety, and welfare of the public through examination, licensing, and regulatory activities regarding real estate

BUSINESS MEETING MINUTES April 17, 2019 10:30 a.m.

PRESENT:

Commissioner J. Nicholas D'Ambrosia, Chair (Industry) Commissioner Marla Johnson (Industry) Commissioner Demetria Scott (Industry) Commissioner Anne Cooke (Industry) Jessica Praley, AAG Commissioner Karen Baker (Consumer) Commissioner Jeff Wright (Industry) Charlene Faison, Education Director, Session Recorder Michael Kasnic, Executive Director Jillian Lord, Asst. Executive Director Commissioner Kambon Williams (Consumer)

ABSENT:

Commissioner James Reeder (Consumer)

PUBLIC IN ATTENDANCE:

Kathie Connelly, Broker Susan Mitchell, MD Realtors Jason Brand, AACAR David Politzer, Broker, KW Legacy

CALL TO ORDER:

J. Nicholas D'Ambrosia, Chair, called the meeting to order at 10:30 AM

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Demetria Scott, seconded by Jeff Wright) To approve the Administrative Dismissals for the month of April 2019. Motion carried.

APPROVAL OF MINUTES:

Motion (made by Karen Baker, seconded by Marla Johnson) To approve the minutes of the March 20, 2019 business meeting, as amended.

COMMITTEE REPORTS:

1. <u>Education</u> – Jeff Wright

- For the month of March 2019 PSI administered 1055 salesperson and 77 broker exams, compared to 1105 salesperson and 42 broker exams in March 2018.
- Survey results from those that responded to whether they have actively been teaching MREC Agency and/or MREC Supervision. Question raised pertaining to how to handle individuals that

have not been teaching as required. Counsel recommends that if it is not in statute or regulations that the Commission not enforce it. Mr. Kasnic, asked if it is feasible to have those trained to teach to sign an agreement. Counsel would like to look into the matter further and provide a response next month.

- Chair D'Ambrosia brought up SB807, which passed the legislature, and pertains to confidentiality. The bill references continuing education, which means the MREC Agency course will need to be rewritten and the PowerPoint and/or handouts for the courses updated.
- 2. Legislative Marla Johnson, Legislative Chair
 - Commissioner Johnson has no comments.
 - Jessica Praley announces that bills that were expected to pass both houses have.
 - Susan Mitchell, MR, announces ground rent bill passed the house but did not get out of the senate. Four other bills that were priorities did pass.

COMMENTS FROM EXECUTIVE DIRECTOR: Michael Kasnic

- 1. Current license count totals 45,706, of which 4,343 are brokers, 3,092 are associate brokers and 37,706 are salespersons, 129 are reciprocal brokers, 55 are reciprocal associate brokers, and 379 are reciprocal salesperson. Inactive total was not reported. There are 715 branch offices.
- 2. Guaranty fund balance for February is \$1,117,087.39.
- 3. Concept sheet being put together and will be available at a future meeting. One-click rule was voted on and back with counsel.
- 4. Commission Check newsletter is almost ready to go out. Topics picked for this issue were advertising checklist and requirements for licensing. Link will be sent to commissioners after the meeting.
- 5. Request for recognition from the commission for a long-term licensee was received. Commissioners agreed not to provide such.
- 6. Advertising complaints There has been an uptake in number of violations. Commission to consider ramifications to be put in place in hope of limiting the number of complaints. Counsel recommends coming up with a general approach to establishing a fine and not a set fee for a specific violation over another. 17-322 is the section of the law allowing imposition of a fine. 17-327 is the statute covering advertising. All commissioners agree to move forward with putting in place parameters to start fining for advertising violations.

<u>COMMENTS FROM COUNSEL:</u> Jessica Praley, AAG

• Counsels seeks to confirm meeting date for May. It is confirmed the May meeting date is the 22nd.

COMMENTS FROM CHAIR: J. Nicholas D'Ambrosia

• Chair mentions SB807 could change the name of the MREC Agency class. It is decided the Commission needs to move forward with putting together a task force to update the MREC Agency outline; Commissioner Scott to Chair the task force with Commissioners Johnson and Williams, Counsel and two or three industry leaders to assist.

Motion (made by Marla Johnson, seconded by Jeff Wright) To establish a task force to review and update the MREC-Agency course. All in favor. Motion carries.

• Elections are coming up soon. Commissioners asked to think about nominees for position of Chair and Co-Chair.

- Lockboxes There has been continued issues with lockboxes. Prince Georges Association of Realtors announced they are going to enforce rules and fine up to \$1500.00 and possibly suspend agent from the association as a result of people distributing access codes to allow others to enter homes unsupervised. Question is does the Commission want to be notified if a local boards fines agents. Counsel will review statute and provide a response at a later meeting.
- Chair, along with Commissioners Cooke and Wright, and Michael Kasnic went to ARELLO meeting in Salt Lake City, Utah; main topics discussed included broker supervision, regulation of web-based companies, presentation from Zillow the company has applied for brokerage licenses in about eight states.
- Commissioner Scott chaired the education roundtable and reports that some states require postlicensing and instructor education.

UNFINISHED BUSINESS:

• None.

NEW BUSINESS:

• None.

ADJOURNMENT:

There being no further business, the meeting adjourned at 12:09 P.M. The next monthly business meeting is Wednesday, May 22, 2019.

APPROVED AS PRESENTED _____

J. Nicholas D'Ambrosia, Chairperson

APPROVED AS AMENDED _____

J. Nicholas D'Ambrosia, Chairperson

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