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 July 15, 2020 10:30 a.m.

(held via Google Meet)

PRESENT:

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

ABSENT:

PUBLIC IN ATTENDANCE:

Kathie F. Connelly, Broker Jackqueline Talpa, Assoc Broker, Coppermine Realty Susan Mitchell, MR Ashley Wallace, MHEC Karyn Keating-Volke, Assoc Broker, Berkshire Hathaway Kim Caspari, Assoc Broker, The Brokerage One unknown caller

CALL TO ORDER:

J. Nicholas D'Ambrosia, Chair, called the meeting to order at 10:34 AM.

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Jeff Wright, seconded by Karen Bake) To approve the Administrative Dismissals for the month of July 2020. Motion carried.

APPROVAL OF MINUTES:

Motion (made by Marla Johnson, seconded by Anne Cooke) To approve the minutes of the June 17, 2020 business meeting. Motion carried.

COMMITTEE REPORTS:

- Education
 - PSI is open and testing again; testing at about 50% less than last year.
 - Passed temporary guidelines for class because it's found that students are attempting to take classes while people are out, including driving. Demetria believes it should be reiterated to the schools that students should be stationary and not in grocery stores, running errands, etc.
 - Ashley Wallace, chimes in that The CE Shop's exemption is based on more than just offering all online classes. They (The CE Shop) is completely out of state; they're in Colorado and does not conduct any business in Maryland.
 - Schools with low pass rates What are the steps to proceed with reprimanding them. Ms. Wallace will get the data to MREC soon.
 - Susan Mitchell, Maryland Realtors, would like to know if the exempt schools also be exempt from using the brokerage relationships and disclosure (BRAD) documents; Commissioners all agree no, they would not be exempt. They would still be required to use the slides/information for BRAD course and still need to have someone from the approved list to answer questions about BRAD topics.
- <u>Legislative</u> Marla Johnson, Legislative Chair
 - Commissioner Johnson would like to resubmit the bill closing the gap in the broker candidates. She would also like to resubmit the bill for timeshare registration through ARELLO database.

Motion (made by Marla Johnson, seconded by Demetria Scott) To require broker candidates to have three years immediately preceding the application for a broker license to be eligible for licensure. Motion carried.

Motion (made by Marla Johnson, seconded by Anne Cooke) To move forward with including timeshare registration through ARELLO. Motion carried.

Discussion started about holding earnest money deposit; agreed we are unable to move forward with that discussion at this time.

Type of loan – Agreed you cannot tell someone what type of loan they may use – Commissioner Scott believes we should not move forward with this conversation either. Commissioner Williams believes the Commission would not be doing the consumer justice by not protecting them better from scrupulous practices.

Chair D'Ambrosia asks Michael Kasnic to forward the article from which the conversation started so others may need the article and be better prepared for more discussion.

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Susan Mitchell, Maryland Realtors, same report from last month.

- Issues will center around disparities in property assessments.
- Working on an outline for the professionalism piece and will get that out by the end of the month.

COMMENTS FROM EXECUTIVE DIRECTOR: Michael Kasnic

- Current license count totals 47,492, of which 4,414 are brokers, 3,099 are associate brokers and 39,328 are salespersons, 146 are reciprocal brokers, 63 are reciprocal associate brokers, and 442 are reciprocal salesperson. Inactive total was not reported. There are 696 branch offices.
- Guaranty fund balance as of May 31, 2020 is \$1,075,522.62.
- Complaints fiscal year 2020 closed at 647 complaints compared to 787 complaints for fiscal year 2019.
- Enovational Continuing to meet with group and moving forward.
- Procurement Still working with them on the testing vendor contract.

COMMENTS FROM COUNSEL: Jessica Praley, AAG

• MREC will have its first virtual hearing today at 12:30PM.

COMMENTS FROM CHAIR: J. Nicholas D'Ambrosia

• None

UNFINISHED BUSINESS:

• None

NEW BUSINESS:

• Elections

Motion (made by Jeff Wright, seconded by Anne Cooke) To nominate J. Nicholas D'Ambrosia as Chair. Commissioner Cooke made motion to close nominations, seconded by Karen Baker. Motion carried. J. Nicholas D'Ambrosia will continue as Chair.

Motion (made by Anne Cooke, seconded by Marla Johnson) To nominate Jeff Wright as Vice-chair. Motion made to close nominations, seconded by Demetria Scott. Motion carried. Jeff Wright is Vice-chair.

- Discussion of the payment of commissions
 - Kathie Connelly believes Liz Trimble, former AG, gave the Commission the approval to allow title companies to pay agents directly but only with the written permission from the broker. Jessica Praley will look for that document. Ms. Praley will prepare a memo.

ADJOURNMENT:

There being no further business, the meeting adjourned at 12:19 P.M. The next monthly business meeting is Wednesday, August 19, 2020.

APPROVED AS PRESENTED _____

J. Nicholas D'Ambrosia, Chairperson

APPROVED AS AMENDED _____

J. Nicholas D'Ambrosia, Chairperson

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