# 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 March 20, 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)

Commissioner James Reeder (Consumer)

Commissioner Kambon Williams (Consumer)

Commissioner Karen Baker (Consumer)

Commissioner Jeff Wright (Industry)

Jessica Praley, AAG

Dawn Mazzaferro, Complaint Administrator, Session Recorder

Michael Kasnic, Executive Director

Jack Manning, Investigator, MREC

Janet Morgan, MREC

Jillian Lord, Asst. Executive Director

#### **ABSENT:**

#### **PUBLIC IN ATTENDANCE:**

Jason Brand, AACAR Susan Mitchell, MR

#### **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 Marla Johnson, seconded by Jeff Wright) To approve the Administrative Dismissals for the month of February and March 2019. Motion carried.

#### **APPROVAL OF MINUTES:**

Motion (made by Anne Cooke, seconded by Karen baker) To approve the minutes of the January 16, 2019 business meeting.

#### **COMMITTEE REPORTS:**

- 1. Education Jeff Wright
  - For the month of January 2019 PSI administered 809 salesperson and 45 broker exams, compared to 928 salesperson and 71 broker exams in January 2018.
  - For the month of February 2019 PSI administered 938 salesperson and 51 broker exams, compared to 1006 salesperson and 68 broker exams in February 2018

Commissioner Wright inquired about the number of MREC Agency and Supervision instructors.

Legislative – Jessica Praley reviewed the eight bills that directly or indirectly relate to Real Estate below:

HB 60 Bill to rename DLLR

SB 580 Corrective bill – some issues in Real Estate Broker's Act - Non substantive changes

HB 222 Escrow Agreement Requirements – Hearing today at 12PM

SB 974 Licensing and Criminal Convictions Bill

HB 22 – Application Determinations Use of Criminal History

SB 852/HB 1386 – DLLR Military (Senate bill crossed over)

SB 807 and HB 1228 Brokerage Relationships, Continuing Education and Disclosure

HB 123 - Teams use of the term "Associates" Hearing today at 1PM

Susan Mitchell – Maryland Realtors – commented on SB 807, the Remote Notary bill that did not make cross over, and HB 753 Ground Rent Bill – Prohibits Ground Rent unless registered. Signing day is 8 April

#### **EXECUTIVE DIRECTOR COMMENTS:**

Licensing and Guaranty Fund numbers (below):

|                       |        | Feb Change |
|-----------------------|--------|------------|
| Broker                | 4,339  | (-2)       |
| Associate Broker      | 3,083  | (-3)       |
| Salespersons          | 37,617 | (+163)     |
| Reciprocal Broker     | 124    | (-1)       |
| Reciprocal Assoc Br   | 56     | (-2)       |
| Reciprocal Salesperso | on 373 | (+14)      |
| Totals                | 45,592 | (+169)     |
| <b>Branch Offices</b> | 710    | (-7)       |

Guarantee Fund Balance – \$1,117,034.65 (+9,619)

Introduced new investigator Jack Manning.

Represented the Commission at six events over the past two months – Maryland Realtors Board of Directors Meeting – 2/4, Howard County Association of Realtors – 2/6, Broker Class Presentation – 2/22, Howard County Board of Realtors – Panel discussion 3/7, Coldwell Banker Meeting – 3/13, Tri-Star Realty Meeting – 3/18

#### Legislative Items

- Discussed Legislative Concept sheet for the "One click rule and linking team names to the name of the brokerage. (Motion to approve Johnson, Second Wright, Approved Unanimous)
- Discussed previous Commission motion to create concept sheet Brokers shall not be allowed to refuse to hold escrow. No licensee may refuse to hold an escrow money deposit, no licensee may avoid this by not having a trust fund account. Motion to discuss Johnson, Second Cooke –THIS MOTION WAS APPROVED

Discussed Disclosure and Disclaimer Form. Commissioners Scott and Johnson discussed permits, language changes Motion to change language in 16A to Were all inspections required by the permitting agency performed? Motion to Approve - Johnson, Second – Wright, Approve - D'Ambrosia, Cooke, Wright, Scott, Baker, Johnson, Williams; Abstain – Reeder. Motion to leave 2<sup>nd</sup> line in Johnson, Second – Wright, Approve - D'Ambrosia, Cooke, Wright, Scott, Baker, Johnson, Williams; Abstain – Reeder

#### • 17-305(d)(1)(ii)

- Discussion to update language in 17-305(d)(1)(ii) to update language in 17-305(d)(1)(ii) to reflect shall have been a licensed salesperson and have actively and lawfully provided real estate brokerage services for all of the three years immediately preceding application for a broker's license. Commission discussed using the number of transactions as some other states do, that a broker affidavit be provided, that the number of transactions have occurred.
- Commissioner Baker proposed an amendment that the applicant have been licensed for three of the past five years. (Voted – Yes – Baker, Scott No – Williams, Cooke, Johnson, Wright, Reeder, D'Ambrosia)
- Commissioner Scott proposes amendment require 25 transactions within the past 3 years (Second – Reeder, Vote – Yes – Scott, Reeder; No – D'Ambrosia Cooke, Johnson, Wright, Baker; Abstain – Williams)
- Original Proposal shall have been licensed for the three years immediately preceding application (Vote – Unanimous)
- o Motion to prepare concept sheet Johnson, Second Wright, Approve Unanimous

Executive Director provided update to the Commission on the Commission Checks newsletter and the School's Data, and also that the Education Director provided that the broker's class attendance requirement was covered under Title 13.

#### **COMMENTS FROM COUNSEL**

- Jessica Praley Proposed Updated Inducements language for Advertising Checklist (Motion to approve Scott, Second – Johnson – Vote to approve – Unanimous)
- Asked Commission to correct December minutes to reflect accurate portion of COMAR.
   Approved minutes read: 09.11.01.02, they should have read 09.11.01.12 (Motion Johnson, Second Wright, Unanimous)

#### **COMMENTS FROM CHAIR**

Discussed the Remote notarization Task Force. Discussed ARELLO reviewing internet real
estate companies, and the general direction of licensing laws becoming less restrictive and
discussed an example of deceptive pricing offer.

| UNFINISHED BUSINESS: | UN | IFIN | ISHED | <b>BUSINESS</b> : |
|----------------------|----|------|-------|-------------------|
|----------------------|----|------|-------|-------------------|

• None.

## **NEW BUSINESS:**

• None.

# **ADJOURNMENT:**

There being no further business, the meeting adjourned at 12:30 P.M. The next monthly business meeting is Wednesday, April 17, 2019.

| APPROVED AS PRESENTED |                                     |  |
|-----------------------|-------------------------------------|--|
|                       | J. Nicholas D'Ambrosia, Chairperson |  |
| APPROVED AS AMENDED   |                                     |  |
|                       | I Nicholas D'Ambrosia Chairperson   |  |

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