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 September 19, 2018 10:30 a.m.

Highlights from the meeting:

- Guaranty fund balance for August is \$1,127,667.86
- Three new investigators will attend ARELLO Investigator Workshop in October
- Recommendations from Advertising Task Force accepted

PRESENT:

Commissioner J. Nicholas D'Ambrosia, Chair (Industry)

Commissioner Owen Taylor (Consumer)

Commissioner Marla Johnson (Industry)

Commissioner Demetria Scott (Industry)

Commissioner Anne Cooke (Industry)

Commissioner Kambon Williams (Consumer)

Commissioner James Reeder (Consumer)

Matthew Lawrence, AAG

Commissioner Karen Baker (Consumer)

Charlene Faison, Education Director, Session Recorder

Michael Kasnic, Executive Director

ABSENT:

Commissioner Jeff Wright (Industry)

PUBLIC IN ATTENDANCE:

Lorraine Smith Jason Brand, AACAR Susan Mitchell, MD Realtors

CALL TO ORDER:

J. Nicholas D'Ambrosia, Chair, called the meeting to order at 10:35 AM

PLEDGE OF ALLEGIANCE

Welcome and introduction of the new AAG, Jessica Crayley by current AAG, Matt Lawrence

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Karen Baker, seconded by Anne Cooke) To approve the Administrative Dismissals for the month of September 2018. Motion carried.

COMMITTEE REPORTS:

1. Education – Read by Chair D'Ambrosia

- For the month of August 2018 PSI administered 1075 salesperson and 40 broker exams, compared to 1150 salesperson and 43 broker exams in August 2017.
- 2. <u>Legislative</u> Marla Johnson, Legislative Chair
 - No comment from Commissioner Johnson.
 - Comments from Susan Mitchell, MR
 - Public policy committee had a meeting with regard to ground rent. Looking at legislation for it.
 - Comments from Chair D'Ambrosia
 - Maryland Realtors did put forth a bill regarding escrow deposits but it failed.
 - Reviewed document escrow agreement between buyer, seller and escrow agent. Document says the escrow agreement is not part of the contract of sale. The document was prepared by attorneys at Maryland Realtors and the form is theirs. Commissioner Taylor takes exception to parts of the form. Chair reminds Commissioner Taylor the form was created by Maryland Realtors.
 - Still in talks with Land Title for a shared document agreement

COMMENTS FROM EXECUTIVE DIRECTOR: Michael Kasnic

- 1. Current license count totals 44,944, of which 4,341 are brokers, 3,103 are associate brokers and 36,996 are salespersons, 122 are reciprocal brokers, 53 are reciprocal associate brokers, and 329 are reciprocal salesperson. Inactive total was not reported. There are 733 branch offices.
- 2. Guaranty fund balance for July was \$1,113,079.86.
- 3. Guaranty fund balance for August is \$1,127,667.86
- 4. Our new investigator, Tovie Balis, started September 12, 2018.
- 5. Travel requests were submitted for the three newest investigators to attend the ARELLO Investigator Workshop in San Antonio from October 23-25, 2018.
- 6. A copy of the escrow agreement form is in the Commissioner folders.
- 7. A suggested checklist of items that should be included in complaint responses is in the Commissioner folders
- 8. Commission does not desire to weigh in on request to listing agents to change selling agent's name to a team leader in MRIS since the MREC does not oversee Bright.
- 9. Matt Lawrence, AAG, reiterated to commissioners there are timelines for boards and commissions to submit proposed legislation therefore it was decided MREC could not make that window for this year. Matt suggests the Commission consider submissions for next legislative period the following year.

Commission Taylor requests that Executive Director Kasnic inquire about an appeal process.

COMMENTS FROM COUNSEL: Matthew Lawrence, AAG

• Counsel suggests the "offer letter" in Commissioner's packet is an attempt to circumvent 17-604. Questions raised are is it wrong and if the Commission thinks it is, what action shall be taken?

Motion (made by Anne Cooke, seconded by Marla Johnson) To open a complaint against agent and broker of Keller Williams Legacy Metropolitan. Commissioner Williams abstains from vote. Motion carried.

Advertising Task Force – Mr. Lawrence passed out a draft of the regulation 09.11.02.01 Relations
to Public that will cover the one-click rule. Suggestions were made and a second draft will be
prepared.

COMMENTS FROM CHAIR: J. Nicholas D'Ambrosia

- Maryland Realtors having its annual conference this weekend. Chair will present on two panels.
- Chair would like everyone to be cognizant of virtual offices. Up until now, our requirements have been that you must have a brick and mortar location.
- There's been a discussion that Commission proposes a law regarding teams. Question to consider is what is overall opinion of Commission of what words it feels would lead the public to conclude a team is operating as a company.

Motion (made by Demetria Scott, seconded by Anne Cooke) To take no action at this time. Motion carried.

UNFINISHED BUSINESS:

• Voting on recommendations made by Advertising Task Force.

Motion (made by Owen Taylor, seconded by Marla Johnson) To accept recommendation number one made by the task force. Motion carried.

Motion (made by Owen Taylor, seconded by Anne Cooke) To accept recommendation number two made by the task force. Motion carried.

Motion (made by Marla Johnson, seconded by Anne Cooke) To accept recommendation number three made by the task force. Motion carried.

NEW BUSINESS:

None

APPROVAL OF MINUTES:

Motion (made by Marla Johnson, seconded by Anne Cooke) To approve the minutes of the August 15, 2018 business meeting. Commission Owen Taylor opposes. Minutes are approved.

ADJOURNMENT:

There being no further business, the meeting adjourned at 12:23 P.M. The next monthly business meeting is Wednesday, October 17, 2018.

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